

DURHAM



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CITY OF MEDICINE

June 15, 2015

Mayor Bell and Members of the Durham City Council:

I am pleased to present the Fiscal Year 2015-16 budget. This budget represents a significant effort towards accomplishing many of the initiatives identified in the City's Strategic Plan and Capital Improvement Plan (CIP). It is the result of a series of reviews and decisions that focus on where we have been, where we are and where we want to be in the next five to ten years. It thoughtfully places us on the path to achieving our strategic plan goals. The organization has developed a track record of open and honest dialogue, transparent decision making with a clear strategic vision. The budget continues investment in City infrastructure and maintains strong city services for a diverse and vibrant community. As described, the FY 2015-16 budget supports much for which our Durham community can be proud; a growing economy, quality services, responsive police, fire and emergency services. The City continues to invest in the priorities of the community including parks and trails, streets and sidewalks.

The investments made today will be expected to pay dividends, through increased economic growth, to support the City's vision to be the leading city in providing an excellent and sustainable quality of life. To accomplish this we need to collaborate with our community partners to support a safe community, in which residents and businesses can thrive, economic opportunities to provide resources and quality of life for our growing community. Underlying all of this is a commitment across the organization to foster a culture of innovation to address organizational and community issues. We will undoubtedly be continually challenged; however, as a community we will face those challenges together and emerge a stronger and more unified city.

Durham has an outstanding reputation for citizen participation in the budget process and has been nationally recognized. During this year's budget development process the City Council attended five "Coffees with Council" to gather input on the development of the upcoming year's budget and Capital Improvement Plan (CIP). Two Public Hearings were also held to receive comments from residents. The first, to receive input on priorities for the upcoming year, was held on March 2nd. The second Public Hearing was held on June 1st in conjunction with our annual e-Town Hall. This event was moderated by Ken Smith, the reporter/anchor at WRAL. Similar to last year, residents had an opportunity to submit questions in advance via e-mail, YouTube, Facebook and Twitter and hear City Council responses to those questions live on Durham Television Network (DTN) or via live stream on our website at DurhamNC.gov.



City Council budget retreats were held in February, which provided an opportunity for City Council members and Administration to discuss and confirm priorities for the upcoming fiscal year. Administration also briefed City Council on financial projections and major initiatives for the upcoming budget. The result of these transparent interactions yielded generally the same major community priorities, all of which are included in one or more of the Strategic Plan goals:

- Strong and Diverse Economy
- Safe and Secure Community
- Thriving and Livable Neighborhoods
- Innovative and High-Performing Organization
- Stewardship of City's Physical and Environmental Assets

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 included:

- The tax rate for the general fund should not exceed 34.34 cents (per \$100 assessed value), except as follows:
 - A portion of the tax rate may be transferred from the debt service fund to the general fund to supplant the loss of privilege license or sales tax revenue if the General Assembly does not provide a replacement revenue source.
 - A tax increase up to 1 cent (per \$100 assessed value) will be considered to fund priority public safety needs supported by data and strategy.
- The tax rate for debt service and cash funded capital shall not exceed 14.02 cents (per \$100 assessed value).
- The tax rate for the Solid Waste Fund shall not exceed 5.89 cents (per \$100 assessed value).
- Funding of the Downtown Business Improvement District (BID) will continue with a tax rate appropriation of 7 cents (per \$100 assessed value) on the property within the boundaries of the BID.
- The tax rate for the dedicated Housing Fund shall be 1 cent (per \$100 assessed value) property tax.
- The tax rate dedication for Parks and Recreation improvements shall not exceed ½ cent (per \$100 assessed value).
- The Transit Operating Fund will continue with a tax rate appropriation of 3.87 cents (per \$100 assessed value) property tax.
- General Fund savings balance will not be projected to fall below 12% at the end of FY2015-16. Projected General Fund balance over 12% may be considered for one-time (non-recurring) expenditures.
- Non-recurring funds should not be directed toward recurring uses.
- Fees adjustments will be considered, as appropriate, to align fee revenues with cost of services for better cost recovery rates.
- Proposed water and sewer rate increases will not exceed an average of 3.0%.
- Stormwater rates will remain constant for FY2015-16.

- Pay and Benefits:
 - Pay for Performance (P4P) pay plan for General employees (average increase from 3.0% to 3.5%)
 - Pay Plan for sworn Police and Fire employees (3.5% average)
 - Supplemental Retirement - 401K – increase from 4.5% to 5.0%
 - Medical and Dental insurance – the priority will be to limit increased costs for the City and employees while maintaining the actuarial viability of the Medical & Dental Insurance Fund
- Priority will be given to those requests that support strategic plan initiatives.
- Sidewalks will be given the highest priority in the Capital Improvement Plan (CIP).
- Funding for deferred maintenance shall be increased by \$100,000 from \$500,000 for FY2014-15 to \$600,000 for FY2015-16.
- The dedicated street resurfacing fund shall be increased by \$1,000,000, from \$1,000,000 for FY2014-15 to \$2,000,000 for FY2015-16.
- Expansion of public transit services will be evaluated within the 3.87 cents (per \$100 assessed value) tax allocation and the ½ cent sales tax allocation for transit.
- Fleet funding will not exceed \$3,000,000 for the General Fund.
- New positions will only be funded for a partial year when warranted by the timing of the actual operational impact on the budget.

BUDGET OVERVIEW

The total **budget** for **FY2015-16** is **\$388.2 million** compared to \$389.9 million for FY2014-15, a **decrease of \$1.7 million (0.44%)**.

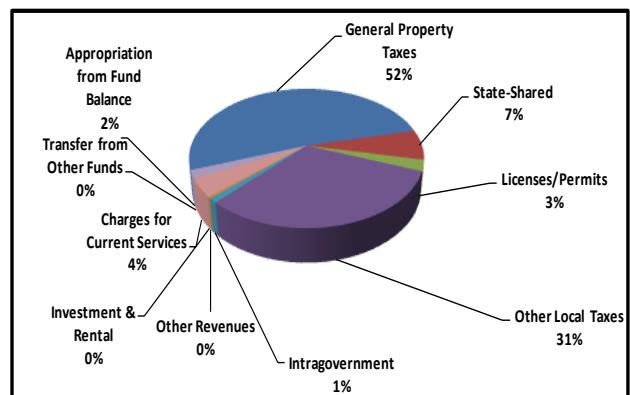
GENERAL FUND

The **General Fund budget** (which provides funding for core city services) is **\$171.8 million** and represents a **3.2 million (1.83%) budget decrease** from the FY2014-15 budget of \$175 million.

Revenues (budget-to-budget)

The General Fund shows:

- **A 5.9% decrease in property tax revenues** recognized in the General Fund.
- **A 5.9% increase in sales tax revenue.**
- **A 99.6% decrease in Business Licenses revenue** due to the NC Legislature's actions to eliminate this revenue source.



- An overall increase in State Collected Local Government Revenues of 0.2%.
 - A 0.7% increase in Powell Bill revenues
 - A 3.0% increase in Beer and Wine tax
 - A 1.7% decrease in Telecomm and Video Utility Franchise tax
 - A 15.3% increase in ABC revenues
- A **295.4% increase** in transfer from **fund balance**.
- A **7.4% increase** in **inspection fee** revenues and a **5.3% increase** in **planning fee** revenues.
- Due to the substantial savings in Fiscal Year 2014-15, the City is projected to have a 23% general fund reserve to safeguard against economic uncertainty or emergency conditions.

Property Taxes

The property tax rate will remain the same at **59.12 cents** per \$100 of assessed value.

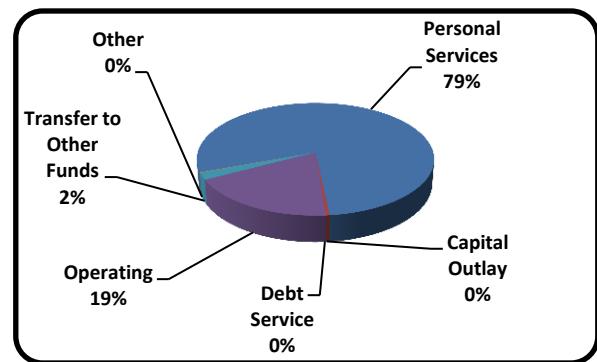
The tax rate is allocated as follows:

- **35.38 cents per \$100 for General Fund operations**
 - Decrease of 3.05 cents
 - Decrease of 4.15 cents per \$100 (reallocated to the Solid Waste Fund)
 - Increase of 1.00 cents per \$100 from the Debt Service Fund to partially make up for the loss of privilege license revenue (\$2.9M)
 - Increase of 0.10 cents per \$100 for continuation of Staffing for Adequate Fire and Emergency Response (SAFER) grant
 - Includes 0.50 cent continued funding for park and trail maintenance
- **13.02 cents per \$100 for Debt**
 - Decrease of 2.8 cents per \$100 of assessed value
 - Decrease of 1.70 cents per \$100 reallocated to the Solid Waste Fund; previously the contribution was transferred from the GF.
 - Decrease of 1.00 cents per \$100 reallocated to the General Fund to cover a portion of the loss of privilege license revenue
 - Decrease of 0.10 cents per \$100 reallocated to the General Fund for continuation of SAFER
- **5.85 cents per \$100 for Solid Waste (new for FY 2015-16)**
- **3.87 cents per \$100 for Transit**
- **1.0 cent per \$100 for Dedicated Housing Fund**

A tax rate of 59.12 per \$100 assessed value generates a tax bill of \$986.12 on a house valued at \$166,753, 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 \$3.96 million (3%).
- **Operating** expenditures increased by \$1.2 million (4%)
- **Transfers** decreased by \$7.26 million (59.5%) due to the transfer to the Solid Waste Fund being replaced by the tax rate allocation.



WATER AND SEWER FUND

The **Water and Sewer Fund** budget of **\$88.7 million** adequately supports water and sewer operations and increased infrastructure debt service costs, a \$3.4 million increase over last year.

Revenues

Moderate increases for water and sewer volume charges and service charges are budgeted for FY2015-16. The total rate increase to **the average customer is about 3%.** Rate changes will become effective July 1, 2015, with implementation in the August and September billings.

	FY 15 Rates	FY 16 Rates
Monthly Water Rates		
Service Charge	\$ 6.36	\$ 6.72
Volume Charge - Tiered Rates (per 100 cubic foot - ccf)		
Tier 1 (0 - 2 ccf)	\$ 1.77	\$ 1.82
Tier 2 (>2 - 5 ccf)	\$ 2.67	\$ 2.74
Tier 3 (>5 - 8 ccf)	\$ 2.92	\$ 3.00
Tier 4 (>8 - 15 ccf)	\$ 3.82	\$ 3.91
Tier 5 (>15 ccf)	\$ 5.72	\$ 5.86
Monthly Sewer Rates (Non-Triangle Basin Customers)		
Service Charge	\$ 7.26	\$ 7.49
Volume Charge (per ccf)	\$ 3.89	\$ 3.99

These rate changes account for the increase in water and sewer user revenues over the FY2014-15 budget. Lower consumption continues to drive customers into the lower rate tiers. Overall Water and Sewer Fund revenues (excluding use of fund balance) are budgeted to increase 4%.

Expenditures

Water and wastewater Capital Improvement Program (CIP) projects total **\$69.19 million to improve the infrastructure** required to ensure adequate water supply, treatment and delivery for FY2015-16. A \$19 million transfer to the CIP is planned for FY2015-16, about \$2.9 million more than the amount transferred in FY2014-15.

Operating expenses are projected to decrease by about \$60,000 (0.2%).

HIGHLIGHTS OF THE FY2015-16 BUDGET

The city aligns all of its activities with the citywide Strategic Plan goals (1) Strong and Diverse Economy (2) Safe and Secure Community (3) Thriving, Livable Neighborhoods (4) Innovative and High-Performing Organization and (5) Stewardship of City's Physical and Environmental Assets.

INNOVATIVE AND HIGH-PERFORMING ORGANIZATION – Provide professional management that encourages a culture of innovation, collaboration, and transparency to deliver quality services through an exceptional workforce.

Leadership Development

- In Fiscal Year 2014-15 the City established a new **Executive Leadership Academy (ELA)**. This budget includes funding to expand that program to Assistant Directors and to focus on a full strategic approach for **aligning the leadership development strategies, programs and effective methods to target the leadership skills** needed to lead the City.
- To create shared leadership learning outcomes, our strategy includes understanding the **context through dialogue with executives and review other key feedback** such as the Employee Satisfaction Survey, Performance Feedback and 360 Feedback.
- Each leader will have an **individual development plan** and we will use a group leadership development plan and profile as a result of our 360 and other context information that will support the creation of a focused leadership learning curriculum
- Our goal is to have an **inclusive leadership development strategy and programs for all levels** of leadership (Emergent Leaders; New Supervisors; Managers, Assistant Department Directors, Department Directors and Executive Team).

Employee Compensation and Benefits

- Funding is provided to support an average **general employee pay increase of 3.5%** and to support **police (3%-5%) and fire (3%) pay plans**.
- The City's contribution to the employee **401K** provides additional retirement savings for employees. This budget includes an increase in the City's contribution to **5.0%** from **4.5% of eligible employees' salary**. State statute requires local governments to contribute 5% for sworn law enforcement officers.
- In accordance with State Statute, the retirement rate for general employees decreased from **7.07%** to **6.67%**. Law enforcement officers also experienced a decrease from **7.41% to 7.15%** for the **Local Government Employees Retirement System (LGERS)**.
- **One of the objectives of our Strategic Plan, Goal 4: Well Managed City is to establish an exceptional, diverse, healthy and engaged workforce.** Our focus has been on greater analysis of benefits plan design, claims trends, and medical costs to ensure that health care costs are managed to the greatest extent possible. This is a nearly \$30 million fund insuring over 5,184 people. Administration also collaborated with the insurance broker to assist in identifying ways to reduce the cost of health insurance while continuing to provide a quality insurance plan for its employees. Due to the efforts above, **health insurance premiums are projected to increase by 3%, and Dental insurance premiums are projected to increase by 5.0%** for FY2015-16.
- As a result of program prioritization and the resources required, a total of **4 positions** will be **permanently eliminated**. Additionally, based on program prioritization and needs, funding is included for a total of **7 new positions**.

Strategic Plan

- The City's Strategic Plan is currently going through **a biennial update**. During the ten month process, we have sought input and direction from City Council, residents, employees, and other community stakeholders. Goals, objectives, outcome measures, initiatives and key priorities have all been assessed, with new measures and initiatives added. An important component of the update has been to **engage our 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**. Information obtained from the visioning sessions and surveys was used to guide the strategic plan update.
- The Strategic Plan outcome measures, objectives, intermediate measures, and initiatives have all shown **significant progress since the original adoption of the plan**. During FY 2014 and into FY 2015, a majority of the current initiatives are meeting or exceeding



target. In addition, **38 of the 91 initiatives have been completed**. The organization is trending in the right direction, but new initiatives from an updated plan are needed to continue this momentum.

Technology

- **AT&T and Google are preparing to install high speed fiber networks throughout the City** that will provide internet speeds up to 100 times faster than current connections. Funding is included for **contractual services to assist Public Works with the anticipated increase in permitting, utility location, and construction inspection** that will occur as companies install the high speed fiber network.
- The City and County will continue their partnership on **the shared Open Data project**, which will support both jurisdictions' goal to use technology to foster open, transparent, accessible, and collaborative government by sharing data freely. Funding is included for the Open Data portal and a consultant to implement the program which began on June 22nd.
- Funding is included for a **Smartphone application** for Durham One Call which will enable residents, businesses, and visitors to engage the City for non-emergency services and inquiries at any time.
- The City Clerk's Office will collaborate with Technology Solutions to enable the submission of **applications to boards and committees through the City Website**.
- This budget includes funding to enable **3D modeling of the City's GIS database**. 3D modeling will enhance developers and reviewers ability to see the impact of proposed development.
- Funding is included to continue the software integration, true-up licensing fees and annual maintenance costs for the newly implemented **NeoGov Applicant Tracking** system.
- One time funding is included for a **Performance Management System** software package. Durham has outgrown the current system and will need to either upgrade the current system or purchase a new one to include additional capabilities that Durham needs to move performance management forward. This tool will be a more **comprehensive approach that links budget, performance measures, and strategic planning efforts** all together so that managerial decisions can be made using a wide range of data. The software selected will report progress made on the citywide measures and initiatives, providing a **snapshot of performance to our residents** as well as provide a better tool for staff to use data to make better informed decisions.
- Funding is included for the purchase of an **Asset and Space Management System** for General Services. This system will allow for the tracking of City's assets as well as assist the department with addressing long-range repair and maintenance schedules.

An update of the **General Fund multi-year financial plan** was completed in November 2014. It provided information to clearly identify the gap faced at the beginning of the budget development process. This is a crucial component of planning for the future as this plan projects the financial impact of achieving the objectives in the Strategic Plan.

Employee Satisfaction Survey

The City's **biennial Employee Satisfaction Survey** launched in January 2015 with an **overall participation rate of 79% in Part I-General Survey and 77% in Part II-Direct Supervisor** (70% participation rate is excellent—80% is Best in Class). With a new vendor, new survey and technology we have embarked on a comprehensive rollout strategy for leaders and employees to understand the survey results. Our survey results **reinforced the following key strengths**: Employees are actively engaged by their supervisors, enjoy their work and its impact on the community, co-worker comradery and highly value their benefits package. The **challenges and opportunities for improvement** include: display and appreciation from City and Department Management, consistent

and fair application of policies and procedures (for promotions, performance management), job growth and advancement opportunities and a review of pay balanced against role, responsibilities and expectations. The target for ideas and completed action plans, City-Wide is September 1.

Resident Satisfaction Survey

The City's **biennial Resident Satisfaction Survey** will be launched this fall with a projected completion of January 2016. Starting in 1999, the City of Durham has conducted **a total of seven resident satisfaction surveys**. The survey results help the City determine priorities for the community as a part of the Strategic Plan and the ongoing budget planning process.

Durham First – Culture of Service

The Culture of Service organizational renewal and employee engagement effort continues to serve all 3 areas: self, co-workers, and community with the current committees focused on a variety of engagement and appreciation activities. The Durham First Steering Committee is reviewing current opportunities in an effort to **renew and rebuild OD and Talent Development Strategies and Programs**. Our work with the Culture of Service Strategy Team leads will continue to support any efforts for *service to co-workers* regarding possible action plans to address the results of the Employee Satisfaction Survey.



Communications

- Public Affairs conducted a **Communications Assessment** in FY 2014-15 to identify opportunities for improving organizational structure, accountability, and communications alignment and planning. The City has begun implementing some of the no-cost recommendations and will continue to do so in FY 2015-16.
- **One additional Customer Service Representative** has been funded for FY 2015-16 in Durham One Call in response to higher call volume and increased wait time for calls to be answered.
- Funding is included for a **Customer Service Assessment** to review how customer service is performed across departments, and to identify opportunities to improve efficiencies and standardize performance standards.

Accountability - The City continues to maintain its excellent fiscal status evidenced by:

- A continuing **AAA bond rating** by all three rating agencies, the highest measure of financial security and one attained by only 36 of the nation's more than 22,500 cities;
- **Unqualified opinions by independent auditors** of the City's financial statements and compliance with major federal and state grants;
- **A strong Audit Services department**, ensuring compliance with applicable laws, policies and procedures, in addition to operating a "fraud, waste and abuse" hotline;
- Continued effort to develop meaningful **performance measures** for all programs and services to communicate the return on the taxpayer's investment. These measures will also help us to continually improve as an organization by monitoring progress toward our stated goals.

Awards and Recognitions – The City continues to be recognized for its best practices.

- In 2014, The **International City/County Management Association (ICMA)** recognized the City of Durham with the **Certificate of Excellence** from the ICMA Center for Performance Measurement, for superior performance management along with leadership in continuous improvement and community engagement. Durham is one of only 29



- jurisdictions in the United States to receive this honor and the only one in North Carolina.
- The City of Durham ranked 17th place for having **the Best Managed Government Fleet in the nation** by 100 Best Government Fleets.
 - The City of Durham ranked 4th **Digital City in the United States** among cities with a population of 125,000-249,999, by the Center for Digital Government.
 - The **North Carolina City and County Communicators (NC3C)** awarded the City of Durham **first place in the Electronic Communications** category for the City Manager's Newsletter.
 - The North Carolina Chapter of the **American Council of Engineering Companies (ACEC/NC)** recognized **the American Tobacco Trail Pedestrian Bridge** as the 2015 Grand Award Winner for Engineering Excellence in Structural Systems.
 - **The Carolinas Parking Association** awarded the City first place in the **2014 Awards of Excellence for Parking Innovation** for the City's Comprehensive Parking Study. The Awards of Excellence recognize outstanding parking and transportation related projects within North and South Carolina.
 - **The National Association of Town Watch** ranked Durham 11th among cities with a population of 100,000 to 299,000 for the City's observance of **National Night Out**. Cities were evaluated on their overall National Night Out campaign, neighborhood participation, law enforcement involvement, media and promotional campaigns, and special events.
 - The Government Finance Officers Association (GFOA) presented the **Distinguished Budget Presentation Award** to the City's Budget and Management Services department for its 2014-2015 fiscal year annual budget. The GFOA's Distinguished Budget Presentation Awards Program is the only national awards program in governmental budgeting and more than 1,424 entries were submitted for this award.
 - **The National Community Development Association** awarded the City of Durham's Southside Revitalization Project the **Audrey Nelson Award** for the City's outstanding use of federal Community Development Block Grants (CDBG) and Home Investment Partnerships Program (HOME) funds. The Audrey Nelson Awards honor communities which exemplify outstanding achievement in service to neighborhoods and their lower-income residents.
 - The Purchasing Division was awarded the **Sustained Professional Purchasing Award (SPPA)** for 2014. The SPPA is the highest award a purchasing department or division can obtain within the Carolinas Association of Governmental Purchasing (CAGP). The award recognizes sustained excellence in purchasing standards during the previous calendar year. The criteria for the award include the use of technology, minority outreach, staff certification, customer training, vendor training, and the use of recycled products.
 - The City's Comprehensive Annual Financial Report (CAFR) was acknowledged by the **Government Finance Officers Association (GFOA)**. The City's Fiscal Year 2013-14 CAFR was recognized with the **Certificate of Achievement for Excellence in Financial Reporting**, the GFOA's highest form of recognition in the area of government accounting and financial reporting. Durham is one of only two Municipalities in North Carolina to win this honor.
 - The **Government Finance Officers Association (GFOA)** recognized the City's Citizen Financial report for **outstanding achievement in popular Annual Financial Reporting**. The City of Durham is the only North Carolina Municipality to hold all three National awards from the Government Financial Officers Association.

SAFE AND SECURE COMMUNITY – provide safe and secure neighborhoods which are fundamental to the quality of life and economic vitality of the City by helping the community enjoy a strong sense of personal safety.

Public Safety Services - Crime continues to be a concern of most residents. Feeling safe and lowering the crime rate continue to be important issues voiced by the Council and Durham residents during the “Coffees with Council” and other public input meetings. Ensuring that the Police department, Fire department and Emergency Communications Center (911) are staffed and properly equipped to protect our citizens continues to be a high priority in the FY2015-16 budget.

- Funding is included in the Fire Department’s budget for a **distance learning solution** reducing the number of times fire units are required to be taken out of service for continuing education.
- Funding is included to replace outdated **extrication equipment** (phase 2 of 4) in the fire department in order to adequately deliver safe and timely emergency services.
- Funding is included in the Emergency Communication Department to replace the existing **radio system analyzer test equipment** to support the new Motorola Radio System.
- 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. The City contributes 50% for this initiative.
- The Transportation department has various functional activities that support Crime Prevention. **Funding is included to maintain existing lighting and provide additional lighting** in both **residential and thoroughfare areas**.

THRIVING AND LIVABLE NEIGHBORHOODS – strengthen the foundation, enhance the value and improve the quality and sustainability of neighborhoods.

Housing and Code Enforcement - Vacant and boarded properties continue to affect many neighborhoods in the community and are tied to property value decline and increases in crime.

- Neighborhood Improvement Services will pilot a new initiative to **secure open and dilapidated properties using cutting edge clear polycarbonate panels**. The goal is to improve the City’s aesthetic appearance and to assist the police with crime prevention. The department’s focus is to target proactive code enforcement resources primarily in City Council designated areas of the City.
- The **Code enforcement** office will continue to focus on compelling property owners to remediate code violations. The primary focus of FY2015-16 housing code enforcement will be the continued proactive inspection of rental property (PRIP) and remediation of boarded residential structures. To this end, funding is included for a **Code Enforcement Supervisor** to better manage the activities and services provided by this vital team.
- Neighborhood Improvement Services will continue to **enforce compliance** at substandard properties, **remediate unsafe houses, clean up weedy lots and remove graffiti and abandoned vehicles** from neighborhoods.

Targeting Distressed Neighborhoods – Staff continues to take a holistic approach to improve Durham’s most distressed neighborhoods.

- Funding the **Dedicated Housing Fund** with 1 cent (per \$100 assessed value) of the property tax rate to address housing needs.
- In FY2015-16, implementation of the **Southside Redevelopment (Phase I) project** will be nearing completion. The construction and sale of 15-48 additional homeownership units be complete well ahead of the initial three year schedule. The **Lofts of Southside** is expected to be completely leased. In addition to continuing with homeownership construction and sales, site preparation and infrastructure improvements associated with a **Southside (Phase II)** of homeownership development will be underway. Durham Community Land Trustees (DCLT), a local nonprofit, has applied for Low Income

- Housing Tax Credits in partnership with McCormack Baron Salazar for the second phase of the mixed-income rental development.
- In support of the City's strategic initiative to address livable neighborhoods, **Community Development** will increase the number of houses served under its **Urgent Repair Program**. This program serves owner-occupants who are age 62 or older, or disabled and meet the income threshold.
- The Neighborhood Compass/Community Indicators** is a collection of data on a wide set of variables (social, physical, crime, economic, etc.) that evaluates the quality of life in Durham neighborhoods and helps City government allocate resources and establish partnerships to increase accountability and target services to improve community conditions. The Compass was released to the public in May 2014 and included 41 measurements of neighborhood quality of life, the built and natural environment, essential demographics and more. Currently, the Compass includes 48 measures and in FY 2015-16, it will see further improvements and expanded public engagement.
- Bull City Playstreets** events are a high-impact, low-cost way to encourage healthier behaviors by taking what we already have in our communities to help kids get active. The program was grant funded for two years with a mandatory General Fund support for the last year. The success of the program led the Department to develop an alternative way to continue this program with existing appropriation. The development of **Playstreet Mini Grants** have expanded the City's reach/outreach with the project by offering small mini grants to neighborhoods to design and conduct Playstreets in six low-income neighborhoods. The small mini grants have been used by the neighborhoods to leverage other funds and resources.
- A total of **\$2.2 million** is being dedicated for **Parks & Recreation Capital Improvement projects** (CIP) through debt service, impact fees and pay-go funding. Projects included in the funding are: Aquatic upgrades, athletic courts, parking lot upgrades, baseball field lighting, field renovations, and playground upgrades.
- The **Dedicated Park and Trail Maintenance Funding** that was approved in FY2015 - 16 continues to be used for operations, inspections, and deferred maintenance needs.

Transportation and Public Works

- The DurhamWalks! Plan** update is funded. **The Departments of Transportation and Public Works** are working jointly to not only get the plan updated, but plan for the implementation as well. The City is providing the necessary **\$25,000** match for a \$100,000 grant to fund the plan update. The updated plan will allow for better prioritization of **sidewalk**, and other **bicycle and pedestrian** related projects.
- Transit Services and GoDurham** (formerly Durham Area Transit Authority (DATA)) – The budget includes **3.87 cents per \$100 of the property tax rate** to provide continued funding to core transit services. Funding from the new $\frac{1}{2}$ cent sales tax and \$7 motor vehicle fee enacted in 2013 **for Bus service improvements** helped to increase the frequency of bus services on overcrowded routes. These revenue sources in the FY2015-16 budget provide funding for needs identified in the **Bus and Rail Investment Plan** and the **Designing Better Bus Service Plan** and include **increased frequency** to ease overcrowding, **improvements to bus stops and facilities**, and **security enhancements**. **Fare free transit service on the Bull City Connector** continues providing fast, frequent fare free transit service between Duke Hospital, Downtown and Golden Belt. This service is provided in partnership with Duke University. Beginning August, the route is expected to be modified slightly to improve on-time performance and ridership. Efforts continue to develop and implement a **regional plan for transit**, including but not limited to integration of light rail, commuter rail, high speed rail and bus following a successful referendum in Durham in November 2011 for a $\frac{1}{2}$ cent sales tax to support transit service improvements.

Solid Waste Services

- New for FY 2015-16, a portion of the tax rate (**5.85 cents** per \$100 assessed value) will be dedicated to the **Solid Waste Fund**. This will replace the former transfers from the General Fund and the Debt Service Fund.
- **New Transfer Station** – Construction on a new 15,000 sq. ft. transfer station at the City's Waste Disposal and Recycling Center (WDRC) is currently in progress and anticipated to be complete in the late fall of 2015. Waste Industries, LLC. is constructing the facility at no cost to the City, and will operate the new Transfer Station upon completion. **This is an approximate \$3.4 million capital investment by Waste Industries.** The City will assume ownership of the new facility once a Certificate of Occupancy has been issued.
- Solid Waste Management received funding (\$70,000) to conduct a **Waste Characterization Study** in FY 2015-16. This will allow the City to better understand what is contained in waste streams, and strategically address waste diversion and reduction efforts in the future.
- The monthly **Yard Waste fee** of \$6 increased to **\$7.50** to allow this optional service to recover the costs of providing the service.
- A **new truck wash** is part of the Capital Improvements Program and will be financed through debt service in the Solid Waste Fund. This will create efficiencies in Solid Waste operations.

Protecting the Environment - The City maintains an enhanced focus on sustainability to reduce greenhouse gas emissions and protect our environment.

- The City will launch a **Green Business Challenge and Recognition program** to encourage businesses to take more voluntary efforts to reduce their environmental impacts and recognize those that lead in this effort.
- The City will **expand litter prevention efforts and reduce litter-related waterway contamination** by engaging residents and partners to reduce litter accumulation along streets, parks and streams. This will be achieved through the second phase of the litter prevention pilot program which was funded through a grant to Keep Durham Beautiful.
- The General Services **Energy Management Program** has provided comprehensive energy review of plans for renovation and new construction and has **completed or initiated 21 energy improvement projects through the energy management CIP**. Once complete, the energy management CIP promises to save the city over \$130,000 in operational dollars annually.

Youth Programs - Providing year-round positive activities for youth is a continuing priority. Our goal is to engage youth through our city departments and support of local non-profits. The following are highlights of activities for youth, teens and others:

- Parks and Recreation will continue to **offer youth care programs (Afterschool, Summer Camp, Intersession camps, and Fun Days)** offered throughout seven City Recreation Centers (Irwin R. Holmes, Sr. Recreation Center, Edison Johnson Recreation Center, Weaver Street Recreation Center, Walltown Park Recreation Center, W. D. Hill Recreation Center, East Durham Recreation Center, and the W. I. Patterson Recreation Center), two shared-use sites (Holton Career and Resource Center and Community Family Life and Recreation Center at Lyon Park), and one outdoor park (West Point on the Eno).
- Parks and Recreation will continue **youth and family-oriented athletic services**. For example, Jr. NBA/Jr. WNBA and other youth basketball programs provide opportunities for nearly 600 youth. The Durham Girls Soccer League provides soccer programming for just over 300 youth. **Outdoor recreation program offerings** include: low ropes course programs at Spruce Pine Lodge, high ropes Discovery course programs at Bethesda Park, the adventure outings (kayaking, canoeing, etc.), community campouts, and community campfire programs.

- The City Manager's Office will continue its partnership with Durham County and Durham Public Schools to fund **two positions for the Durham System of Care, at a cost of \$70,000 to the City**. These positions facilitate the planning and implementation of programs which aim to **improve opportunities for at-risk and high risk youth**. These positions will work to implement the recommendations provided by IBM in its study of local youth services. A portion of the funding will also support strategic plan consultation to ensure that the positions are implementing IBM's recommendations as planned.

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.

- The City will continue its management agreements with the **Carolina Theatre**, the **Durham Arts Council** and **St. Joseph's Historic Foundation** for \$635,000, \$649,500 and \$292,000 respectively. In addition, funding is included to support the continuation of **public art** facilitated through the City's **Public Art Policy**. Funding is also included for the establishment of a **Durham Sports Commission**,

A STRONG AND DIVERSE ECONOMY – maintain and grow a strong and diverse economy through a variety of business, industrial and employment opportunities to benefit the entire Durham community.

Downtown Revitalization and Parrish Street - The Office of Economic and Workforce Development (OEWD) will continue efforts to engage business interests in neighborhood Revitalization, Downtown Development and development in other targeted strategic areas will continue to be pursued under the guise of the City-County Joint Economic Development Strategic Plan.

- This budget allocates **\$137,467 for Downtown Revitalization** to provide grants, incentives, professional services and special event-related costs to build economic strength in the expanded Downtown Tier.
- This budget allocates **\$121,171 in Parrish Street** funds for Building Improvement Grants, Retail, Service and Professional Grants, Historic Parrish Street Forum operating expenses and associated educational programming to further preserve the history, highlight the unique character, and promote the future of Parrish Street.
- An **additional \$100,000** is allocated for **Neighborhood Revitalization** projects.
- OEWD will also be an **active participant in the updating of the Downtown Durham Master Plan** and various Neighborhood Revitalization Plans. Emphases will be placed on **live-work-play spaces, high growth industries and a desire to build capacity amongst small businesses**, including those owned by people of color and/or women.

Job Preparation and Placement - The Office of Economic and Workforce Development (OEWD) will continue to provide services based upon the Durham Workforce Development Board FY2015-2017 Strategic Plan delivered through the NCWorks Career Center System to connect Durham businesses with local talent.

- This budget allows for OEWD to **provide high quality services to businesses** in conjunction with partnerships with the Greater Durham Chamber of Commerce, Durham Technical Community College, North Carolina Central University, Duke University and Healthcare System, Downtown Durham, Inc. and the City's Office of Equal Opportunity and Equity Assurance. OEWD will also work with other not-for-profit and governmental entities that provide resources related to the recruitment, retention, expansion and startups of businesses.
- OEWD will continue with **state-mandated integrated service delivery** to help improve customer service and create a seamless delivery system to assist jobseekers with the

services they need and help connect businesses to qualified workers. This will be achieved through the NCWorks Career Center System which focuses on **preparation, training, placement and retention of Durham residents** in career opportunities, especially those in high growth industries.

- \$200,000 is earmarked for the **Made in Durham** taskforce. The taskforce requested funding from Durham Public Schools, Durham County, and the City of Durham with the remaining balance to be raised by the private sector. The focus of the taskforce is to provide an education and training system that prepares youth to attain successful employment opportunities in the Triangle region.

Youth Employment Opportunities

- City, County and Durham Public Schools Departments, as well as private sector for-profit businesses and not-for-profit agencies will continue to hire youth for year round jobs through **Durham YouthWork Internship Program**, a partnership between the City of Durham, Durham County, Durham Public Schools, the NCWorks Career Center System, Durham Workforce Development Board, and private sector businesses.
- An **interlocal agreement** with **Durham Public Schools** will provide \$75,000 to place up to 50 students in summer work opportunities related to their **Career and Technical Education** goals. Students must be considered low-income to be eligible.
- Parks and Recreation provides a **free aquatic school** to train teens to attain lifeguard certifications, **leading to potential employment with the department**.
- **Job skills trainings** (Safe Sitter, Job Readiness Programs) are offered for teens at many recreation centers. **Campus tours** offer teens an opportunity to visit and learn about programs at local colleges.

STEWARDSHIP OF CITY'S PHYSICAL AND ENVIRONMENTAL ASSETS

— thoughtful planning and operations that ensure the long-term viability of the City's infrastructure, facilities, and environment.

The **FY2016-2021 Capital Improvement Program (CIP)** is presented to the City Council in a companion document to the FY2015-16 annual budget. The capital improvement budget **includes \$87.9 million for new projects and to complete existing projects**. Funding is provided through impact fees, Water and Sewer revenues and revenue bonds, General Fund financings, pay-as-go funding, and Stormwater fees.

Funding is included for **\$12.9 million in General Fund capital projects** for projects that were deemed a priority and essential to the City's capital infrastructure needs. The remaining **\$75 million of CIP funding was dedicated to Water and Sewer and Stormwater enterprise projects**. The City is committed to providing complete and ongoing communications to citizens 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>).

During the bond campaigns in 2005, 2007 and 2010, voters were informed of possible tax increases to pay debt service on bonds issued for projects. **The FY2015-16 budget includes 2.80 cents per \$100 tax decrease for debt**, mainly due to pay down in principal of bonds.

The CIP budget includes:

- **General Capital Projects:**
 - \$1.12 million for Cemeteries Upgrades

- \$0.54 million for Citywide Security Upgrades, Ph. I (address security issues at Fleet, Solid Waste, GS, DPR and PWOC)
 - \$0.50 million for Energy Management Projects (City Hall HVAC/Lighting)
 - \$0.12 million for Facilities and Operations Fall Protection Safety (addresses OSHA safety issues for GS staff)
 - \$0.64 million for Aquatic Updates (address dehumidifier repairs Edison Johnson and Campus Hills pools)
 - \$0.36 million for Athletic Court Renovations (address Northgate, Hillside and Oval Park tennis and basketball courts)
 - \$0.18 million for Indian Trail Park (playground equipment upgrades)
 - \$0.73 million for Fire Admin. Bldg. Updates (addresses HVAC/Roof, etc.)
 - \$1.0 million for Fire Station #18 (land acquisition)
 - \$0.13 million for Solid Waste Annex and Truck Wash Study (Solid Waste Fund)
 - \$0.39 million for Parking Garages (elevator modernizations at Centre, Corcoran and Chapel Hill St. decks)
 - \$0.02 million for Public Art
 - \$0.18 million for Failed & Struggling Development Infrastructure
 - \$0.76 million for DurhamWalks Plan (new sidewalk design only)
 - \$0.50 million for sidewalk repair (citywide sidewalks and curb/gutter repairs)
 - \$4.114 million for Federal and State Matching Funds projects
 - \$0.57 million for Miscellaneous Thoroughfares (installation of pedestrian signals at various intersections)
- **Parks, Recreation and Open Space Impact Fees:**
 - \$0.12 million Aquatic Upgrades (Citywide Aquatic Master Plan)
 - \$0.16 million for Birchwood Park repairs (Parking Lot Upgrades)
 - \$0.22 million for baseball field lights at CM Herndon park
 - \$0.23 million for baseball field lights at Crest St. park
 - \$0.12 million for field renovations/expansion at Morreene Rd. park
 - \$0.10 million for amenity expansion study at Snow Hill park
 - \$0.10 million for upgrades at Twin Lakes park
- **Stormwater Projects:**
 - \$6 million to address flood plain management, drainage repairs, retrofits and major stormwater infrastructure
- **Water and Sewer Projects:**
 - \$69 million for water and sewer improvements including water and sewer rehabilitation, distribution, water residuals, and construction.
- **Fleet:**
 - \$5.6 million for General Fund, Solid Waste, Stormwater and Water Management fleet vehicles.
- **Street Maintenance:**
 - **\$2,000,000** to address annual **ongoing maintenance of streets and sidewalks.**
The allocation was increased by \$1,000,000 from the previous fiscal year.

Other capital needs will be met in the operating budget:

- **\$600,000 for deferred maintenance** to continue to address needs outside of the CIP. All deferred maintenance projects have been prioritized and funding will be applied in priority order.

- Funding is included in Public Works to address emergency road repairs following water main breaks.

CONCLUSION

As the nation emerges from a period of economic challenge, Durham is uniquely situated to become a leading urban city with a resurging downtown, blossoming neighborhoods, new commercial development and increasing employment opportunities for our residents. The City faces several challenges that will require a comprehensive, coordinated approach. One-fifth of Durham residents live in poverty and many of them are youth. An increasingly diverse population requires creative approaches to providing programs and services in order to effectively create an improved quality of life for all of Durham's residents, workforce and visitors. The surge in new development and economic activity must be balanced with environmental and neighborhood preservation. The City must be able to attract and retain a quality workforce that can meet the high service expectations of our community. And above all else, the City must maintain the fiscal discipline necessary to balance all of these complex needs. It is a simple fact that there will not be enough financial resources to address all issues and desires. We must embrace partners and leverage our resources to maximize the impact on the community.

In the coming years, we must continue to make community safety and its various components our top priority. To that end, we need to identify resources to address police staffing needs, fire disaster response and facility needs; build strong neighborhoods by providing opportunities for children and adults to enhance their role in society; sustain a clean environment; reduce blight; restore the infrastructure; and further develop the City's diverse workforce. Although the challenges seem beyond reach, we have been successful against challenges in the past, and I am confident we will do so again. Although we cannot solve all problems overnight, the FY2015-16 Budget represents the first steps on that path. The updated Strategic Plan aligns with the budget to continue a thoughtful approach to finding long term solutions to our challenges and accomplishing success.

Employees were recently given the opportunity to participate in a satisfaction survey to share their thoughts on a variety of different topics. Summaries from this survey were shared with you previously but I would be remiss if I did not admit to being somewhat disappointed in some of the results. While the City is doing well in some areas, the survey revealed a need for improvement in others. I am deeply committed to improving employee satisfaction in this city, not only because it's the right thing to do but because when employees understand the significance of what they do and their unique role in the bigger picture, then they provide a service much greater than anything I can do as a City Manager.

We have been progressively moving from traditional organizational management to performance management, ushering in a new era of more informed planning and decision-making with a focus on the results the community receives from its investment in City programs and services. Quite simply, it enables us to answer the question: What is the public getting for its money? A comprehensive performance-based management approach is aimed at managing resources more efficiently and in a more transparent manner to better communicate with the community. The performance-based program structure currently utilized in the budget book is an example by which the City can tell its story to the residents and businesses to increase understanding and appreciation of the services provided to the community.

In addition, the City is using benchmarks to see how its performance compares to other cities and national standards. With these comparisons, progress can be measured not only against ourselves but also in relation to similar sized cities across the country. These tools will help identify ways to invest dollars more wisely, to become more efficient and to improve services. At the end of the day, Durham residents will be able to see what benefits City staff is providing through the use of

community resources, and decision makers will have the opportunity to make more informed decisions on where to invest the public's tax dollars.

Over the past several years, through the vision and leadership of the Mayor and City Council and the dedication of every City employee and our partners throughout the community, Durham has truly evolved into a city rich in opportunities and community resources. On a daily basis, through the myriad programs and services provided through the City, an environment in which the entire Durham community can live healthy, safe and secure lives is growing. Our Mayor and City Council have continually made the difficult decisions for the betterment of the entire community. With this resolve, it is imperative that we continue to solve current issues with forward thinking solutions to position the City and the community for a better future.

I look forward to working with the Mayor and City Council as we continue to address the fiscal challenges posed by an uncertainty in the General Assembly and approaching cost increases. My appreciation to the management team for their creativity and prudent management, to all City employees who have continued to provide the best service possible with limited resources, and to all departments for all their good work in developing this budget. In closing, special recognition and thanks are provided to Budget and Management Services Director, Bertha Johnson and the entire Budget and Management Services staff as they have been at the forefront of not just the budget development process but also the continued execution of our Strategic Plan and Organization Development efforts.

Last week this nation quietly celebrated the 70th anniversary of the Victory in Europe; it seems timely to end with a quote by a man so pivotal to the success of that war. Dwight D. Eisenhower once said "Neither a wise man nor a brave man lies down on the tracks of history to wait for the train of the future to run over him." Durham will not lie down and simply wait for the future to happen but will work diligently to make Durham the leading City in providing an excellent and sustainable quality of life for its residents to live, work and play.

Great things **are and will** continue to happen in Durham!

Respectfully Submitted,



Thomas J. Bonfield
City Manager

CITY OF DURHAM GOALS & STRATEGIC PLAN

ADOPTED JUNE 15, 2015

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 developed an updated strategic plan to serve 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 15, 2015 Council Meeting the Durham City Council adopted the FY2016-2018 Strategic Plan for the City and five over-arching goals:

1. Strong and Diverse Economy
2. Safe and Secure Community
3. Thriving Livable Neighborhoods
4. Innovative and High Performing Organization
5. Stewardship of City's Physical and Environmental Assets

To achieve consistent and planned results, it is essential that all organizational efforts are pointed in the same direction. The Strategic Planning process involves City Council, the City Manager's Office, employees, residents and other stakeholders.

During the Strategic Plan update process, goals, objectives, outcome measures, initiatives and the key priorities were all assessed with new measures and initiatives added along with some additional modifications. The Strategic Plan continues to serve as the framework for accomplishing these priorities. To ensure success, the organization has integrated 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 Strategic Plan, the performance dashboard allows residents to 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.

In addition to citywide Strategic Plan monitoring, departments continue to create and implement department strategic plans. These plans align resources and provide ownership of citywide initiatives and long-term department goals. Of 24 departments, 19 currently have approved department strategic plans. It is anticipated that by the end of FY16, all departments will have an approved plan.

The biennial update for the citywide Strategic Plan was initiated in September with the final plan adopted in June. During the process we sought input and direction from City Council, the City Manager's Office, employees, residents and other community stakeholders. The following pages will provide a great starting place for you to explore and understand the City of Durham's vision. If you are interested in learning more, visit www.DurhamNC.gov/StrategicPlan and dive into the performance dashboard to explore the organizations success factors.



Strategic Plan Update: FY 2016 - 2018

www.DurhamNC.gov/StrategicPlan



City of Durham: Five Goals, One Vision

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 developed an updated strategic plan to serve 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.

The following pages will provide a great starting place for you to explore and understand the City of Durham's vision. If you are interested in learning more, visit www.DurhamNC.gov/StrategicPlan and dive into the performance dashboard to explore the organizations success factors.





Strong and Diverse Economy

Maintain and grow a strong and diverse economy through a variety of businesses, industries, and employment opportunities to benefit all Durham residents and businesses.



DURHAM

Joint Economic Development Strategic Plan



What Does Success Look Like?

- Shared, public-private strategic focus improves coordination and prioritization to build on current successes and grow the economy
- City and County's aligned goals create a more transparent and efficient system for planning and implementation of economic development strategies to address challenges facing Durham

GROWING ECONOMY TO BENEFIT ALL DURHAM RESIDENTS AND BUSINESSES

Durham recognizes that a shared, public-private strategic focus can improve coordination and prioritization to build on current successes and grow the economy to benefit all Durham residents and businesses. The City and County have worked together to align goals to create a more transparent and efficient system for the planning and implementation of economic development strategies.

Durham's economic transformation in the last 20 years has been tremendous and has been celebrated regionally, nationally and internationally. This ongoing revitalization — demonstrated in the reuse of old warehouses and factories into thriving spaces like American Tobacco and Golden Belt, the dynamic and wildly popular Durham Performing Arts Center, the rebirth of Main Street downtown, and corporate investment in Research Triangle Park, and much more — has been due to visionary leadership and thoughtful collaboration.

While this transformation has been astounding, areas of concern still exist. Unemployment, while below national and statewide averages, remains high among some populations, especially among youth and those with lower educational attainment. The City of Durham and Durham County are still struggling to replicate the transformation of the downtown district on a large scale in key neighborhood commercial corridors. Infrastructure in commercial corridors and residential neighborhoods needs to be improved to make it easier to do business and to create districts that will attract and retain talent and business. Leaders must ensure that existing businesses can benefit from Durham's growth, not simply out of fairness and equity, but also because the recirculation of local dollars stands to help all. However, we not only need to get the message out that Durham is the best place to do business and live, work, learn and play, but we also need to ensure that the products, services and overall climate behind that message lead to a high level of satisfaction within the business community.

Business Retention and Recruitment

- Coordinate strategies and plans of capacity-building agencies and consider how resources could be leveraged to foster small business and entrepreneurial opportunities
- Installation/development of amenities; Support appearance-related initiatives
- Ensure continuity and consistency of development standards and policies across jurisdictions
- Design incentive programs, policies and procedures around recruitment and retention of high growth industry clusters
- Continue to reinforce policy elements that include infrastructure as an incentive tool

Business-Friendly Environment

- Develop user friendly process maps to help guide residents and developers through their specific review process
- Study other development review models for best practices that further incorporate a more coordinated “one-stop-shop” approach
- Further explore and benchmark ombudsperson position in other jurisdictions to determine what efficiencies might be gained
- Determine feasibility of a joint City-County economic development organization



Talent Development and Recruitment



- Improve coordination and role clarity between various workforce development organizations in Durham
- Improve selection process for composition and operating procedures for the Workforce Development Board
- Develop “Strike Team” to proactively meet with new and current employers/sectors to access labor needs
- Develop and implement a communications plan that incorporates job placement success stories across the community

Goal 1: Strong and Diverse Economy

Maintain and grow a strong and diverse economy through a variety of businesses, industries, and employment opportunities to benefit all Durham residents and businesses.

Outcome Measures	
Focus Areas and Measures	Initiatives
Business Retention and Recruitment <ul style="list-style-type: none"> • Employment Growth • Poverty Indicators 	<ul style="list-style-type: none"> • % Growth in tax base • % of Jobs paying above prevailing livable wage
Business-Friendly Environment <ul style="list-style-type: none"> • Annual assessed valuation of land and improvements in targeted areas • Percentage of construction contracts awarded to Durham-based businesses including minority and women-owned businesses for incentive projects and construction and service contracts awarded for publicly owned projects • Value of contracts on projects where there is public funding as part of the financing • Number of projects in targeted areas that progress through one of the eight stages of real estate development as defined by the International Economic Development Council (IEDC) • Dollar value of projects that have been facilitated, initiated or otherwise assisted by economic development partners • Ratio of public/private investments for incentivized projects 	<ul style="list-style-type: none"> • Coordinate strategies and plans of capacity-building agencies to foster small business / entrepreneurial opportunities • Installation/development of amenities; Support appearance-related initiatives • Ensure continuity and consistency of development standards • Design incentive programs, policies and procedures around recruitment and retention of high growth industry clusters • Continue to reinforce policy elements that include infrastructure as an incentive tool

Talent Development and Recruitment

- | | |
|---|---|
| <ul style="list-style-type: none">• Percentage of adults that complete publicly-funded employment and training programs that are placed in employment and remain employed after six months.• Number of net new businesses who post job listings on NCWorks online job bank.• Number of new positions in RTP per quarter• Number of YouthWork participants• Number of youth engaged in work-based learning through Durham YouthWork• Percentage of DPS graduates enrolling in post-secondary educational programs | <ul style="list-style-type: none">• Improve coordination and role clarity with workforce development organizations• Improve selection process for composition and procedures of Workforce Dev. Board• Develop “Strike Team” to proactively meet with new and current employers/sectors to access labor needs and develop plans• Develop and implement a communications plan that incorporates job placement success stories across the community• Institute provider collaborative sessions to work with community partners to improve employment outcomes for hard to employ populations |
|---|---|



Safe and Secure Community

Provide safe and secure neighborhoods which are fundamental to the quality of life and economic vitality by helping the community enjoy a strong sense of personal safety.



What Does Success Look Like?

- There is a strong sense of trust between community members and public safety officials
- Community members feel educated, empowered, and supported by public safety entities in their efforts to enhance personal safety
- Public safety programs are clearly committed to preventing emergencies which compromise personal safety
- When emergencies arise, public safety officials are professional, efficient, and effective in their work to resolve the situation

A BOLD NEW DURHAM

Over the last decade, the landscape of Durham has changed dramatically. Our shops, businesses, and neighborhoods have grown-- as have our safety challenges. The city of Durham is fortunate enough to have crime rates in key areas below the targets set by the Durham Police Department. Additionally, crime clearance rates, a measure of how many crimes are solved, are quite high. The concept of personal safety has evolved with the population growth of our community. As a city, we are called to respond with a much more comprehensive plan to protect our neighbors from the consequences of crime, fire, and medical emergencies. Looking forward, our city also faces both financial and physical constraints that further inspire us to think in new ways about how to deliver exceptional public safety service.

Reduce the Occurrence and Severity of Crime

- Develop an online crime reporting solution
- Create unified intra-agency protocols to manage response to large scale incidents
- Develop a 3-5 year staffing plan for Police and 911 focused on operations and deployment
- Improve lab analysis, crime scene response, and evidence processing



Building Strong Community Trust and Awareness of Personal Safety

- Expand outreach to existing events to converse with residents about their safety needs
- Encourage two-way communication through semi-annual media forums
- Develop a customized approach to helping residents and neighborhoods improve personal safety efforts
- Increase awareness of public safety programs, resources, and methods
- Use video technology to record officer-resident interactions

Ensure High Survivability from Incidents of Fire, Medical, or Other Hazardous Emergencies

- 
- Create a program that recruits, develops, and retains a diverse and talented workforce
 - Provide safety training initiatives that allow residents easy access to the knowledge needed to improve personal safety
 - Develop a 3-5 year staffing plan for Fire focused on operations and deployment
 - Conduct Fire code enforcement system process improvement

Goal 2: Safe and Secure Community

Provide safe and secure neighborhoods which are fundamental to the quality of life and economic vitality by helping the community enjoy a strong sense of personal safety.

Outcome Measures

- Part 1 Property Crimes Per 100,000 Residents
- Part 1 Violent Crimes Per 100,000 Residents
- Property Crime Clearance Rate
- Violent Crime Clearance Rate
- Residents' Perception of Safetyⁱ
- Fire property loss (dollar amt)

Objectives and Measures	Initiatives
<p>Objective: Reduce the Occurrence and Severity of Crime</p> <p>Intermediate Measures:</p> <ul style="list-style-type: none"> • Percent of robberies/aggravated assaults committed w/firearms • Percent of Priority 1ⁱⁱ emergency calls meeting response time standards 	<ul style="list-style-type: none"> • Expand the Forensic Services Division for improved lab analysis, crime scene response and completion of evidence processing • Implement a system to promote resident use of online crime reporting • Develop 911, Police, Fire, and EMS unified protocols to manage large-scale incidents • Develop a 3 to 5 year operational and deployment plan for law enforcement and 911 staffing and resource needs
<p>Objective: Improve Public Perception of Safety</p> <p>Intermediate Measures:</p> <ul style="list-style-type: none"> • Percent favorable in "Safety Perception"ⁱⁱⁱ • Percent favorable in "Nearby Resident Perception of Durham" and "Visitor Safety" 	<ul style="list-style-type: none"> • Develop an external Resident Communication Strategy • Deliver targeted safety programs to improve resident safety outcomes • Explore new ways to graphically

<p>Perception^{iv}</p> <ul style="list-style-type: none"> Percent Increase in Participation Rates in Selected Prevention Programs^v 	<p>represent data to help residents customize their personal safety efforts in neighborhoods</p>
<p>Objective: Facilitate high survivability of fire, medical, and other hazardous emergencies</p> <p>Intermediate Measures:</p> <ul style="list-style-type: none"> Percent of emergency calls meeting response time standards Cardiac arrest resuscitation rate Resident or FF injury/fatality rate 	<ul style="list-style-type: none"> Identify and implement technology that supports a citywide fire code enforcement system Create a program that recruits, develops and retains a diverse and talented workforce Deliver targeted safety programs to improve resident safety outcomes Develop a 3 to 5 year operational and deployment plan for fire department staffing and resource needs
<p>Objective: Improve the level of trust of public safety officials through a commitment to transparency</p> <p>Measures:</p> <ul style="list-style-type: none"> Percentage of favorable rating in areas of public trust and confidence in the Police Department according to PD community satisfaction surveyⁱⁱⁱ Social media interactions indicating positive attitude toward department Number of participants in community crime prevention initiatives and activities 	<ul style="list-style-type: none"> Research and design policies and procedures to effectively implement video technology to record officer-resident interactions Expand outreach efforts by utilizing existing community events, festivals and activities to converse with the public on Public Safety needs of the community Launch semi-annual media forums to ensure two-way communication between residents and department leadership

ⁱ Refers to the biennial survey of residents conducted by the city organization; specifically the question(s) regarding 'perception of safety'

ⁱⁱ Priority 1 calls refers to crimes in progress, and/or calls indicating an immediate threat to life or property exists

ⁱⁱⁱ DPD will conduct a resident survey to assess community concerns and needs. This particular measure will come from that survey rather than the biennial resident satisfaction survey. Biennial resident satisfaction survey results will continue to be reviewed at the Outcome Measure level.

^{iv} Data derived from the annual survey conducted by the Durham Convention and Visitors Bureau

^v The strategy developed with regard to increasing participation rates will include targeting specific programs based on current scale and potential impact as scale increases. Annually, targeted programs will be evaluated and there is the potential for new programs to come forward as targeted for participation increases.



Thriving, Livable Neighborhoods

Strengthen the foundation, enhance the value, and improve the quality and sustainability of neighborhoods.



What Does Success Look Like?

- Expand engagement with neighborhoods to ensure citizens feel empowered to preserve or improve the quality of their neighborhoods building connections between people and programs
- Increase the variety of transportation choices available to Durham residents, in order to improve the access to and mobility of Durham neighborhoods
- Promote increased access to a diversity of housing options that are safe and affordable

DURHAM NEIGHBORHOODS IN TRANSITION

Durham has nearly doubled in size since 1990 and this growth has dramatically changed its neighborhoods. Many Durham neighborhoods have seen tremendous growth, improvement and reinvestment, while others have seen significant increases in poverty and disinvestment.

Neighborhoods are the building blocks of any city and research shows that many people connect with and feel that they have the power to improve their neighborhoods more than their City, County, State or even their nation. As such, the City must continually strive to engage neighborhoods and understand the partnerships, policies and program that they believe will protect or improve their neighborhoods.

As with cities nationwide, Durham is struggling to accommodate all of its residents in decent and affordable housing and to provide high quality transportation alternatives. These two issues were identified as top community concerns during the 2014 Strategic Plan survey and will serve as focus areas across Durham's neighborhoods.

Affordable and Safe Housing for All

- Complete an inventory of affordable housing opportunity sites
- Complete a strategy to ensure creation and/or preservation of affordable housing near planned light-rail stations
- Complete an action plan to respond to the 2015 Analysis of Impediments to Fair Housing Choice



Engaged and Empowered Neighborhoods

- Create multi-departmental engagement team to collectively evaluate top areas of concern for Durham neighborhoods and develop coordinated action plans to meet identified needs
- Conduct energy education programs in neighborhoods
- Update 3 year Community Engagement Plan
- Map Durham's open space and inform Durham neighborhoods of nearby open space and recreation facilities and programs

Strong Transportation Networks and Transportation Alternatives



- Implement the Mayor's Challenge to improve access to transportation networks and improve the safety of those networks
- Develop a model to implement complete streets in Design Districts, such as Downtown and Ninth Street
- Complete the Duke Beltline Master Plan

Goal 3: Thriving, Livable Neighborhoods

Strengthen the foundation, enhance the value, and improve the quality and sustainability of neighborhoods.

Outcome Measures	
<ul style="list-style-type: none"> • Safe and Affordable Housing • Access to Public and Alternative Transportation • Resident Satisfaction with City-initiated Engagement Efforts • Resident Perception of Overall Quality of Neighborhoods 	
Objectives and Measures	Initiatives
<p>Objective: Promote increased access to a diversity of housing options that are safe and affordable</p> <p>Measures:</p> <ul style="list-style-type: none"> • Number of Long-Term and Dedicated Affordable Rental Units Created Annually • Percentage of housing units affordable to families at or below sixty percent (%) of area median income (AMI). • Number of market-rate affordable units • Percentage of families at or below 60% AMI that are cost-burdened for housing and transportation (over 50% housing + transportation) • Percent of noncompliant houses that become code compliant annually • Percent of individuals that exit to permanent housing • Percent of families that exit to permanent housing 	<ul style="list-style-type: none"> • Complete an action plan to respond to the “2015 Analysis of Impediments to Fair Housing Choice” • Complete an inventory of affordable housing opportunity sites • Continue implementation of efforts to more safely secure abandoned or derelict housing • Engage technical assistance consultant to assist in the development of affordable housing and transit policy options and recommendations • Engage technical assistance consultant to assist in the development of homelessness policy options and recommendations as the lead agency of the Continuum of Care (COC) and regarding use of the City’s entitlement and dedicated funding

Objective: Expand engagement with neighborhoods to ensure citizens feel empowered to preserve or improve the quality of their neighborhoods building connections between people and programs

Measures:

- Percent of households belonging to a neighborhood or homeowners association
- Percent of residents who are satisfied or very satisfied with the quality of life in their neighborhood
- Number of residents reached through internal consultant activities
- Percent of participants who have utilized energy saving from the training

- Map Durham City-County public and private open space, and inform citizens of their nearest park or open space opportunity
- Pilot multi-departmental engagement team to collectively evaluate top areas of concern for Durham neighborhoods and develop coordinated action plans to meet identified needs
- Update 3 year Community Engagement Plan
- Conduct energy education in neighborhoods, including the Spanish speaking community in Durham Implement a new awareness program to decrease litter and improve appearance
- Develop a pilot project centered around placemaking led by a cross-departmental team

<p>Objective: Increase the variety of transportation choices available to Durham residents, in order to improve the access to and mobility of Durham neighborhoods</p> <p>Measures:</p> <ul style="list-style-type: none"> • Percent of the population living within a ½ mile walk of a public park • Average daily boardings • Percent of residents who take transit, walk or bike to work • Resident Satisfaction results related to parking availability 	<ul style="list-style-type: none"> • Implement the Mayor's Challenge to improve access to transportation networks and improve the safety of those networks • Develop a model to implement complete streets in Design Districts, such as Downtown and Ninth Street • Continue coordination with GoTriangle to review, design and support planning for the Durham-Orange Light Rail System • Identify priority areas for new bus shelters meeting demand of 20 additional per year • Identify opportunities for expansion of bicycle lanes concurrent with road resurfacing projects • Implement on-street parking to advance financial capacity for provision of future downtown parking • Complete Duke Beltline Master Plan
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Innovative & High Performing Organization

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

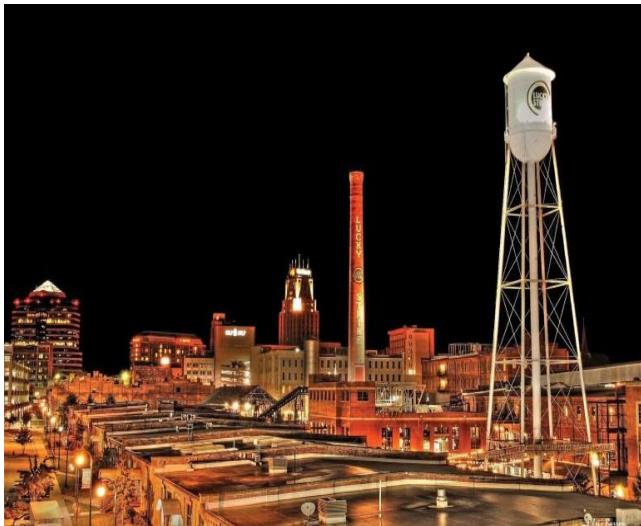


Photo by Chris Barron

What Does Success Look Like?

- Ensure Strong Financial Management
- Establish an exceptional, diverse, engaged, and healthy workforce
- Provide quality customer service
- Align resources with city priorities
- Use effective communication and transparency to engage the community
- Employ well-trained and accountable employees
- Create a culture where innovative and creative solutions are embraced

THE SPIRIT OF COLLABORATION AND INNOVATION

In an economic downturn that has left municipal budgets tight and the need for government services great, the interest in creative thinking about local problems is understandably intense. According to Government magazine, in just the past two years, the number of Google hits on the words "government innovation" has increased from 38 million to 1.4 billion as leaders and line staff at every level of government look for ways to do more with less. Urban centers, such as Durham, present a tremendous opportunity for innovations that improve quality of life for their residents. Forward-thinking public administrators should be leading the way, with innovative programs to address acute and chronic budget shortfalls while sustaining vital functions such as transportation, public safety and maintaining essential infrastructure. Resident demand for streamlined, efficient government continues to drive Durham leaders to seek out opportunities to deliver traditional services in non-traditional ways.

Promote Collaboration between Departments to Deliver Outstanding Service

- Promote increased use of Durham One call through education, promotions, etc. to streamline and enhance residents' experiences with the City departments
- Complete Customer Service Assessment and develop an implementation plan of approved recommendations
- Develop training to support internal collaboration
- Explore opportunities for partnerships to deliver programs and services

Foster a Culture of Innovation to Promote Operational Efficiencies



photo by Justin Cook

- Establish multidisciplinary City/County Innovation Lab to support the formation of transformational ideas into solutions
- Identify and Implement technology that supports the Performance Management System Citywide
- Identify best practices and opportunities for process improvement and automation across City departments in order to provide effective and efficient delivery of City services
- Develop internal innovation team to help drive innovation at all levels of the organization

Establish an Exceptional, Diverse, Engaged and Healthy Workforce

- Develop and deliver targeted wellness programs to improve employee health outcomes
- Develop and implement an executive leadership academy
- Develop a strategic workforce, training, and succession plan
- Develop an internal Employee Communication Strategy
- Develop a diversity recruitment plan



Promote Long-Term Financial Sustainability

- Develop a long term financial plan for infrastructure improvements and deferred maintenance
- Develop budget and reserve policies for all funds to improve the overall fiscal health of the City
- Implement Priority Based Budgeting to facilitate better alignment between services and resources

Empower the Community by Providing Accessible and Usable Data

- Implement City's new web page platform (Web 2.0)
- Launch joint City/County Open Data
- Use initial survey data to recommend future data sets
- Evaluate Communications Assessment and develop an implementation plan of approved recommendations
- Explore new ways to graphically represent data to better communicate to the community

Goal 4: Innovative and High-Performing Organization

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

Outcome Measures	
<ul style="list-style-type: none"> • Resident Satisfaction Rating • Employee Satisfaction Rating • Per Capita Tax Burden • Fiscal Wellness/Financial Stability 	
Objectives and Measures	Initiatives
<p>Objective: Promote Collaboration between Departments to Deliver Outstanding Service to both Internal and External customers</p> <p>Measures:</p> <ul style="list-style-type: none"> • Percent of residents that are satisfied or very satisfied with the accuracy of information received by City employees • Percent of residents that are satisfied or very satisfied with the resolution of an issue or concern • Percent of Durham One Call complaints that are resolved within the set benchmark • Resident Satisfaction with Service Delivery • Percent increase of number of calls to Durham One Call 	<ul style="list-style-type: none"> • Promote increased use of Durham One call through education, promotions, etc. to streamline and enhance residents' experiences with the City departments • Complete Customer Service Assessment and develop an implementation plan of approved recommendations • Develop training to support internal collaboration • Assessing current resident and employee survey questions to determine availability of data to support measures for service delivery • Explore opportunities for partnerships to deliver programs and services

<p>Objective: Promote Long-Term Financial Sustainability</p> <p>Measures:</p> <ul style="list-style-type: none"> • Percent of programs strongly aligned to organization goals (PBB) • Percent of new funding associated with increased level of service that is tied to the Strategic Plan • Percent of approved capital need requests funded • Percent of deferred maintenance needs funded 	<ul style="list-style-type: none"> • Develop a long term financial plan for infrastructure improvements and deferred maintenance • Develop budget and reserve policies for all funds to improve the overall fiscal health of the City • Implement Priority Based Budgeting to facilitate better alignment between services and resources
<p>Objective: Establish an Exceptional, Diverse, Engaged and Healthy Workforce</p> <p>Measures:</p> <ul style="list-style-type: none"> • Employee Turnover Rate • Percent of High Risk Claims Cost • Employee Satisfaction Rating on Biennial Employee Opinion Survey • Employee Engagement Index • EEOC Statistics 	<ul style="list-style-type: none"> • Develop and deliver targeted wellness programs to improve employee health outcomes • Develop and implement an executive leadership academy • Develop a strategic workforce, training, and succession plan • Develop an internal Employee Communication Strategy • Develop a diversity recruitment plan
<p>Objective: Empowering the Community by Providing Easily Accessible and Usable Information and Data</p> <p>Measures:</p> <ul style="list-style-type: none"> • Resident Satisfaction Survey • # of Record Requests for Open Data • % of Survey responders that feel data sets are useful • # of resident created profiles in the Web 2.0 software platform 	<ul style="list-style-type: none"> • Implement City's new web page platform (Web 2.0) • Launch joint City/County Open Data • Use initial survey data to recommend future data sets • Evaluate Communications Assessment and develop an implementation plan of approved recommendations • Explore new ways to graphically represent data to better communicate to the community

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

Measures:

- Percent/Number of City Departments with Strategic Plans and Performance Measures Aligned with the City's Strategic Plan
- Employee Satisfaction Survey
- Percent of budget efficiency measures at or above target
- Percent of new ideas approved for funding that comes from the Innovation Lab
- Percent of process improvement recommendations implemented
- # of residents using online engagement tools to provide feedback on budget priorities

- Establish multidisciplinary City/County Innovation Lab to support the formation of transformational ideas into solutions
- Identify and Implement technology that supports the Performance Management System Citywide
- Identify best practices and opportunities for process improvement and automation across City departments in order to provide effective and efficient delivery of City services
- Use the City's website platform (Web 2.0) to increase and diversify resident feedback
- Develop internal innovation team to help drive innovation at all levels of the organization
- Develop and implement an IT Governance model to efficiently and effectively leverage the investment and growth of IT in the City



Stewardship of City's Physical and Environmental Assets

Thoughtful planning and operations that ensure the long-term viability of the City's infrastructure, facilities and environment.



What Does Success Look Like?

- With business and residential development ongoing, there is clear direction for what new assets will be developed and how current assets are properly maintained to meet expected service level demands
- Limiting our environmental impact conserves and protects natural resources
- Stewardship of City's assets help foster a great place to live, work, and play through:
 - Clean water and environment
 - Sufficient roadway and parking network
 - Well-maintained buildings, parks, and open spaces

MEETING THE PHYSICAL NEEDS OF A GROWING CITY

From taking care of what we own, to planning for the future and everything in between, managing the physical needs of the City takes a lot of resources. It doesn't make sense to invest millions of taxpayer dollars to build new things if you don't have a way to take care of them well into the future. Whether its new roads, sidewalks, athletic fields, trails, or water/sewer lines, staff across all City departments are working on the development and implementation of asset management plans. These comprehensive asset management plans will direct day to day maintenance activities, provide predictability in planning, and serve as the foundation for budgeting for the ongoing capital needs of the City.

State of the Art Asset Management

- Develop Asset Management Plans
- Develop/Implement Asset Management Systems
- Identify Critical Infrastructure
- Develop Asset Maintenance Plans

Planning for Future Needs

- Update DurhamWalks and Bicycle Plan to identify highest priorities
- Complete Phase I of the Station Area Strategic Infrastructure project, developing prioritized infrastructure recommendations for the nine urban light rail station areas from Alston Avenue to Erwin Road.
- Review all existing policies in City's Comprehensive Land Use Plan



Stewardship of Environmental Assets



- Conduct waste stream characterization study
- Develop a reclaimed water master plan
- Institute a green workplace certification program for city departments
- Create and market a Green Business Challenge to help businesses assess their current level of environmental stewardship
- Develop an implementation plan for city-wide inventory and risk analysis of trees located on public property

Goal 5: Stewardship of City's Physical and Environmental Assets

Thoughtful planning and operations that ensure the long-term viability of the City's infrastructure, facilities and environment.

Outcome Measures	
Objectives and Measures	Initiatives
<p>Objective: Ensure that City's infrastructure is properly managed to ensure optimal availability and operating efficiency</p> <p>Measures:</p> <ul style="list-style-type: none"> • Pavement Condition Ratings • Number of water main breaks per 100 miles of distribution system • Percent of emergency work orders versus total work orders • Water Quality (drinking and WRF discharge) 	<ul style="list-style-type: none"> • Resident satisfaction survey results (infrastructure and planning) • Waste diversion rate
<p>Objective: Provide comprehensive planning processes for future infrastructure needs</p> <p>Measures:</p> <ul style="list-style-type: none"> • Index of resident satisfaction measures (i.e. Percent of residents surveyed rating the job the City is doing planning for growth as "good" or "excellent") 	<ul style="list-style-type: none"> • Update DurhamWalks and Bicycle Plan to identify highest priorities • Initiate joint City County facility master planning (Joint Economic Development Strategic Plan) • Complete Phase I of the Station Area Strategic Infrastructure project, developing prioritized infrastructure recommendations for the nine urban light rail station areas from Alston Avenue to Erwin Road • Complete issue identification and a review of all existing policies in advance of updating the City's Comprehensive land use plan

Objective: Protect natural resources by limiting the environmental impact of City operations and fostering community partnerships

Measures:

- Energy use- per sq./ft. of key city facilities
- Waste diversion rate – City Facilities
- Greenhouse gas emissions – City Facilities
- Tree canopy coverage
- Percent decrease in litter in targeted areas following education campaign

- Conduct waste stream characterization study to identify potential changes
- Develop a reclaimed water master plan
- Institute a green workplace certification program for city departments
- Create and market a Green Business Challenge to help businesses assess their current level of environmental stewardship, improve their environmental practices, and recognize their achievements
- Develop an implementation plan for city-wide inventory and risk analysis of trees located on public property

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.

City of Durham, NC

Investment Policy

I. Purpose

To provide guidance for the investment of all City funds in conformance with federal, state, and other legal requirements, including *North Carolina General Statute (“NCGS”) 159-30*.

This policy applies to the investment of all funds in the City’s Consolidated Investment Portfolio, excluding the investment of employees’ retirement funds, separate foundation or endowment assets and funds managed by external investment advisors.

Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances (“Consolidated Operating Portfolio”) from all funds to optimize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles as required by N.C.G.S. 159-30(e).

II. Policy

The investment program shall be operated in conformance with federal, state, and other legal requirements, including *North Carolina General Statute (“NCGS”) 159-30*.

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

1. Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and market risk.

a. Credit Risk

The City will minimize credit risk, which is the risk of loss due to the failure of the investment issuer or backer, by:

- Limiting investments to the types listed in Section VII of this Investment Policy.
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business in accordance with Section V.
- Diversifying the investment portfolio so that the impact of potential losses from any one type of investment or from any one individual issuer will be minimized, where appropriate.

b. Market Risk

The City will minimize market risk, which is the risk that the liquidation value of certain investments in the portfolio will fall due to changes in interest rates, by:

- Structuring the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell or redeem investments prior to maturity.

- Investing operating funds primarily in shorter-term investments, money market mutual funds or similar local government investment pools, and limiting the average maturity of the portfolio in accordance with this Policy.

2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that investments mature concurrent with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio should maintain minimum amounts in cash equivalent investment alternatives (e.g. demand accounts, money market accounts, money market mutual funds, and local government investment pools). The securities portion of the total portfolio should consist largely of securities with active secondary or resale markets.

3. Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. Investments shall generally be held until maturity with the following exceptions:

- An investment with declining credit quality may be sold or redeemed early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the investment be sold or redeemed.

4. Local Considerations

Where possible, funds may be invested for the betterment of the local economy or that of local entities within the State. The City may accept a proposal from an eligible institution which provides for a reduced rate of interest provided that such institution documents the use of deposited funds for community development projects.

III. Definitions

IV. Procedures

Standards of Care

1. Prudence

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this Investment Policy and exercising due diligence shall be relieved of personal responsibility for an individual investment's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate actions are taken in accordance with the terms of this Policy.

The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

2. Ethics and Conflicts of Interest

The Investment Officers (defined as the Finance Officer, Treasury Manager and Senior Treasury Analyst/Treasury Analyst, hereafter) and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Investment Officers and employees involved in the investment process shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Investment Officers and employees involved in the investment process shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

3. Delegation of Authority

Authority to manage the investment program is granted to the Finance Officer and derived from N.C.G.S. 159-30. Under the direction of the Finance Officer, the Treasury Manager and Senior Treasury Analyst/Treasury Analyst have responsibility of the day to day management of City funds. The Investment Officers shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this Investment Policy.

Procedures should include references to: safekeeping, delivery versus payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures approved by the Finance Officer. The Investment Officers shall be responsible for all transactions undertaken and shall regulate the activities of subordinate officials.

Investment Providers

1. Broker/Dealers

The City shall select broker/dealers by their ability to provide effective market access and may include "Primary Government Securities Dealers" or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule). Broker/dealers selected must be members in good standing of the Financial Industry Regulatory Authority ("FINRA") and be licensed in the State. Each broker/dealer will be reviewed by the Investment Officers and a recommendation will be made for approval by the Finance Officer.

An "approved broker/dealer list" shall be maintained by the Investment Officers at all times and periodically approved by the Finance Officer. The City shall not enter into transactions with a broker/dealer until approved.

All broker/dealers who desire to become approved must supply the following:

- Proof of Financial Industry Regulatory Authority ("FINRA") registration
- Proof of state registration
- Completed broker/dealer questionnaire

Periodic review of the financial condition and registration of all selected broker/dealers will be conducted by the Investment Officer.

2. Financial Institutions

The City shall select a primary depository bank in compliance with the City's banking services procurement process and State law, and which offers the most favorable terms and conditions for the handling of City funds.

The City may also establish agreements with other financial institutions under separate contract for additional services that are necessary in the administration, collection, investment, and transfer of City

funds. Such deposits will only be made after the financial institution has completed and returned the required written instruments and depository pledge agreements. No deposit shall be made except in a qualified public depository as established by State law.

3. Minority and Community Financial Institutions

From time to time, the Investment Officer may choose to invest in instruments offered by minority and community financial institutions. In such situations, a waiver to certain parts of the criteria under Section V.1 may be granted. All terms and relationships will be fully disclosed prior to purchase and will be reported to the appropriate entity on a consistent basis and should be consistent with state or local law.

Safekeeping and Custody

1. Delivery versus Payment

All trades of marketable securities will be executed by delivery versus payment (DVP) to ensure that securities are deposited in a City-approved safekeeping agent prior to the release of funds.

2. Safekeeping

Securities will be held by an independent third-party safekeeping agent selected by the City and evidenced by safekeeping receipts in the City's name. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70).

3. Internal Controls

The Treasury Manager shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the Finance Officer and the independent auditor. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the City.

Suitable and Authorized Investments

1. Investment Types

Consistent with the NCGS 159-30, the following investments will be permitted:

- A. Obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States.
- B. Obligations of government-sponsored agencies and instrumentalities listed in NCGS 159-30 (c) (2).
- C. Obligations of State of North Carolina.
- D. Bonds and notes of any North Carolina local government or public authority, subject to such restrictions as the Secretary of the Local Government Commission may impose.
- E. Time deposits placed with any North Carolina financial institution, secured in accordance with NCGS 159-31(b).
- F. Prime quality commercial paper rated the highest by one of the rating agencies and meeting the standards of NCGS 159-30 (c) (6).
- G. Bankers Acceptance of a commercial bank. Either highest long term debt rating of at least one nationally recognized rating service, or the bank or its holding company is incorporated

in North Carolina. In either event the security shall meet the standards of NCGS 159-30 (c) (7).

- H. Mutual funds certified by the Local Government Commission (LGC) and meeting the standards of NCGS 159-30 (c) (8).
- I. A comingled investment pool established and administered by the State Treasurer pursuant to G.S. 147-69.3.
- J. A comingled investment pool established by Interlocal agreement that meets the standards of NCGS 159-30 (c) (10).
- K. Repurchase agreements meeting the standards of NCGS 159-30 (c) (12).
- L. Mortgage-backed obligations that:
 - i. Pass the Federal Financial Instrumentality Examination Council (“FFIEC”) High Risk Security Test.
 - ii. Is an obligation of a federal agency or instrumentality as listed in NCGS 159-30(c) (2).

2. Collateralization

The City requires collateralization for financial institution deposits in which the depository does not participate in the “Pooled Method” collateralization program of the State Treasurer. If a depository will utilize the “Dedicated Method” collateralization approach, the market value of the required collateral level shall equal or exceed 105% of the principal and accrued interest of any non-federally insured deposit amount. The City reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards deposits.

All financial institutions pledging securities as collateral shall be required to sign a security or collateralization agreement with the City. The agreement shall define the City’s rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- The agreement must be in writing;
- The agreement has to be executed by the financial institution and the City contemporaneously with the deposit;
- The agreement must be approved by the Board of Directors or designated committee of the financial institution and a copy of the meeting minutes must be delivered to the City; and
- The agreement must be part of the financial institution’s “official record” continuously since its execution.

Collateral will be held by an independent third party with whom the City has an escrow agent or custodial agreement. Pledge receipts and monthly reports must be supplied directly to the City by the escrow agent or custodian.

The City shall use State law and the GFOA's Recommended Practices on the Collateralization of Public Deposits as a guide on making adjustments to this collateralization policy for all financial institution accounts, including transaction accounts and certificates of deposit.

3. Repurchase Agreements

Repurchase agreements shall be consistent with GFOA Recommended Practices on Repurchase Agreements. At the discretion of the Investment Officer, the minimum collateral level shall be 102%.

Investment Parameters

1. Diversification

The following diversification limitations shall be imposed on the portfolio:

Type of Investment	Maximum percentage
U.S. Obligations (1A)	90% of Portfolio
Federal Agencies and Instrumentalities (1B)	90% of Portfolio
North Carolina State and Local Bonds (1C and 1D)	75% of Portfolio
Time Deposits (1E)	90% of Portfolio
Commercial Paper (1F)	25% of Portfolio 5% per Issuer
Bankers Acceptances (1G)	25% of Portfolio 5% per Issuer
LGC certified money market mutual funds (1H)	100% of Portfolio
Comingled investment pool (1I and J)	100% of Portfolio
Repurchase Agreements (1K)	25% of Portfolio Exclusive of bond proceeds
Mortgage-backed Obligation (1L)	25% of Portfolio 10% per Security
Callable Securities	50% of Portfolio

Note: Parenthetical references to section VII of this policy.

2. Maximum Maturities

To the extent possible, the City's Consolidated Operating Portfolio shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City's Consolidated Operating Portfolio should not directly invest in securities maturing more than five (5) years from the date of purchase. The intent to invest in longer-term maturities shall be disclosed in writing to the Finance Officer prior to transaction commitment. The maximum weighted average maturity for the City's Consolidated Operating Portfolio (including cash equivalent balances) shall be thirty months.

Reserve funds and other funds with longer-term investment horizons may be invested in maturities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in longer-term maturities shall be disclosed in writing to the Finance Officer prior to transaction commitment.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as financial institution transaction accounts, local government investment pools, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

3. Competitive Environment

It is the policy of the City to provide a competitive environment for all individual security purchases and sales, financial institution deposits, and repurchase agreement, money market mutual fund and local government investment pool selections. The Investment Officer shall develop and maintain procedures for ensuring competition in the investment of the City's funds.

4. Outside Discretionary Investment Managers

With the approval of the City Manager, the City may contract with a discretionary investment manager(s) to invest a portion of the City's overall portfolio. The manager shall be selected based on the appropriateness of its management style and risk/return objectives, and must adhere to the investment objectives, parameters and restrictions as determined by the Finance Officer and detailed in the executed management agreement. The manager shall operate in conformance with federal, state, and other legal requirements, including *North Carolina General Statute ("NCGS") 159-30*, but will not be required to adhere to this Policy.

Reporting

1. Methods

The Investment Officers shall submit to the Finance Director, not less than quarterly, an investment report that summarizes the investment strategies employed in the most recent period, and describe the portfolio in terms of investments, maturities, risk characteristics, and other features. The report shall explain the period's total investment income and compare the amount with budgetary expectations. The report shall include all transactions during the past quarter.

Within a timely manner of the end of the fiscal year, the Investment Officer shall present an annual report on the investment program and investment activity. The annual report shall suggest improvements that might be made in the investment program.

2. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this Policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. Weighted average yield to maturity shall be the portfolio performance standard for reporting purposes. For management purposes, a series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis.

3. Market Valuation

The market value of the portfolio shall be calculated at least quarterly and included in the concurrent report. In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

Other Considerations

1. Exemption

Any investment currently held that does not meet the guidelines of this Policy shall be exempted from the requirements of this Policy. At maturity or liquidation, such monies shall be reinvested only as provided by this Policy. The purchase of any investment that does not meet the guidelines of this Policy will require written approval of the Finance Director prior to transaction commitment.

2. Review and Amendment

The Investment Policy shall be reviewed periodically and any changes shall be approved through the City's policy approval framework.



Policy Subject

Debt Policy

Revision 1

Effective Date

09-17-2012

**Policy
Number**

FP 707

Department

FINANCE

To City Employees

X 

Thomas J. Bonfield, City Manager

I. Purpose

To provide guidance for the issuance of City debt and the maintenance of the City's ability to incur debt and other long-term obligations at favorable interest rates for capital improvements, facilities, and equipment beneficial to the City and necessary for essential services. The City of Durham issues and manages debt in accordance with the Local Government Bond Act, North Carolina General Statutes (N.C.G.S.) Chapter 159 Article 4 which prescribes a uniform system of limitations upon and procedures for the exercise by all units of local government in North Carolina of the power to borrow money secured by a pledge of the taxing power; and the limitations on local debt as noted in N.C.G.S. 159-55. Other applicable provisions to certain debt and debt refunding actions are contained within N.C.G.S. Chapter 159, Local Government Finance. Long term planning to meet the current and future capital needs of Durham require a sound debt position and guidelines that protect the credit quality of the City.

II. Policy

It is the policy of the City of Durham to establish the scope and purpose for the issuance of debt instruments consistent with the limitations of the North Carolina Local Government Bond Act. This policy specifies Uses of Debt Financings, Responsibility, Service Providers and Oversight, Refundings, Arbitrage Compliance, Credit Ratings, Reporting and Disclosure, Capital Acquisition,

Interest Rate Exchange Agreements, and any Exceptions to the Policy.

III. Definition

Advance Refunding - A refunding in which the refunding bonds are issued more than 90 days prior to (in advance of) the date upon which the refunded bonds will be repaid. Typically, the proceeds of the refunding bonds are placed in escrow and invested in obligations of the federal government. Payments received on the investments held in escrow are then applied to make payments on the refunded bonds as they become due (including by redemption).

Arbitrage - With respect to the issuance of municipal securities, arbitrage refers to the difference between the interest paid on bonds that are subject to the Code and the interest earned by investing the proceeds of the bonds in higher-yielding securities. Federal income tax laws generally restrict the ability to earn arbitrage in connection with bonds that are issued subject to the Code. The payment represents the amount, if any, of arbitrage earnings on bond proceeds and certain other related funds, except for earnings that are not required to be rebated under limited exemptions provided under the Internal Revenue Code. An issuer generally is required to calculate, once every five years during the life of its bonds, whether or not an arbitrage rebate payment must be made.

Bond Counsel - The attorney or firm of attorneys that gives the legal opinion delivered with the bonds confirming that the bonds are valid and binding obligations of the issuer and whether interest on the bonds is exempt from federal and state income taxes.

Bonds - A debt obligation, or a written promise to pay back an amount (face value of the bond), plus interest, by way of periodic payments within a specified period of time.

Bond Rating - An evaluation of the credit risk associated with a particular bond issue by internationally recognized independent rating agencies (Fitch, Moody's or Standard & Poor's). The City of Durham general obligation bond ratings are currently Aaa/Aaa/AAA ratings, respectively.

Capital Projects - Generally, major City projects with a cost of at least \$100,000. Capital projects can include the cost of land acquisition, construction, renovation and/or the acquisition of major equipment.

Certificates of Participation (COPs)/Limited Obligation Bonds (LOBs) - Alternative financing method requiring no voter approval. The City may issue COPs and LOBs for buildings or equipment using the building or equipment to secure the financing. COPs/LOBs should only be used when the property being financed has sufficient value to secure the debt and will survive the term of the financing. Issuance of COPs/LOBs will be made in accordance with the provisions of N.C.G.S. 159-153 and with the approval of the Local Government Commission.

Competitive Sale - The sale of bonds to the bidder presenting the best sealed bid at the time and

place specified in a published notice of sale. See also Negotiated Sale.

Credit Enhancement - Credit enhancement encompasses a variety of provisions that may be used to reduce the credit risk of an obligation. Credit enhancements are often incorporated into debt instruments. Techniques of credit enhancement include: Collateralization where one or more parties may agree to post collateral and collateral levels may be fixed or vary over time; third party loan guarantees; letters of credit issued by a financial institution; bond insurance where an insurance policy may provide for compensation in the event that a party defaults and surety bonds where a surety (third party) ensures that the principal party (the City) obligations to the obligee (bond holders) will be performed.

Current Refunding - A refunding in which refunding bonds are issued not more than 90 days before the date upon which the refunded bonds will be paid. Generally, the proceeds of the refunding bonds are applied immediately to pay the refunded bonds. Thereafter, the revenues originally pledged to the payment of the refunded bonds are pledged to the payment of the refunding bonds.

Debt Coverage Ratio - A bond covenant or obligation, the ratio is a stipulated formula measurement of the amount of net revenues available from specified revenues to cover required annual debt service payments. The ratio amount and formula for calculation are included in the bond document.

Debt or Bond Covenant - Legal obligations contained in a bond issue document such as a covenant for a specified debt service coverage ratio.

Debt Restructuring - The City is authorized to refund outstanding indebtedness when existing bond covenants or other financial structures impinge on prudent and sound financial management.

Debt Service - The periodic repayment to creditors/holders of debt principal and interest on debt obligations.

Defeasance - To set aside sufficient money to retire outstanding debt. A full defeasance results in release from covenants and contractual obligations contained in the bond documents.

Derivative or Swap Advisor - A specialized firm hired by the City to provide a review and analysis of derivative or swap alternatives and can assist in the procurement of the swap, including conducting a competitive bid. The advisor provides ongoing monitoring of swap market conditions, advice about rates and structure, and participates in reviewing the closing documentation.

Enterprise Fund - A separate fund used to account for operations in which the cost of providing services is recovered primarily through user charges or fees.

Escrow Agent - With respect to an advance refunding, the commercial bank or trust company retained to hold the investments purchased with the proceeds of the refunding and, customarily, to use the amounts received as payments on such investments to pay debt service on the refunded

bonds.

Financing Team - The group of professional services firms needed use to complete a financing. Primarily, this group will include bond counsel, a financial advisor and an underwriter but other firms may also be included on the financing team.

Financial Advisor - A professional consultant retained (customarily by the issuer) to advise and assist the issuer in formulating and/or executing a debt financing plan to accomplish the public purposes chosen by the issuer.

Finance Officer - The City officer performing the duties of finance officer of a unit of local government pursuant to N.C.G.S. 159-24 of the Local Government Budget and Fiscal Control Act. The City of Durham's Finance Officer is the Director of Finance.

Fixed Rate Security - A debt obligation which is sold with a set interest rate when issued and that does not vary during the term of the obligation.

General Obligation Bonds - General Obligation bonds ("G.O.") are secured by a pledge of the full faith and credit of the City to pay the loan through tax revenue or other revenues. General Obligation ("G.O.") bonds are the simplest form of bond security type. The issuance of G.O. Bonds requires an approval of the majority of voters and the approval of the Local Government Commission. The City may sell general obligation bonds (G.O. bonds) to pay for expenses associated with capital projects or any public improvement as described in NC Statute 159-48.

Installment Purchase Contract - An agreement entered into by the City to:

- a. Purchase real and personal property,
- b. Enter into installment purchase contracts to finance the purchase of real and personal property used, or to be used, for public purposes, and
- c. Finance the construction of fixtures or improvements on real property by contracts that create in the fixtures or improvements and in the real property on which such fixtures or improvements are located a security interest to secure repayment of moneys advanced or made available for such construction within the provisions of G.S. 160A-19 or 160A-20.

Lease/Purchase Agreements - An agreement entered into by the City to lease real and personal property from a third party with the option to purchase the property upon expiration of the lease within the provisions of G.S. 160A-19 and with the approval of the Local Government Commission.

Lessor - One who lets property under a lease. The party leasing the property is known as the lessee.

Local Government Commission - The Local Government Commission (LGC) is composed of nine members: the State Treasurer, the Secretary of State, the State Auditor, the Secretary of Revenue, and five others by appointment. The State Treasurer serves as Chairman and selects the Secretary of the Commission, who heads the administrative staff serving the Commission. A major

function of the Commission is the approval, sale, and delivery of substantially all North Carolina local government bonds and notes. A second key function is monitoring certain fiscal and accounting standards prescribed for units of local government by the Local Government Budget and Fiscal Control Act.

Negotiated Sale - A method of bond sale in which the terms and price of the bonds are negotiated by the issuer through an exclusive agreement with a previously selected underwriter and/or underwriting syndicate. In addition to negotiating the terms and covenants of the issue, the issuer and the underwriter also negotiate pricing of the issue.

Net Interest Cost (NIC) - Net Interest Cost (NIC) is an average interest cost rate for a bond issue, calculated on the basis of simple interest (not compound interest). The NIC calculation does not take into consideration the time value of money. The winning NIC bid may not provide the lowest effective interest cost in present value terms. Because True Interest Cost IC takes into account the time value of money, it generally more accurately measures the issuer's true cost of borrowing than does the NIC. See also TIC.

Parity Debt - With regard to the City's use of revenue bonds to finance enterprise fund capital acquisition, such as water and sewer capital projects; parity debt is the debt associated with the issue of revenue bonds, which are secured by the charges and fees of the City's enterprise fund, such as the water and sewer utility. Subordinate or other debt may exist (such as general obligation bonds issued specifically for water and sewer capital projects and repaid by charges and fees of the utility) without being specifically secured by current utility charges or fees. Parity debt generally requires a higher debt coverage ratio than all debt (parity debt plus subordinate or other debt) in that it is not secured by the full faith and credit of the City.

Private Placements - The offer and sale of a financing by the City directly to one or more investors, rather than through an underwriter. The terms of the placement are often negotiated directly with the investor or lending institution.

Refunding - An issue of new bonds (the refunding bonds) to pay debt service on a prior issue (the refunded bonds). Generally, the purpose of a refunding is either to reduce the debt service on the financing or to remove or replace a restrictive covenant imposed by the terms of the refunded bonds (for example, an excessive coverage ratio). The proceeds of the refunding bonds are either deposited in escrow to pay the refunded bonds when subsequently due (see Advance Refunding) or applied immediately to the payment of the refunded bonds (see Current Refunding). For accounting purposes, refunded bonds are not considered part of the issuer's outstanding debt because the refunded bonds are to be paid from the proceeds of the refunding bonds and not from the revenues originally pledged. Refunded bonds may continue to hold a lien on the revenues originally pledged, however, unless the indenture or bond resolution provides for defeasance of the refunded bonds prior to maturity or redemption.

Revenue Bonds - Bonds issued by the City which are backed with specified revenue sources from an enterprise fund for which the bonds were issued. The City's enterprise funds include fee for service business activities such as the Water and Sewer Fund and the Storm Water Fund. The City

may borrow money from lenders, pledging the revenues from charges and fees of the enterprise fund activities to repay the debt. Revenue bonds do not require voter approval. Issuance of revenue bonds will be made in accordance with the provisions of G.S 159-5 and with the approval of the Local Government Commission.

Trustee - The firm that the City hires to perform one or more of several administrative duties relating to a bond issue.

True Interest Cost (TIC) - True Interest Cost (TIC) is the internal rate of return that will be paid by the issuer to investors. It is the interest rate that discounts the debt service payable for a bond issue to its present value, or net proceeds. The TIC is one of two primary methods used to select the lowest effective interest cost bid in competitive bid sales. Because TIC takes into account the time value of money, it generally more accurately measures the issuer's true cost of borrowing than does the NIC. See also NIC.

Two-Thirds Bonds - The City is authorized to issue general obligation debt under the 2/3 rule, established by G.S. 159-49(2), wherein the City may issue new G.O. bonds up to 2/3 the value of the general obligation debt retired in the prior fiscal year so long as no other new general obligation debt was issued in the same year.

Underwriter or Underwriting Syndicate - Investment banking entity or groups of such entities that purchase, for resale to the public, bonds or other debt obligations issued by the City and/or the LGC on behalf of the City.

Variable Rate Securities - A debt obligation that does not have a fixed interest rate at closing. The interest rate periodically changes based upon an index or a pricing procedure.

Verification Agent - The company hired by the City to verify that the investment of bond proceeds in a refunding or other defeasance have been invested at a rate that does not exceed the amount permitted under federal arbitrage rules.

IV. Procedure

A. Responsibility

The Finance Officer (Director of Finance) has the primary responsibility for developing, recommending and monitoring debt financing and debt refunding/restructuring strategies and instruments. The selection and sourcing of financial consultants and service providers is also within the scope of duties of the Director of Finance. The Treasury Manager, under the direction of the Director of Finance, is tasked with daily operational debt responsibility.

All debt issued by the City will be issued pursuant to the rules, regulations and procedures of the LGC and the laws of the State of North Carolina.

B. Debt Issuance

Subject to the purposes for bond issue noted in NCGS 159-48, the City issues bond financing for the acquisition of or construction of major capital projects. Other debt financing such as COPs, are also available for use on capital projects as deemed in the best interest of the City. Similarly, revenue bonds may be utilized for enterprise fund debt for major capital projects.

Consistent with the limitations of the Local Government Bond Act the City provides for long-term financing needs through the issuance of multiple types of financings. Debt obligations are approved locally and by the Local government Commission as required by state statute. Referendums, notices and public hearings, as required by state statutes, are conducted prior to final debt approval and issuance.

C. Debt Limits

The City will use the following limitations as guidance for debt issuance:

1. **Debt as a Percentage of Assessed Valuation:** The City will not exceed a debt to assessed value ratio of 2.50% for debt paid with property taxes. Debt that is paid from the revenues of one of the City's revenue producing enterprises is excluded from this calculation.
2. **General Fund Debt Service Limitation:** Property tax revenue in the Debt Service Fund less transfers to enterprise funds to pay debt service should not exceed 15% of total expected non-dedicated property tax collections plus all other General Fund revenues. For purposes of this calculation, revenues do not include any expected debt proceeds, transfers in, or use of fund balance. Debt service that is supported by a dedicated revenue stream or anticipated increase in General Fund revenue (i.e. real or synthetic TIF) or paid from enterprise funds is excluded from this calculation.
3. **Ten Year Principal Payout:** The City will seek to amortize debt as rapidly as possible given certain budget constraints. The City will maintain a percentage of payout in excess of 60% in 10-years.

D. Principles for Debt Issuance

Throughout the debt issuance process, the City will follow the following general principles for the issuance of debt:

1. The City shall seek to maintain the highest possible bond rating without compromising the policy objectives of City.
2. The City will use long-term debt to for the purposes of constructing or acquiring capital assets or for making major renovations to existing capital projects.
3. Long-term debt will not be used to finance current operations or to capitalize expenses. The City will avoid the use of long-term debt to finance on-going maintenance.

4. All debt will be issued to reflect the useful life of the projects. At no time will the City issue debt with a maturity date beyond the useful life of the projects being financed.
5. The City will ensure that adequate systems of internal controls exist to provide reasonable assurance as to compliance with applicable laws, regulations and covenants.
6. The City shall seek to fund projects on a pay-as-you go basis and to obtain other sources of capital besides debt in order to minimize debt levels. However, the City will also seek to balance the tax-burden on current taxpayers with the applicable useful life of the projects in question.
7. All general fund projects to be financed will have been previously included in the City's Capital Improvements Plan (CIP). Any projects not included in the CIP will require specific approval of the City Council/City Manager prior to inclusion in a financing.
8. The City will monitor its debt portfolio in relation to current market conditions in order to refinance debt where sufficient savings will be realized.

E. Types of Debt

State law allows the City to utilize a wide-variety of tools to finance capital projects. Throughout the financing process, the City will evaluate these requirements in conjunction with the timing requirements of each project and select the financing vehicle which will offer the best combination of lowest cost of borrowing and meet the other applicable requirements of the financing. The following list outlines only the most common financing vehicles available to the City:

1. General Obligation Bonds
2. 2/3rds Bonds
3. Enterprise Revenue Bonds
4. Certificates of Participation/Limited Obligation Bonds
5. Installment Purchase Contracts

The is list is not an exhaustive list of options available to the City. The City will evaluate other financing options, their legality under state statutes and whether their use would result in improved financing results for the City.

In addition to the financing options listed above, the City will consider the following factors when financing City projects and evaluating conduit financings:

1. G.O. Bonds: The City will seek voter authorization to issue GO Bonds as directed by the City Council, and in accordance with North Carolina General Statute (NCGS) 159-49. Such authority will be sought only after it is determined that the project costs

are eligible and appropriate for multi-year financing.

2. Enterprise Supported Debt: The City may finance the needs of its revenue producing enterprise activities through the issuance of revenue-secured debt obligations. Prior to the issuance of any revenue-secured debt, the City will develop a financial plan and projection showing the feasibility of the planned financing, required rates and charges needed to support the planned financing, and the impact of the planned financing on ratepayers, property owners and other affected parties.

3. Conduit Debt: The City may sponsor conduit financing for activities that have a general public purpose (economic development, affordable housing, etc.) and are consistent with the City's public policy objectives. All conduit financings must insulate the City from any credit risk or exposure. The Conduit borrower will be responsible for complying with all arbitrage rebate requirements or other regulations related to the issuance of the bonds. Prior to closing the bonds, the borrower will enter into a contract for arbitrage rebate service with a firm approved by the Director of Finance or designee.

4. Short-term Debt: As part of the City's capital planning process, the City will actively engage in the analysis of short-term and/or interim financing. The use of these products/services will be used to lower the overall borrowing costs of a project or series of projects and will be evaluated by the Treasury Manager and Director of Finance. They will only be used when they are advantageous to the City. The financing options include Lines/Letters of Credit, Bond Anticipation Notes (BANs), Tax and Revenue Anticipation Notes (TRANs) and Commercial Paper (CP). Other legally available short-term solutions will also be evaluated.

5. Internal Financing: As an additional financing option, the City will evaluate the use of internal sources to finance capital improvement projects or other purchases (in place of third-party financing). The City will evaluate the use of this type of financing when it creates either economic or administrative efficiencies. The loans will be repaid in full and may not be forgiven except with the written authorization of the Director of Finance or City Manager.

6. Interest Rate Exchange Agreements: As an additional financing options, the City will evaluate the use of Interest Rate Exchange agreement that conform to the City's Interest Rate Exchange Agreement Policy, FP 708.

F. Method of Sale

The City will evaluate debt obligations on a case-by-case basis and select a type of offering that will result in the best financing outcome for the City. Generally, the City will seek to issue its debt obligations using a competitive process unless it is determined by the Director of Finance that an alternative sale method will produce better results for the City. When bonds are to be sold at a competitive sale, the City specifies all the terms of the issue other than interest rates and purchase price.

Prior to presenting bids the underwriters evaluate the credit quality of the issue and the municipal market and may form syndicates or selling groups. The bonds are awarded to the underwriters presenting the best bid based on the criteria specified in the notice of sale. When determined to be appropriate by the Director of Finance, the City may elect to sell its

debt obligations through a negotiated sale. During a negotiated sale, the Underwriter is customarily active in all aspects of structuring the negotiated deal. Selection of the underwriter can be based on many different considerations including, but not limited to, expertise with a particular type of issue, market expertise, reputation, guaranties of maintaining a maximum gross spread, as well as prior relationships with the issuer.

Such determination may be made on an issue-by-issue basis, for a series of issues, or for part or all of a specific financing program in accordance with North Carolina General Statute (NCGS) 159-49as allowed by state law.

Alternatively, the City may elect to sell its debt obligations through a private placement to a specific investor. Such a determination may be made on an issue-by-issue basis, for a series of issues, or for part of or all of a specific financing program. As a practice, the City will solicit investor interest prior to selecting a specific investor.

G. Debt Refunding

The City will evaluate the opportunity to refinance outstanding debt to realize economic savings or to accomplish strategic public policy objectives within the following parameters:

1. Advance refundings of outstanding bonds for economic savings may be undertaken when initial estimates illustrate net present value (NPV) savings of at least five percent (5%) of the refunded debt on a stand-alone basis. Lower savings targets may be acceptable if PV savings are over \$1 million, or if the refunding will be completed in conjunction with a new issue and realize economies of scale due to the combination of multiple issues.
2. Current refundings of outstanding bonds for economic savings may be undertaken when initial estimates illustrate net present value (NPV) savings of at least three percent (3%) of the refunded debt on a stand-alone basis or NPV savings are over \$1 million. The City will evaluate all current refunding opportunities when it is preparing to issue other debt.
3. Savings requirements for current or advance refundings undertaken to restructure debt may be waived by the Director of Finance upon a finding that such a restructuring is in the City's overall best financial interests. A refunding with negative savings will not be considered unless it fulfills a compelling public policy objective.
4. Financial transactions, using Swaps or other derivative products, intended to produce the effect of a synthetic advance refunding, must generate significantly greater savings than the benefit thresholds outlined in this section. Additionally, the City will not move forward with a synthetic refunding unless a traditional transaction would meet the savings targets outlined in this section.
5. Open Market Purchase of City Securities: The City may choose to defease its outstanding indebtedness through purchases of its securities on the open market when market conditions make such an option financially feasible.

H. Fixed Rate and Variable-Rate Securities:

The City will issue the majority of its debt at fixed rates. In response to market conditions including an analysis of interest rate risk, the City may choose to issue securities that pay a

rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of the securities, consistent with state law and covenants of pre-existing bonds. The City will have no more than twenty percent (20%) of its outstanding bonds in variable rate form.

I. Service Providers and Oversight:

The City will evaluate the use of external service providers on a case by case basis. The City will seek to hire firms that are experts in their field of expertise and will aid the City in achieving the lowest cost of funds for a given financing. These firms may include but are not limited to the following categories:

1. Bond Counsel: The City will retain external bond counsel for all debt issues. All debt issued by the City will include a written opinion by bond counsel affirming that the City is authorized to issue the debt, stating that the City has met all state constitutional and statutory requirements necessary for issuance, and determining the debt's federal income tax status. The selection criteria for bond counsel will include comprehensive municipal debt experience, experience with complex financings and a high level of expertise with state and federal laws related to the municipal borrowing activities.
2. Financial Advisor: The City will retain an external financial advisor. The utilization of the financial advisor for certain bond sales will be at the discretion of the Department of Finance on a case-by-case basis and pursuant to the financial advisory services contract. The selection criteria for financial advisors will include comprehensive municipal debt experience, experience with diverse financial structuring requirements and pricing of municipal securities.
3. Underwriters: The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated sale. If a negotiated sale is selected, the City will select an underwriter based on results of a competitive process. The City reserves the right to maintain a pool of qualified underwriters and select participants on an issue based on each firms' strengths.
4. Other Services: The Director of Finance shall periodically solicit other service providers (escrow agents, verification agents, trustees, swap advisors, arbitrage compliance consultants, etc.) as needed to facilitate the sale of bonds or the post-sale management of bond issues. The City's financial advisor will, on occasion, facilitate the selection process. The City will seek to fund all bond related costs from bond proceeds at closing.

All bonds issued under the authority of the Local Government Bond Act are approved by the Local Government Commission. Approval of an application as noted in N.C.G.S. 159-51 for a bond issue to the LGC is contingent on criteria established in N.C.G.S. 159-52.

J. Investment of Bond Proceeds and Arbitrage Compliance

Proceeds from the sale of bonds should be invested up to the bond yield on each bond issue when possible. It will be the goal of the City to maximize these earnings while maintaining the appropriate liquidity to ensure availability of funds for the projects. This will include the

evaluation of all legally available investment vehicles. The investment strategy for bond proceeds will be set on a case-by-case basis.

Federal law requires that certain investment earnings in excess of the bond yield (arbitrage earnings) must be paid to the Federal Government under specific circumstances in the form of arbitrage rebate payments. The Department of Finance will invest bond proceeds at the highest yield possible, consistent with the City's investment policy and any restrictions imposed by the governing documents of each series of bonds. The Department of Finance is responsible for monitoring investments and cash flows of the City's bond funds, and contracting for third party arbitrage compliance calculations, if deemed necessary. The Department of Finance will pay arbitrage rebates due from investment earnings on the related bond proceeds pursuant to federal law.

The payment of arbitrage rebate will be viewed positively by the City and it should be the goal of each bond sale to owe arbitrage rebate as it reflects a maximization of investment earnings on a bond issue.

K. Credit Ratings

Rating Agency Relationships: The Director of Finance shall be responsible for maintaining relationships with the rating agencies that assign ratings to the City's various debt obligations. This effort shall include providing periodic updates on the City's general financial condition along with coordinating meetings and presentations in conjunction with a new debt issuance.

Use of Rating Agencies: The Director of Finance shall be responsible for determining if a rating shall be requested on a particular financing, and which of the major rating agencies shall be asked to provide such a rating.

Credit Enhancement: The City shall seek to use credit enhancement (letters of credit, bond insurance, surety bonds, etc.) when such credit enhancement proves cost-effective. Selection of credit enhancement providers should be conducted using a competitive process when practical.

L. Reporting and Disclosure:

Required annual reporting on debt is contained in the Comprehensive Annual Financial Report (CAFR) as well as the City of Durham, North Carolina Final Budget. Additionally, the City Council holds annual budget and fiscal retreats where the Director of Finance presents details of the City's debt issuance plans. The City's current and future debt positions, debt capacity, and debt planning are outlined and ratios and trends are discussed. The City will provide ongoing disclosure information to established information repositories and remain in compliance with disclosure standards promulgated by state and national regulatory bodies.

M. Policy Exceptions

Any deviation from this policy must be confirmed in advance and in writing by the Finance Officer to the City Manager. The Finance Officer is not authorized to override any policy, procedure or provision that is legally mandated or the result of City Council action.

V. Other

N/A

VI. Attachment

N/A

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: Strong and Diverse Economy. (ECONOMY)

Goal 2: Safe and Secure Community. (SAFE)

Goal 3: Thriving Livable Neighborhoods. (NEIGHBORHOODS)

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

***Goal 5: Stewardship of City's Physical & Environmental Assets.
(ASSETS)***

Goal Crosswalk FY-16

Department	Departmental Objective / Initiative	Budget Page	Council Goals				
			Economy	Safe	Neighborhoods	High-Performing	Assets
City Clerk	Citizenry aware of public meetings	VI-11					
City Clerk	Execute contracts in a timely manner	VI-11					
City Clerk	Timely provide Council adopted documents to departments	VI-11					
City Clerk	Prepare agenda items in a timely manner	VI-11					
City Clerk	Appointments to boards and commissions	VI-11					
City Clerk	Attend meetings and prepare Council minutes	VI-12					
City Clerk	Minutes prepared in a timely manner	VI-12					
City Clerk	Residents service requests in a timely manner	VI-12					
City Manager	Improve communications with citizens	VI-15					
City Manager	Increase awareness by public and employees about City of Durham	VI-15					
City Manager	Stewardship of the City's financial condition	VI-15					
City Manager	Improve citizen experience	VI-16					
City Manager	Provide organizational climate for excellent service delivery	VI-16					
City Manager	Increase overall efficiency and customer satisfaction	VI-16					
City Manager	Increase teen participation in programs	VI-16					
Audit Services	Increase awareness of fraud, waste and abuse	VII-5					
Audit Services	Complete comprehensive audits	VII-5					
Audit Services	Ensure effective communication	VII-5					
Audit Services	Ensure staff training	VII-6					
Budget	Provide quality budget document	VII-10					
Budget	Accurately project General Fund discretionary revenues	VII-10					
Budget	Provide timely and accurate reports	VII-11					
Budget	Project City department budgets and fund budgets at or below budget	VII-11					
Budget	To invest in public infrastructure	VII-11					
Budget	Implement process improvement initiatives	VII-11					
Budget	Ensure implementation of strategic plan initiatives	VII-12					
Budget	Establish an exceptional, diverse, and engaged workforce	VII-12					
Budget	Manage talent and ensure continuity of leadership	VII-13					
Budget	Ensure effective communication / satisfaction	VII-13					

Goal Crosswalk FY-16

Department	Departmental Objective / Initiative	Budget Page	Council Goals			
			Economy	Safe	Neighborhoods	High-Performing Assets
EOEA	Make available business development opportunities for SDBE firms	VII-17				
EOEA	Implement Small Business Enterprise Program	VII-18				
EOEA	Contract compliance	VII-18				
EOEA	Department employee satisfaction	VII-18				
EOEA	Provide educational programs	VII-18				
Finance	Maintain the highest possible credit ratings	VII-22				
Finance	Ensure effective communication	VII-23				
Finance	Process payroll on time	VII-23				
Finance	Reconcile balance sheet general ledger accounts	VII-23				
Finance	Pay invoices in a timely fashion	VII-23				
Finance	Prepare timely financial reports	VII-24				
Finance	Purchasing cycle in a timely fashion	VII-24				
Finance	Complete pre-audit in timely fashion	VII-25				
Finance	Actively manage City's investment portfolio	VII-25				
Finance	Best practices to improve collection rate	VII-25				
Finance	Improve billing services	VII-25				
Finance	Improve business license discovery process	VII-26				
Finance	Same day posting of payments	VII-26				
Finance	To reduce delinquent accounts	VII-26				
Finance	Increase safety at City facilities	VII-27				
Finance	Reduce number of loss workdays per claim	VII-27				
Finance	Reduce at fault automobile accidents	VII-27				
Finance	Utilize best practices and manage expenses	VII-27				
Human Resources	Provide comprehensive and secure information and data	VII-32				
Human Resources	To have a healthy workforce	VII-33				
Human Resources	Maintain satisfaction with salary and classification services	VII-33				
Human Resources	To recruit and retain applicants for City employment	VII-33				
Human Resources	Ensure effective communication / satisfaction	VII-33				
Human Resources	To promote a positive work environment	VII-34				

Goal Crosswalk FY-16

Department	Departmental Objective / Initiative	Budget Page	Council Goals				
			Economy	Safe	Neighborhoods	High-Performing	Assets
Human Resources	Provide training and enhance career development	VII-34				High-Performing	
Human Resources	Promote a positive work environment	VII-34				High-Performing	
Technology Solutions	Align IT resources with business needs	VII-38				High-Performing	
Technology Solutions	Improve IT customer service	VII-38				High-Performing	
Inspections	Building code compliance	VIII-5		High-Performing			
Inspections	Accurate & prompt plan review	VIII-6		High-Performing			
Inspections	Timely response to customer requests	VIII-6		High-Performing			
Inspections	Develop action plan to address Employee Opinion Survey results	VIII-6			High-Performing		
Planning	Review development proposals in timely and quality fashion	VIII-11		High-Performing			
Planning	Evaluate caseload trends	VIII-11		High-Performing			
Planning	Ensure customer satisfaction	VIII-11		High-Performing			
Planning	Timely response to customer complaints	VIII-11		High-Performing			
Planning	Enforce and administer regulations	VIII-12		High-Performing			
Planning	Provide timely information to customers	VIII-13		High-Performing			
Planning	Monthly reporting on progress of department strategic plan	VIII-14		High-Performing			
Planning	Overall compliance with annual departmental work program	VIII-14		High-Performing			
Planning	Ensure employee engagement with departmental operations	VIII-14		High-Performing			
Community Development	Create thriving and sustainable neighborhoods	VIII-20		High-Performing			
Community Development	To retain and increase the number of participants in programs	VIII-20	High-Performing				
Community Development	To provide comprehensive housing and counseling services	VIII-20	High-Performing				
Community Development	To provide urgent repairs and housing rehab	VIII-21		High-Performing			
Community Development	To partner with nonprofit organizations in targeted areas	VIII-21		High-Performing			
Community Development	Compliance with HUD requirements	VIII-21		High-Performing			
Community Development	Increase permanent housing units, assist homeless persons, reduce risk of homelessness	VIII-22		High-Performing			
Economic Development	Drive commercial activity and job creation	VIII-29	High-Performing				

Goal Crosswalk FY-16

Department	Departmental Objective / Initiative	Budget Page	Council Goals				
			Economy	Safe	Neighborhoods	High-Performing	Assets
Economic Development	Improve business prospects for small businesses	VIII-29					
Economic Development	Develop public arts program	VIII-30					
Economic Development	Job creation and placement for residents aged 24 and older	VIII-30					
Economic Development	Help youth achieve educational and employment success	VIII-31					
Neighborhood Improvement Services	Enforce Minimum Housing Code / reduce code violations	VIII-41					
Neighborhood Improvement Services	Remediate unsafe residential and non-residential properties	VIII-41					
Neighborhood Improvement Services	Reduce response time to public nuisances	VIII-41					
Neighborhood Improvement Services	Expand outreach activities	VIII-42					
Neighborhood Improvement Services	Expand the Impact of the Neighborhood Compass	VIII-42					
Neighborhood Improvement Services	Publish public policy research briefs	VIII-43					
Neighborhood Improvement Services	Ensure compliance with Fair Housing Ordinance	VIII-43					
Neighborhood Improvement Services	Maximize efficiency and effectiveness of department employees	VIII-43					
Emergency Communications	Answer 90% of 911 calls in 10 seconds or less	IX-5					
Emergency Communications	Maintain a highly accurate 911 database	IX-5					
Emergency Communications	Maintain operations vacancy rate at or below 15% for employees who have passed probationary status	IX-5					
Emergency Communications	Ensure accuracy of Emergency Medical Dispatch pre-arrival instructions at 90%	IX-6					

Goal Crosswalk FY-16

Department	Departmental Objective / Initiative	Budget Page	Council Goals			
			Economy	Safe Neighborhoods	High-Performing	Assets
Emergency Communications	Dispatch all priority calls within 90 seconds or less	IX-6				
Emergency Communications	Ensure effective communication	IX-6				
Fire	Meet response standards to maximize citizen and firefighter safety	IX-15				
Fire	Ensure all inspected businesses are in compliance with the International Fire Code	IX-15				
Fire	Ensure effective communication	IX-16				
Fire	Ensure appropriate training for staff	IX-16				
Police	Maintain the number of violent crimes at or below 700 per 100,000	IX-23				
Police	Maintain the number of property crimes at or below 4,800 per 100,000	IX-23				
Police	Ensure average response time of 5.8 minutes or less to Priority 1 calls	IX-23				
Police	Maintain officers that are well trained in CIT intervention and referral methods	IX-23				
Police	Provide communities with assistance for neighborhood watch programs	IX-24				
Police	Initiate RAP response to areas with repeated burglaries	IX-24				
Police	Encourage Juvenile Justice Call-In	IX-24				
Police	Maintain a minimum Violent Crime Clearance Rate of 50% or higher	IX-24				
Police	Respond to 57% or more Priority 1 calls in less than 5 minutes	IX-24				
Police	Achieve a real vacancy rate of 0% or lower per month	IX-25				
Police	Achieve an operational vacancy rate of 6% or lower per month	IX-25				
Police	Conduct citywide survey to measure perception of safety	IX-25				
Fleet Management	Efficient and reliable service to vehicles and equipment	X-5				

Goal Crosswalk FY-16

Department	Departmental Objective / Initiative	Budget Page	Council Goals			
			Economy	Safe Neighborhoods	High-Performing	Assets
Fleet Management	Ensure repairs are made properly and effectively	X-5				
Fleet Management	Provide efficient and effective radio maintenance	X-5	█			
Fleet Management	Ensure effective communications	X-5			█	
General Services	Utilize work order system to improve responsiveness	X-9				█
General Services	Ensure ADA compliance	X-10			█	
General Services	To develop a facility database to manage City assets	X-10				█
General Services	To perform maintenance in a systematic manner	X-10				█
General Services	Maintain project scope, schedule and budget	X-12				█
General Services	Portfolio management for real estate services	X-12			█	
General Services	Strengthen City partnerships	X-13		█		
Parks & Recreation	Provide responsive and accessible recreation programs	X-22			█	
Parks & Recreation	Provide programs at affordable, reasonable fee rates	X-22				
Parks & Recreation	Provide aesthetically pleasing and safe parks and playgrounds and recreation facilities	X-24				
Public Works	Ensure streets are repaved efficiently and effectively	X-30	█			█
Public Works	To protect and restore the drainage system and floodplain	X-31				
Public Works	Ensure that surface water quality is in compliance with the NPDES permit	X-31				█
Public Works	Ensure storm drainage system is inspected and maintained per NPDES	X-31				█
Public Works	Manage stormwater billing program	X-32			█	
Public Works	Ensure City infrastructure complies with City codes and laws	X-32				
Public Works	Provide prompt, accurate information to customers	X-33			█	
Public Works	Monitor and track failed developments	X-33		█		
Public Works	Promote satisfaction and safety	X-33				
Solid Waste	Provide citizens and departments with accurate information	X-39				
Solid Waste	Maintain or reduce collection costs	X-39				
Solid Waste	Divert recyclables and reusable earth materials from the waste stream	X-40		█		

Goal Crosswalk FY-16

Department	Departmental Objective / Initiative	Budget Page	Council Goals				
			Economy	Safe	Neighborhoods	High-Performing	Assets
Solid Waste	Continuous efficient refuse collections	X-40					
Solid Waste	Enforce the City's Solid Waste Ordinance	X-41					
Solid Waste	Educate public on solid waste programs	X-41					
Solid Waste	Increase citizen use of convenience center	X-41					
Solid Waste	Safely operate a full-service yard waste disposal site	X-42					
Solid Waste	Divert household hazardous waste from waste stream	X-43					
Solid Waste	Recycle tires to prevent entrance to waste stream	X-43					
Transportation	Plan, operate, maintain safe and efficient public transportation services	X-48					
Transportation	Ensure safe, reliable, & customer friendly taxi service	X-48					
Transportation	Operate well-managed traffic signal system / 90%	X-48					
Transportation	Maintain pavement markings	X-49					
Transportation	Maintain efficient traffic operations	X-49					
Transportation	Efficient street lighting	X-49					
Transportation	Efficient public transportation	X-49					
Transportation	Provide ADA paratransit service	X-50					
Transportation	Increase performance of parking operations	X-50					
Transportation	Increase use of off-street parking facilities	X-50					
Water Management	Sufficient quantities of high quality water	X-55					
Water Management	Effective wastewater treatment	X-56					
Water Management	Accurate and timely billing of water services	X-56					
Water Management	Enhance customer responsiveness	X-56					
Water Management	Enforce ordinances and collection policies	X-57					
Water Management	Provide maintenance and minor construction support	X-57					
Water Management	Protect City's water and sewer systems	X-57					
Water Management	Maintain database, conduct inspections	X-57					

Goal Crosswalk FY-16

Department	Departmental Objective / Initiative	Budget Page	Council Goals				
			Economy	Safe	Neighborhoods	High-Performing	Assets
Water Management	Educate customers regarding water efficiency ordinance	X-57					
Water Management	Produce drinking water that meets regulatory requirements	X-57					
Water Management	Provide water free of tastes and odors	X-57					
Water Management	Provide cost effective wastewater treatment	X-58					
Water Management	Maintain sewer collection system in good order	X-58					
Water Management	Measure amount of water sold accurately and responsibly	X-58					
Water Management	Maintain the integrity of the City's sewer collection system	X-58					

DURHAM



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CITY OF MEDICINE

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 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Revenues						
General Property Taxes	\$ 87,584,859	\$ 89,728,336	\$ 92,298,207	\$ 94,943,101	\$ 97,665,230	\$ 100,466,873
Taxes: Prior Year Levy/Interest	1,613,140	1,576,476	1,622,781	1,670,057	1,718,720	1,769,145
Other Local Taxes	53,372,090	55,218,462	57,129,138	59,106,358	61,152,441	63,269,788
State-Shared Revenues	11,881,736	12,117,978	12,358,944	12,604,730	12,855,432	13,111,147
Licenses and Permits	4,408,736	4,573,439	4,746,260	4,925,962	5,112,818	5,114,513
Investment/Rental Income	126,272	122,612	122,612	126,272	126,272	126,272
Charges for Current Services	7,080,356	7,185,097	7,292,766	7,403,455	7,517,256	7,585,602
Intragovernmental Services	1,822,778	1,859,233	1,896,419	1,934,348	1,973,037	2,012,497
Other Revenues	730,847	734,507	734,507	730,847	730,847	730,847
Additional Revenues	3,223,305	4,129,822	7,303,349	9,613,503	11,728,740	10,838,210
Total Revenues	\$ 171,844,119	\$ 177,245,962	\$ 185,504,983	\$ 193,058,633	\$ 200,580,793	\$ 205,024,894
Appropriations						
Personal Services	\$ 134,224,064	\$ 140,338,314	\$ 146,194,300	\$ 152,211,202	\$ 158,498,994	\$ 165,070,943
Operating	31,767,630	32,463,689	33,821,664	34,261,392	35,446,691	33,267,633
Capital Outlay	755,215	727,644	756,750	787,019	818,500	851,241
Others	159,162	97,250	97,250	97,250	97,250	97,250
Transfers to Other Funds	4,938,048	3,619,065	4,635,019	5,701,770	5,719,358	5,737,827
Total Appropriations	\$ 171,844,119	\$ 177,245,962	\$ 185,504,983	\$ 193,058,633	\$ 200,580,793	\$ 205,024,894
Property Taxes Needed	\$ 87,584,859	\$ 93,858,158	\$ 99,601,556	\$ 104,556,604	\$ 109,393,970	\$ 111,305,083
Projected Levy	87,584,859	89,728,336	92,298,207	94,943,101	97,665,230	100,466,873
Surplus/(Shortfall)	\$ -	\$ (4,129,822)	\$ (7,303,349)	\$ (9,613,503)	\$ (11,728,740)	\$ (10,838,210)
One Cent on Tax Rate	\$ 2,475,547	\$ 2,536,132	\$ 2,608,768	\$ 2,683,525	\$ 2,760,464	2,839,652
Tax Rate (General Fund Only)	0.3538	0.3538	0.3538	0.3538	0.3538	0.3538
Tax Rate Equivalent	0.0000	0.0163	0.0280	0.0358	0.0425	0.0382
Tax Rate (cents)	0.3538	0.3701	0.3818	0.3896	0.3963	0.3920
12% Undesignated Fund Balance	\$ 20,028,729	\$ 20,835,228	\$ 21,704,396	\$ 22,482,824	\$ 23,383,372	\$ 23,914,448
Undesignated Fund Balance	\$ 33,958,283	\$ 33,958,283	\$ 33,958,283	\$ 33,958,283	\$ 33,958,283	\$ 33,958,283
Fund Balance %	20.36%	19.56%	18.77%	18.12%	17.43%	17.04%

GENERAL FUND PROJECTION

Revenue Assumptions FY2017 – FY2021

- Property Tax Base is projected to grow at 2.86% annually overall.
- FY 2015-16 is a revaluation year in which property tax values will be reappraised.
- Other Local Taxes (Sales and Hotel/Motel) are projected at 3.34% growth annually.
- Intergovernmental projection: State Collected Revenues are assumed to have slow growth of 1.95%.
- 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%).
- Other revenue is projected to grow at 0.5% annually.

Appropriation Assumptions FY2017 – FY2021

- Personal Services (all salaries and benefits) appropriations are projected to grow at 3.5% overall.
- 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 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Revenues						
Property Taxes	\$ 32,231,624	\$ 32,846,771	\$ 33,652,042	\$ 34,347,719	\$ 35,052,395	\$ 35,884,702
Other Revenue	635,637	622,013	598,195	572,160	545,192	509,455
Intergovernmental	1,217,222	-	-	-	-	-
Refunding Proceeds	6,000,000	-	-	-	-	-
Appropriation from Fund Balance	1,160,985	-	-	-	2,190,349	464,385
Total Revenues	\$ 41,245,468	\$ 33,468,784	\$ 34,250,237	\$ 34,919,879	\$ 37,787,936	\$ 36,858,542
Appropriations						
Debt Service	\$ 36,855,293	\$ 29,668,205	\$ 28,628,287	\$ 27,993,064	\$ 34,813,022	\$ 33,972,909
Tax Collection Fee	370,664	361,314	370,172	377,825	385,576	394,732
Transfer to Capital	900,000	-	-	-	-	-
Transfer to Other Funds	3,119,511	3,021,859	2,972,930	2,789,465	2,589,338	2,490,901
Appropriation to Fund Balance	-	417,406	2,278,848	3,759,525	-	-
Total Appropriations	\$ 41,245,468	\$ 33,468,784	\$ 34,250,237	\$ 34,919,879	\$ 37,787,936	\$ 36,858,542

DEBT PROJECTION

Revenue Assumptions

- Property Taxes – Property Tax Base is projected to grow at 2.86% annually.
- Other Revenue – Subsidy payments from Build America Bonds (BABs).
- 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 3.5%.
- 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 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Revenues						
Investment/Rental	\$ 466,000	\$ 475,320	\$ 484,826	\$ 494,523	\$ 504,413	\$ 514,501
Water & Sewer Sales	86,534,603	89,649,849	92,966,893	96,406,668	100,070,122	104,373,137
Other Operating Revenues	962,500	981,750	1,001,385	1,021,413	1,041,841	2,513,129
Licenses and Permits	85,000	86,700	88,434	90,203	92,007	93,847
Frontage Fees/Assessments	350,000	357,000	364,140	371,423	378,851	386,428
Other Revenues	58,625	59,798	60,994	62,214	63,458	64,727
Transfers From Other Funds	276,982	-	-	-	-	-
Total Revenues	\$ 88,733,710	\$ 91,610,417	\$ 94,966,672	\$ 98,446,444	\$ 102,150,691	\$ 107,945,769
Appropriations						
Personal Services	\$ 25,463,435	\$ 26,354,655	\$ 27,277,068	\$ 28,231,765	\$ 29,219,877	\$ 30,388,672
Operating	28,309,448	29,300,279	30,325,789	31,387,192	32,485,744	33,785,174
Transfer to CIP	19,000,000	18,200,000	16,800,000	13,300,000	9,100,000	10,500,000
Transfer to Other Funds	650,869	680,158	710,765	742,749	776,173	811,101
Debt Service	10,646,702	13,323,758	15,814,234	19,627,359	25,216,524	26,971,875
Appropriation to Fund Balance	4,663,256	3,751,567	4,038,816	5,157,379	5,352,373	5,488,947
Total Appropriations	\$ 88,733,710	\$ 91,610,417	\$ 94,966,672	\$ 98,446,444	\$ 102,150,691	\$ 107,945,769
Debt Coverage Ratio:						
Parity Debt	6.23	4.69	3.72	2.79	2.14	2.09
All Debt	3.61	3.21	2.80	2.33	1.88	1.88

WATER AND SEWER PROJECTION

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 was adopted for FY 2015-16. This rate increase equates to about a 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.
- Most non-rate revenue sources are projected to increase by 2% annually.
- Transfers From Other Funds is a repayment over five years from the General Fund for the financing of an information technology infrastructure upgrade project. FY 2015-16 is the final year of that repayment.

Appropriation Assumptions

- All Operational and Maintenance costs including personnel, operating and capital increase by 3.5% each year to cover expected system expansions and increased regulatory requirements.
- 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 capital funds to pay for fleet needs.
- Debt Service projections are provided by the City's Finance Department and includes 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 operating fund in order to be able to continue to meet debt covenants.

SOLID WASTE FUND PROJECTION

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Revenues						
General Property Taxes	\$ 14,481,951	\$ 14,836,370	\$ 15,261,292	\$ 15,698,619	\$ 16,148,717	\$ 16,611,712
Interest and Rental Income	7,000	7,000	7,000	7,000	7,000	7,000
Charges for Services	6,040,052	6,055,083	6,070,343	6,085,833	6,101,552	6,117,503
Intergovernmental Revenues	152,400	152,400	152,400	152,400	152,400	152,400
Landfill Gas	197,000	193,060	189,199	185,415	181,707	178,072
Transfers From Other Funds	15,000	15,000	15,000	15,000	15,000	15,000
Appropriation From Fund Balance	-	28,786	-	-	-	-
Total Revenues	\$ 20,893,403	\$ 21,287,699	\$ 21,695,234	\$ 22,144,266	\$ 22,606,376	\$ 23,081,687
Appropriations						
Personal Services	\$ 6,389,542	\$ 6,736,990	\$ 7,033,787	\$ 7,344,371	\$ 7,669,427	\$ 7,991,409
Operating	9,980,663	10,141,856	10,436,324	10,772,915	11,143,253	11,337,113
Debt Service	4,281,130	4,405,035	4,215,292	3,583,834	3,372,228	3,365,065
Transfers To Other Funds	3,818	3,818	3,818	3,818	-	-
Transfer to Fund Balance	238,250	-	6,013	439,328	421,468	388,101
Total Appropriations	\$ 20,893,403	\$ 21,287,699	\$ 21,695,234	\$ 22,144,266	\$ 22,606,376	\$ 23,081,687

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 FY 2015-16, this rate is 5.85 cents per \$100 valuation. Future years project the same rate. Consistent with the City's General Fund multi-year plan, this revenue is expected to grow by about 2.87% per year.
- Interest and rental income is revenue earned through the commitment of City funds to investment instruments allowed under State statute.
- Charges for Services represents all revenues which are received as a direct result of the department's operations. These revenues include the per ton tipping fee, fees for yard waste collection, disposal bin purchases, 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.
- Transfers from Other Funds is a transfer from the BID fund to partially cover the costs of providing extra services in the BID area.
- 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 multi-year plan and are projected to grow between 4% - 4.5% per year over the next five years.
- Operating costs are projected to grow by an average of about 2.5% annually due primarily to contractual and vehicle costs.
- Debt service costs cover vehicle purchases and other capital needs that are financed.
- Transfers to Other Funds is a small transfer to cover the Solid Waste Fund's portion of a technology project.
- Transfer to Fund Balance is used when projected revenues exceed projected expenses.

STORMWATER MANAGEMENT FUND PROJECTION

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Revenues						
Operating Revenues	\$ 15,009,365	\$ 15,035,413	\$ 16,561,144	\$ 16,892,367	\$ 17,230,214	\$ 17,574,819
Interest and Rental Income	20,000	20,200	20,402	20,606	20,812	\$ 21,020
Miscellaneous Revenue	209,750	215,491	220,504	225,619	230,836	\$ 236,157
Transfers from Other Funds	109,047	109,047	109,407	109,407	109,407	\$ 109,407
Subtotal Revenues	\$ 15,348,162	\$ 15,380,151	\$ 16,911,457	\$ 17,247,999	\$ 17,591,269	\$ 17,941,403
Appropriation from Fund Balance	-	3,554,671	-	-	-	\$ -
Total Revenues	\$ 15,348,162	\$ 18,934,822	\$ 16,911,457	\$ 17,247,999	\$ 17,591,269	\$ 17,941,403
Appropriations						
Personal Services	\$ 6,580,491	\$ 6,777,906	\$ 6,981,243	\$ 7,190,680	\$ 7,406,401	\$ 7,628,593
Operating	2,860,406	3,231,916	4,255,214	4,330,344	4,457,353	\$ 4,586,287
Transfers to Other Funds	4,838,628	8,925,000	5,675,000	5,725,000	4,750,000	\$ 5,200,000
Transfers to Fund Balance	1,068,637	-	-	1,975	977,515	\$ 526,523
Total Appropriations	\$ 15,348,162	\$ 18,934,822	\$ 16,911,457	\$ 17,247,999	\$ 17,591,269	\$ 17,941,403

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). No rate increase is proposed for FY 2015-16. The \$1.8 million increase in FY 2017-18 assumes a rate increase to absorb increased operating expenses related to the maintenance of Stormwater infrastructure for City-owned property.

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 includes 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 3% annually.
- Operating costs are projected to grow at approximately 2.5% annually. Beginning in FY 2017-18, an additional \$1.3 million beyond the 2.5% growth will be needed per year due to the consolidation of Stormwater maintenance for City-owned property within the fund.
- 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 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Revenues						
General Property Taxes	\$ 9,580,368	\$ 9,771,975	\$ 9,967,415	\$ 10,166,763	\$ 10,370,098	\$ 10,577,500
Licenses and Permits	2,480,521	2,530,131	2,580,734	2,632,349	2,684,996	2,738,696
Intergovernmental	4,946,681	4,597,578	4,714,651	4,696,674	4,881,643	5,136,797
Charges for Current Services	3,451,051	3,754,196	3,859,327	3,963,044	4,069,841	4,179,518
Other Revenue	210,936	177,775	156,731	159,811	151,022	190,370
Appropriation from Fund Balance	-	-	-	182,637	166,922	-
Total Revenues	\$ 20,669,557	\$ 20,831,656	\$ 21,278,858	\$ 21,801,278	\$ 22,324,522	\$ 22,822,881
Appropriations						
Operating	\$ 18,099,945	\$ 19,158,854	\$ 19,772,603	\$ 20,330,980	\$ 20,978,103	\$ 21,348,636
Capital	379,000					
Debt Service	203,460	210,417	205,778	205,778	205,778	205,778
Transfers to Other Funds	1,828,609	1,276,757	1,262,631	1,264,520	1,140,641	1,268,467
Appropriation to Fund Balance	158,543	185,628	37,846	-	-	-
Total Appropriations	\$ 20,669,557	\$ 20,831,656	\$ 21,278,858	\$ 21,801,278	\$ 22,324,522	\$ 22,822,881

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 currently receives 3.87 cents of the tax rate, the same rate as in FY 2014-15. Growth in the tax base is projected at 2% 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 3% for Transit and Paratransit services after FY 2016-17.
- Other Revenue is variable based upon expected activities in each fiscal year.
- Appropriation from Fund Balance is present 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 2016-17 through FY 2019-20 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 present in years when revenues are projected to exceed expenses.

**PARKING FACILITIES FUND
PROJECTION**

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Revenues						
Interest and Rental Income	\$ 2,000	\$ 2,040	\$ 2,081	\$ 2,123	\$ 2,165	\$ 2,208
Charges for Current Services	3,306,726	3,563,517	4,929,921	5,725,268	5,964,517	6,030,579
Appropriation from Fund Balance	-	287,896	-	49,914	-	10,999
Transfers from Other Funds	1,924,735	1,856,505	1,790,185	1,778,144	1,713,229	1,639,658
Total Revenues	\$ 5,233,461	\$ 5,709,958	\$ 6,722,187	\$ 7,555,449	\$ 7,679,911	\$ 7,683,444
Appropriations						
Personal Services	\$ 141,802	\$ 146,056	\$ 150,438	\$ 154,951	\$ 159,600	\$ 164,388
Operating	2,954,187	3,707,397	4,007,163	4,775,941	4,849,889	4,949,501
Capital	17,500	-	-	-	-	-
Debt Service	1,924,737	1,856,505	2,213,392	2,624,557	2,643,126	2,569,555
Transfer to Fund Balance	195,235	-	351,194	-	27,296	-
Total Appropriations	\$ 5,233,461	\$ 5,709,958	\$ 6,722,187	\$ 7,555,449	\$ 7,679,911	\$ 7,683,444

PARKING FACILITIES PROJECTION

Revenue Assumptions

- Since FY 2002-2003 a private vendor is contracted to operate the City garages and parking lots.
- Charges for Current Services are generally projected to grow by 2% annually, with adjustments for Parking Study proposed changes. Those assumptions include:
 - Purchase of New parking equipment for on-street parking enforcement (meters) - FY 2017-2018 (Implementation January 2017 - financed over five years (included in debt service payments beyond transfer from debt service fund)
 - Construction of New Parking Deck completed by January 2017. First debt payment in FY 2017-2018
 - Financed future renovations/security equipment needs at the Parking garages in FY 2017-2018 (includes debt service payments beyond the transfer from debt service fund).
 - This assumes a general parking rate increase of 20% in FY 2017-2018
- 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

- Personal Services are projected to grow by 3%.
- Operating costs are projected to grow by 1% annually, with the increased costs from the assumptions above in the Charges for Current Services section factored in as well.

**BALLPARK FUND
PROJECTION**

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Revenues						
Interest Income	\$ 2,000	\$ 6,386	\$ 6,668	\$ 7,201	\$ 2,852	\$ 1,273
Charges for Service	215,793	244,711	220,454	236,976	253,979	271,476
Transfers from Other Funds	1,244,776	1,353,431	1,370,006	1,103,811	1,074,342	1,047,275
Transfer from Reserve	-	-	-	-	874,246	317,393
Total Revenues	\$ 1,462,569	\$ 1,604,528	\$ 1,597,128	\$ 1,347,988	\$ 2,205,419	\$ 1,637,417
Appropriations						
Debt Service	1,287,329	1,403,428	1,395,746	1,240,787	1,228,320	1,218,752
Capital Repair/Replacement	-	-	-	-	977,099	418,665
Transfer to Fund Balance	52,000	56,386	56,668	107,201	-	-
Transfers to Other Funds	123,240	144,714	144,714	-	-	-
Total Appropriations	\$ 1,462,569	\$ 1,604,528	\$ 1,597,128	\$ 1,347,988	\$ 2,205,419	\$ 1,637,417

BALLPARK PROJECTION

Revenue Assumptions

- Per the lease agreement approved by City Council on May 6, 2013, the City will receive annual base rent of \$135,304, with a projected 2% escalation, based on CPI. Additionally, the City will receive 3% of any gross revenues in excess of \$10,750,000 as well as 1.25% of revenues collected from Third Party and Special Events. These figures and assumptions were used to calculate interest and rental income revenues.
- The Transfers from Other Funds represents a subsidy from the General Fund and Debt Service Fund. The General Fund is providing \$50,000 annually for the capital reserve fund, which will increase to \$100,000 for FY 2019 and beyond. The Debt Service Fund will subsidize the Ball Park Fund approximately \$1.3 million annually through FY 2017-18 at which point the debt service subsidy will decrease to approximately \$1.1 million thereafter.

Appropriation Assumptions

- Debt Service costs account for the issuance of \$12 million in taxable limited obligation bonds per the development agreement approved by Council on May 6, 2013. These bonds were used to provide \$6 million in deferred maintenance repairs and \$6 million in renovations to the Ball Park, completed in April 2014. Debt Service estimates are supplied by the Finance Department.
- Capital Repair/Replacement captures the anticipated replacement costs of large maintenance items such as electrical equipment, elevators and HVAC system replacements/upgrades.
- Transfer to Fund Balance represents the amount set aside to fund a capital reserve for future needs.
- Transfers to Other Funds represent an inter-fund loan repayment projected to be complete in FY 2017-18.

DURHAM PERFORMING ARTS FUND PROJECTION

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Revenues						
Other Local Taxes	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000
Other Revenues	\$ 905,800	\$ 1,168,605	\$ 1,023,000	\$ 1,000,000	\$ 753,023	\$ 753,023
Interest Income	\$ 5,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Operating Revenues	\$ 1,183,449	\$ 1,399,811	\$ 1,090,114	\$ 1,407,530	\$ 803,224	\$ 810,952
Appropriation from Fund Balance	\$ -	\$ -	\$ 2,397,256	\$ -	\$ 339,899	\$ -
Total Revenues	\$ 3,494,249	\$ 3,978,416	\$ 5,920,370	\$ 3,817,530	\$ 3,306,146	\$ 2,973,975
Appropriations						
Operating	\$ 220,905	\$ 228,473	\$ 236,350	\$ 244,550	\$ 253,087	\$ 261,978
Capital and Other	\$ 539,852	\$ 280,000	\$ 3,452,560	\$ 553,749	\$ 821,314	\$ 241,198
Debt Service	\$ 2,236,253	\$ 2,230,989	\$ 2,231,460	\$ 2,236,225	\$ 2,231,745	\$ 2,234,005
Appropriation to Fund Balance	\$ 497,239	\$ 1,238,954	\$ -	\$ 783,006	\$ -	\$ 236,794
Total Appropriations	\$ 3,494,249	\$ 3,978,416	\$ 5,920,370	\$ 3,817,530	\$ 3,306,146	\$ 2,973,975

DURHAM PERFORMING ARTS PROJECTION

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

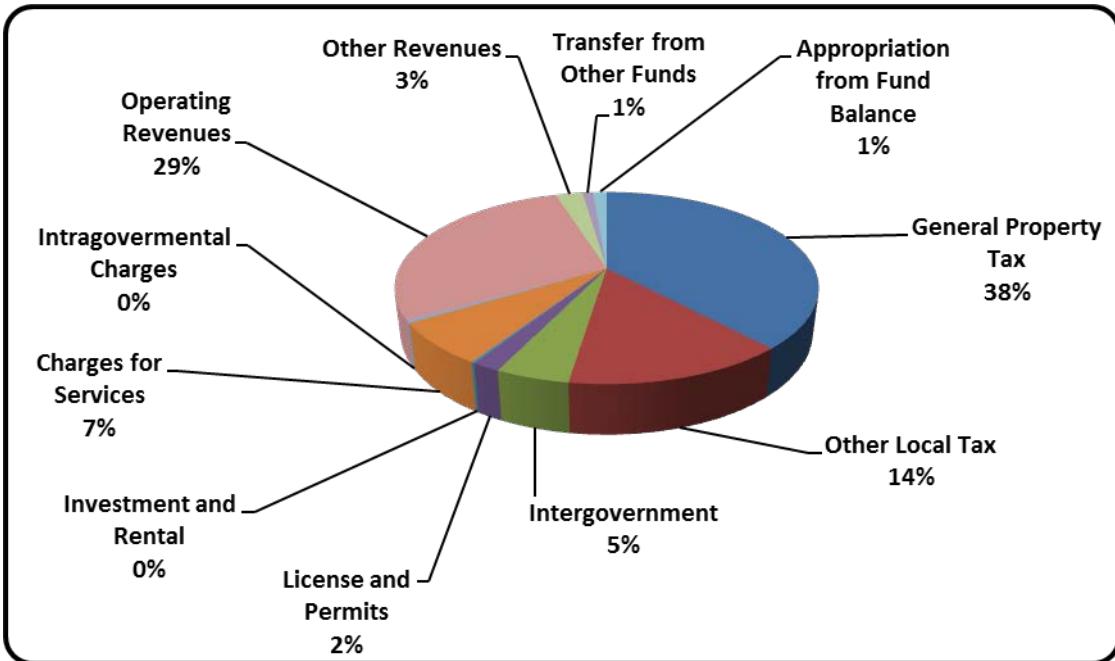
- Operating costs represent commissions and fees to meet contractual obligations for the operation of the facility and are projected to grow at 2% annually.
- Capital and other represents expenses related to the maintenance, improvement, and repairs to the facility. These expenses were previously captured in the DPAC Capital Facilities fund, which was consolidated with the annual operating fund for the FY 2014-15 fiscal year.
- Debt service represents expected debt service on Certificates of Participation issued to finance the theatre. A debt refunding occurred during the FY 2014-15 fiscal year.
- Appropriation to Fund Balance represents transfers for any surplus revenue beyond expenditures.

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

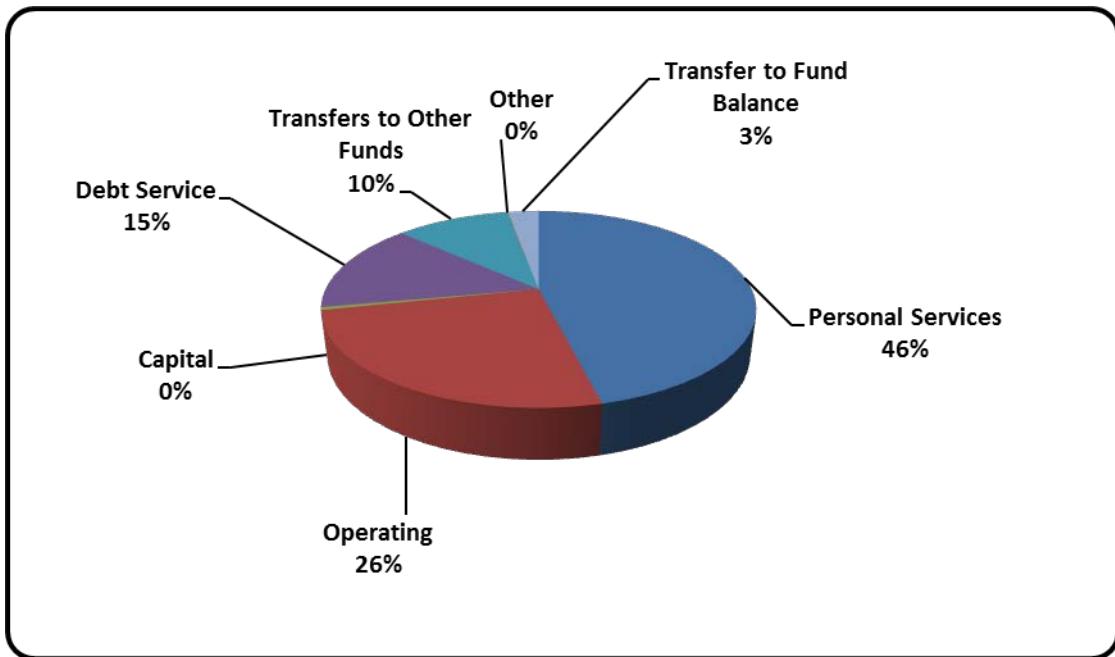
	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16
General Property Taxes	\$ 139,841,792	\$ 145,267,889	\$ 146,043,782	\$ 148,410,783
Other Local Taxes	40,479,133	51,589,456	53,184,400	54,772,090
Intergovernmental	27,072,132	17,897,943	20,837,783	18,198,039
Licenses and Permits	11,958,971	9,389,883	10,623,435	6,974,257
Investment and Rental Income	1,407,837	769,614	913,990	796,272
Charges for Current Services	24,957,172	26,972,463	26,921,948	27,434,952
Intragovernmental Charges	2,088,327	2,419,932	2,580,890	1,822,778
Operating Revenues	108,307,175	106,594,225	116,339,381	111,359,049
Other Revenues	10,130,804	3,506,215	57,157,901	9,627,727
Transfers from Other Funds	16,658,143	18,042,729	18,125,729	3,820,540
Appropriation from Fund Balance	5,335,970	7,483,281	8,701,468	4,934,231
Total Revenues	\$ 388,237,456	\$ 389,933,630	\$ 461,430,706	\$ 388,150,718
Personal Services	\$ 165,610,834	\$ 173,404,358	\$ 169,502,545	\$ 179,175,568
Operating	89,897,819	96,709,423	99,985,117	98,778,342
Capital	678,596	1,038,509	2,417,352	1,691,567
Debt Service	65,554,065	56,792,587	117,633,587	57,434,904
Transfers To Other Funds	46,204,257	51,386,184	53,991,839	40,193,813
Other	-	1,728,476	324,000	252,855
Transfer to Fund Balance	20,291,885	8,874,093	17,576,266	10,623,669
Total Appropriations	\$ 388,237,456	\$ 389,933,630	\$ 461,430,706	\$ 388,150,718

SUMMARY OF REVENUES AND APPROPRIATIONS FOR ALL FUNDS

FY 2015-2016 REVENUES

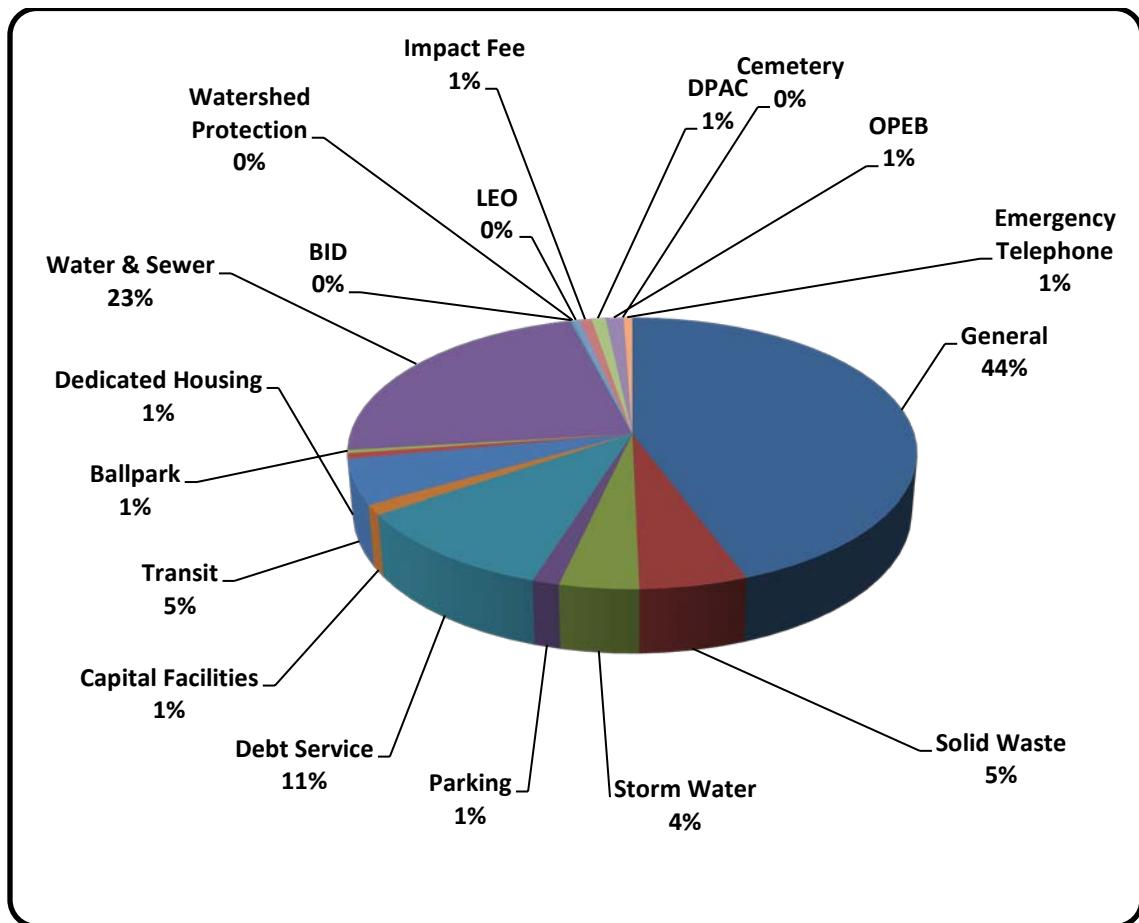


FY 2015-2016 APPROPRIATIONS



SUMMARY OF ALL FUNDS RECOGNIZED IN BUDGET ORDINANCE

Budget Ordinance



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

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16
General Fund				
General Property Taxes	\$ 92,319,117	\$ 94,818,475	\$ 95,247,283	\$ 89,197,999
Other Local Taxes	39,062,279	50,189,456	51,784,400	53,372,090
State-Shared Revenues	21,249,071	11,890,319	14,197,553	11,881,736
Licenses and Permits	8,655,869	6,875,000	8,098,752	4,408,736
Interest and Rental Income	285,816	52,332	143,995	126,272
Charges for Current Services	6,266,600	7,280,727	7,314,125	7,080,356
Intragovernmental Revenues	2,088,327	2,419,932	2,580,890	1,822,778
Other Revenues	1,491,198	663,123	797,997	730,847
Transfers from Other Funds	200,000		83,000	-
Subtotal Current Revenues	\$ 171,618,278	\$ 174,189,364	\$ 180,247,995	\$ 168,620,814
Appropriation from Fund Balance	-	815,250	-	3,223,305
Total Revenues	\$ 171,618,278	\$ 175,004,614	\$ 180,247,995	\$ 171,844,119
Debt Service Fund				
General Property Taxes	\$ 35,291,985	\$ 38,243,207	\$ 38,446,486	\$ 32,231,624
Interest	18,375	-	-	-
Other Revenue	4,875,835	642,660	52,922,440	6,635,637
Transfers from Other Funds	-	172,125	172,125	-
Intragovernmental	2,950,000	2,505,000	2,505,000	1,217,222
Subtotal Current Revenues	\$ 43,136,195	\$ 41,562,992	\$ 94,046,051	\$ 40,084,483
Appropriations from Fund Balance	1,325,487	1,506,518	1,023,459	1,160,985
Total Revenues	\$ 44,461,682	\$ 43,069,510	\$ 95,069,510	\$ 41,245,468
Water and Sewer Fund				
Investment and Rental Income	\$ 654,127	\$ 492,862	\$ 541,261	\$ 466,000
Water and Sewer Sales	84,066,869	83,530,701	91,660,405	86,534,603
Other Operating Revenue	972,115	627,000	1,040,065	400,500
Licenses and Permits	87,865	83,000	92,800	85,000
Other	402,089	270,138	874,596	970,625
Transfer from Other Funds	298,288	287,635	287,635	276,982
Subtotal Current Revenues	\$ 86,481,354	\$ 85,291,336	\$ 94,496,762	\$ 88,733,710
Appropriations from Fund Balance	-	-	-	-
Total Revenues	\$ 86,481,354	\$ 85,291,336	\$ 94,496,762	\$ 88,733,710
Solid Waste Disposal Fund				
General Property Taxes	\$ -	\$ -	\$ -	\$ 14,481,951
Interest and Rental Income	9,755	5,000	7,825	7,000
Charges for Services	5,390,663	6,070,160	5,800,282	6,040,052
Solid Waste Fee	1,310,155	-	127,760	-
Intragovernmental Revenues	133,223	145,672	145,672	152,400
Landfill Gas	204,516	200,000	200,000	197,000
Other Financing Sources	1,014	-	600,814	-
Transfers From Other Funds	11,914,510	13,827,981	13,827,981	15,000
Subtotal Current Revenues	\$ 18,963,836	\$ 20,248,813	\$ 20,710,334	\$ 20,893,403
Appropriation From Fund Balance	2,861,852	-	1,910,287	-
Total Revenues	\$ 21,825,688	\$ 20,248,813	\$ 22,620,621	\$ 20,893,403
Stormwater Management Fund				
Interest and Rental Income	\$ 22,898	\$ 20,000	\$ 20,000	\$ 20,000
Operating Revenues	14,274,327	14,736,860	14,783,145	15,219,115
Transfer from Other Funds	232,047	232,047	232,047	109,047
Subtotal Current Revenues	\$ 14,529,272	\$ 14,988,907	\$ 15,035,192	\$ 15,348,162
Appropriations from Fund Balance	-	-	-	-
Total Revenues	\$ 14,529,272	\$ 14,988,907	\$ 15,035,192	\$ 15,348,162
Transit Fund				
General Property Taxes	\$ 9,412,843	\$ 9,355,323	\$ 9,405,051	\$ 9,580,368
Licenses and Permits	3,215,237	2,431,883	2,431,883	2,480,521
Intragovernmental	2,739,838	3,356,952	3,989,558	4,946,681
Charges for Current Services	3,378,994	3,508,787	3,381,796	3,636,525
Other Revenue	130,668	209,182	113,182	25,462
Subtotal Current Revenues	\$ 18,877,580	\$ 18,862,127	\$ 19,321,470	\$ 20,669,557
Appropriation from Fund Balance	-	-	776,861	-
Total Revenues	\$ 18,877,580	\$ 18,862,127	\$ 20,098,331	\$ 20,669,557

Parking Facilities Fund						
Interest and Rental Income	\$ 2,855	\$ 1,000	\$ 1,000	\$ 2,000		
Charges for Current Services	2,710,179	2,801,717	3,097,664	3,306,726		
Transfers from Other Funds	1,999,039	1,987,324	1,987,324	1,924,735		
Subtotal Current Revenues	\$ 4,712,073	\$ 4,790,041	\$ 5,085,988	\$ 5,233,461		
Appropriations from Fund Balance	92,888	-	-	-		
Total Revenues	\$ 4,804,961	\$ 4,790,041	\$ 5,085,988	\$ 5,233,461		
 Ballpark Fund						
Interest and Rental Income	\$ 184,937	\$ 1,000	\$ 1,700	\$ 2,000		
Charges for Services	383,406	181,788	181,788	215,793		
Transfers from Other Funds	1,147,259	1,285,617	1,285,617	1,244,776		
Subtotal Current Revenues	\$ 1,715,602	\$ 1,468,405	\$ 1,469,105	\$ 1,462,569		
Appropriation from Fund Balance	-	-	-	-		
Total Revenues	\$ 1,715,602	\$ 1,468,405	\$ 1,469,105	\$ 1,462,569		
 LEO Special Separation Fund						
Charges for Current Services	\$ 1,583,055	\$ 1,537,665	\$ 1,537,665	\$ 1,604,777		
Interest and Rental Income	4,983	5,000	5,000	4,000		
Subtotal Current Revenues	\$ 1,588,038	\$ 1,542,665	\$ 1,542,665	\$ 1,608,777		
Appropriation from Fund Balance	289,414	-	-	-		
Total Revenues	\$ 1,877,452	\$ 1,542,665	\$ 1,542,665	\$ 1,608,777		
 Cemetery Fund						
Interest and Rental Income	\$ 6,814	\$ 6,000	\$ 6,000	\$ 5,000		
Subtotal Current Revenues	\$ 6,814	\$ 6,000	\$ 6,000	\$ 5,000		
Appropriations from Fund Balance	-	340,000	340,000	-		
Total Revenues	\$ 6,814	\$ 346,000	\$ 346,000	\$ 5,000		
 Other Post Employment Benefits Fund						
Charges for Services	\$ 3,637,684	\$ 3,883,393	\$ 3,883,393	\$ 4,024,242		
Interest and Rental Income	818	1,000	1,000	1,000		
Contributions	793,584	565,879	565,879	538,882		
Subtotal Current Revenues	\$ 4,432,086	\$ 4,450,272	\$ 4,450,272	\$ 4,564,124		
Appropriations from Fund Balance	9,281	-	-	-		
Total Revenues	\$ 4,441,367	\$ 4,450,272	\$ 4,450,272	\$ 4,564,124		
 Emergency Telephone Surcharge Fund						
Charges for Services	\$ 1,482,087	\$ 1,608,226	\$ 1,608,226	\$ 1,619,955		
Interest and Rental Income	2,630	2,000	2,000	2,000		
Subtotal Current Revenues	\$ 1,484,717	\$ 1,610,226	\$ 1,610,226	\$ 1,621,955		
Appropriations from Fund Balance	65,731	618,199	910,768	549,941		
Total Revenues	\$ 1,550,448	\$ 2,228,425	\$ 2,520,994	\$ 2,171,896		
 Business Improvement District Fund						
General Property Taxes	\$ 385,756	\$ 433,488	\$ 416,256	\$ 443,294		
Transfers from Other Funds	250,000	250,000	250,000	250,000		
Subtotal Current Revenues	\$ 635,756	\$ 683,488	\$ 666,256	\$ 693,294		
Appropriations from Fund Balance	-	-	7,034	-		
Total Revenues	\$ 635,756	\$ 683,488	\$ 673,290	\$ 693,294		
 Dedicated Housing Fund						
General Property Taxes	\$ 2,432,091	\$ 2,417,396	\$ 2,528,706	\$ 2,475,547		
Charges For Current Services	19,546	-	15,057	\$ -		
Subtotal Current Revenues	\$ 2,451,637	\$ 2,417,396	\$ 2,543,763	\$ 2,475,547		
Appropriations from Fund Balance	-	716,215	220,191	-		
Total Revenues	\$ 2,451,637	\$ 3,133,611	\$ 2,763,954	\$ 2,475,547		
 Durham Performing Arts Center Fund						
Other Local Taxes	\$ 1,416,854	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000		
Other Revenues	921,745	955,233	955,233	425,000		
Interest and Rental Income	5,693	25,920	5,751	5,000		
Operating Revenues	1,550,000	1,344,333	1,344,333	1,664,249		
Subtotal Current Revenues	\$ 3,894,292	\$ 3,725,486	\$ 3,705,317	\$ 3,494,249		
Appropriation from Fund Balance	691,317	-	25,769	-		
Total Revenues	\$ 4,585,609	\$ 3,725,486	\$ 3,731,086	\$ 3,494,249		

DPAC Capital Reserve Fund						
Interest and Rental Income	\$ 5,164	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer from Other Funds	617,000	-	-	-	-	-
Total Revenues	\$ 622,164	\$ -	\$ -	\$ -	\$ -	\$ -
Watershed Protection Fund						
Operating Revenues	\$ 104,958	\$ 100,000	\$ 101,952	\$ 92,000		
Total Revenues	\$ 104,958	\$ 100,000	\$ 101,952	\$ 92,000		
Impact Fee Fund						
Operating Revenues	\$ 3,646,264	\$ 1,939,331	\$ 2,769,874	\$ 2,924,292		
Interest and Rental Income	149,772	124,500	124,500	107,000		
Total Revenues	\$ 3,796,036	\$ 2,063,831	\$ 2,894,374	\$ 3,031,292		
Capital Facilities Fees Fund						
Interest and Rental Income	\$ 53,199	\$ 33,000	\$ 53,958	\$ 49,000		
Operating Revenues	3,797,600	4,416,000	4,741,559	4,535,090		
Subtotal Current Revenues	\$ 3,850,799	\$ 4,449,000	\$ 4,795,517	\$ 4,584,090		
Appropriation from Fund Balance	-	3,487,099	3,487,099	-		
Total Revenues	\$ 3,850,799	\$ 7,936,099	\$ 8,282,616	\$ 4,584,090		
Total Budget Ordinance	\$ 388,237,456	\$ 389,933,630	\$ 461,430,706	\$ 388,150,718		

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

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16
Risk Reduction Fund				
Interest and Rental Income	\$ 40,153	\$ 30,000	\$ 30,000	\$ 68,088
Charges for Current Services	4,621,029	4,983,011	4,983,011	4,932,803
Transfer from Other Funds	90,568	48,709	48,709	48,719
Subtotal Current Revenues	\$ 4,751,750	\$ 5,061,720	\$ 5,061,720	\$ 5,049,610
Appropriation from Fund Balance	753,518	1,004,016	1,070,416	562,343
Total Revenues	\$ 5,505,268	\$ 6,065,736	\$ 6,132,136	\$ 5,611,953
Employee Insurance Fund				
Charges for Current Services	\$ 29,067,748	\$ 29,069,810	\$ 29,069,810	\$ 29,001,619
Interest	45,804	30,000	30,000	33,000
Subtotal Current Revenues	\$ 29,113,552	\$ 29,099,810	\$ 29,099,810	\$ 29,034,619
Appropriation from Fund Balance	-	502,707	528,105	1,092,407
Total Revenues	\$ 29,113,552	\$ 29,602,517	\$ 29,627,915	\$ 30,127,026
Total Internal Service Funds	\$ 34,618,820	\$ 35,668,253	\$ 35,760,051	\$ 35,738,979

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

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16
Community Development	4,631,164	2,927,390	2,916,187	4,009,007
Employment and Training	2,511,497	2,123,967	2,593,325	1,747,590
Transit	4,612,894	5,034,115	5,870,305	8,297,731
Transportation Planning	2,380,580	2,776,137	2,071,840	1,986,287
Law Enforcement	2,043,737	1,735,612	977,151	2,339,864
Total Major Grant Funds	\$ 16,179,872	\$ 14,597,221	\$ 14,428,808	\$ 18,380,479
TOTAL ALL REVENUES	\$ 439,036,148	\$ 440,199,104	\$ 511,619,564	\$ 442,270,176

SUMMARY OF APPROPRIATIONS FOR ALL FUNDS

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16
Budget Ordinance				
General Fund				
Governance	\$ 6,038,806	\$ 5,906,172	\$ 5,867,017	\$ 6,410,195
Administrative and Support	14,451,251	14,928,923	15,726,664	15,346,160
Community Building	16,714,507	16,616,789	17,568,979	17,019,869
Public Safety	80,297,454	84,404,654	83,784,781	86,319,499
Public Services	48,596,405	51,863,090	53,134,427	41,852,845
Non-assigned	5,519,855	1,284,986	4,166,127	4,895,551
Total General Fund	\$ 171,618,278	\$ 175,004,614	\$ 180,247,995	\$ 171,844,119
Water & Sewer Fund				
Public Services	\$ 41,262,271	\$ 44,601,616	\$ 42,507,638	\$ 45,480,391
Administrative and Support	161,381	193,602	200,851	199,786
Non-departmental	45,057,702	40,496,118	51,788,273	43,053,533
Total Water & Sewer Fund	\$ 86,481,354	\$ 85,291,336	\$ 94,496,762	\$ 88,733,710
Ballpark Fund	\$ 1,715,602	\$ 1,468,405	\$ 1,469,105	\$ 1,462,569
Business Improvement District Fund	635,756	683,488	673,290	693,294
Capital Facilities Fee Fund	3,850,799	7,936,099	8,282,616	4,584,090
Cemetery Fund	6,814	346,000	346,000	5,000
Debt Service Fund	44,461,682	43,069,510	95,069,510	41,245,468
Dedicated Housing Fund	2,451,637	3,133,611	2,763,954	2,475,547
Durham Performing Arts Center Fund	4,585,609	3,725,486	3,731,086	3,494,249
DPAC Capital Reserve Fund	622,164	-	-	-
Emergency Telephone System Fund	1,550,448	2,228,425	2,520,994	2,171,896
Impact Fee Fund	3,796,036	2,063,831	2,894,374	3,031,292
LEO Special Allowance Fund	1,877,452	1,542,665	1,542,665	1,608,777
Other Post Employment Benefits Fund	4,441,367	4,450,272	4,450,272	4,564,124
Parking Facilities Fund	4,804,961	4,790,041	5,085,988	5,233,461
Solid Waste Disposal Fund	21,825,688	20,248,813	22,620,621	20,893,403
Stormwater Fund	14,529,270	14,988,907	15,035,192	15,348,162
Transit Fund	18,877,580	18,862,127	20,098,331	20,669,557
Watershed Protection Fund	104,958	100,000	101,952	92,000
Total Budget Ordinance	\$ 388,237,457	\$ 389,933,630	\$ 461,430,706	\$ 388,150,718
Internal Service Funds				
Employee Insurance Fund	\$ 29,113,552	\$ 29,602,517	\$ 29,627,915	\$ 30,127,026
Risk Reduction Fund	\$ 5,505,268	\$ 6,065,736	\$ 6,132,136	\$ 5,611,953
Total Internal Services Funds	\$ 34,618,820	\$ 35,668,253	\$ 35,760,051	\$ 35,738,979
Major Grant Funds				
Community Development	\$ 4,631,164	\$ 2,927,390	\$ 2,916,187	\$ 4,009,007
Employment and Training	2,511,497	2,123,967	2,593,325	1,747,590
Public Safety	2,043,737	1,735,612	977,151	2,339,864
Transit	4,612,894	5,034,115	5,870,305	8,297,731
Transportation Planning	2,380,580	2,776,137	2,071,840	1,986,287
Total Major Grant Funds	\$ 16,179,872	\$ 14,597,221	\$ 14,428,808	\$ 18,380,479
Subtotal All Funds	\$ 439,036,149	\$ 440,199,104	\$ 511,619,565	\$ 442,270,176
Less: Intrabudget Transfers	(16,618,710)	(18,091,438)	(18,091,438)	(3,869,259)
Less: Internal Service Charges	(8,259,467)	(8,866,404)	(8,866,404)	(8,957,045)
Total All Funds	\$ 414,157,971	\$ 413,241,262	\$ 484,661,723	\$ 429,443,872

ALL FY 2015-16 OPERATING FUNDS BY APPROPRIATION CATEGORY

	Personal Services	Operating	Capital Outlay	Debt Service	Transfers to Other Funds			Other	Total
Budget Ordinance									
General Fund	\$ 134,224,064	\$ 31,767,630	\$ 755,215	-	\$ 4,938,048	\$ 159,162	\$ 171,844,119		
Water & Sewer Fund	25,463,435	28,309,448	-	10,646,702	19,650,869	4,663,256		88,733,710	
Debt Service Fund	-	370,664	-	36,855,293	4,019,511	-		41,245,468	
Solid Waste Disposal Fund	6,389,542	9,980,663	-	4,281,130	3,818	238,250		20,893,403	
Stormwater Fund	6,580,491	2,860,406	-	-	4,838,628	1,068,637		15,348,162	
Transit Fund	-	18,099,945	379,000	203,460	1,828,609	158,543		20,669,557	
Parking Facilities Fund	141,802	2,954,187	17,500	1,924,737	-	195,235		5,233,461	
Ballpark Fund	-	-	-	1,287,329	123,240	52,000		1,462,569	
LEO Special Allowance	1,607,577	1,200	-	-	-	-		1,608,777	
Cemetery Fund	-	-	-	-	-	5,000		5,000	
Other Post Employment Benefits	4,535,575	7,500	-	-	-	21,049		4,564,124	
Emergency Telephone Fund	233,082	1,938,814	-	-	-	-		2,171,896	
Business Improvement District	-	658,601	-	-	15,000	19,693		693,294	
Dedicated Housing Fund	-	1,608,379	74,000	-	100,000	693,168		2,475,547	
Durham Performing Arts Center	-	220,905	539,852	2,236,253	-	497,239		3,494,249	
Watershed Protection Fund	-	-	-	-	92,000	-		92,000	
Impact Fee Fund	-	-	-	-	-	3,031,292		3,031,292	
Capital Facilities Fee Fund	-	-	-	-	4,584,090	-		4,584,090	
Total Budget Ordinance	\$ 179,175,568	\$ 98,778,342	\$ 1,765,567	\$ 57,434,904	\$ 40,193,813	\$ 10,802,524	\$ 388,150,718		
Internal Service Funds									
Risk Retention Fund	\$ 475,856	\$ 5,066,304	\$ -	\$ -	\$ -	\$ 69,793	\$ 5,611,953		
Employee Insurance Fund	83,639	30,043,387	-	-	-	-		30,127,026	
Total Internal Service Funds	\$ 559,495	\$ 35,109,691	\$ -	\$ -	\$ -	\$ 69,793	\$ 35,738,979		
Grant Project Ordinances									
Community Development Grants	\$ 90,000	\$ 3,919,007	\$ -	\$ -	\$ -	\$ -	\$ -	4,009,007	
Employment and Training	480,992	1,266,598	-	-	-	-	-	1,747,590	
Transit Grants	126,056	3,878,515	4,293,160	-	-	-	-	8,297,731	
Transportation Planning	1,163,282	823,005	-	-	-	-	-	1,986,287	
Public Safety	2,339,864	-	-	-	-	-	-	2,339,864	
Total Grant Proj Ordinances	\$ 4,200,194	\$ 9,887,125	\$ 4,293,160	\$ -	\$ -	\$ -	\$ -	18,380,479	
Total - All Funds	\$ 183,935,257	\$ 143,775,158	\$ 6,058,727	\$ 57,434,904	\$ 40,193,813	\$ 10,872,317	\$ 442,270,176		

INTRABUDGET TRANSFERS

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
To Operating Budget Funds					
To Ballpark Fund					
From General Fund	\$ 159,166	\$ 50,000	\$ 50,000	\$ 50,000	0.0%
From Debt Service Fund	858,093	1,235,617	1,235,617	1,194,776	-3.3%
Subtotal	\$ 1,017,259	\$ 1,285,617	\$ 1,285,617	\$ 1,244,776	-3.2%
To Solid Waste Fund					
From General Fund	\$ 9,630,134	\$ 9,630,134	\$ 9,630,134	\$ -	-100.0%
From Debt Service Fund	2,284,376	4,182,847	\$ 4,182,847	-	-100.0%
From BID Fund	-	15,000	15,000	15,000	0.0%
Subtotal	\$ 11,914,510	\$ 13,827,981	\$ 13,827,981	\$ 15,000	-99.9%
To Parking Fund					
From Debt Service Fund	\$ 1,999,039	\$ 1,987,324	\$ 1,987,324	\$ 1,924,735	-3.1%
To BID Fund					
From General Fund	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	0.0%
To Water and Sewer Fund					
From General Fund	\$ 298,288	\$ 287,635	\$ 287,635	\$ 276,982	-3.7%
To Stormwater Fund					
From Water and Sewer Fund	\$ 123,000	\$ 123,000	\$ 123,000	\$ -	-100.0%
From Transit Fund	109,047	109,047	109,047	109,047	0.0%
Subtotal	\$ 232,047	\$ 232,047	\$ 232,047	\$ 109,047	-53.0%
To Debt Service Fund					
From General Fund	\$ -	\$ 172,125	\$ 172,125	\$ -	-100.0%
To DPAC Capital Reserve					
From DPAC Fund	\$ 617,000	\$ -	\$ -	\$ -	0.0%
To Other Post Employment Fund					
Charges for Services General Fund	\$ 2,900,384	\$ 3,093,202	\$ 3,093,202	\$ 3,204,857	3.6%
Charges for Services Other Funds	741,209	790,191	790,191	819,385	3.7%
Subtotal	\$ 3,641,593	\$ 3,883,393	\$ 3,883,393	\$ 4,024,242	3.6%
To General Fund					
From DPAC Fund	\$ 200,000	\$ -	\$ -	\$ -	0.0%
To Risk Retention Fund					
From General Fund	\$ 90,567	\$ 48,709	\$ 48,709	\$ 48,719	0.0%
Charges for Services General Fund	2,938,599	3,202,497	3,202,497	3,291,717	2.8%
Charges for Services Other Funds	1,679,275	1,780,514	1,780,514	1,641,086	-7.8%
Subtotal	\$ 4,708,441	\$ 5,031,720	\$ 5,031,720	\$ 4,981,522	-1.0%
From the General Fund - Transfers					
From Other Funds - Transfers	\$ 10,428,155	\$ 10,438,603	\$ 10,438,603	\$ 625,701	-94.0%
Internal Service Charges - General Fund	\$ 6,190,555	\$ 7,652,835	\$ 7,652,835	\$ 3,243,558	-57.6%
Internal Service Charges - Other Funds	\$ 5,838,983	\$ 6,295,699	\$ 6,295,699	\$ 6,496,574	3.2%
Total Intrabudget Transfers	\$ 24,878,177	\$ 26,957,842	\$ 26,957,842	\$ 12,826,304	-52.4%

PROPERTY TAX BASE INFORMATION

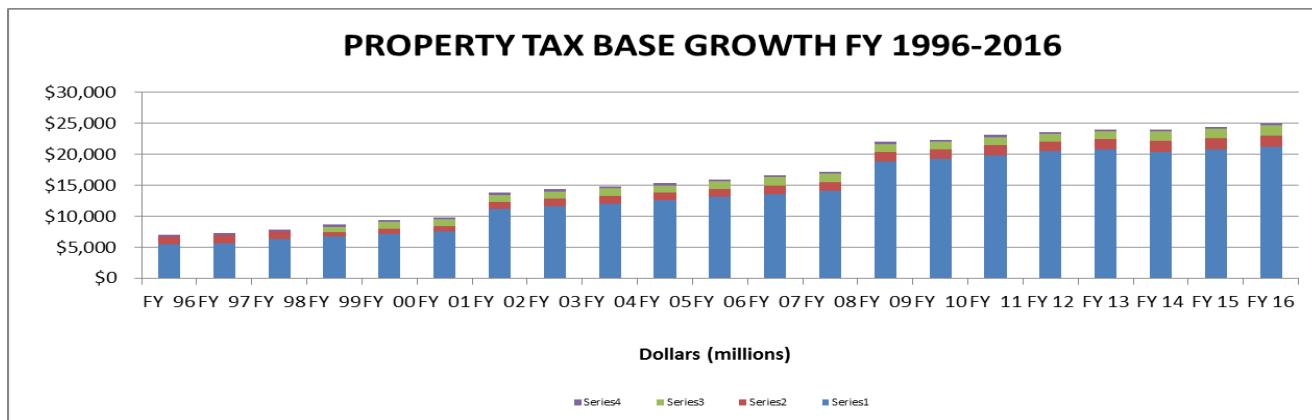
Tax Base Components:

Real Property is comprised of all land and buildings that are taxable. An increase of 1.6% is projected when compared with the FY 2014-15 budget. An increase of 2.2% is projected based on FY 2014-15 end of year projections. The assessed value data is obtained from the County Tax Assessor's Office. Real property makes up over 85% of the tax base for FY 2015-16.

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 5.9% is projected for FY 2015-16. Personal property makes up over 8% of the tax base for FY 2015-16.

Motor Vehicle is comprised of items such as automobiles, boats, trailers and equipment. We project an increase of 6% in value for motor vehicle personal property based on data from the County Tax Assessor's office. Motor Vehicle property makes up over 6% of the tax base for FY 2015-16.

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 9.7% is projected for FY 2015-16. Public utility property makes up over 1% of the tax base in FY 2015-16.



The table below depicts the annual property valuation changes that have occurred in the four components of the tax base since FY 2005-06. Property is reassessed every eight years. The last revaluation was effective with the FY 2008-09 fiscal year. (Sources: City Financial Reports, County Tax Office)

Fiscal Year	Real	% Chg	Personal	% Chg	Motor	% Chg	Utility	% Chg
FY 06	13,086	3.91%	1,347	8.28%	1,212	3.68%	321	-1.03%
FY 07	13,583	3.80%	1,408	4.53%	1,343	10.81%	279	-13.08%
FY 08	14,060	3.51%	1,450	2.98%	1,343	0.00%	279	0.00%
FY 09	18,915	34.53%	1,443	-0.48%	1,343	0.00%	326	16.85%
FY 10	19,241	1.72%	1,525	5.68%	1,331	-0.89%	300	-7.98%
FY 11	19,886	3.35%	1,555	1.97%	1,358	2.03%	342	14.00%
FY 12	20,457	2.87%	1,607	3.34%	1,230	-9.43%	323	-5.56%
FY 13	20,839	1.87%	1,605	-0.12%	1,315	6.91%	300	-7.12%
FY 14	20,391	-2.15%	1,850	15.26%	1,449	10.19%	323	7.67%
FY 15	20,840	2.20%	1,785	-3.51%	1,493	3.04%	300	-7.12%
FY 16	21,179	1.63%	1,890	5.88%	1,583	6.03%	329	9.67%

TAX RATE AND ESTIMATED TAX COLLECTIONS

	Actual FY2013-14	Adopted FY2014-15	Estimated FY2014-15	Adopted FY2015-16
Assessed Value				
Real Property	\$ 20,262,612,123	20,839,947,559	\$ 20,723,248,870	\$ 21,178,526,651
Personal Property	3,111,687,066	1,785,388,663	1,888,055,618	1,889,907,192
Motor Vehicles	-	1,492,806,818	1,583,158,005	1,583,158,005
Public Utility Property	309,662,326	300,000,000	328,702,858	328,702,585
Assessed Valuation	<u>\$ 23,683,961,515</u>	<u>\$ 24,418,143,040</u>	<u>\$ 24,523,165,351</u>	<u>\$ 24,980,294,433</u>
Tax Rate Per \$100 Valuation				
General Fund	\$ 0.4003	\$ 0.3843	\$ 0.3843	\$ 0.3538
Dedicated Housing	0.0100	0.0100	0.0100	0.0100
Transit Fund	0.0323	0.0387	0.0387	0.0387
Solid Waste Fund	-	-	-	0.0585
Debt Reserve Fund	0.1249	0.1582	0.1582	0.1302
Total Tax Rate	<u>\$ 0.5675</u>	<u>\$ 0.5912</u>	<u>\$ 0.5912</u>	<u>\$ 0.5912</u>
Tax Levy	\$ 132,827,151	\$ 144,360,062	\$ 144,980,954	\$ 147,683,501
Less: Uncollected Taxes	<u>(955,507)</u>	<u>(1,443,601)</u>	<u>(1,304,829)</u>	<u>(1,329,152)</u>
Estimated Collectable Levy	<u>\$ 131,871,644</u>	<u>\$ 142,916,461</u>	<u>\$ 143,676,125</u>	<u>\$ 146,354,349</u>
Less: Discounts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Estimated Collections	<u>\$ 131,871,644</u>	<u>\$ 142,916,461</u>	<u>\$ 143,676,125</u>	<u>\$ 146,354,349</u>
Appropriated to:				
General Fund	\$ 86,894,404	\$ 92,900,534	\$ 93,394,342	\$ 87,584,859
Dedicated Housing Fund	2,320,786	2,417,396	2,430,246	2,475,547
Transit Fund	8,981,539	9,355,323	9,405,051	9,580,368
Solid Waste Fund	-	-	-	14,481,951
Debt Reserve fund	33,674,912	38,243,207	38,446,487	32,231,624
*one cent equals	<u>\$ 2,323,729</u>	<u>\$ 2,417,396</u>	<u>\$ 2,430,246</u>	<u>\$ 2,475,547</u>

The FY 2015-2016 adopted tax rate is 59.12 cents per \$100 of assessed value. The tax levy is 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 2015-16 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

Why is the level of Fund Balance important to the City?

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.

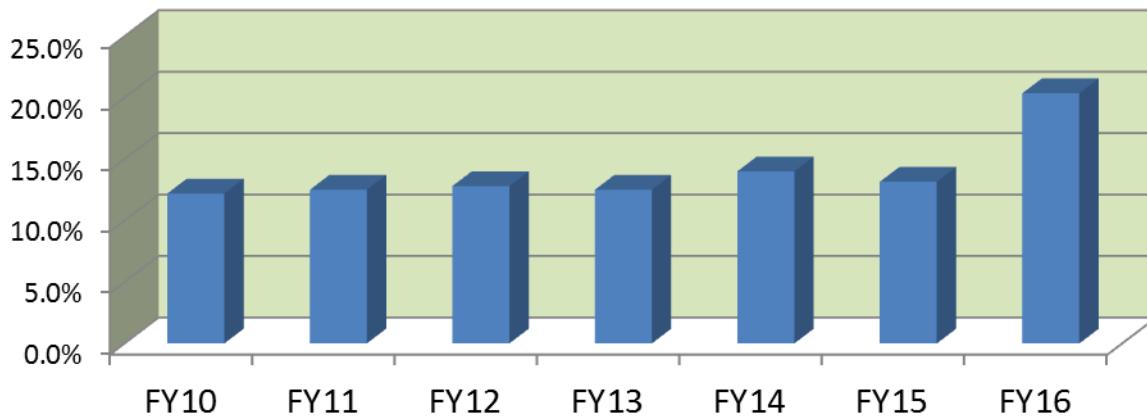
For the General Fund, the North Carolina Local Government Commission (NCLGC) strongly recommends an unreserved fund balance of 8% of prior year's total budget appropriations. The NCLGC defines fund balance in a prescribed manner that is not exactly the same as the CAFR unrestricted fund balance. The 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.

For the General Fund, appropriations from fund balance are generally subject to a City Council policy that limits such appropriations to the equivalent of four cents on the tax rate over the two-year budget cycle. The City's current policy is to maintain Unassigned Fund Balance 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 NCLGC. For FY 2015-16 the adopted fund balance of 22.85% is a result of estimations of general fund budgets being returned to fund balance. The actual Undesignated Fund Balance will be determined following the annual audit of revenues and expenditures for FY 2014-15. 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 Change In Unrestricted Fund Balance – General Fund

	Fund Balance Amount	Percent of Adjusted Appropriations
Total unrestricted fund balance available for appropriation at June 30, 2014	\$ 28,181,588	
Minus: appropriation from Fund Balance for subsequent year's expenditures	-	
Minus: designated for subsequent year's expenditures	-	
Total unrestricted fund balance at June 30, 2014	\$ 28,181,588	
Add: Estimated Addition/(Reduction) during FY 2014	-	
Total unrestricted fund balance available for appropriation at June 30, 2014	\$ 28,181,588	
Minus: designated for subsequent year's expenditures	-	
Add: Estimated FY15 General Fund budgets returned to Fund Balance	9,000,000	
Minus: appropriation from fund balance for subsequent year's expenditures	-	
Total unrestricted fund balance at June 30, 2015	\$ 37,181,588	22.85%

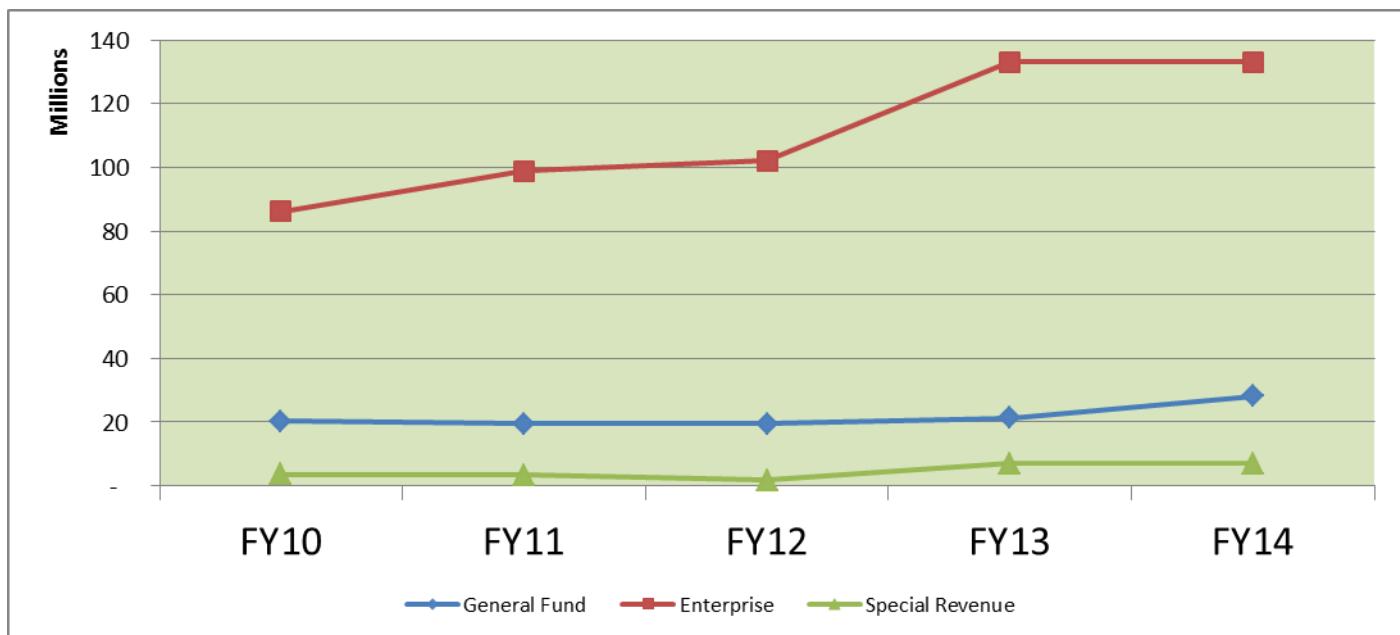
General Fund - Fund Balance as a Percent of Adopted Budget



Estimated Changes in Fund Balance – Appropriated Funds

	General Fund Unrestricted	Enterprise Funds (*)	Special Revenue Funds (*)
Estimated Beginning Balance FY 15	\$ 37,181,588	\$ 133,012,117	\$ 6,877,769
Budget Revenues FY 16	168,620,814	148,947,858	12,092,568
Budgeted Expenditures FY 16	(166,906,071)	(113,549,388)	(11,275,568)
Transfers In	-	3,570,540	1,140,712
Transfers Out	<u>(4,938,048)</u>	<u>(38,969,010)</u>	<u>(26,049)</u>
Estimated Ending Balance FY 16	<u>\$ 33,958,284</u>	<u>\$ 133,012,117</u>	<u>\$ 8,809,432</u>
Percent of Adjusted Appropriations	20.36%	140%	101%

Historical Fund Balance



(*). 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 <u>General Fund</u>	Actual		Adopted		Estimated		Adopted		Change	
	FY 2013-14		FY 2014-15		FY 2014-15		FY 2015-16			
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT
Governance	49.0	8.0	49.0	8.0	49.0	8.0	50.0	8.0	1.0	-
Administrative and Support	121.0	2.0	120.0	2.0	120.0	2.0	118.0	1.0	(2.0)	(1.0)
Community Building	150.0	4.0	150.5	4.0	150.5	4.0	150.5	4.0	-	-
Public Safety	997.0	-	1,016.0	-	1,016.0	-	1,041.0	-	25.0	-
Public Services	400.4	83.0	414.4	83.0	414.4	83.0	407.4	83.0	(7.0)	-
Total General Fund	1,717.4	97.0	1,749.9	97.0	1,749.9	97.0	1,766.9	96.0	17.0	(1.0)
Enterprise Funds										
Water & Sewer Fund										
Finance	3.0	-	3.0	-	3.0	-	3.0	-	-	-
Water Management	328.5	2.0	332.5	2.0	332.5	2.0	332.5	2.0	-	-
Public Works	36.6	-	36.6	-	36.6	-	36.6	-	-	-
Subtotal Water & Sewer Fund	368.1	2.0	372.1	2.0	372.1	2.0	372.1	2.0	-	-
Solid Waste Disposal Fund										
Water Management	0.5	-	0.5	-	0.5	-	0.5	-	-	-
Solid Waste Management	112.0	-	109.0	-	109.0	-	109.0	-	-	-
Subtotal Solid Waste Fund	112.5	-	109.5	-	109.5	-	109.5	-	-	-
Stormwater Fund										
Public Works	93.5	1.0	94.5	1.0	94.5	1.0	94.5	1.0	-	-
Parking Facilities Fund										
Transportation	2.0	-	2.0	-	2.0	-	2.0	-	-	-
Ballpark Fund										
General Services	1.0	-	-	-	-	-	-	-	-	-
Total Enterprise Funds	577.1	3.0	578.1	3.0	578.1	3.0	578.1	3.0	-	-
Special Revenue, Grants and Internal Service Funds										
Economic and Workforce Development	7.0	1.0	6.5	1.0	6.5	1.0	6.5	1.0	-	-
Police	16.0	-	-	-	-	-	-	-	-	-
Fire	15	-	15	-	15	-	-	-	(15.0)	-
Planning	1	-	1	-	1	-	1	-	-	-
Transportation	11.5	2.0	11.5	2.0	11.5	2.0	11.5	2.0	-	-
Community Development	7.0	-	7.0	-	7.0	-	7.0	-	-	-
Neighborhood Improvement Services	4.0	-	3.0	-	3.0	-	3.0	-	-	-
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	67.5	3.0	50.0	3.0	50.0	3.0	36.0	3.0	(14.0)	-
Total All Funds	2,362.0	103.0	2,378.0	103.0	2,378.0	103.0	2,381.0	102.0	3.0	(1.0)

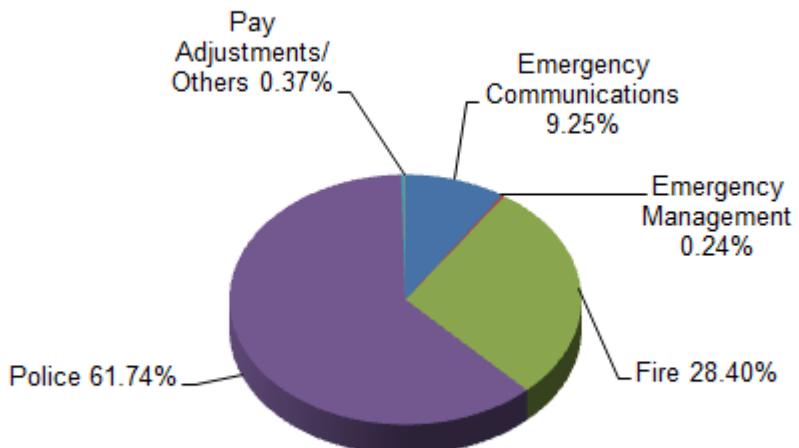
**SUMMARY OF AUTHORIZED POSITIONS BY DEPARTMENT
(All Funds)**

Department	Actual FY 2013-14		Adopted FY 2014-15		Estimated FY 2014-15		Adopted FY 2015-16		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	31	-	31	-	31	-	32	-	1	-
Subtotal Governance	49	8	49	8	49	8	50	8	1	-
Administrative and Support										
Audit Services	5	-	5	-	5	-	5	-	-	-
Budget & Management Services	12	-	12	-	12	-	12	-	-	-
Equal Opportunity and Equity Assurance	5	1	5	1	5	1	6	-	1	(1)
Finance	48	-	47	-	47	-	43	-	(4)	-
Human Resources	20	1	20	1	20	1	22	1	2	-
Technology Solutions	40	-	40	-	40	-	40	-	-	-
Subtotal Administrative and Support	130	2	129	2	129	2	128	1	(1)	(1)
Community Building										
City/County Inspections	46	3	46	3	46	3	46	3	-	-
City/County Planning	39	-	39	-	39	-	39	-	-	-
Community Development	22	-	22	-	22	-	22	-	-	-
Economic Development	17	2	17	2	17	2	17	2	-	-
Neighborhood Improvement	45	-	44	-	44	-	44	-	-	-
Subtotal Community Building	169	5	168	5	168	5	168	5	-	-
Public Safety										
Communications	81	-	82	-	82	-	88	-	6	-
Fire	316	-	316	-	316	-	316	-	-	-
Police	631	-	633	-	633	-	637	-	4	-
Subtotal Public Safety	1,028	-	1,031	-	1,031	-	1,041	-	10	-
Public Services										
Fleet	53	-	53	-	53	-	45	-	(8)	-
General Services	118	-	124	-	124	-	124	-	-	-
Parks and Recreation	103	82	109	82	109	82	110	82	1	-
Public Works	211	1	213	1	213	1	213	1	-	-
Solid Waste Management	112	-	109	-	109	-	109	-	-	-
Transportation	60	3	60	3	60	3	60	3	-	-
Water Management	329	2	333	2	333	2	333	2	-	-
Subtotal Public Services	986	88	1,001	88	1,001	88	994	88	(7)	-
Total All Departments	2,362.0	103.0	2,378.0	103.0	2,378.0	103.0	2,381.0	102.0	3.0	(1.0)
Population Estimates	244,522		247,666		246,722		251,656			
Employees Per 1,000	9.7		9.6		9.6		9.5			

PUBLIC SAFETY
BUDGET SUMMARY

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Non-Grant Appropriations					
Emergency Communications	\$ 6,244,798	\$ 7,220,159	\$ 7,455,549	\$ 8,189,871	13.4%
Emergency Management	197,348	202,589	202,589	208,690	3.0%
Fire	23,423,641	24,493,601	24,618,101	25,140,344	2.6%
Police	51,876,454	54,061,127	53,974,322	54,581,852	1.0%
Contract Agencies	72,400	-	12,076	-	0.0%
Pay Adjustments/Others	-	612,465	-	330,000	-46.1%
Transfers to Other Funds	33,261	43,138	43,138	40,638	-5.8%
Total Appropriations	\$81,847,902	\$86,633,079	\$86,305,775	\$88,491,395	2.1%
Full Time Equivalents	997	1016	1016	1041	25.0
Part Time	-	-	-	-	-
Revenues					
General Fund					
Discretionary Program	\$78,052,203	\$81,994,216	\$81,370,887	\$83,665,635	2.0%
General Fund Subtotal	2,245,251	2,410,438	2,413,894	2,653,864	10.1%
911 Wireline Surcharge Fund	\$80,297,454	\$84,404,654	\$83,784,781	\$86,319,499	2.3%
Total Revenues	1,550,448	2,228,425	2,520,994	2,171,896	-2.5%
\$81,847,902	\$86,633,079	\$86,305,775	\$88,491,395		2.1%
Grants					
Public Safety	\$ 2,043,737	\$ 1,735,612	\$ 1,091,533	\$ 1,532,638	-11.7%
Total Grants	\$ 2,043,737	\$ 1,735,612	\$ 1,091,533	\$ 1,532,638	-11.7%
Full Time Equivalents	31	15	15	-	(15)
Part Time	-	-	-	-	-
Total Budget	\$83,891,639	\$88,368,691	\$87,397,308	\$90,024,033	1.9%

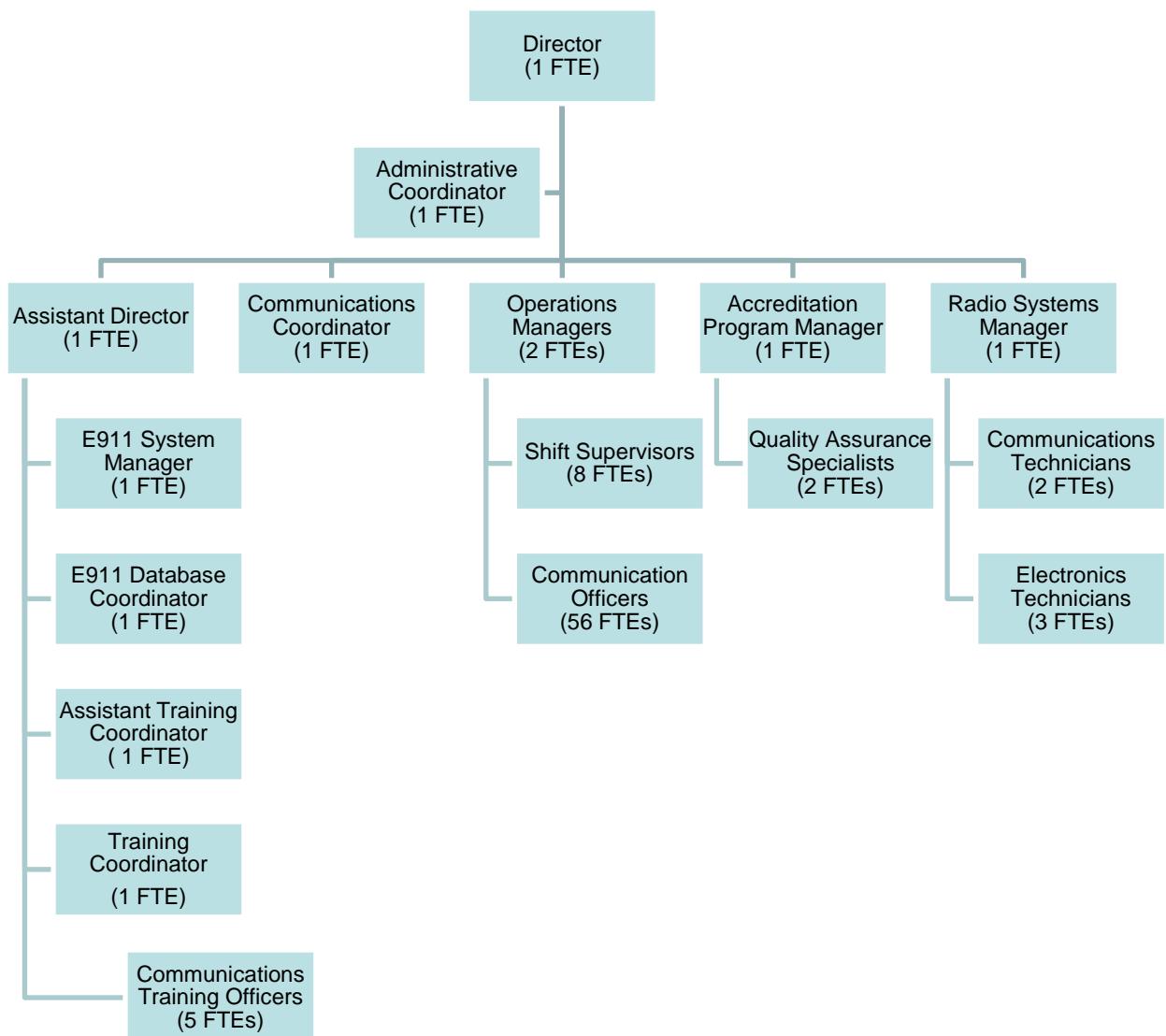
PUBLIC SAFETY





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 Communications	\$8,189,871
	88 FTEs

Emergency Response

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.

Emergency Telephone System

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 funds one Emergency Communications position (911 Database Coordinator) plus two positions that are counted in the Technology Solutions organizational chart that include an Emergency Information Services Coordinator and a GIS Coordinator.

Communications Maintenance

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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 4,193,236	\$ 4,675,144	\$ 4,601,113	\$ 5,153,590	10.2%
Operating	2,006,212	2,545,015	2,852,164	3,036,281	19.3%
Capital and Other	45,350	-	2,272	-	0.0%
Total Appropriations	\$ 6,244,798	\$ 7,220,159	\$ 7,455,549	\$ 8,189,871	13.4%
Full Time Equivalents	81	82	82	88	6
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 3,686,811	\$ 3,927,520	\$ 3,870,341	\$ 4,705,905	19.8%
Program	1,007,539	1,064,214	1,064,214	1,312,070	23.3%
Total General Fund	\$ 4,694,350	\$ 4,991,734	\$ 4,934,555	\$ 6,017,975	20.6%
Emergency Telephone Fund	1,550,448	2,228,425	2,520,994	2,171,896	-2.5%
Total Revenues	\$ 6,244,798	\$ 7,220,159	\$ 7,455,549	\$ 8,189,871	13.4%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Emergency Response

General Fund: \$4,983,855

FTEs: 80

Emergency Telephone System Fund \$2,171,896

FTEs: 2

Goal: Safe and Secure Community

Objective: To answer 90% of 9-1-1 Calls in 10 seconds or less.

Initiative: Maintain staffing at sufficient levels needed to ensure timely response to 911 calls.

Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of 911 calls answered in 10 seconds or less	92%	90%	92%	90%

Objective: To achieve and maintain the 911 Master Street Addressing Guide Database at 99.99%.

Initiative: Prioritize the discrepancies of database errors to expedite resolution.

Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Monthly telephone access lines as a percentage of known errors	99%	99%	99%	99%

Objective: To maintain operations vacancy rate at or below 15% for employees who have passed probationary status.

Initiative: Improve the hiring and selection process along with documentation during the training process that will improve retention of quality employees.

	Actual	Adopted	Estimated	Adopted
Measure:	FY14	FY15	FY15	FY16
Operational Vacancy Rate	2%	5%	1%	4%

Objective: To ensure accuracy of Emergency Medical Dispatch pre-arrival instructions at 90%.

Initiative: Aggressively review EMS calls, documenting and correcting weak areas necessary for accreditation.

	Actual	Adopted	Estimated	Adopted
Measure:	FY14	FY15	FY15	FY16
% accuracy of EMD protocols	97%	95%	95%	95%

Objective: To dispatch all priority calls within 90 seconds or less.

Initiative: Research the splitting of dispatch channels and finding methods to remove telephone responsibilities for main dispatch stations.

	Actual	Adopted	Estimated	Adopted
Measure:	FY14	FY15	FY15	FY16
% priority calls dispatched to Fire within 90 seconds or less	88%	90%	88%	90%

Measure:

% priority calls dispatched to Police within 90 seconds or less	73%	90%	73%	90%
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Program: Communications Maintenance

General Fund: \$1,034,120

FTEs: 6

Goal: Safe and Secure Community

Objective: Provide effective maintenance services to ensure radio system availability.

Initiative: Utilize the work order management software system to ensure that maintenance standards are achieved.

	Actual	Adopted	Estimated	Adopted
Measure:	FY14	FY15	FY15	FY16
# Radios supported (Note: there are apprx. 1500 more radios with indirect support)	3000	3000	3000	3000
# Tower sites and 911 Centers	8	8	8	8
% Radio technician response time within 1 hours of notification	100%	100%	100%	100%

BUDGET ISSUES FOR FY 2015-16

- Transition of Radio Maintenance Division to Emergency Communications Department.
 - Implement equipment upgrades that allow for the receipt of picture and video through 9-1-1.
 - Expand use of Locution automated voice dispatch system with redundancy.
-

ACCOMPLISHMENTS FOR FY2014-15

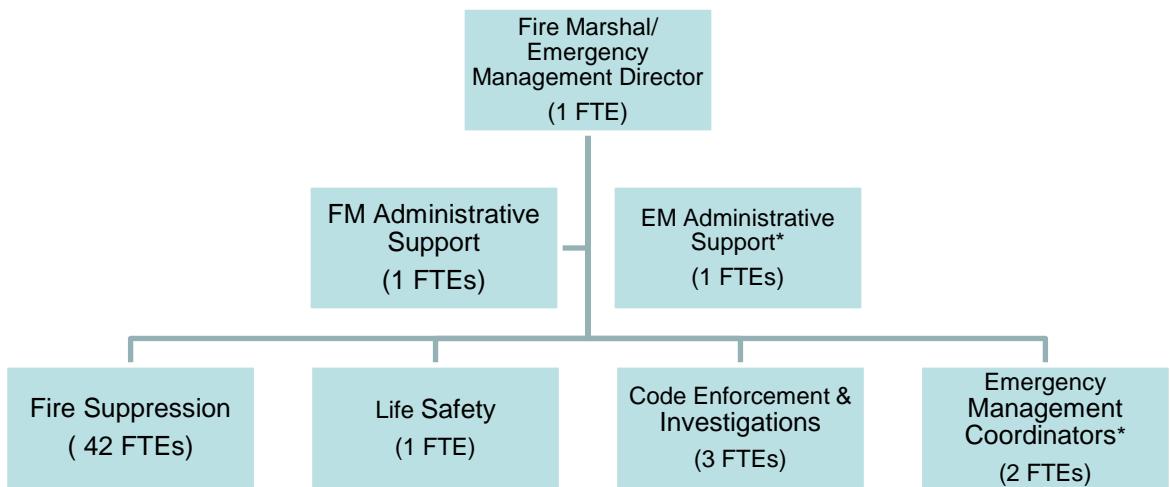
- Implemented 9-1-1 texting with all major cellular carriers.
 - Implemented Emergency Police Dispatch (EPD) protocols.
 - Re-Accredited in Emergency Medical Dispatch.
-

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Develop protocols for implementation of new technologies that will include picture and video receipt through 9-1-1 network.
- Achieve re-accreditation by C.A.L.E.A.
- Achieve re-accreditation by A.P.C.O. for P-33 national training standards.
- Implement direct Computer-Aided Dispatch procedure with Alarm companies in order to expedite the dispatching of units to alarms.



Durham City/County Emergency Management (51 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 **\$208,690
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 FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Operating	\$ 197,348	\$ 202,589	\$ 202,589	208,690	3.0%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 197,348	\$ 202,589	\$ 202,589	\$ 208,690	3.0%
 Revenues					
Discretionary Program	\$ 197,348	\$ 202,589	\$ 202,589	208,690	3.0%
Total Revenues	\$ 197,348	\$ 202,589	\$ 202,589	\$ 208,690	3.0%

ACCOMPLISHMENTS FOR FY 2014-15

- Responded to 112 incidents involving over 644 staff hours.
- 9 partial activations (EM/FM staff only) and 2 Full-Scale activations of the City/County Emergency Operation Center for weather and other events (three (3) partial activations were for protests).
- Updated NIMSCAST per Federal Mandates.
- Completed mandated NIMS training per Federal Regulations.
- Reviewed and Updated the City/County Emergency Operations Plan.
- Updated our Statewide Mutual Aid Agreements.
- Reviewed Emergency Operation Plans from local agencies, businesses and care facilities.
- Reviewed, updated Hazard Mitigation Plan.
- Entered into 3-County Regional Hazard Mitigation Plan
- Participated in the Homeland Security Exercise and Evaluation Program.
- Participated in State Training Committee Meeting to coordinated State Training and Exercises.
- Developed, conducted and/or participated in numerous multi-agencies exercises. These exercises include tabletop, functional, and full-scale exercises (FSX). Efforts included: NCCU full-scale exercise, three FSX with Cree and local fire departments, and one FSX for the Army Research Office which included all local public safety agencies, State Public Health and the FBI. We sponsored 7 WebEOC Emergency Operation Classes (coinciding with State WebEOC exercises); and participated in, or supported, 17 Tabletop (TTX) exercises with public safety agencies, private sector stakeholders, Public Health, Durham Public Schools.

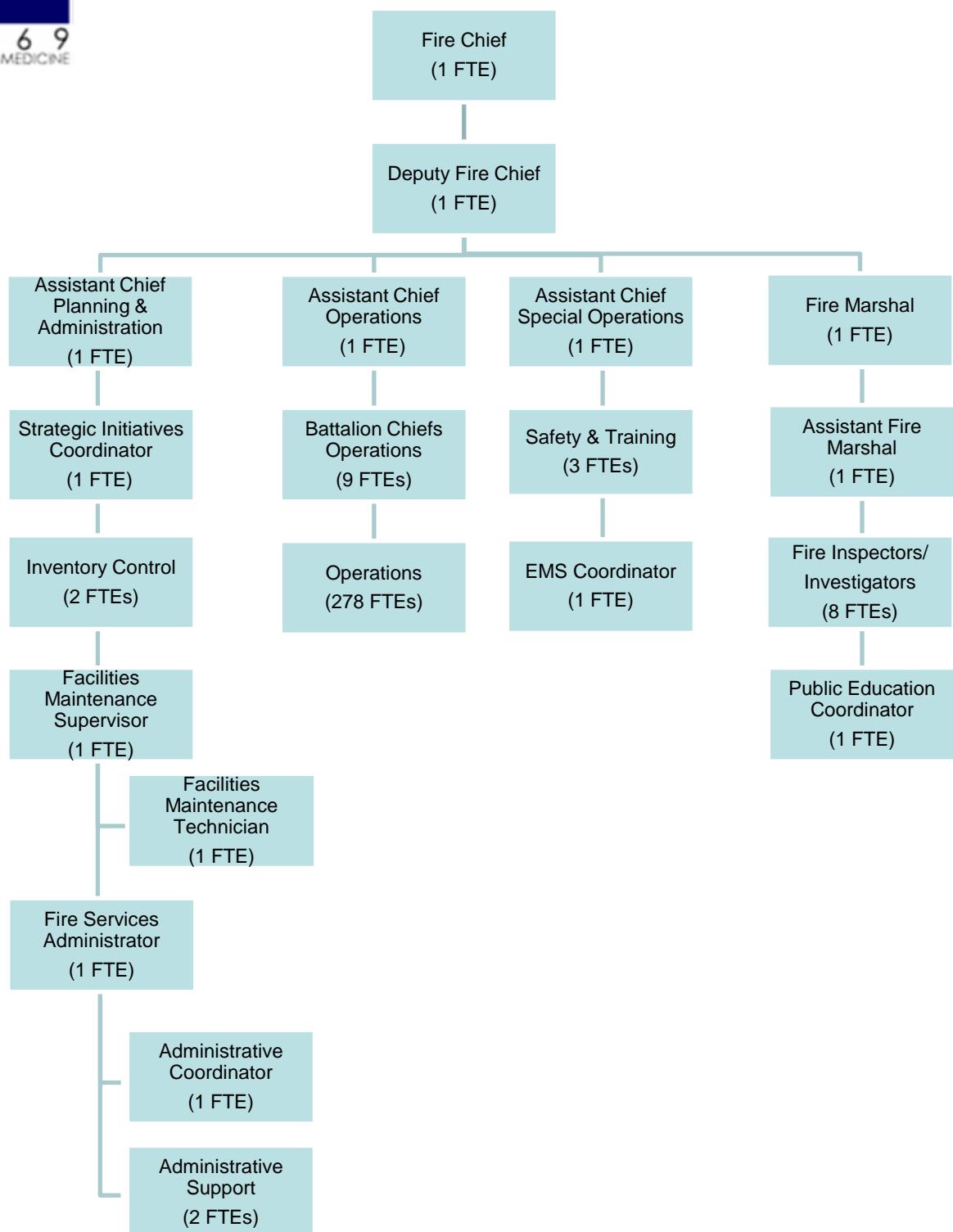
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Continue to meet the federal standards concerning NIMS compliance.
- Maintain the Emergency Operations Center (EOC) and keep it prepared for activation.
- Continue to maintain and update the EOC software (WebEOC) to be compliant with North Carolina Division of Emergency Management requirements for event management.
- Conduct at least two table top exercises and one full-scale response drill.
- Conduct the annual review and update of the City/County EOP as needed.
- Complete the requirements set forth by NCEM in the EMPG Activity/Project form.
- Maintain the Durham County Hazard Mitigation Plan.
- Conduct at least one new Community Emergency Response Team class.



Fire Department

(316 FTEs)



FIRE DEPARTMENT

Purpose Statement:

The Durham Fire Department strives to enhance the quality of life for the citizens and visitors of Durham through the delivery of comprehensive fire suppression, prevention, training and emergency medical services.

DEPARTMENT DESCRIPTION

Fire Department

**General Funds: \$25,140,344
316 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 citizens 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 of all operations personnel, and monitor physical fitness levels of operations personnel.

Operations and Emergency Responses

Fire Operations provides comprehensive fire-related emergency response, thereby minimizing the loss of life and destruction of property through the rapid deployment of trained personnel and appropriate equipment. Service is provided by trained fire/rescue personnel strategically placed throughout the City and through automatic aid agreements with volunteer fire departments (VFDs). Personnel respond to over 19,000 emergency calls a year.

The Emergency Medical Services (EMS) program provides Advanced Life Support with emergency medical first responders, at the Emergency Medical Technician (EMT) and Emergency Medical Technician-Intermediate (EMT-I) 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 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 citizens 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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$21,674,466	\$22,629,681	\$22,703,965	\$23,333,144	3.1%
Operating	1,749,175	1,863,920	1,914,136	1,807,200	-3.0%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$23,423,641	\$24,493,601	\$24,618,101	\$25,140,344	2.6%
Full Time Equivalents	301	301	301	316	15
Part Time	-	-	-	-	-
Revenues					
Discretionary Program	\$22,283,105 1,140,536	\$23,241,094 1,252,507	\$23,364,135 1,253,966	\$23,892,173 1,248,171	2.8% -0.3%
Total Revenues	\$23,423,641	\$24,493,601	\$24,618,101	\$25,140,344	2.6%
<i>Grant</i>					
Personal Services	\$ 680,547	\$ 151,001	\$ 211,502	\$ -	-100.0%
Operating	-	-	-	-	0.0%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 680,547	\$ 151,001	\$ 211,502	\$ -	-100.0%
Full Time Equivalents	15	15	15	-	(15)
Part Time	-	-	-	-	-
Revenues					
Grants	\$ 680,547	\$ 151,001	\$ 211,502	\$ -	-100.0%
Total Grant Revenue	\$ 680,547	\$ 151,001	\$ 211,502	\$ -	-100.0%
Total Budget	\$24,104,188	\$24,644,602	\$24,829,603	\$25,140,344	2.0%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Goal: Safe and Secure Community

Objective: Meet response standardsⁱ to maximize citizen and firefighter safety.

Initiative: Evaluate the location/district boundaries for existing apparatus, streamline the hiring process, and ***Implement identified changes to maximize capability.***

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% Responses for EMS (turnout+travel time) ≤ 5 minutes, 30 seconds	60%	90%	63%	90%
% Responses for Structure Fires (1 st due company) ≤ 5 minutes, 30 seconds	84%	90%	81%	90%
% Responses for 1 st alarm assignment ≤ 11 minutes	73%	90%	81%	90%
# Days below Minimum effective staffing	2	0	0	0
% Vacancy rate for the Operations Division	2%	≤3%	.68%	≤3%

Goal: Safe and Secure Community

Objective: Ensure all inspected businesses are in compliance with the International Fire Code.

Initiative: Ensure all inspected businesses are in compliance with the International Fire Code. All inspectors obtain Level III certificationⁱⁱ (to facilitate efficient workload distribution). Maximize efficiency and accountability through the use of workflow technology (avoid missed inspections and fee collection).

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
% of fire inspectors meeting inspection goals	75%	100%	58%	100%
% of occupancies inspected in accordance with the NC Fire Code	40%	100%	13%	100%

Program:	Administration	\$1,522,976
		15 FTEs
Goal:	Well Managed City	
Objective:	Engage in Continuous Process Improvement	
Initiative:	Increase the use of collected data. Evaluate existing technologies. Implement technologies to streamline/enhance interoperability. Ensure implementation of all strategic and specific recommendations provided by the Peer Assessment team during the accreditation process.	

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of Active Strategic Plan initiatives meeting target implementation timeline	78%	85%	0%	85%
% of Active Strategic Plan measures showing improvement (upward trend)	72%	85%	0%	85%
Annual approval of the <u>ACR for CFAI</u> ⁱⁱⁱ	100%	100%	100%	100%

Goal:	Stewardship of City's Physical Assets
Objective:	Develop a depreciation and replacement schedule for equipment
Initiative:	By Division Head, develop equipment inventory matrix (will include value, replacement date, and projected replacement cost). Develop resource management plan which incorporates inventory across divisions.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of Identified equipment within expected functional lifespan	29%	90%	84%	90%
% of Vehicles serviced by fleet within the required timeframe	100%	100%	100%	100%

Goal:	Stewardship of City's Physical Assets
Objective:	Develop an operations, maintenance, and replacement plan for 'structures'.
Initiative:	Align departmental efforts with those of the Goal 5 working groups and the General Services department to develop an asset management plan. Standardize criteria for prioritizing facilities for repair, renovation, and replacement

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
% of Identified structures within expected functional lifespan	64%	76%	64%	76%
% of Identified structures meeting acceptable standards ^{vii}	14%	25%	14%	25%
 Program:	 Safety and Training			\$565,397
				4 FTEs
Objective:	Ensure appropriate training for staff to further the department's mission			
Initiative:	Develop a standardized continuing education training program (operations division). Modify the <u>performance management system</u> ^v such that it is comprehensive and promotes accountability (all divisions) Identify and promote external career development programs (all divisions). ^{vi}			
	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
# of Chief Officers engaged in professional development programs (16 chief officers in department)	50%	50%	50%	50%
% of firefighters receiving monthly hands on training from the training staff	65%	95%	85%	95%
% of new firefighters that are meeting expectations after 6 months in the operations division.	94%	100%	100%	100%

ⁱ 2011 Response time standards: Total response time for arrival of all units: 11 minutes in metropolitan areas / 13 minutes in suburban areas.

ⁱⁱ Level III certification is the highest level inspection certification available in North Carolina. The State mandates this certification level for the inspection of some businesses/industries located in Durham.

ⁱⁱⁱ The Durham Fire Department is accredited by the Commission for Fire Accreditation International (CFAI). Annually, an Agency Comprehensive Report, ACR, must be provided to CFAI to be reviewed so that the agency's performance can be validated.

^v The Performance Management System refers to the system implemented by the Human Resources Department to facilitate the appropriate evaluation of employee work performance. The system is intended to provide for affirmation of positive performance, identification or performance deficits, and career planning.

^{vi} External career development opportunities range from programs included in the city's Blueprint for Leadership Pipeline through advanced degree pursuits to specialty officer designations. Examples include, but are not limited to, FEMA sponsored development programs, CPSE sponsored professional credentialing, and U.S. Fire Administration sponsored development programs.

^{vii} As a component of the initiative 'Standardize criteria for prioritizing facilities for repair, renovation, and replacement' the term 'acceptable standards' will be clearly defined. An effective summary of those defined standards will then be added to this document.

BUDGET ISSUES FOR FY 2015-16

- The fire department maintains 20 buildings of which 18 have significant deferred maintenance needs. Immediate funding needs exist due to the continued deferment of maintenance, the risk of higher future repair costs, and the risk of sudden failure. The department will continue to prioritize our deferred maintenance needs in order to address the most critical issues first.

ACCOMPLISHMENTS FOR FY 2014-15

- Replaced of the fire department's entire inventory of self-contained breathing apparatus with new Scott X3 pack compliant with the most current NFPA standard.
- Purchased and installed new Thermal Imaging Cameras on every fire unit in the department's fleet. These thermal imagers will dramatically reduce the risk of on the job injuries to firefighters; will improve firefighter's efforts to search for and rescue victims; and will allow firefighters to more quickly determine the location of a fire and extinguish it.
- Received final approval for the implementation of Telestaff timekeeping software in a joint effort between Fire and Parks & Recreation to solve imminent system failure that will require the immediate implementation of another software solution for timekeeping functions or the hiring of multiple additional timekeepers. The software will also provide the department with advanced scheduling and analytics capability. The 20 hours per week of duplicated timekeeping effort will be reallocated to other functions which will allow executive level staff to decrease the amount of administrative task functions they are handling and focus on strategic planning and decision-making efforts.
- Initiated 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.
- Implemented Fireview Dashboard. FireView Dashboard is the next generation of resource allocation and management tools for fire and emergency management agencies. It allows users to analyze data by providing a snapshot of recent events displayed in the form of maps, charts and reports.
- Instituted a new physical ability test for new applicants and current fire department employees.
- Replaced 13 Automatic External Defibrillators that had reached the end of their useful life.
- Replaced the high pressure rescue air bags on all of the ladder companies.
- Continued advanced testing and replacement of turnout gear according to NFPA standard 1851 (2008 Edition).
- Engine 9, Engine 13, Engine 14 and Engine 15 were upgraded to EMT-Intermediate level care. Now, every single district in the city has the capability to provide advanced life support to the EMT-Intermediate level.
- Continued EMS continuing education classes with Davidson Community College.
- Continued to check the operational readiness and appearance of all hydrants.
- Pursued compliance with NFPA 1710 guidelines.
- Managed and facilitated in an inspection by ISO to determine the City of Durham Fire Protection Rating for the next four years.
- 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.
- Distributed smoke and carbon monoxide detectors to City of Durham residents at no cost.

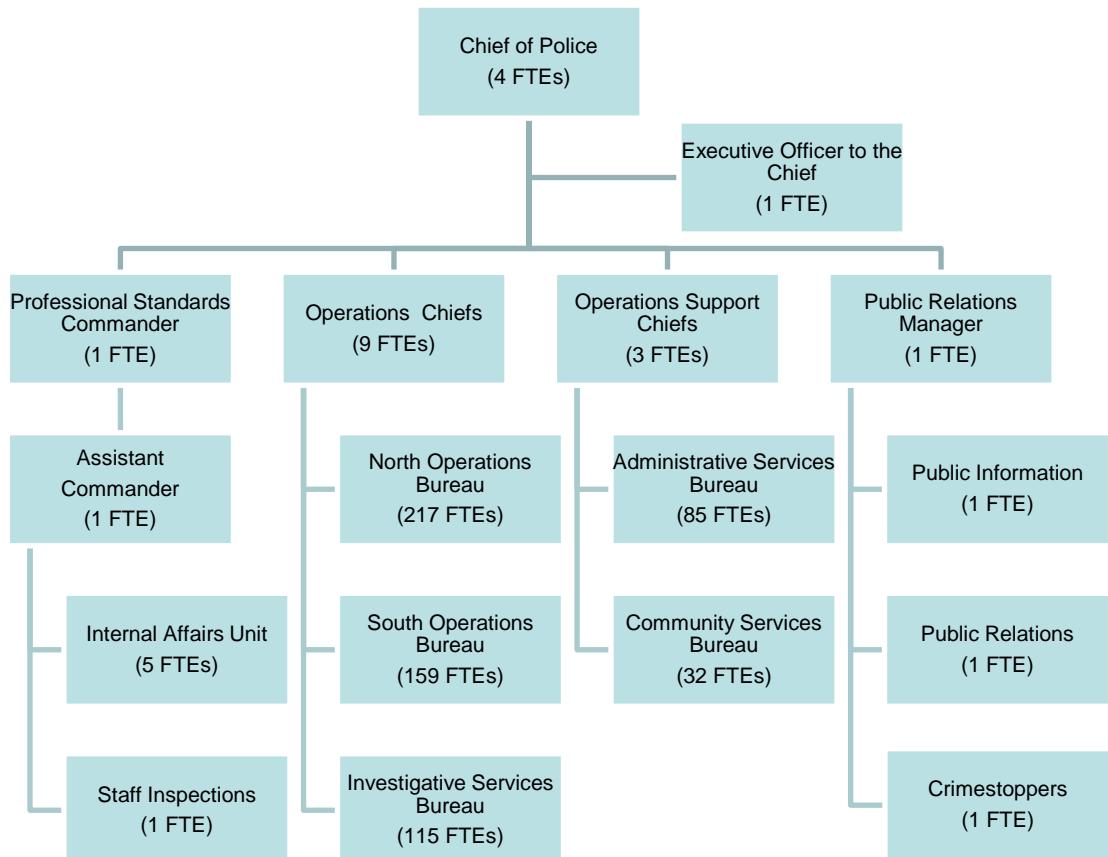
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Complete the requirements for re-accreditation through the Center for Public Safety Excellence
- Develop a uniform expenditure tracking program for better cost accounting by managers.
- Develop and implement a preventive maintenance program to include scheduled maintenance, financial planning, and fixed item replacement.

- Develop and implement an annually updated Multi-Assessment Tactical Response Information exchange (MATRIX) to guide resource development and deployment.
- Implement Standard Operating Guidelines (SOGs) for Fire, Emergency Medical, and Technical Rescue incident types.
- Establish a reliable database of businesses subject to an inspection per NC Fire Code.
- Fully implement the Telestaff timekeeping solution.
- Implementation of Active Shooter Response
- Increase the representation of uniformed women and minorities in the Durham Fire Department with a focus to reflect the community served.
- Implement a distance learning solution for the fire department and install infrastructure to make the fire training and administration building a wireless campus.
- Develop an active shooter emergency response plan, following the guidance and recommendations of the United States Fire Administration and the Federal Emergency Management Agency. This program will be developed through a collaborative effort between the Durham Police Department and the Durham Fire Department.
- Add resources or re-distribute existing resources to address identified jurisdictional needs.
- Completion of the construction of new Fire Station 9
- Complete the design and development process for Fire Station 17 in anticipation of construction in FY16-17
- Initiate the acquisition of land for future Fire Station 18 in the area of Herndon Rd and Stinhurst Dr.
- 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 EMS continuing education classes with Davidson Community College.
- 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.
- Distributed smoke and carbon monoxide detectors to City of Durham residents at no cost.



Police Department (637 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: \$54,622,490 637 FTEs
	Grant Funds: \$1,532,638 0 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: Uniform Patrol, Investigative Services, Administrative Services, Community 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.

Uniform Patrol Bureau:

This program includes the traditional uniformed patrol officers, the District Investigators, Bicycle Squad, Canine (K-9) Unit, Traffic Services Unit (TACT), Warrant Squad, Motorcycle Unit, Secondary Employment, Court Liaison, Desk/Towing Unit, the Reserves and the High Enforcement Abatement Team (HEAT). The divisions and units within this program provide specific law enforcement services to the public, which includes patrol responses to 911 requests for assistance, investigation and clearance of property crimes and crimes against persons, tracking of suspects, searching for lost children and the elderly, youth crime, and locating illegal drugs. Units provide speed and DWI enforcement, funeral escorts, and response to traffic accidents. They manage secondary employment functions for officers working off-duty, set schedules for officers that interact with the court system, provide information to citizens entering Headquarters, regulate wrecker companies, account for towed vehicles, provide bike patrols within the Downtown Loop, assign Reserve Officers for specific law enforcement services in the City and provide decentralized problem solving teams in each of the districts.

Community Services Bureau:

This program includes the G.R.E.A.T. Unit, Project Safe Neighborhoods (PSN), Community Resources Unit, CIT/MHOP, and Victim Services. These units assist elementary and middle school students resist pressure to use drugs, ensure that school children cross the roadway safely at marked areas with school crossing guards, work with a youth group known as the Police Explorers, provide efforts to reduce the number of firearms on the street, provide positive alternatives for at risk youth, provide crime prevention and community liaison services to the community, maintain the Mobile Substations, provide an honor guard for ceremonial events, help those with mental health issues to receive the appropriate services, and provide victim services.

Investigative Services Bureau:

This program consists of the Special Operations Division (SOD), the Criminal Investigations Division (CID), and the Forensic Services Division (FSD). SOD consists of the Selective Enforcement Team (SET), the Organized Crime Unit, the Major Crimes Unit, an Interdiction Unit, a Biological/Chemical Emergency Response Team (BCERT) and the Violent Incidents Response Team (V.I.R.T.). CID consists of the Fraud Unit, Homicide Unit, Special Victims Unit, and a Domestic Violence Unit. FSD consists of a Crime Scene Unit, a Crime Lab Unit, and a Property/Evidence Unit; the Crime Lab Unit has a Digital Forensic section, a Firearms and Tool Marks section, and a Latent Print Comparison section. These sections provide specific investigative services for crimes such as homicides, assaults, fraud, prostitution, and gambling activities, respond to chemical and biological emergencies, perform drug raids and respond to hostage situations, maintain custody of all property and court evidence, process crime scenes, respond to and investigate domestic violence cases, and provide collective intelligence on gang membership and activity. They also employ strategies to reduce violence by partnering with federal agencies such as the Federal Bureau of Investigation, Drug Enforcement Administration, Alcohol Tobacco and Firearms, Immigration Customs Enforcement, and US Marshals Service.

Administrative Services Bureau:

This program includes Training and Recruiting, Fiscal Services, Planning, Special Projects, Inventory Control, Emergency Information Services, Crime Analysis/Intel Unit, Records Management, the Telephone Response Unit, and Personnel Services.

The Training Unit provides in-service and new recruit training. The Fiscal Services Unit provides fiscal management and grants administration. The Planning and Special Projects Units provide long term planning for growth requirements. Inventory Control provides oversight of the police fleet and supply room inventory. Emergency Information Services provides computer support, statistical database maintenance, front line mobile data terminal and e-citation support. The Crime Analysis/Intel Unit analyzes and compiles reports of crime-related data to assist officers in their crime abatement efforts. The Records Management function is responsible for the records management system data files and maintenance of the DCI/Warrants functions. The Telephone Response Unit handles all non-emergency calls. The Recruiting Unit actively seeks qualified applicants and the Personnel Services Unit oversees the administration of our Human Capital.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$46,416,465	\$48,094,665	\$47,715,484	\$49,117,620	2.1%
Operating	5,413,303	5,916,462	6,085,674	5,464,232	-7.6%
Capital and Other	2,007	50,000	173,164	-	-100.0%
Transfers	33,261	43,138	43,138	40,638	-5.8%
Subtotal Appropriations	\$51,865,036	\$54,104,265	\$54,017,460	\$54,622,490	1.0%
Nondepartmental					
North East Central Durham	\$ 44,679	\$ -	\$ -	\$ -	0.0%
Subtotal Nondepartmental	\$ 44,679	\$ -	\$ -	\$ -	0.0%
Total Appropriations	\$51,909,715	\$54,104,265	\$54,017,460	\$54,622,490	1.0%
Full Time Equivalents	615	633	633	637	4.0
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$51,812,539	\$54,010,548	\$53,921,746	\$54,528,867	1.0%
Program	97,176	93,717	95,714	93,623	-0.1%
Total Revenues	\$51,909,715	\$54,104,265	\$54,017,460	\$54,622,490	1.0%
Grant					
Personal Services	\$ 163,737	\$ 282,896	\$ 200,547	\$ 222,498	-21.3%
Operating	958,638	1,301,715	629,484	1,310,140	0.6%
Capital and Other	240,815	-	50,000	-	0.0%
Total Appropriations	\$ 1,363,190	\$ 1,584,611	\$ 880,031	\$ 1,532,638	-3.3%
Full Time Equivalents	16	-	-	-	-
Part Time	-	-	-	-	-
Revenues					
Grants	\$ 1,363,190	\$ 1,584,611	\$ 880,031	\$ 1,532,638	-3.3%
Total Grant Revenue	\$ 1,363,190	\$ 1,584,611	\$ 880,031	\$ 1,532,638	-3.3%
Total Budget	\$53,272,905	\$55,688,876	\$54,897,491	\$56,155,128	0.8%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Uniform Patrol Bureau	General Fund: \$29,380,878
	FTEs: 358
	Grant Funds: \$1,532,638
	FTEs: 0
Program: Community Services Bureau	General Fund: \$3,091,393
	FTEs: 31

Goal: Safe and Secure Community

Objective: To maintain the number of violent crimes at or below 700 per 100,000.

Initiative: Pursue proactive enforcement to include data driven policing and community based initiatives.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
# Violent crimes per 100,000	772	700	761	700
	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
# Property crimes per 100,000	4,737	4,700	4,622	4,700

Goal: Safe and Secure Community

Objective: To ensure an average response time of 5.8 minutes or less to Priority 1 calls.

Initiative: Maintain adequate staffing levels of well trained call takers in Uniform Patrol and continue use of AVL system.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
Average response time to all Priority 1 calls (minutes)	6.0	5.8	5.8	5.8

Goal: Safe and Secure Community

Objective: To respond to 57% or more of Priority 1 calls in less than 5 minutes.

Initiative: Maintain well-trained officers in Uniform Patrol and staff Uniform Patrol beats appropriately to maintain beat integrity and monitor response times to Priority 1 calls; continue collaboration with communications on call-taking issues.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
% Priority 1 calls responded to in less than 5 minutes	52.40%	57.00%	55.00%	57.00%

Goal: Safe and Secure Community

Objective: Decrease an identified high utilizer's calls for service for the year following initial contact with

Initiative: Maintain officers that are well-trained in CIT intervention and referral methods.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
% Decrease in CIT High Utilizer's 911 Calls for Service	70%	60%	60%	60%

Objective: To maintain a minimum of 40% of all 512 officers trained in Crisis Intervention and referral methods.

Initiative: Provide sufficient CIT training opportunities during the year.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
% of Sworn trained in CIT methods	36%	40%	40%	40%

Objective: Establish 30 new neighborhood watch programs.

Initiative: Provide communities with sufficient information and assistance for ease of establishing neighborhood watch programs.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
# of new Neighborhood Watch Programs Established	60	30	34	30

Objective: Decrease burglaries in a defined RAP area by 50% within the 90 day period following a primary RAP response compared to the preceding 90 days.

Initiative: Initiate RAP response to areas where repeat burglaries are experienced.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% decrease in burglaries following Primary RAP response	79%	50%	50%	50%

Objective: To maintain a lower percentage of children re-offending who attended a Juvenile Justice Call-in than those who did not attend a Call-in.

Initiative: Educate and encourage parents of juvenile offenders to have their children attend a Juvenile Justice Call-in.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
% Children Re-Offending who Did Not/Did Attend Call-in	40%/20%	TBD	50%/17%	50%/25%

Program: Investigative Services Bureau

General Fund: \$10,825,854

FTEs: 130

Goal: Safe and Secure Community

Objective: To maintain a minimum FY Violent Crime Clearance Rate of 50% or higher.

Initiative: Maintain well-trained investigators, monitor case clearance rate and maintain enhanced information sharing with the community.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
Violent crime FY clearance rate	45%	50%	44%	50%

Goal: Safe and Secure Community

Objective: To maintain a minimum FY Property Crime Clearance Rate of 23% or higher.

Initiative: Maintain well-trained officers, monitor case clearance rate and maintain enhanced information

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
Property crime FY clearance rate	21%	23%	21%	23%

Program: The Office of the Chief	General Fund: \$3,311,017
	FTEs: 29

Program: Administrative Services Bureau	General Fund: \$8,013,348
	FTEs: 89

Goal: Well-Managed City

Objective: To achieve a real vacancy rate of 0% per month for authorized and funded sworn positions.

Initiative: Maintain aggressive, diverse recruiting efforts and utilize over-hires to meet operational needs.

	Actual Measures: FY14	Adopted FY15	Estimated FY15	Adopted FY16
Average sworn real vacancy rate	0.00%	0.00%	0.00%	0.00%
	Actual Measures: FY14	Adopted FY15	Estimated FY15	Adopted FY16
Average sworn operational vacancy rate	3.60%	6.00%	5.00%	6.00%

Goal:

Objective: To conduct a citywide survey that measures the perception of safety in the City.

Initiative: Conduct annual survey through the Durham Convention & Visitors Bureau.

	Actual Measures: FY14	Adopted FY15	Estimated FY15	Adopted FY16
% Residents that feel personally safe in Durham	62%	70%	65%	70%

BUDGET ISSUES FOR FY 2015-16

- The attrition rate through the first seven months of FY15 averaged 3.7 officers per month, which impacts the presence of law enforcement officers on the streets. Aggressive recruiting efforts will continue to hold the vacancy rate at no more than 0% of funded officers for FY16. Lapsed salaries will be available to operate academies, at the approval of the City Manager.
- Overtime appropriations are used to fund special crime fighting initiatives and to compensate for operational vacancies.
- The Department has significant needs for additional resources. Staff allocation studies indicate the Department needs additional investigators, front line call takers and civilian personnel.
- Funding is not adequate to cover costs for training needs for Department personnel.
- Increases in operating expenses and expansion of police technology have historically been funded from forfeiture funds. The forfeiture funds have been decreasing for several years and are not expected to increase. This will result in the necessity of difficult decisions needing to be made about what resources will be used for operating expenses of the Department.

ACCOMPLISHMENTS FOR FY 2014-15

- The Department continues to focus on reducing violent and property crimes. When comparing violent crimes committed per 100,000 in fiscal year 2013 to violent crimes committed per 100,000 in fiscal year 2014, there was an overall increase in violent crimes committed of 10.13% (701 to 772).
- When comparing property crimes committed per 100,000 in fiscal year 2013 to fiscal year 2014, there was an overall increase in property crimes of 11.59% (4,245 to 4,737).
- Hired 9 recruits for the August 2014 BLET academy, of which 6 have now graduated and are in field training. Hired 30 recruits for the February 2015 BLET academy. The current sworn vacancy rate is 0.0%.
- The Department met or exceeded the national average in crime clearance rates in all categories for cities with similar populations.
- Maintained an average response time to Priority 1 calls for service in the first half of fiscal year 2015 of 5.8 minutes, compared to the projected time of 5.8 minutes.
- Purchased state mandated crime statistic reporting system known as NIBRS. Implementation is expected to be completed in FY15-16 based on final implementation date being pushed out by the State Bureau of Investigation.

- Completed the interview room CIP project.
- Entered into lease agreement and moved the Police impound lot to a new location.
- Began a pilot program to test potential body camera brands to be used by Uniform Patrol officers. Body cameras are expected to be purchased late in FY14-15 and in use in early FY15-16.
- Recognitions and efforts made to improve the department's image include the following:
 - Created a position for and hired a Public Relations Manager to help improve the department's public image.
 - Contracted for and received Fair and Impartial Policing training for entire department.
 - DPD earned two (2) National Night Out Distinctions in 2014 and ranked as number 11 out of 135 similarly sized cities across the nation.
 - The Forensics Unit hired all of the personnel required in order to achieve ISO Accreditation. Partial accreditation was achieved, with the remaining portion expected to be achieved in early FY15-16.
 - Posted the department's General Orders on the City website.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Conduct sworn employee pay plan study and implement results.
- Achieve final portion of ISO accreditation in the Digital Forensics section of the Forensics Division.
- Implement body camera program for all Uniform Patrol officers.
- Complete implementation of state mandated crime statistic reporting system known as NIBRS.
- Begin construction on restroom facilities at the Firing Range.
- 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.
- Maintain an average sworn vacancy rate of 0% and 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.
- Focused overtime efforts will continue in the Southside area.
- Continue the Bulls-Eye, Southside, and Residential Awareness Program Initiatives.

CONTRACT AGENCIES – PUBLIC SAFETY

The City of Durham annually reviews funding of programs and may enter into contracts with various agencies. These agencies provide services that complement the efforts of City departments. Agencies that are funded provide services that tie directly to Council goals and priorities. FY 2014-15, funding was included for the purpose of having an Emergency Judge assigned to hold court in the 14th Judicial District to provide additional days of court for Domestic Violence cases.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Operating	72,400	-	12,076	-	0.0%
Total Appropriations	\$ 72,400	\$ -	\$ 12,076	\$ -	0.0%
Revenues					
Discretionary	\$ 72,400	\$ -	\$ 12,076	\$ -	0.0%
Program	-	-	-	-	0.0%
Total Revenues	\$ 72,400	\$ -	\$ 12,076	\$ -	0.0%

**Funding was moved to the Police Department General Fund budget in FY 2014 – 15.*

FUND SUMMARIES

This section provides summaries of the revenues and appropriations for each of the operating funds included in the FY 2015-16 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

- **Fiduciary Funds** – are used to account for assets held by the City in a fiduciary capacity as trustee or agent.

These funds include:

- Law Enforcement Officers' Separation Allowance Fund
- Cemetery Fund
- Other Post Employment Benefits 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

- **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:

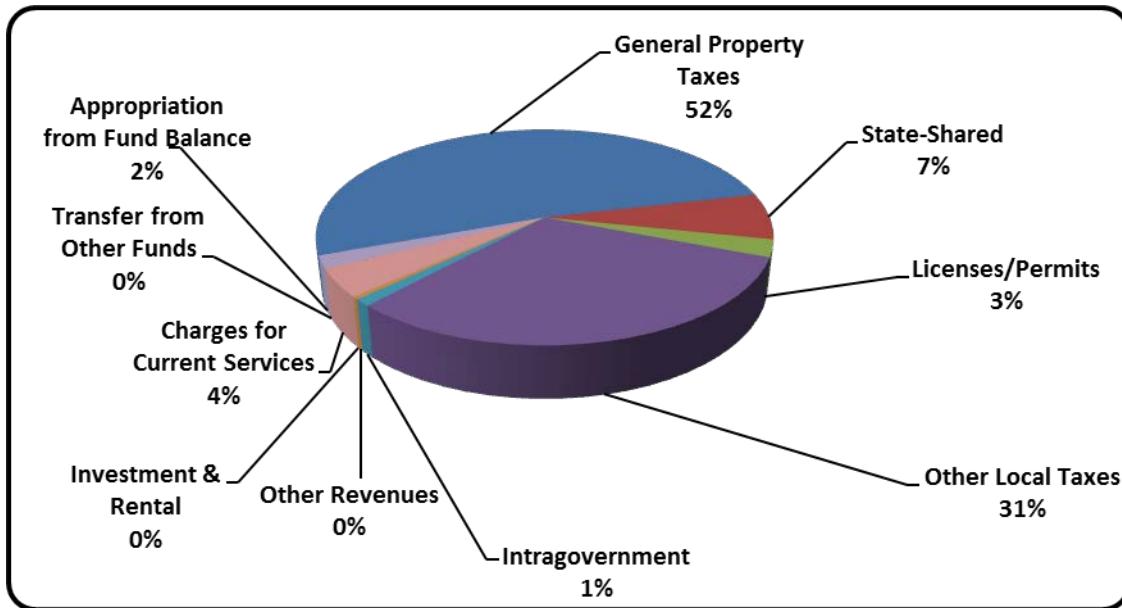
- General Capital Projects Fund – Provided by separate ordinance in standalone budget document.
- Impact Fee Fund
- Water and Sewer Capital Facilities Fees Fund
- Watershed Protection Fund

- **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:

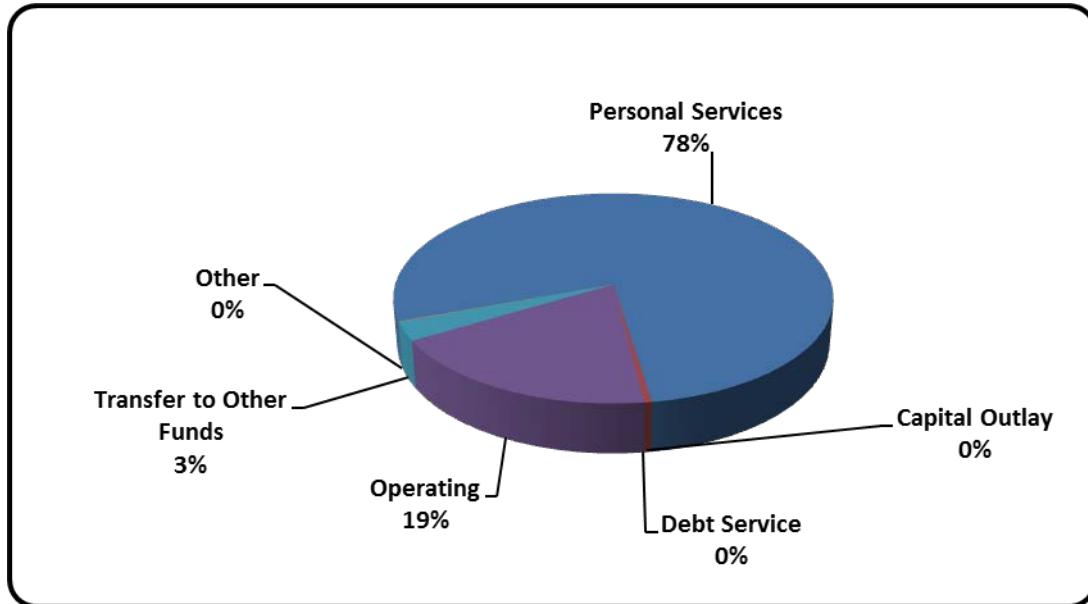
- Risk Reduction Fund
- Employee Insurance Fund

GENERAL FUND SUMMARY

Revenues

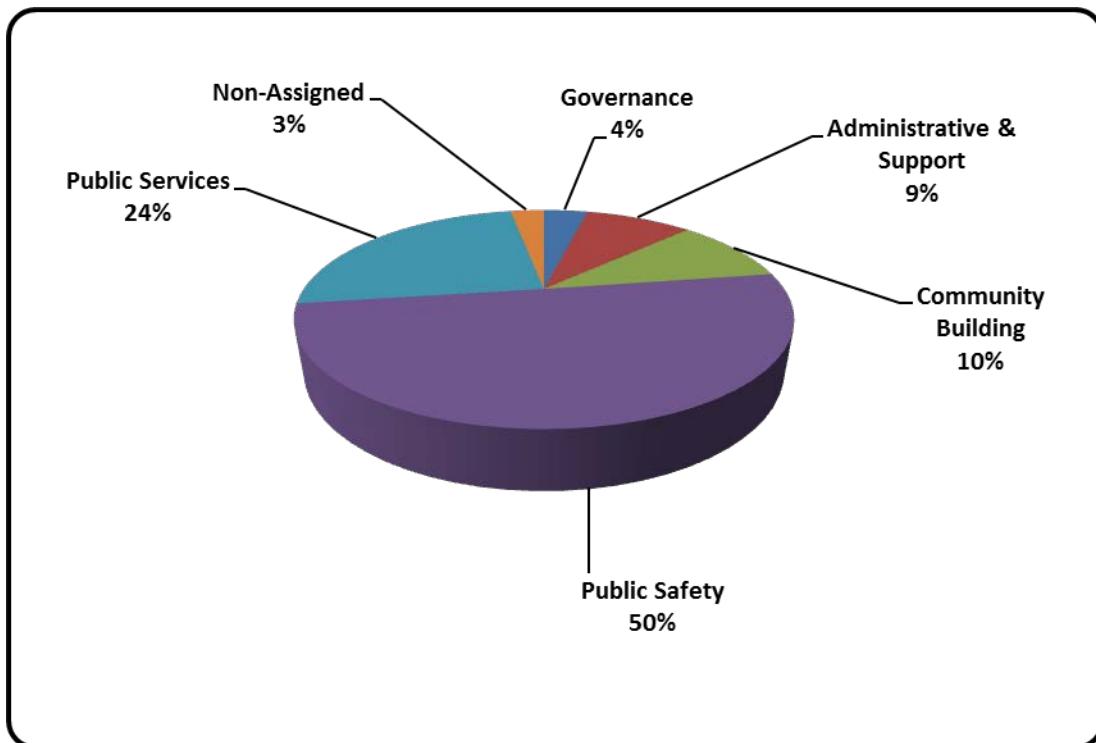


Appropriations



GENERAL FUND SUMMARY

Appropriations by Function



GENERAL FUND SUMMARY

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
General Property Taxes	\$ 92,319,117	\$ 94,818,475	\$ 95,247,283	\$ 89,197,999	-5.9%
Other Local Taxes	39,062,279	50,189,456	51,784,400	53,372,090	6.3%
State-Shared Revenues	21,249,071	11,890,319	14,197,553	11,881,736	-0.1%
Licenses and Permits	8,655,869	6,875,000	8,098,752	4,408,736	-35.9%
Investment/Rental Income	285,816	52,332	143,995	126,272	141.3%
Charges for Current Services	6,266,600	7,280,727	7,314,125	7,080,356	-2.8%
Intragovernmental Services	2,088,327	2,419,932	2,580,890	1,822,778	-24.7%
Other Revenues	1,491,198	663,123	797,997	730,847	10.2%
Transfer from Other Funds	200,000	-	83,000	-	0.0%
Approp From Fund Balance	-	815,250	-	3,223,305	295.4%
Total Revenues	\$ 171,618,278	\$ 175,004,614	\$ 180,247,995	\$ 171,844,119	-1.8%
Appropriations					
Personal Services	\$ 124,375,818	\$ 130,267,401	\$ 128,303,000	\$ 134,224,064	3.0%
Operating	28,719,795	30,542,643	34,313,479	31,767,630	4.0%
Capital Outlay	461,896	285,509	1,751,678	755,215	164.5%
Debt Service	26,156	50,000	25,000	-	-100.0%
Other	-	1,654,476	250,000	159,162	-90.4%
Transfers to Other Funds	10,784,261	12,204,585	12,719,028	4,938,048	-59.5%
Transfers to Fund Balance	7,250,352	-	2,885,810	-	0.0%
Total Appropriations	\$ 171,618,278	\$ 175,004,614	\$ 180,247,995	\$ 171,844,119	-1.8%
Appropriations by Function					
Governance	\$ 6,038,806	\$ 5,906,172	\$ 5,867,017	\$ 6,410,195	8.5%
Administrative and Support	14,451,251	14,928,923	15,726,664	15,346,160	2.8%
Community Building	16,714,507	16,616,789	17,568,979	17,019,869	2.4%
Public Safety	80,297,454	84,404,654	83,784,781	86,319,499	2.3%
Public Services	48,596,405	51,863,090	53,134,427	41,852,845	-19.3%
Non-assigned	5,519,855	1,284,986	4,166,126.58	4,895,551	281.0%
Total Appropriations	\$ 171,618,278	\$ 175,004,614	\$ 180,247,995	\$ 171,844,119	-1.8%

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.

Revenues in the general fund fall into two categories:

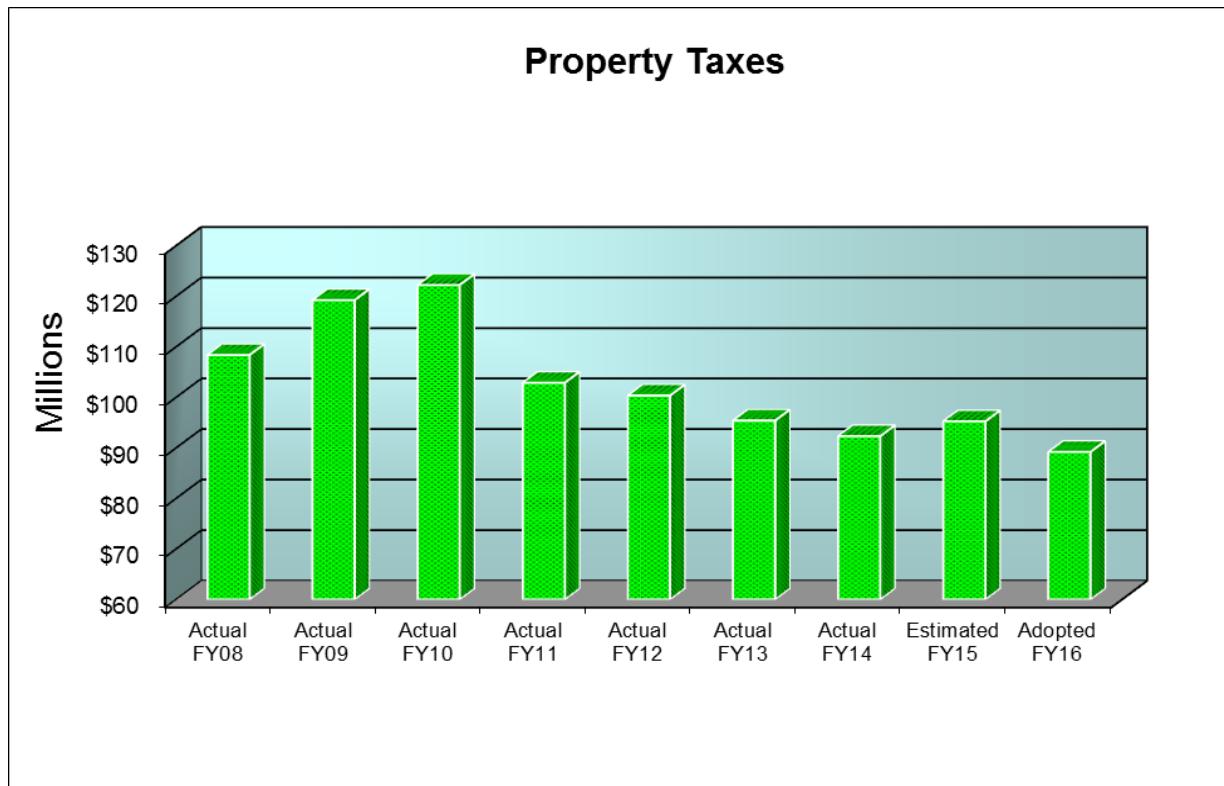
- **Discretionary** – Revenues that are not derived from or dependent upon direct activity from a single department. Examples include property tax and state shared revenues.
- **Program** – Those revenues that are derived from or dependent upon direct activity from a single department. Examples include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

General Fund – Discretionary Revenues

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
General Property Taxes					
Current Levy	\$ 90,672,105	\$ 92,900,534	\$ 93,244,342	\$ 87,584,859	-5.7%
Prior Years Levy	1,164,417	1,500,000	1,500,000	1,100,000	-26.7%
Interest & Penalties	482,594	417,941	502,941	513,140	22.8%
Subtotal	\$ 92,319,117	\$ 94,818,475	\$ 95,247,283	\$ 89,197,999	-5.9%
Other Local Taxes					
Local Option Sales Tax	\$ 36,806,171	\$ 48,071,541	\$ 49,500,000	\$ 50,925,492	5.9%
Heavy Equipment	79,074	85,000	80,000	85,000	0.0%
Rental Car Gross Receipts	266,662	228,915	220,000	228,915	0.0%
Hotel/Motel Occupancy Tax	1,910,372	1,804,000	1,984,400	2,132,683	18.2%
Subtotal	\$ 39,062,279	\$ 50,189,456	\$ 51,784,400	\$ 53,372,090	6.3%
Licenses					
Business & Professional Licenses	\$ 2,954,024	\$ 2,815,000	\$ 3,261,100	\$ 12,000	-99.6%
Subtotal	\$ 2,954,024	\$ 2,815,000	\$ 3,261,100	\$ 12,000	-99.6%
Intergovernmental Revenues					
Utility Franchise Tax	\$ 13,948,450	\$ 4,474,172	\$ 6,548,160	\$ 4,400,000	-1.7%
Gasoline Tax (Powell Bill)	6,051,342	6,091,430	6,153,632	6,133,143	0.7%
Beer & Wine Tax	1,034,811	1,096,058	1,096,058	1,128,940	3.0%
Alcoholic Beverage Control	166,667	130,050	130,050	150,000	15.3%
Subtotal	\$ 21,201,270	\$ 11,791,710	\$ 13,927,900	\$ 11,812,083	0.2%
Investment					
Investment Income	\$ 192,811	\$ -	\$ -	\$ -	0.0%
Subtotal	\$ 192,811	\$ -	\$ -	\$ -	0.0%
Other Major Revenue					
Sale Of Surplus Equipment	\$ 395,402	\$ 317,977	\$ 499,666	\$ 400,000	25.8%
Street Assessments	46,258	100,000	55,000	50,000	-50.0%
Subtotal	\$ 441,660	\$ 417,977	\$ 554,666	\$ 450,000	7.7%
Appropriations From Fund Balance	\$ -	\$ 815,250	\$ -	\$ 3,223,305	295.4%
Total Revenues	\$ 156,171,161	\$ 160,847,868	\$ 164,775,349	\$ 158,067,477	-1.7%

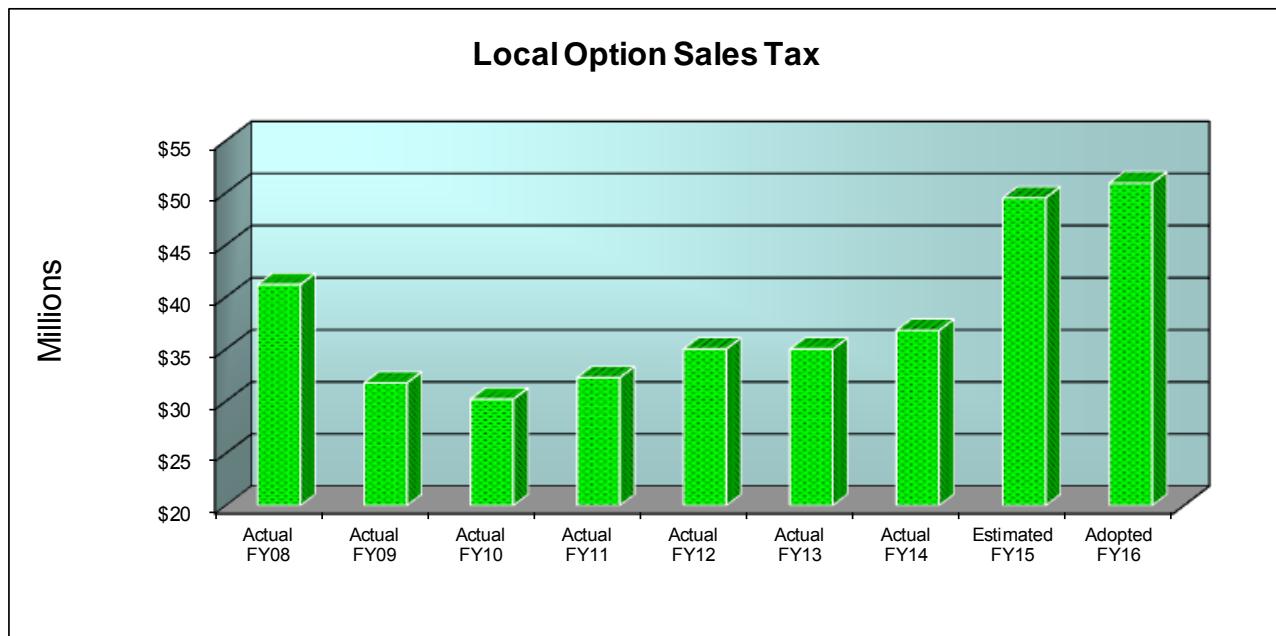
General Fund – Discretionary Revenues

GENERAL PROPERTY TAXES



The FY2015-16 budget adopted a tax rate of 59.12 cents per \$100 of assessed valuation, unchanged from FY 2014-15. 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, whose office 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 2009 North Carolina General Assembly passed legislation that provided for a temporary additional 1% State sales tax effective September 1, 2009 which expired in 2011. An additional 0.25% Local Sales Tax was approved by referendum for education in November 2011. Authority for an additional 0.50% Local Sales Tax was also approved by referendum for Transit, and began collections on April 1st, 2013. 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 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 sales tax is an important revenue source for the City, representing nearly 30% of the projected General Fund revenues for FY 2015-16.

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. According to fiscal analysts at the General Assembly, sales tax revenues for FY 2015-16 are projected to increase to 4.0% above FY 2014-2015. 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. The City of Durham and Durham County have an interlocal agreement. Durham is projecting a 5.9% increase in FY 2015-16 based on the interlocal with Durham County, and the inclusion of sales tax on electric and gas utilities. Sales tax continues to be distributed by the state on a *per capita* basis between the County of Durham and the City of Durham. 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, 2013 through June 30th, 2018.

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 2015-16 budget projects Occupancy tax to be 18.2% higher than the FY 2014-15 budget, based on current economic conditions and projections on hotel usage from the Durham Convention and Visitors Bureau (DCVB).

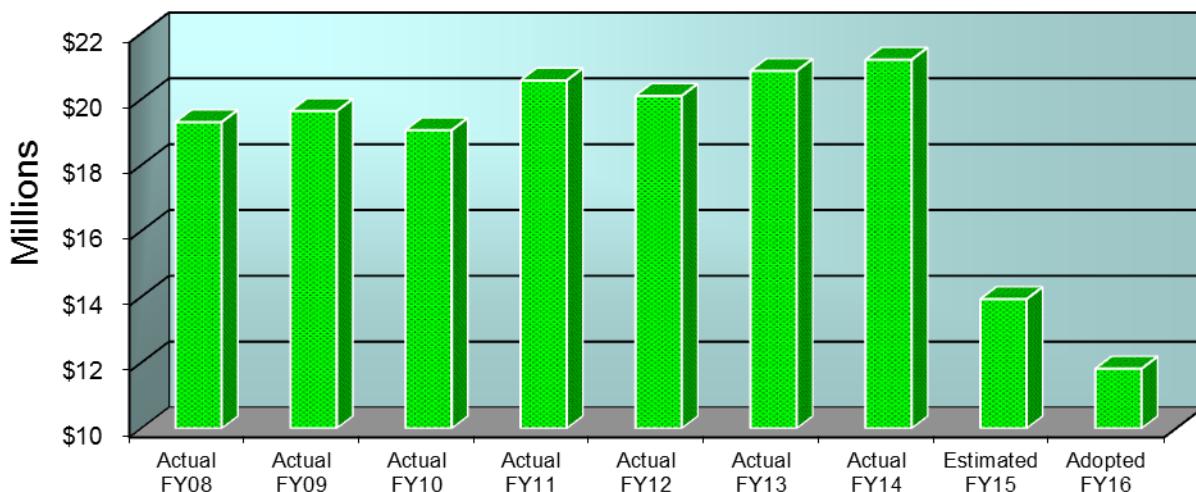
LICENSES AND PERMITS

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 2015-16 budget has a small amount just related to beer and wine licenses.

INTERGOVERNMENTAL REVENUE

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.

State Shared Revenues



State Shared Revenues

- ❖ **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. If there were excess revenues, those were to be distributed statewide on an ad valorem basis. Through two distributions under the new system, electricity sales tax is up significantly from the corresponding quarters in FY13-14. As with the electricity sales tax, we are in the first year of using a new method for distributing the proceeds of the sales tax on piped natural gas. As of Fiscal Year 2014-15, the general sales tax rate is now applied to the sale of piped natural gas, and 20 percent of the proceeds from the sales are returned to cities and towns. Similar to the electricity sales tax, that percentage was chosen with the intention that it would be sufficient to hold municipalities harmless from the amount they received in utility franchise tax distributions in Fiscal Year 2013-14. If 20 percent of the general sales tax on natural gas is not sufficient to provide every municipality with at least the same distribution that they received in FY13-14, then every municipality's distribution of the sales tax on piped natural gas is reduced proportionally. If there are excess funds remaining from the 20 percent of the general sales tax after every municipality has received the same distribution it received during FY13-14, then the excess revenues will be distributed statewide on an ad valorem basis.
- ❖ **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 2015-16, the City projects very little change compared to FY 2014-15. 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 2015-16, the City projects a 3.0% increase compared to FY 2014-15.

- ❖ **Alcoholic Beverage Control Tax** - The City receives 10% of the profit from ABC operations in the County. The FY 2015-16 budget projects this revenue will increase by 15.3% as compared to FY 2014-15.

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 2015-16 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 2015-16 budget projects a 25.8% increase in sales of surplus equipment.

Street Assessments – The City bills for street assessments. The FY2015-16 budget projects a 50% decrease from what was budgeted in FY2014-15.

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, 2015) excess funds will be returned to Fund Balance. The final year-end figure will be based on actual revenues and expenditures as determined through the City's FY 2014-15 financial audit. For FY 2015-16, there is a transfer from fund balance proposed in the amount of \$3,223,305 to fund one-time expenditures. If funds from FY 2014-15 are returned as projected to Fund Balance, the General Fund Balance is projected to be approximately 22.85%.

General Fund – Program Revenues

LICENSES AND PERMITS

Public Safety

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.

Community Building

City/County Inspections:

Revenues from Building, Electrical, Plumbing, Mechanical, and Fire Permits required by ordinance for development activity.

City/County Planning:

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

Public Services

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 to Durham County for services that the City provides (ie: services provided under an interlocal agreement) are also included in this category.

Governance

City Clerk:

Revenues from the sale of City Code supplements and copies of public records.

Public Safety

Communications Center:

Emergency Telephone System Fund – This fund combines the total 911 surcharge for wireless and wireline services. This money is collected by the telephone companies and forwarded to State. The State distributes these funds directly to the City of Durham. The monthly service charge was set at \$0.70 per connection effective January 1, 2008. The 911 Board monitors the revenues generated, and if it determines that revenues exceed the amount needed, the rate must be reduced.

Police:

Officers' Fees - This revenue source is a reimbursement by the General Court of Justice for officers' service of legal process documents.

Wrecker Service Dispatch Fee - A fee is 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 NC 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 revenue.

Community Building

Office of Economic and Workforce Development:

Use Charges - This item includes revenues generated through rental of the Parrish Street Forum.

City/County Inspections:

Durham County Inspections Services - In FY 2002-03, Durham County reimbursed the City 14% of the Inspections Departments appropriations for its share of the joint City/County Inspections. County Inspections fees were remitted to the County every six months after reconciliation. Starting in FY 2003-04, the City began 100% retention of County inspections revenue. The County no longer reimburses the City for its share of the Inspections function.

Administrative and Support

Finance:

Bank of America Rebate - This is the rebate offered by the Bank of America on their procurement card and ePayables programs.

Administrative Fee - This is the 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.

Public Services

General Services:

Air Lease Tower Fees – Space leased on a City-owned tower on Camden Avenue for use by cell phone companies.

Cemetery Lot Sales - Revenue from the sale of grave spaces at both Beechwood and Maplewood cemeteries.

Cemetery Interment Fees - Revenue generated from burial fees at both Beechwood and Maplewood cemeteries.

Cemetery Upkeep and Design - Revenue represents the fee charged to citizens who request additional maintenance at specific gravesites.

Columbarium Charges - Revenue generated from fees charged for burial niches, urns, burial plaque engraving, and miscellaneous upkeep charges.

Public Works:

NCDOT State Highway Maintenance - This program has been suspended by the State due to budget shortfalls, but in the past, this was revenue paid by the State Department of Transportation for street maintenance work by the City on State highway system streets within the City limits.

NCDOT Winter Weather Reimbursement – Revenue 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 paid by 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 the Public Works Department receives from the sale of maps.

Parks and Recreation:

Registration Fees – This category includes revenues generated from 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 - Revenues included in this account are swimming pool fees and picnic shelter reservations.

Entry Fees - Revenues generated by entry fees for youth softball, basketball, baseball and volleyball are included here.

Use Charges - This item includes 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 - This revenue represents the billing to the State for maintenance of signs and markings on State system streets and highways within the city limits.

Traffic Signals - This revenue represents the billing to 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.

Governance

City Manager's Office:

Durham County – Durham County pays \$8,800 each year for the airing of County programming on DTV8.

Administrative and Support

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 1st, 1999 and the GIS data distribution policy for commercial use was adopted by the City Council on August 7th, 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.

Community Building

City / County Planning:

Planning Fees - Revenue in this category includes fees for reviewing proposed development plans, annexations, zoning change requests, site plan compliance, flood plain, and variances 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. In FY 2014-15, the City and County are each projected to fund 50% of the Planning budget with no positions solely funded by either entity. However, the interlocal agreement is scheduled for re-adoption during the course of the upcoming fiscal year and there continues to be discussion whether the funding split needs to be restructured.

Public Protection

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.

Public Services

General Services:

Durham County – Durham County provides \$16,000 of financial support to the Keep Durham Beautiful program.

Fleet Management:

Durham County – Durham County provides \$12,000 for the repair of county fire trucks.

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 FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Personal Services					
Severance Payments	\$ 30,747	\$ 37,500	\$ 28,100	\$ 38,625	3.0%
Other Employee Benefits	- -	594,144	- -	1,713,243	188.4%
Health Insurance - Retirees	2,900,384	3,093,202	3,093,202	3,204,857	3.6%
Subtotal	\$ 2,931,131	\$ 3,724,846	\$ 3,121,302	\$ 4,956,725	33.1%
Operating					
Risk Management Charges	\$ 2,938,599	\$ 3,202,497	\$ 3,202,497	\$ 3,291,717	2.8%
Donations	- -	40,000	- -	40,000	0.0%
Indirect Cost Reimbursements	(8,215,939)	(7,785,417)	(7,785,417)	(7,928,349)	1.8%
Other Operating Costs / Savings	(591)	(56,700)	- -	- -	-100.0%
Subtotal	\$ (5,277,931)	\$ (4,599,620)	\$ (4,582,920)	\$ (4,596,632)	-0.1%
Transfer to Other Funds					
Transfer to Debt Service Fund	\$ - -	\$ 172,125	\$ 172,125	\$ - -	-100.0%
Transfer to Water and Sewer Fund	298,288	287,635	287,635	276,982	-3.7%
Transfer to BID	250,000	250,000	250,000	250,000	0.0%
Transfer to Capital Projects Fund	- -	1,400,000	2,007,175	2,000,000	42.9%
Transfers Other	41,858	- -	- -	2,008,476	100.0%
Subtotal	\$ 590,146	\$ 2,109,760	\$ 2,716,935	\$ 4,535,458	115.0%
Debt Service					
Cost of Servicing	\$ 26,156	\$ 50,000	\$ 25,000	\$ - -	-100.0%
Subtotal	\$ 26,156	\$ 50,000	\$ 25,000	\$ - -	-100.0%
Total Nondepartmental	\$ (1,730,498)	\$ 1,284,986	\$ 1,280,317	\$ 4,895,551	281.0%

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 – Anticipated costs or savings associated with technology initiatives (FY15).

TRANSFERS TO OTHER FUNDS

Transfer to Debt Service Fund – Transfers related to a 9th Street economic development project in FY 15.
 Transfer to the Water & Sewer Fund – Transfer to repay financing for an IT Infrastructure capital project.
 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 pay-go funding.
 Transfer Other – Transfer to the Water Capital Construction fund to repay a loan for a technology project, and a transfer to the Failed Developments capital project.

DEBT SERVICE

Cost of Servicing – Operating costs from the sale of debt, moved to the Finance Department for FY 16.
 Please refer to the Debt Management section of this document (Section XI) for detailed information on all City debt.

DEBT SERVICE FUND

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
General Property Taxes	\$ 35,291,985	\$ 38,243,207	\$ 38,446,486	\$ 32,231,624	-15.7%
Interest	18,375	-	-	-	0.0%
Other Revenue	875,835	642,660	922,440	635,637	-1.1%
Transfers from Other Funds	-	172,125	172,125	-	0.0%
Bond Refunding	4,000,000	-	52,000,000	6,000,000	0.0%
Intergovernmental	2,950,000	2,505,000	2,505,000	1,217,222	-51.4%
Appropriation from Fund Balance	1,325,487	1,506,518	1,023,459	1,160,985	-22.9%
Total Revenues	\$ 44,461,682	\$ 43,069,510	\$ 95,069,510	\$ 41,245,468	-4.2%
Appropriations					
Debt Service Principal	\$ 24,870,536	25,766,383	\$ 25,766,383	27,872,849	8.2%
Debt Service Interest	9,835,647	9,472,708	9,472,708	8,982,444	-5.2%
Bond Refunding	4,238,370	-	52,000,000	-	0.0%
Tax Collection Fee	375,621	424,631	424,631	370,664	-12.7%
Transfer to Other Funds	5,141,508	7,405,788	7,405,788	4,019,511	-45.7%
Total Appropriations	\$ 44,461,682	\$ 43,069,510	\$ 95,069,510	\$ 41,245,468	-4.2%

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 15.82 cents for FY 2014-15.

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).

Transfers from Other Funds – A transfer is made from the General Fund to cover debt associated with the former Downtown Fund.

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.

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

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

Transfer to Other Funds – Transfers to the Solid Waste, Ballpark and Parking Funds which represents their portion of debt obligations.

WATER AND SEWER FUND
WATER AND SEWER REVENUES

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Investment & Rental Income					
Interest: Investments and Assess.	\$ 225,505	\$ 172,862	\$ 231,261	\$ 166,000	-4.0%
Rental Income	428,622	320,000	310,000	300,000	-6.3%
Total Investment & Rental Income	\$ 654,127	\$ 492,862	\$ 541,261	\$ 466,000	-5.5%
Operating Revenue					
Water & Sewer Sales					
Water & Sewer Sales	\$ 83,712,530	\$ 83,247,701	\$ 91,238,005	\$ 86,179,603	3.5%
Late Fees	118,448	100,000	172,000	120,000	20.0%
Industrial Monitoring	14,672	13,000	42,400	45,000	246.2%
Sewer Surcharge	200,524	160,000	178,000	160,000	0.0%
Suspended Solids	20,696	10,000	30,000	30,000	200.0%
Subtotal	\$ 84,066,869	\$ 83,530,701	\$ 91,660,405	\$ 86,534,603	3.6%
Other Operating Revenues					
Septic Tank Disposal	\$ 234,480	\$ 150,000	\$ 250,000	\$ 200,000	33.3%
Water Connection Fees	463,008	300,000	500,000	500,000	66.7%
Sewer Connection Fees	115,700	80,000	130,000	100,000	25.0%
Engineering Inspection Fee	146,677	82,000	150,065	150,000	82.9%
Backflow Certification	12,250	15,000	10,000	12,500	-16.7%
Subtotal	\$ 972,115	\$ 627,000	\$ 1,040,065	\$ 962,500	53.5%
Licenses and Permits					
Water Permits	\$ 31,050	\$ 30,000	\$ 28,800	\$ 30,000	0.0%
Sewer Permits	15,750	15,000	9,000	10,000	-33.3%
Cross Connection Control Permits	41,065	38,000	55,000	45,000	18.4%
Subtotal	\$ 87,865	\$ 83,000	\$ 92,800	\$ 85,000	2.4%
Total Operating	\$ 85,126,849	\$ 84,240,701	\$ 92,793,270	\$ 87,582,103	4.0%
Other Revenues					
Miscellaneous	\$ 73,439	\$ 50,138	\$ 58,111	\$ 58,625	16.9%
Water Frontage Fees/Assessments	83,897	100,000	270,837	100,000	0.0%
Sewer Frontage Fees/Assessments	244,753	120,000	545,648	250,000	108.3%
Total Other Revenues	\$ 402,089	\$ 270,138	\$ 874,596	\$ 408,625	51.3%
Transfers from Other Funds					
General Fund	\$ 298,288	\$ 287,635	\$ 287,635	\$ 276,982	-3.7%
Total Transfers from Other Funds	\$ 298,288	\$ 287,635	\$ 287,635	\$ 276,982	-3.7%
Appropriation from Fund Balance	\$ -	\$ -	\$ -	\$ -	0.0%
TOTAL W & S FUND REVENUES	\$ 86,481,354	\$ 85,291,336	\$ 94,496,762	\$ 88,733,710	4.0%

WATER AND SEWER FUND
REVENUE AND APPROPRIATION SUMMARY

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
REVENUES					
Investment and Rental Income	\$ 654,127	\$ 492,862	\$ 541,261	\$ 466,000	-5.5%
Water and Sewer Sales	84,066,869	83,530,701	91,660,405	86,534,603	3.6%
Other Operating Revenue	972,115	627,000	1,040,065	962,500	53.5%
Licenses and Permits	87,865	83,000	92,800	85,000	2.4%
Frontage Fees/Assessments	328,650	220,000	816,485	350,000	59.1%
Other	73,439	50,138	58,111	58,625	16.9%
Transfer from Other Funds	298,288	287,635	287,635	276,982	-3.7%
Appropriations from Fund Balance	-	-	-	-	0.0%
TOTAL REVENUES	\$ 86,481,354	\$ 85,291,336	\$ 94,496,762	\$ 88,733,710	4.0%
APPROPRIATIONS					
Personal Services	\$ 22,526,492	\$ 24,148,668	\$ 22,639,829	\$ 25,463,435	5.4%
Operating	26,309,802	28,370,731	27,573,464	28,309,448	-0.2%
Capital Outlay	-	-	-	-	0.0%
Debt Service	18,070,175	11,260,678	17,726,678	10,646,702	-5.5%
Transfers to Other Funds	15,963,129	16,870,000	17,013,899	19,650,869	16.5%
Transfers to Fund Balance	3,611,756	4,641,259	9,542,892	4,663,256	0.5%
TOTAL APPROPRIATIONS	\$ 86,481,354	\$ 85,291,336	\$ 94,496,762	\$ 88,733,710	4.0%
Department Appropriations					
Water Management	\$ 38,296,200	\$ 41,326,784	\$ 39,334,016	\$ 42,194,634	2.1%
Public Works	2,966,071	3,274,832	3,173,622	3,285,757	0.3%
Finance	161,381	193,602	200,851	199,786	3.2%
Nondepartmental Appropriations	45,057,702	40,496,118	51,788,273	43,053,533	6.3%
TOTAL APPROPRIATIONS	\$ 86,481,354	\$ 85,291,336	\$ 94,496,762	\$ 88,733,710	4.0%

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 increases for water and sewer charges for FY 2015-16 were approved, and went up by about 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 is paying 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. In FY 2015-16, there is no additional fund balance appropriation.

WATER AND SEWER NON-DEPARTMENTAL APPROPRIATIONS

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Personal Services					
Merit/Market Salary Adjustment	\$ -	\$ 219,757	\$ -	\$ 490,785	123.3%
Subtotal	\$ -	\$ 219,757	\$ -	\$ 490,785	123.3%
Operating					
General Fund Services	5,997,679	5,997,679	5,997,679	5,997,679	0.0%
Insurance Risk /Post Employment	1,341,296	1,425,745	1,425,745	1,482,356	4.0%
Miscellaneous	73,667	81,000	81,380	121,886	50.5%
Subtotal	\$ 7,412,642	\$ 7,504,424	\$ 7,504,804	\$ 7,601,921	1.3%
Transfers					
Transfer to Storm Water Fund	\$ 123,000	\$ 123,000	\$ 123,000	\$ -	-100.0%
Transfer to Capital Fleet Program	556,000	607,000	607,000	650,869	7.2%
Transfer to Capital Improvements Program	15,284,129	16,140,000	16,283,899	19,000,000	17.7%
Transfer to Fund Balance	3,611,756	4,641,259	9,542,892	4,663,256	0.5%
Subtotal	\$ 19,574,885	\$ 21,511,259	\$ 26,556,791	\$ 24,314,125	13.0%
Debt Service					
Debt Service/Refunding	\$ 17,894,073	\$ 10,760,678	\$ 17,540,678	\$ 10,146,702	-5.7%
County Line Reimbursement	176,102	500,000	186,000	500,000	0.0%
Subtotal	\$ 18,070,175	\$ 11,260,678	\$ 17,726,678	\$ 10,646,702	-5.5%
TOTAL NON-DEPARTMENTAL	\$ 45,057,702	\$ 40,496,118	\$ 51,788,273	\$ 43,053,533	6.3%

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 2015-16 accounts for increases in health and dental rates, the 401k rate, 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. For FY 2013-14 and FY 2014-15, this primarily consists of unemployment insurance costs for the fund. In FY 2015-16, the costs associated with Voice Over IP (VOIP) service are also included here.

Transfers

Transfer to Stormwater Fund – These costs cover an arrangement between Water and Sewer and Stormwater (Public Works) regarding the Household Hazardous Waste program. This is being 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 2015-16, \$19 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 2016-2021 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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
Interest and Rental Income	\$ 53,199	\$ 33,000	\$ 53,958	\$ 49,000	48.5%
Operating Revenues	3,797,600	4,416,000	4,741,559	4,535,090	2.7%
Appropriation from Fund Balance	-	3,487,099	3,487,099	-	-100.0%
Total Revenues	\$ 3,850,799	\$ 7,936,099	\$ 8,282,616	\$ 4,584,090	-42.2%
Appropriations					
Transfers to Other Funds	\$ -	\$ 7,936,099	\$ 7,936,099	\$ 4,584,090	-42.2%
Transfer to Fund Balance	3,850,799	-	346,517	-	0.0%
Total Appropriations	\$ 3,850,799	\$ 7,936,099	\$ 8,282,616	\$ 4,584,090	-42.2%

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.

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.

As a part of the FY 2002-03 budget, the City Council adopted a new capital facility fee schedule in order to offset a greater portion of debt service related to the expansion of water supply, water treatment and wastewater treatment. In FY 2004-05, Water Capital Facilities Fees were increased by \$200 for each meter size. This increase specifically addressed an on-going automated meter reading program. For FY 2008-09 an increase of approximately 20% in the water capital facility fee for all meter sizes was adopted to help provide funding for future water supply and treatment capital projects. In FY 2010-11 the increase of 5% for Capital Facility Fees for new water and sewer customers/connections reflected the increased capital cost of construction of future new, expanded and/or upgraded facilities. Capital Facility Fees increased 5.7% in FY 2013-14 for all new connections to the City's water and sewer system based on the increased capital cost of construction. A 2.4% increase was adopted for FY 2014-15 to cover increased construction costs, and a 2.9% increase was adopted for FY 2015-16 for construction cost increases.

Transfer from Fund Balance – Additional fund balance was appropriated in FY 2014-15 to allow for a larger transfer to capital to cover the construction phase of several projects expected to begin this year.

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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
General Property Taxes	\$ -	\$ -	\$ -	\$ 14,481,951	100.0%
Interest and Rental Income	9,755	5,000	7,825	7,000	40.0%
Charges for Services	5,390,663	6,070,160	5,800,282	6,040,052	-0.5%
Solid Waste Fee	1,310,155	-	127,760	-	0.0%
Intergovernmental Revenues	133,223	145,672	145,672	152,400	4.6%
Landfill Gas	204,516	200,000	200,000	197,000	-1.5%
Other Financing Sources	1,014	-	600,814	-	0.0%
Transfers From Other Funds	11,914,510	13,827,981	13,827,981	15,000	-99.9%
Appropriation From Fund Balance	2,861,852	-	1,910,287	-	0.0%
Total Revenues	\$ 21,825,688	\$ 20,248,813	\$ 22,620,621	\$ 20,893,403	3.2%
Appropriations					
Personal Services	\$ 6,304,625	\$ 6,210,096	\$ 6,239,197	\$ 6,389,542	2.9%
Operating	9,091,543	9,817,269	9,764,223	9,980,663	1.7%
Capital and Other	-	20,000	-	-	-100.0%
Debt Service	3,019,309	4,201,448	6,601,448	4,281,130	1.9%
Transfers To Other Funds	3,410,211	-	15,753	3,818	100.0%
Transfer to Fund Balance	-	-	-	238,250	100.0%
Total Appropriations	\$ 21,825,688	\$ 20,248,813	\$ 22,620,621	\$ 20,893,403	3.2%
Department Appropriations					
Solid Waste Management	\$ 14,917,486	\$ 14,781,647	\$ 14,691,951	\$ 15,092,628	2.1%
Water Management	254,244	251,605	297,356	253,612	0.8%
Nondepartmental Appropriations	6,653,958	5,215,561	7,631,314	5,547,163	6.4%
Total Appropriations	\$ 21,825,688	\$ 20,248,813	\$ 22,620,621	\$ 20,893,403	3.2%

FUND DESCRIPTION

The Solid Waste Disposal 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.

REVENUE DESCRIPTIONS

General Property Taxes – Beginning in FY 2015-16, a portion of the City's tax rate is being allocated to the Solid Waste Fund in place of the former transfers from the General Fund and the Debt Service Fund. The rate is being set at 5.85 cents per \$100 of assessed value.

Investment and Rental Income – Interest earned on the investment of the 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. Yard Waste service is now \$7.50 per month for all customers starting in FY 2015-16 regardless of whether carts were initially purchased or later rented. This is the rate necessary to fully recover costs for this optional service. Additional carts will still be available to rent for an additional \$1.50 per month.

Solid Waste Fee – In FY 2013-14, the City charged a monthly \$1.80 fee to households which received solid waste collection service from the City. In FY 2014-15, the City stopped charging residents fees for the provision of solid waste collection services, and increased the transfer from the Debt Service Fund to cover the difference.

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 landfill.

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

Transfer from Other Funds – 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 FY 2015-16, a portion of the property tax rate will be dedicated to this fund replacing these transfers. The only remaining transfer is from the BID and is used to recover a portion of the cost to provide service to those downtown businesses and residents.

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 Department employees are accounted for in this area.

Operating – Major items include fuel purchases and solid waste contracts.

Capital and Other— Funds in reserve to be used for pending projects.

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

Transfers to Other Funds – In FY 2013-14, this shows the repayment to the Water & Sewer Fund to cover the cost to purchase solid waste carts. Other amounts are for transfers to cover technology projects that were paid for out of other funds.

STORMWATER MANAGEMENT FUND

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
Interest and Rental Income	\$ 22,898	\$ 20,000	\$ 20,000	\$ 20,000	0.0%
Operating Revenues	14,274,327	14,736,860	14,783,145	15,219,115	0.0%
Transfers From Other Funds	232,047	232,047	232,047	109,047	-53.0%
Appropriation From Fund Balance	-	-	-	-	0.0%
Total Revenues	\$ 14,529,272	\$ 14,988,907	\$ 15,035,192	\$ 15,348,162	2.4%
Appropriations					
Personal Services	\$ 5,959,833	\$ 6,420,313	\$ 5,962,639	\$ 6,580,491	2.5%
Operating	2,895,636	3,054,594	3,093,610	2,860,406	-6.4%
Capital and Other	-	30,000	30,720	-	-100.0%
Transfers To Other Funds	4,358,000	3,640,000	4,562,000	4,838,628	32.9%
Transfer to Fund Balance	1,315,803	1,844,000	1,386,223	1,068,637	-42.0%
Total Appropriations	\$ 14,529,272	\$ 14,988,907	\$ 15,035,192	\$ 15,348,162	2.4%
Department Appropriations					
Public Works	\$ 7,482,161	\$ 8,042,375	\$ 7,615,342	\$ 8,125,107	1.0%
Solid Waste Management	239,476	249,900	249,900	-	-100.0%
Nondepartmental Appropriations	6,807,635	6,696,632	7,169,950	7,223,055	7.9%
Total Appropriations	\$ 14,529,272	\$ 14,988,907	\$ 15,035,192	\$ 15,348,162	2.4%

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). No rate increase is proposed for FY 16. 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.

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.

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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
General Property Taxes	\$ 9,412,843	\$ 9,355,323	\$ 9,405,051	\$ 9,580,368	2.4%
Licenses and Permits	3,215,237	2,431,883	2,431,883	2,480,521	2.0%
Intergovernmental	2,739,838	3,356,952	3,989,558	4,946,681	47.4%
Charges for Current Services	3,378,994	3,508,787	3,381,796	3,451,051	-1.6%
Other Revenue	130,668	209,182	113,182	210,936	0.8%
Appropriation from Fund Balance	-	-	776,861	-	0.0%
Total Revenues	\$18,877,580	\$18,862,127	\$20,098,331	\$20,669,557	9.6%
Appropriations					
Operating	\$15,778,366	\$17,421,487	\$17,619,137	\$18,099,945	3.9%
Capital	-	55,000	83,994	379,000	589.1%
Debt Service	212,736	212,737	212,737	203,460	-4.4%
Transfers to Other Funds	1,085,475	1,172,903	2,182,463	1,828,609	0.0%
Transfer to Fund Balance	1,801,003	-	-	158,543	100.0%
Total Appropriations	\$18,877,580	\$18,862,127	\$20,098,331	\$20,669,557	9.6%
Departmental Appropriations					
Transportation Department	\$16,329,583	\$18,107,836	\$19,340,791	\$19,679,295	8.7%
Nondepartmental Appropriations	2,547,997	754,291	757,540	990,262	31.3%
Total Appropriations	\$18,877,580	\$18,862,127	\$20,098,331	\$20,669,557	9.6%

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 – Operating funds continue at 3.87 cents of the tax rate for FY 2015-16.

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 funded by the increased sales tax and vehicle fees dedicated to transit through the Bus and Rail Investment Plan.

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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
Interest and Rental Income	\$ 2,855	\$ 1,000	\$ 1,000	\$ 2,000	100.0%
Charges for Services	2,710,179	2,801,717	3,097,664	3,306,726	18.0%
Transfers from Other Funds	1,999,039	1,987,324	1,987,324	1,924,735	-3.1%
Appropriation from Fund Balance	92,888	-	-	-	0.0%
Total Revenues	\$ 4,804,961	\$ 4,790,041	\$ 5,085,988	\$ 5,233,461	9.3%
Appropriations					
Personal Services	\$ 78,808	\$ 146,435	\$ 146,435	\$ 141,802	-3.2%
Operating	2,496,324	2,656,281	2,756,471	2,954,187	11.2%
Capital	171,350	-	2,960	17,500	100.0%
Debt Service	2,058,479	1,987,325	1,987,325	1,924,737	-3.1%
Transfer to Fund Balance	-	-	192,797	195,235	100.0%
Total Appropriations	\$ 4,804,961	\$ 4,790,041	\$ 5,085,988	\$ 5,233,461	9.3%
Departmental Appropriations					
Transportation Department	\$ 2,287,404	\$ 2,343,514	\$ 2,446,664	\$ 2,623,374	11.9%
Nondepartmental Appropriations	2,517,557	2,446,527	2,639,324	2,610,087	6.7%
Total Appropriations	\$ 4,804,961	\$ 4,790,041	\$ 5,085,988	\$ 5,233,461	9.3%

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. The North Deck at American Tobacco's revenues and expenses were moved to this fund for FY 2013-14. The FY 2014-15 budget included increased parking enforcement for areas near downtown, and provisions for a paid public parking lot on Ninth Street. Recommendations from the recently completed parking study continue to be implemented.

REVENUE DESCRIPTIONS

Interest and Rental Income - Gained 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. For FY 2015-16, the parking violation fee is proposed to increase from \$10 to \$20. In FY 2013-14, the revenues from the North Deck at American Tobacco were moved to this fund to consolidate all parking items in one place.

Transfers from Other Funds – Beginning in FY 2013-14, 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. A new position was added with the FY 2013-14 budget to manage the parking function for the City, and those costs were annualized for FY 2014-15.

Operating – The operating budget represents contract payments to a private contractor. The increase for FY 2015-16 is primarily due to enhanced services from the vendor which will also increase revenues.

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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
Interest and Rental Income	\$ 184,937	\$ 1,000	\$ 1,700	\$ 2,000	100.0%
Charges for Services	383,406	181,788	181,788	215,793	18.7%
Transfers from Other Funds	1,147,259	1,285,617	1,285,617	1,244,776	-3.2%
Total Revenues	\$ 1,715,602	\$ 1,468,405	\$ 1,469,105	\$ 1,462,569	-0.4%
Appropriations					
Personal Services	\$ 47,639	\$ -	\$ -	\$ -	0.0%
Operating	507,332	\$ -	\$ -	\$ -	0.0%
Debt Service	735,121	\$ 1,300,589	\$ 1,300,589	\$ 1,287,329	-1.0%
Transfer to Fund Balance	314,784	\$ 51,000	\$ 51,700	\$ 52,000	2.0%
Transfers to Other Funds	110,726	\$ 116,816	\$ 116,816	\$ 123,240	5.5%
Total Appropriations	\$ 1,715,602	\$ 1,468,405	\$ 1,469,105	\$ 1,462,569	-0.4%
Departmental Appropriations					
General Services	\$ -	\$ -	\$ -	\$ -	0.0%
Nondepartmental Appropriations	1,715,602	\$ 1,468,405	1,469,105	1,462,569	-0.4%
Total Appropriations	\$ 1,715,602	\$ 1,468,405	\$ 1,469,105	\$ 1,462,569	-0.4%

FUND DESCRIPTION

The Ballpark Fund was established in FY 1995-96 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 Durham Bulls Baseball Club. Per the terms of this agreement, the City will no longer be responsible for operational activities related to the Ballpark.

The park is currently the home of the Durham Bulls AAA baseball club, a local radio station and a local television station. USA Baseball also moved into DBAP during FY 2003-04. All activities related to the baseball season occur between April and September.

REVENUE DESCRIPTIONS

Interest and Rental Income

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

Skybox Rentals - This rental revenue ceased on January 1, 2014 per the terms of the new lease agreement.

Office and Parking Space Rentals –The collection of rent for office and parking space rentals ceased on January 1, 2014 per the terms of the new lease agreement.

Charges for Services

Durham Bulls Rent - The Durham Bulls are charged \$132,651 as 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 \$10,750,000 per year.

Ticket Surcharges - This surcharge ceased on January 1, 2014 per the terms of the new lease agreement.

Transfer from Other Funds

Transfer from Others Funds - The General Fund and Debt Service Fund subsidize the Ballpark Fund in the amount of \$50,000 and \$1,194,776, respectively.

EXPENDITURE DESCRIPTIONS

Personal Services – Costs associated with personnel services ceased on January 1, 2014 per the new lease agreement.

Operating – Beginning January 1, 2014 the Durham Bulls are responsible for all operations of the Ballpark for Club Home Games, Special Events, and Third Party Events. The City has no operational responsibilities associated with the Ballpark.

Debt Service – The City and the Durham Bulls Baseball Club have entered into a development agreement and the City issued \$12 million in taxable limited obligation bonds. Of the total \$12 million, \$6 million addressed Deferred Maintenance issues and the remaining \$6 million provided new improvements to the Ballpark.

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

LAW ENFORCEMENT OFFICERS' SEPARATION ALLOWANCE FUND

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
Charges for Service	\$ 1,583,055	\$ 1,537,665	\$ 1,537,665	\$ 1,604,777	4.4%
Investment Income	4,983	5,000	5,000	4,000	-20.0%
Appropriation From Fund Balance	289,414	-	-	-	0.0%
Total Revenues	\$ 1,877,452	\$ 1,542,665	\$ 1,542,665	\$ 1,608,777	4.3%
Appropriations					
Personal Services	\$ 1,876,252	\$ 1,541,465	\$ 1,541,465	\$ 1,607,577	4.3%
Operating	1,200	1,200	1,200	1,200	0.0%
Total Appropriations	\$ 1,877,452	\$ 1,542,665	\$ 1,542,665	\$ 1,608,777	4.3%

FUND DESCRIPTION

This fund has been established to provide special retirement benefits for eligible law enforcement officers as required by State Statute.

REVENUE DESCRIPTIONS

This fund receives revenue from three sources:

Charges for Service – The fund charges the Police Department for contributions to the Separation Fund at a rate of 5.00% of sworn officers' salaries.

Investment Income – Funds are gained through the commitment of city funds to investment instruments allowed under State Statute.

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

EXPENDITURE DESCRIPTIONS

Personal Services (Separation Allowance) – This expenditure provides special retirement benefits for eligible law enforcement officers as required by State Statute.

Operating (Periodic Fund Audit) – This fund is audited periodically to determine the accuracy of projections. The cost associated with these audits appears here.

CEMETERY FUND

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
Interest and Rental Income	\$ 6,814	\$ 6,000	\$ 6,000	\$ 5,000	-16.7%
Appropriation from Fund Balance	-	340,000	340,000	-	-100.0%
Total Revenues	\$ 6,814	\$ 346,000	\$ 346,000	\$ 5,000	-98.6%
Appropriations					
Transfers to Other Funds	\$ -	\$ 340,000	\$ 340,000	\$ -	-100.0%
Transfers to Fund Balance	\$ 6,814	\$ 6,000	\$ 6,000	\$ 5,000	-16.7%
Total Appropriations	\$ 6,814	\$ 346,000	\$ 346,000	\$ 5,000	-98.6%

FUND DESCRIPTION

The Cemetery Fund became part of the City operating budget ordinance in FY 2006-07. This fund holds contributions for future infrastructure needs of the City's two cemeteries. Cemetery operations are contained in the General Fund.

REVENUE DESCRIPTIONS

Interest and Rental Income – Investment interest earned on fund balance.

Appropriation from Fund Balance – Funds appropriated for use based on approved projects/needs.

EXPENDITURE DESCRIPTIONS

Transfers to Other Funds – Reserved for transfers for cemetery repairs.

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

OTHER POST EMPLOYMENT BENEFITS FUND

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
Charges for Services	\$ 3,637,684	\$ 3,883,393	\$ 3,883,393	\$ 4,024,242	3.6%
Contributions	793,584	565,879	565,879	538,882	-4.8%
Interest	818	1,000	1,000	1,000	0.0%
Transfers from Fund Balance	9,281	-	-	-	0.0%
Total Revenues	\$ 4,441,367	\$ 4,450,272	\$ 4,450,272	\$ 4,564,124	2.6%
Appropriations					
Personal Services	\$ 4,441,367	\$ 4,442,772	\$ 4,442,772	\$ 4,535,575	2.1%
Operating Expenses	-	7,500	7,500	7,500	0.0%
Transfer to Fund Balance	-	-	-	21,049	0.0%
Total Appropriations	\$ 4,441,367	\$ 4,450,272	\$ 4,450,272	\$ 4,564,124	2.6%

FUND DESCRIPTION

This fund was established effective FY 2007-08 to provide post employment benefits for eligible retired employees as required by City policy.

REVENUE DESCRIPTIONS

Charges for Services - The fund charges Departments for contributions to the Other Post Employment Benefits Fund.

Contributions - City and retiree contributions.

Interest – Investment interest earned on any fund balance.

Transfers from Fund Balance – Appropriation shortfalls that are drawn from reserves.

EXPENDITURE DESCRIPTIONS

Personal Services - This expenditure provides post employment benefits for eligible retired employees as required by city policy.

Operating Expenses – These are professional fees for actuarial services.

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

EMERGENCY TELEPHONE SYSTEM SURCHARGE FUND

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
911 Surcharge Tax	\$ 1,482,087	\$ 1,608,226	\$ 1,608,226	\$ 1,619,955	0.7%
Interest Income	2,630	2,000	2,000	2,000	0.0%
Appropriation from Fund Balance	65,731	618,199	910,768	549,941	-11.0%
Total Revenues	\$ 1,550,448	\$ 2,228,425	\$ 2,520,994	\$ 2,171,896	-2.5%
Appropriations					
Personal Services	\$ -	\$ 227,208	\$ 227,208	\$ 233,082	2.6%
Operating	1,550,448	2,001,217	2,293,786	1,938,814	-3.1%
Total Appropriations	\$ 1,550,448	\$ 2,228,425	\$ 2,520,994	\$ 2,171,896	-2.5%

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.

Debt Service – Debt service contribution on radio console.

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

DURHAM PERFORMING ARTS CENTER FUND

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
Other Local Taxes	\$ 1,416,854	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	0.0%
Other Revenues	921,745	955,233	955,233	905,800	-5.2%
Interest Income	5,693	25,920	5,751	5,000	-80.7%
Operating Revenues	1,550,000	1,344,333	1,344,333	1,183,449	-12.0%
Appropriation from Fund Balance	691,317	-	25,769	-	0.0%
Total Revenues	\$ 4,585,609	\$ 3,725,486	\$ 3,731,086	\$ 3,494,249	-6.2%
Appropriations					
Operating	381,073	268,764	374,364	220,905	-17.8%
Capital and Other	-	648,000	548,000	539,852	-16.7%
Transfer to Other Funds	1,717,000	-	-	-	0.0%
Debt Service	2,487,536	2,540,719	2,540,719	2,236,253	-12.0%
Appropriation to Fund Balance	-	268,003	268,003	497,239	85.5%
Total Appropriations	\$ 4,585,609	\$ 3,725,486	\$ 3,731,086	\$ 3,494,249	-6.2%

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, have been 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.

Transfers to Other Funds—Represents a one-time transfer to the General Fund and transfers to the DPAC Repair fund. Expenses associated with repair have been consolidated with the DPAC operating fund beginning in FY 15.

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

IMPACT FEE FUND

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
Operating Revenues	\$ 3,646,264	\$ 1,939,331	\$ 2,769,874	\$ 2,924,292	50.8%
Interest and Rental Income	\$ 149,772	\$ 124,500	\$ 124,500	\$ 107,000	-14.1%
Total Revenues	\$ 3,796,036	\$ 2,063,831	\$ 2,894,374	\$ 3,031,292	46.9%
Appropriations					
Transfer to Fund Balance	\$ 3,796,036	\$ 2,063,831	\$ 2,894,374	\$ 3,031,292	46.9%
Total Appropriations	\$ 3,796,036	\$ 2,063,831	\$ 2,894,374	\$ 3,031,292	46.9%

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.

EXPENDITURE DESCRIPTIONS

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.

BUSINESS IMPROVEMENT DISTRICT FUND

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
General Property Taxes	\$ 385,756	\$ 433,488	\$ 416,256	\$ 443,294	2.3%
Transfers from Other Funds	250,000	250,000	250,000	250,000	0.0%
Appropriation from Fund Balance	-	-	7,034	-	0.0%
Total Revenues	\$ 635,756	\$ 683,488	\$ 673,290	\$ 693,294	1.4%
Appropriations					
Operating	\$ 583,192	\$ 663,503	\$ 653,503	\$ 653,503	-1.5%
Tax Collection Fee	3,954	4,985	4,787	5,098	2.3%
Transfer to Other Funds	-	15,000	15,000	15,000	0.0%
Transfer to Fund Balance	48,610	-	-	-	0.0%
Capital and Other	-	-	-	19,693	100.0%
Total Appropriations	\$ 635,756	\$ 683,488	\$ 673,290	\$ 693,294	1.4%

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.

Capital and Other / Tax Collection Fee – This includes the collection fee that Durham County charges the City for collecting property taxes.

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

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

RISK REDUCTION FUND

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
Interest Income	\$ 40,153	\$ 30,000	\$ 30,000	\$ 68,088	127.0%
Charges for Current Services	4,621,029	4,983,011	4,983,011	4,932,803	-1.0%
Transfer from Other Funds	90,568	48,709	48,709	48,719	0.0%
Appropriation from Fund Balance	753,518	1,004,016	1,070,416	562,343	-44.0%
Total Revenues	\$ 5,505,268	\$ 6,065,736	\$ 6,132,136	\$ 5,611,953	-7.5%
Appropriations					
Personal Services	\$ 344,461	\$ 390,641	\$ 390,641	\$ 475,856	21.8%
Operating	5,160,807	5,675,095	5,741,495	5,066,304	-10.7%
Transfer to Fund Balance	-	-	-	69,793	100.0%
Total Appropriations	\$ 5,505,268	\$ 6,065,736	\$ 6,132,136	\$ 5,611,953	-7.5%

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.

Transfer from Other Funds – This is the repayment of an interfund loan.

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

EMPLOYEE INSURANCE FUND

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
Charges for Current Services	\$ 29,067,748	\$ 29,069,810	\$ 29,069,810	\$ 29,001,619	-0.2%
Interest	45,804	30,000	30,000	33,000	10.0%
Appropriation from Fund Balance	-	502,707	528,105	1,092,407	117.3%
Total Revenues	\$ 29,113,552	\$ 29,602,517	\$ 29,627,915	\$ 30,127,026	1.8%
Appropriations					
Personnel	\$ 81,996	\$ 80,739	\$ 80,739	\$ 83,639	3.6%
Operating	28,626,488	29,521,778	29,547,176	30,043,387	1.8%
Transfer to Fund Balance	405,068	-	-	-	0.0%
Total Appropriations	\$ 29,113,552	\$ 29,602,517	\$ 29,627,915	\$ 30,127,026	1.8%

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.

Operating – This line includes payments for health insurance.

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

WATERSHED PROTECTION FUND

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
Charges for Services	\$ 104,958	\$ 100,000	\$ 101,952	\$ 92,000	-8.0%
Total Revenues	\$ 104,958	\$ 100,000	\$ 101,952	\$ 92,000	-8.0%
Appropriations					
Transfers to Other Funds	\$ 100,000	\$ 100,000	\$ 100,000	\$ 92,000	-8.0%
Transfer to Fund Balance	4,958	-	1,952	-	0.0%
Total Appropriations	\$ 104,958	\$ 100,000	\$ 101,952	\$ 92,000	-8.0%

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.

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.

DEDICATED HOUSING FUND

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Revenues					
General Property Taxes	\$ 2,432,091	\$ 2,417,396	\$ 2,528,706	\$ 2,475,547	2.4%
Charges for Current Services	19,546	-	15,057	-	0.0%
Appropriation from Fund Balance	-	716,215	220,191	-	-100.0%
Total Revenues	\$ 2,451,637	\$ 3,133,611	\$ 2,763,954	\$ 2,475,547	-21.0%
Appropriations					
Operating	\$ 1,002,726	\$ 1,474,618	\$ 1,104,961	\$ 1,608,379	9.1%
Capital and Other	-	74,000	74,000	74,000	0.0%
Transfers to Other Funds	1,053,484	1,584,993	1,584,993	100,000	-93.7%
Transfer to Fund Balance	395,427	-	-	693,168	100.0%
Total Appropriations	\$ 2,451,637	\$ 3,133,611	\$ 2,763,954	\$ 2,475,547	-21.0%
Departmental Appropriations					
Community Development	\$ 2,030,310	\$ 3,105,811	\$ 2,733,250	\$ 1,753,910	-43.5%
Nondepartmental Appropriations	421,327	27,800	30,704	721,637	2495.8%
Total Appropriations	\$ 2,451,637	\$ 3,133,611	\$ 2,763,954	\$ 2,475,547	-21.0%

FUND DESCRIPTION

The Dedicated Housing Fund was established in FY 2012-13 to account for activities related to the dedicated one cent portion of the property tax rate that Council approved as part of the FY 2012-13 budget.

REVENUE DESCRIPTIONS

General Property Taxes – A dedicated 1 cent per \$100 assessed value tax on property, allocated to pay for approved housing projects including partially funding the Southside neighborhood revitalization.

Charges for Current Services – Primarily housing lien payments.

Appropriation from Fund Balance – A portion of the accumulated fund balance to fund FY 2015-16 activities.

EXPENDITURE DESCRIPTIONS

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 funds at the beginning of the fiscal year until they are distributed to specific operating or transfer lines.

Transfers to Other Funds – Several capital project funds are set up for Southside. 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.

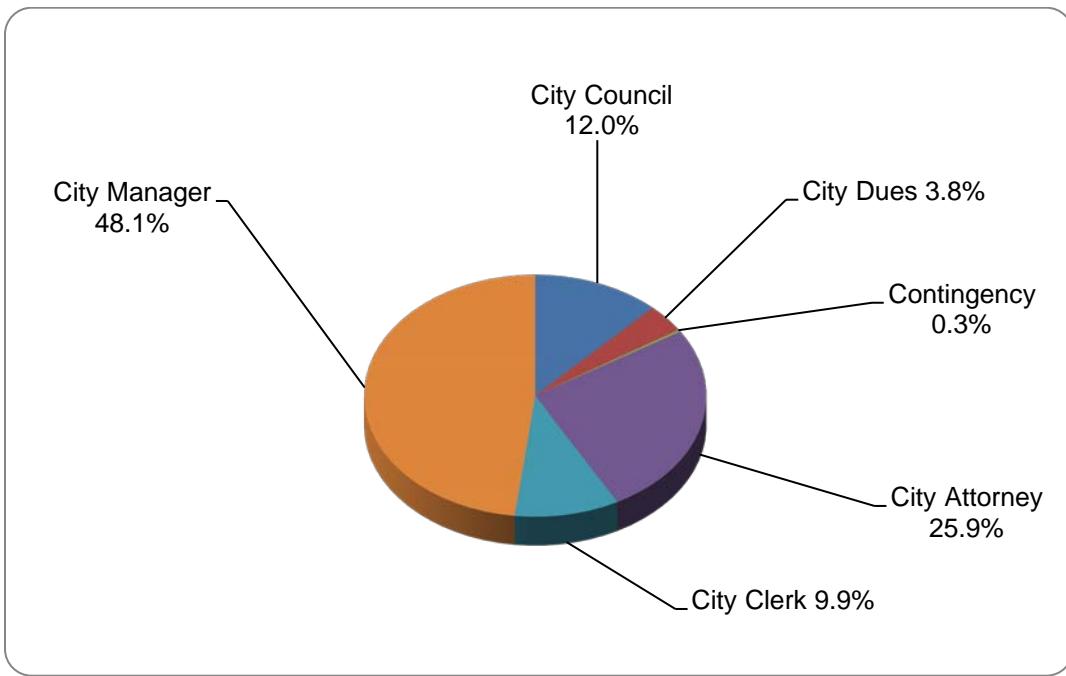
Departmental Appropriations – Funding allocated and approved by Council according to the 5 year plan for the dedicated funding source for housing.

Nondepartmental Appropriations – The tax collection fee paid to the County, and the Transfer to Fund Balance.

GOVERNANCE
BUDGET SUMMARY

General Fund Appropriations	Actual	Adopted	Estimated	Adopted	Change
	FY 2013-14	FY 2014-15	FY 2014-15	FY 2015-16	
City Council	\$ 622,260	\$ 343,757	\$ 296,501	\$ 751,124	118.5%
RDU Airport Authority	12,500	12,500	12,500	12,500	0.0%
Mayor's Committee for Persons with Disabilities	969	-	-	-	0.0%
City Dues	206,633	234,340	233,818	242,404	3.4%
Sister Cities	6,997	7,500	7,500	8,500	13.3%
Contingency	-	10,000	-	18,000	80.0%
City Attorney	1,595,808	1,635,740	1,692,021	1,662,170	1.6%
City Clerk	630,462	642,128	603,671	633,813	-1.3%
City Manager	2,890,828	3,020,207	3,020,739	3,081,684	2.0%
Legislative Program	827	-	267	-	0.0%
Pay Adjustments/Others	71,522	-	-	-	0.0%
Total Appropriations	\$ 6,038,806	\$ 5,906,172	\$ 5,867,017	\$ 6,410,195	8.5%
Full Time Equivalents	49	49	49	50	1.0
Part Time	8	8	8	8	-
Revenues					
General Fund					
Discretionary	\$ 6,028,649	\$ 5,897,372	\$ 5,858,217	\$ 6,401,395	8.5%
Program	10,157	8,800	8,800	8,800	0.0%
General Fund Subtotal	\$ 6,038,806	\$ 5,906,172	\$ 5,867,017	\$ 6,410,195	8.5%

GOVERNANCE



CITY COUNCIL

Purpose Statement:

The Durham City Council is composed of the Mayor and six City 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	\$1,032,528
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As the 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 our community.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 233,597	\$ 236,689	\$ 236,052	\$ 235,985	-0.3%
Operating	388,663	107,068	60,449	515,139	381.1%
Capital and Other	-	-	-	-	0.0%
Subtotal Appropriations	\$ 622,260	\$ 343,757	\$ 296,501	\$ 751,124	118.5%
RDU Airport Authority	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	0.0%
Mayor's Committee for Persons with Disabilities	969	-	-	-	0.0%
City Dues	206,633	234,340	233,818	242,404	3.4%
Sister Cities	6,997	7,500	7,500	8,500	13.3%
Contingency	-	10,000	-	18,000	80.0%
Subtotal Nondepartmental	\$ 227,099	\$ 264,340	\$ 253,818	\$ 281,404	6.5%
Total Appropriations	\$ 849,359	\$ 608,097	\$ 550,319	\$ 1,032,528	69.8%
Full Time Equivalents	-	-	-	-	-
Part Time	7	7	7	7	-
Revenues					
Discretionary Program	\$ 849,359	\$ 608,097	\$ 550,319	\$ 1,032,528	69.8%
Total Revenues	\$ 849,359	\$ 608,097	\$ 550,319	\$ 1,032,528	69.8%

BUDGET ISSUES FOR FY 2015-16

- Funds budgeted for upcoming November 2015 election.

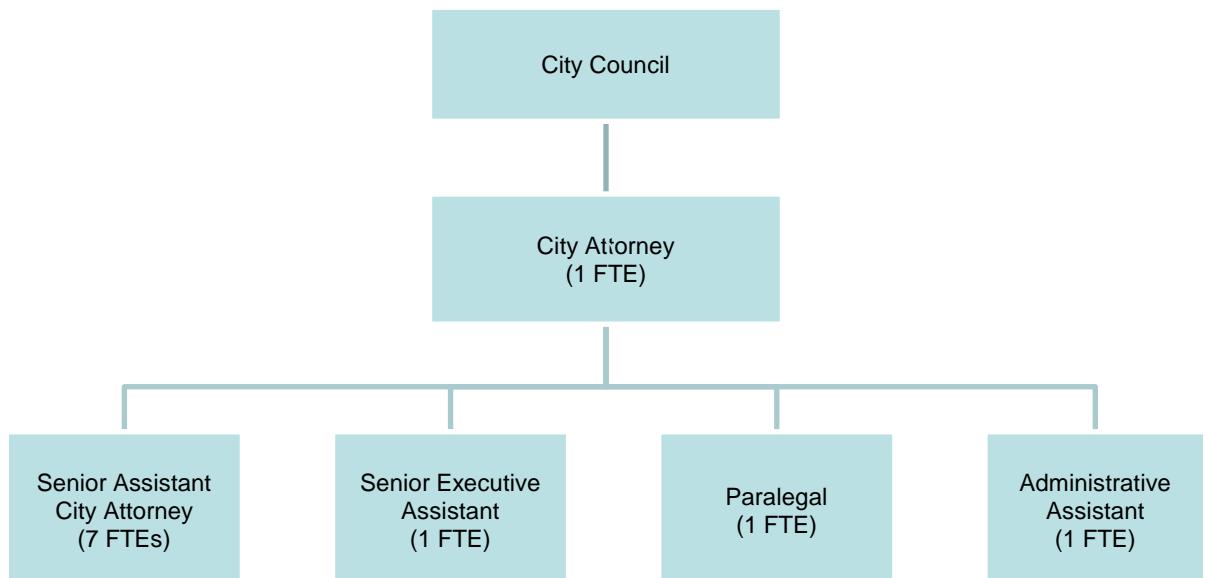
ACCOMPLISHMENTS FOR FY 2014-15

- Deliberated and adopted annual budget for City operations
- Visited various communities during National Night Out
- Mayor presented State of the City Address

- Attended a series of Coffee with Council sessions to give citizens an opportunity to provide feedback to council members on budget priorities for the upcoming fiscal year
- Approved New Durham Convention Center Agreement between City and County for joint ownership
- 2015 Long Session Legislative Agenda approved and held meeting with Durham County Delegation
- Revisions to the Civilian Police Review Board Procedure Manual approved
- Approval of properties for new police headquarters
- Approval of Open Data Initiative as part of new local government partnership between City and County
- Durham City/County Emergency Operations Plan adopted
- Approved Joint City-County Economic Development Strategic Plan
- Joint Meeting held with Durham Housing Authority Board of Commissioners
- Attended Grand Opening Ceremonies for Angier-Driver Streetscape Project and Leigh Farm Park
- Approved Renewal of the City/County Inter-local Cooperation Agreement for Planning Department
- East End Connector Groundbreaking
- Continued support for Southside Revitalization Project
- Considered numerous rezoning and annexation requests
- Considered requests for city incentives for redevelopment
- Continued support for Poverty Reduction Initiative
- Appointed citizens to boards, committees and commissions
- Proclamations issued recognizing matters of importance
- Various ordinances and resolutions adopted



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	\$1,662,170
	11 FTEs

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	Adopted	Estimated	Adopted	Change
	FY 2013-14	FY 2014-15	FY 2014-15	FY 2015-16	
Appropriations					
Personal Services	\$ 1,538,903	\$ 1,542,939	\$ 1,583,476	\$ 1,574,655	2.1%
Operating	56,905	92,801	108,545	87,515	-5.7%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 1,595,808	\$ 1,635,740	\$ 1,692,021	\$ 1,662,170	1.6%
 Full Time Equivalents					
Part Time	11	11	11	11	-
Part Time	1	1	1	1	-
 Revenues					
Discretionary	\$ 1,595,808	\$ 1,635,740	\$ 1,692,021	\$ 1,662,170	1.6%
Program	-	-	-	-	0.0%
Total Revenues	\$ 1,595,808	\$ 1,635,740	\$ 1,692,021	\$ 1,662,170	1.6%

BUDGET ISSUES FOR FY 2015-16

- The office continues to handle a significant workload resulting from: the City's growth, high profile housing redevelopment ventures and in particular, the Rolling Hills/Southside redevelopment, progressively tighter state environmental requirements and in particular regulations within the Jordan Lake and Falls Lake basins, and continuing need for unique and complex public-private contracts for economic development projects and utility construction. Such high profile, legally challenging and important projects will require the continued employment and retention of highly qualified professional staff.

ACCOMPLISHMENTS FOR FY 2014-15

Continuing legal support for the following projects and initiatives:

- Rolling Hills/Southside redevelopment initiative
- 2014 legislative programs
- Settlement of Durham Convention Center lawsuits
- Downtown Innovation District
- Bond work and retention of bond counsel for bonds issued in FY 2014
- Ongoing Unified Development Ordinance revisions
- Management of street issues related to failing and struggling neighborhood developments
- Settlement of the Stonehill/Ravenstone infrastructure lawsuits
- Community Life Court and assessment collections
- Land acquisition and construction of the new Police Department headquarters building
- Diamond View 1 Balcony easements
- Liberty Arts redevelopment
- Aloft Hotel easement
- Review and revisions to temporary sign ordinance
- Review of Uber/Lyft regulations
- City Hall renovation
- Revisions to City's Livable Wage Ordinance
- Provided legal support for the City's affordable housing projects, which average between 10 and 20 per year, and assistance in difficult issues involving the Rolling Hills/Southside project
- Reviewed and assisted with City stormwater comments on Jordan Lake and Falls Lake rules, and submitted independent legal objections to proposed rules
- Provided review and assistance in evaluating between 70 and 100 claims of various types against the City.
- 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

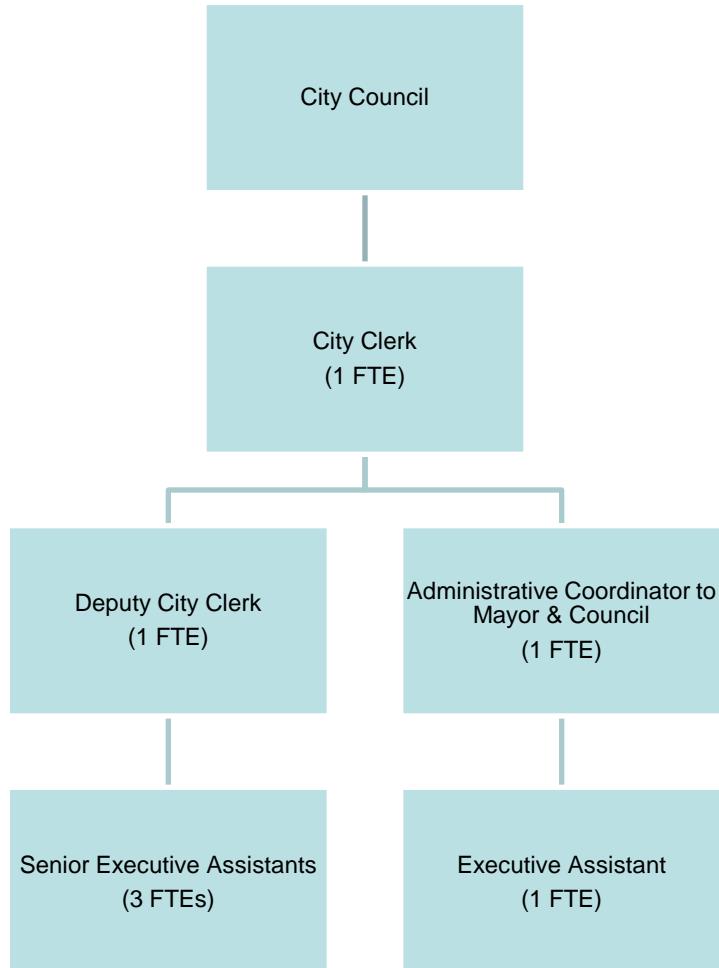
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Legal support for the 2015 and 2016 legislative program
- Provide legal support and management of claims and lawsuits filed against the City
- Continue to support the City's Capital Improvement Program
- Provide legal support for the City's affordable housing projects, and assistance in difficult issues involving the Rolling Hills/Southside project
- Continued legal support of major economic development projects
- Legal support for the management of street issues related to failing and struggling neighborhood developments



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	\$633,813
	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 and going-out-of-business licenses, 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	Adopted	Estimated	Adopted	Change
	FY 2013-14	FY 2014-15	FY 2014-15	FY 2015-16	
Appropriations					
Personal Services	\$ 592,506	\$ 574,997	\$ 565,185	\$ 570,445	-0.8%
Operating	37,956	67,131	38,486	63,368	-5.6%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 630,462	\$ 642,128	\$ 603,671	\$ 633,813	-1.3%
 Full Time Equivalents					
Part Time	7	7	7	7	-
 Revenues					
Discretionary Program	\$ 630,455	\$ 642,128	\$ 603,671	\$ 633,813	-1.3%
	7	-	-	-	0.0%
Total Revenues	\$ 630,462	\$ 642,128	\$ 603,671	\$ 633,813	-1.3%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program:	Records	General Fund:	\$450,050
		FTEs:	5
Goal:	Well Managed City		
Objective:	To provide proper notice for all public meetings in accordance with the North Carolina Open Meetings Law.		
Initiative:	Communicate with city departments to ensure public notification of meetings.		
	Actual	Adopted	Estimated
Measures:	FY 14	FY 15	FY15
% of Meetings proper notice provided at least 48 hours in advance	99%	100%	99%
	Actual	Adopted	Estimated
Measures:	FY 14	FY 15	FY15
% of Contracts attested & returned to dept. within three days of receipt	98%	98%	99%
	Actual	Adopted	Estimated
Measures:	FY 14	FY 15	FY15
% of Resolutions / Ordinances made available to departments within four days of council approval	99%	99%	95%
	Actual	Adopted	Estimated
Measures:	FY 14	FY 15	FY15
Objective:	To execute and provide council adopted documents to departments within a timely manner.		
Initiative:	Staff member will monitor and provide update to City Clerk.		
	Actual	Adopted	Estimated
Measures:	FY 14	FY 15	FY15
Objective:	To prepare agenda items to ensure appointments to boards, committees & commissions are made by Council in a timely manner.		
Initiative:	Staff member will manage and report status to City Clerk.		
	Actual	Adopted	Estimated
Measures:	FY 14	FY 15	FY15
% of Reappointments prior to term expiring	80%	80%	83%
# of New applicants appointed to boards and commissions	20	32	40
	Actual	Adopted	Estimated
Measures:	FY 14	FY 15	FY15
% of Reappointments prior to term expiring	80%	80%	83%
# of New applicants appointed to boards and commissions	20	32	40

- Objective:** To attend meetings and prepare City Council minutes.
- Initiative:** Monthly monitoring of process by City Clerk and Deputy City Clerk.

	Actual	Adopted	Estimated	Adopted
Measures:	FY 14	FY 15	FY15	FY16
% of Minutes prepared within 14 days	85%	86%	86%	86%

Program:	Administrative Support	General Fund:	\$183,763
		FTEs:	2

- Goal:** Well Managed City

- Objective:** To provide administrative support to Mayor & Members of the City Council.

- Initiative:** Prepare written communications; travel requests and prompt customer service.

	Actual	Adopted	Estimated	Adopted
Measures:	FY 14	FY 15	FY15	FY16
% of Resident service requests referred to manager's office within 2 business days	98%	98%	100%	100%

BUDGET ISSUES FOR FY 2015-16

- None.

ACCOMPLISHMENTS FOR FY 2014-2015

- Hired Deputy City Clerk
- Worked with Technology Solutions providing web based application for boards and committees
- Attended meetings and prepared City Council Minutes
- Submitted boards, committees & commissions appointments to Secretary of State by September 2014
- Provided a general overview of the City Clerk's Office at Durham City College
- 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 and provided information to customers as requested within timely manner
- Provided adopted ordinances and resolutions to city departments
- Assisted City Manager's Office with paperless agenda process
- Published video/audio of City Council meetings to web within 24 hours of meeting
- Provided administrative support to the Mayor and Members of the City Council

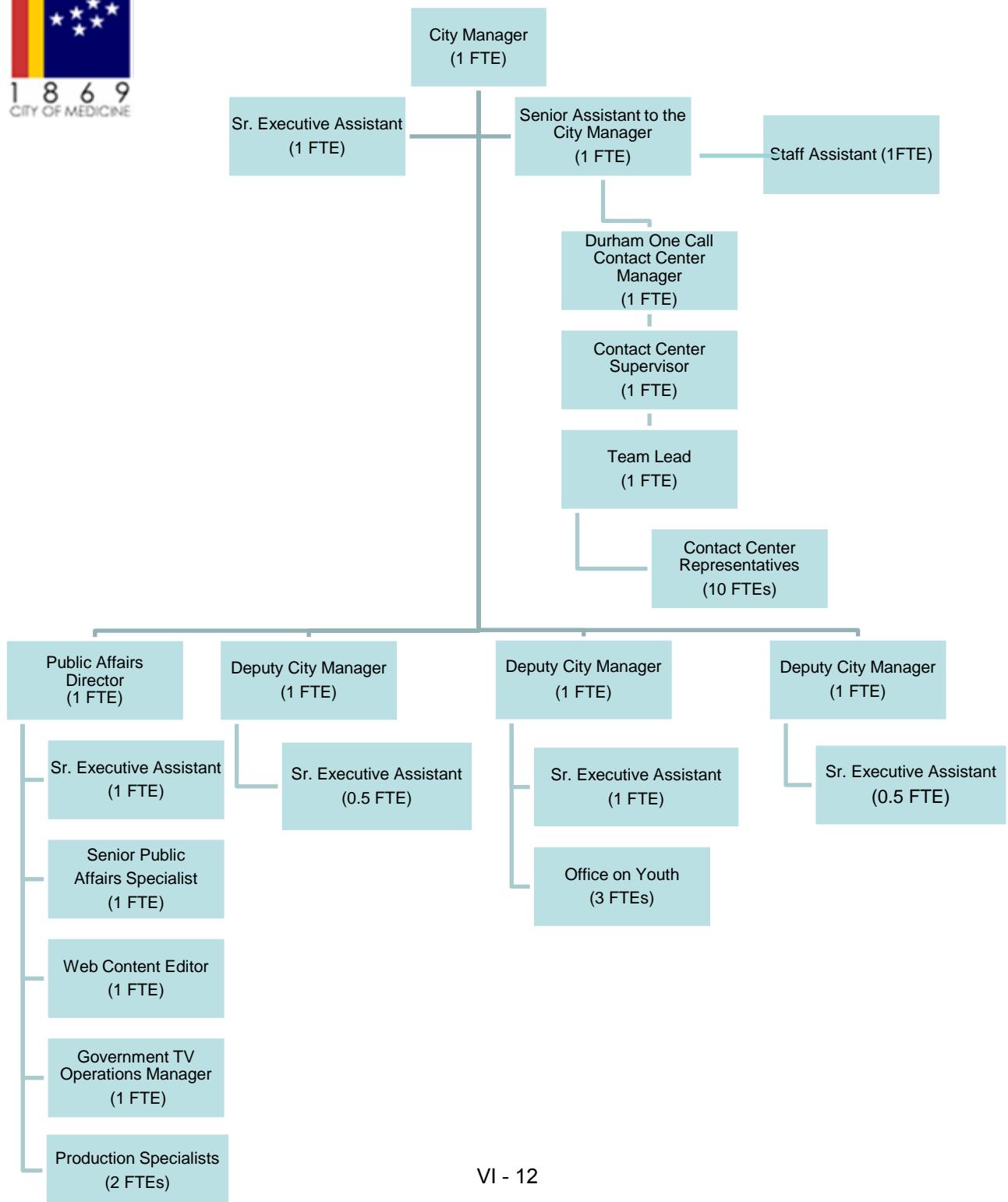
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Work with Technology Solutions on developing online application for Boards, Committees & Commissions
- Microfilming of City Council Agendas
- Continue to provide proper notice of meetings in accordance with NC Opens Meetings Law
- Continue to attend meetings prepare City Council Minutes
- Submit boards, committees & commissions appointments to NC Secretary of State by September 2015
- Continue to provide administrative support to the Mayor and Members of the City Council
- Continue publishing video/audio of City Council meetings to web within 24 hours of meeting
- Continue assisting with paperless agenda process
- Continue to maintain official records and provide information to customers



City Manager's Office

(32 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	\$3,081,684
	32 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 citizens through proactive and responsive activities, including media relations, publications, advertising, special events, website content management and government television.

Durham One Call

Durham One Call provides customer service to citizens, businesses, visitors, and City employees and serves as citizens' first point of contact by providing general information about City services.

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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change	
Appropriations						
Personal Services	\$ 2,645,740	\$ 2,643,115	\$ 2,598,839	\$ 2,679,190	1.4%	
Operating	245,088	377,092	421,900	377,494	0.1%	
Capital and Other	-	-	-	25,000	100.0%	
Subtotal Appropriations	\$ 2,890,828	\$ 3,020,207	\$ 3,020,739	\$ 3,081,684	2.0%	
Nondepartmental						
Legislative Program	\$ 827	\$ -	\$ 267	\$ -	0.0%	
Subtotal Nondepartmental	\$ 827	\$ -	\$ 267	\$ -	0.0%	
Total Appropriations	\$ 2,891,655	\$ 3,020,207	\$ 3,021,006	\$ 3,081,684	2.0%	
Full Time Equivalents	31	31	31	32	1.0	
Part Time	-	-	-	-	-	
Revenues						
Discretionary	\$ 2,881,505	\$ 3,011,407	\$ 3,012,206	\$ 3,072,884	2.0%	
Program	10,150	8,800	8,800	8,800	0.0%	
Total Revenues	\$ 2,891,655	\$ 3,020,207	\$ 3,021,006	\$ 3,081,684	2.0%	

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES						
Program:	Public Affairs		General Fund:	\$611,952		
			FTEs:	7		
Goal:	Well-Managed City - Provide professional management that is accountable, efficient and transparent.					
Objective:	To improve and increase communications to citizens through timely and effective communications increasing awareness of City objectives and activities.					
Initiative:	Produce timely communications materials and TV programming to increase transparency of City programs, services and other efforts.					
		Actual FY14	Adopted FY 15	Estimated FY 15	Adopted FY 16	
Measures:	# of Subscribers to E-Newsletter	775	813	925	971	
% of Residents satisfied with availability of information about City programs or services*		61%	N/A	N/A	65%	
% Increase of engaged users on Citywide social media accounts		N/A	5%	38%	5%	

Program:	Administration		General Fund:	\$1,417,055		
			FTEs:	9		
Goal:	Well-Managed City - Provide professional management that is accountable, efficient and transparent.					
Objective:	To be good stewards of the City's money and sustain sound financial position 100% of the time.					
Objective:	To continuously improve the citizenship experience in the City of Durham.					
Objective:	To provide an organizational climate for employees that will support excellent service delivery.					

Initiative:	Expand employee training and development and enhance organizational communication.					
Measures:	Actual FY14	Adopted FY 15	Estimated FY 15	Adopted FY 16		
% of Residents satisfied with public involvement in local decisions*	40%	N/A	N/A	50%		
% of Residents satisfied with City's customer service*	67%	N/A	N/A	68%		
% of Residents satisfied with value from taxes*	43%	N/A	N/A	40%		
Program:	Durham One Call	General Fund:	\$722,734			
		FTEs:	13			
Goal:	Well-Managed City - Provide professional management that is accountable, efficient and transparent					
Objective:	To increase overall efficiency and customer satisfaction					
Initiative:	Customer satisfaction surveys, callbacks within the current business day, return callbacks received by voicemail the following business day, and answering 90% of calls within 60 seconds.					
Measures:	Actual FY14	Adopted FY 15	Estimated FY 15	Adopted FY 16		
% Satisfaction with Durham One Call	97%	90%	95%	90%		
Average wait time for calls to be answered (seconds)	63	60	117	60		
% Communication within next business day	96%	95%	95%	95%		
Program:	Office on Youth	General Fund:	\$329,943			
		FTEs:	3			
Goal:	Strong and Diverse Economy - Maintain and grow a strong and diverse economy through a variety of businesses, industries and employment opportunities for the community.					
Objective:	To increase the number of teens participating in teen programs in order to foster and encourage teen-managed activities through which teens can develop leadership qualities and interpersonal skills within the center, as well as the broader community.					
Initiative:	At least twice a month, teens will be given the opportunity to participate in topics of discussion focusing on specific areas provided by local trained professionals.					
Measures:	Actual FY14	Adopted FY 15	Estimated FY 15	Adopted FY 16		
Teen Center participation in programs	1982	2000	3,200	2,500		
% of Satisfied Teen Center participants	78%	95%	90%	95%		

BUDGET ISSUES FOR FY 2015-16

- None

ACCOMPLISHMENTS FOR FY 2014-15

- Established Social Media as a reliable communications tool throughout the City, increasing Facebook followers by 36 percent and Twitter followers by 72 percent since July 2014.
- Completed a Communications Assessment to better align citywide communications to support strategic plan goals and improve employee communications, leading to production of a strategic communications plan for 2015-16 year.
- Implemented Mac maintenance program to effectively steward City's technology resources.
- Spearheaded 2nd Annual Citywide National Customer Service Week Campaign and hosted first Citywide Customer Service Professional Conference in October 2014.
- Organized and participated in a successful City-County Habitat for Humanity volunteer project.
- Increased customer service communication and efficiencies across organization by conducting quarterly satisfaction meetings, script reviews, and enhanced reporting between Durham One Call and partner departments.
- Began production of a new web show created for and by Durham youth through the Durham Youth Commission to discuss important teen issues.
- Expanded the Durham Youth Commission's efforts to advocate for youth in the Durham community on important local and national issues.
- Sponsored a Management Internship for summer 2014 to help develop future local government professionals and to provide needed analytical support.

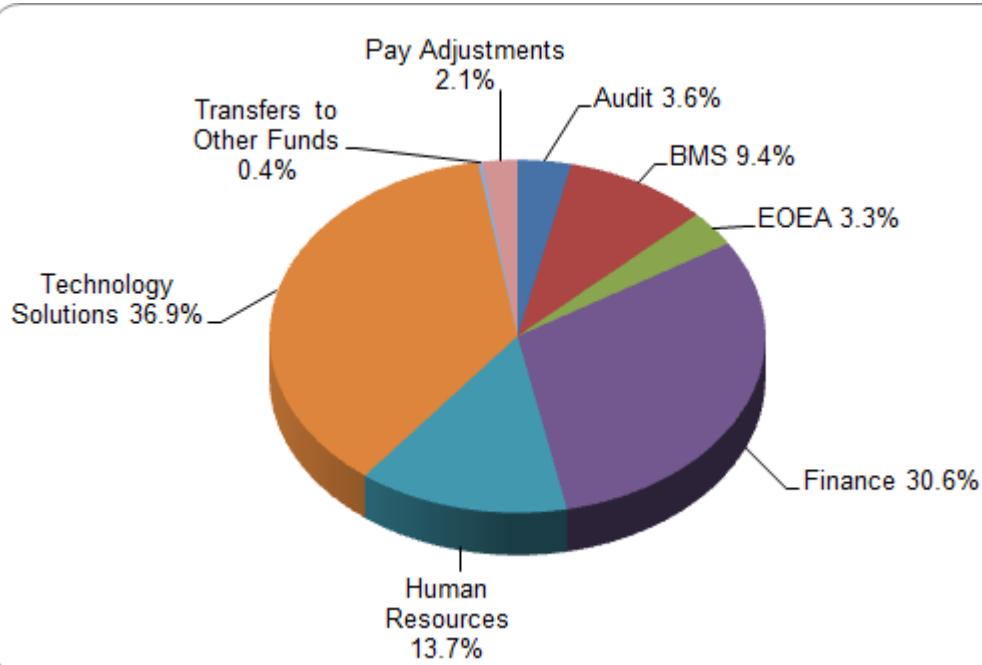
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Continue to enhance and expand advocacy and service learning opportunities for Durham Youth Commissioners.
- Improve internal communications by implementing the recommendations of the Communications Assessment.

**ADMINISTRATIVE AND SUPPORT
BUDGET SUMMARY**

Non-Grant Appropriations	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Audit Services	\$ 553,966	\$ 553,732	\$ 541,385	\$ 561,899	1.5%
Budget and Management Services	1,185,045	1,226,476	1,283,270	1,511,107	23.2%
Equal Opportunity and Equity Assurance	719,641	575,930	526,420	532,341	-7.6%
Mayor's Committee for Disabled	3,706	5,500	2,910	5,000	-9.1%
Finance	4,530,646	5,098,397	5,086,874	4,931,101	-3.3%
Human Resources	1,696,029	1,751,014	1,878,932	1,980,711	13.1%
Flex Reimbursement	41,913	30,000	30,000	30,000	-33.3%
Unemployment Compensation	613,556	300,000	124,000	200,000	-30.3%
Technology Solutions	5,645,878	6,000,130	6,458,286	5,944,377	-0.9%
Pay Adjustments/Others	-	-	414,092	364,686	0.0%
Transfers to Other Funds	48,709	48,709	48,709	48,719	0.0%
Total Appropriations	\$ 15,039,089	\$ 15,589,888	\$ 16,394,878	\$ 16,109,941	3.3%
Full Time Equivalents	130	129	129	128	(1)
Part Time	2	2	2	1	(1)
Revenues					
General Fund					
Discretionary Program	\$ 13,929,098	\$ 14,251,612	\$ 14,966,659	\$ 14,560,649	2.2%
	522,153	677,311	760,005	785,511	16.0%
General Fund Subtotal	\$ 14,451,251	\$ 14,928,923	\$ 15,726,664	\$ 15,346,160	2.8%
Water and Sewer Fund	161,381	193,602	200,851	199,786	3.2%
Risk Claims Fund	344,461	386,624	386,624	480,356	5.4%
Employee Insurance Fund	81,996	80,739	80,739	83,639	3.6%
Total Revenues	\$ 15,039,089	\$ 15,589,888	\$ 16,394,878	\$ 16,109,941	3.3%

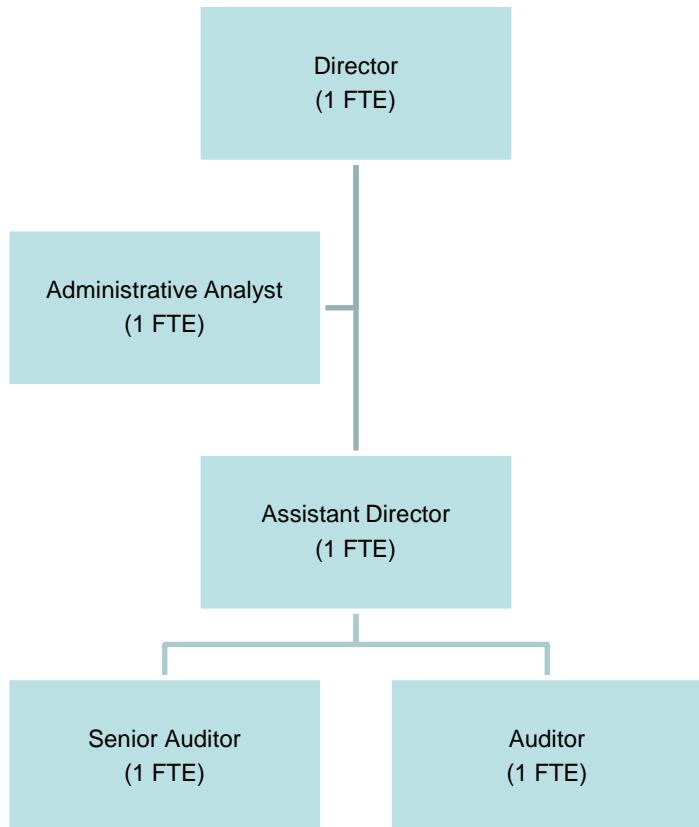
ADMINISTRATIVE AND SUPPORT





Audit Services

(5 FTEs)



AUDIT SERVICES

Purpose Statement

To provide independent, objective assurance and investigative services.

DEPARTMENT DESCRIPTION

Audit Services	\$ 561,899
	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.

The Audit Services Department conducts compliance and performance audits, non-audit services (e.g. participation in: the Departmental Strategic Plan; outside Peer Review teams; and h3N7Y6808New Employee Training-Ethics component) and performs investigations and 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

Provides independent assurance that internal controls are adequate to minimize risks and safeguard City assets.

Fraud, Waste and Abuse

Promotes an anonymous means to detect, deter and prevent fraud, waste or abuse.

Administration

Organizes human and capital resources through planning, leading, staffing and controlling activities; and serves as project manager for the City-wide financial audit including administration of the contract and RFP process.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 457,608	\$ 453,904	\$ 443,964	\$ 464,371	2.3%
Operating	96,358	99,828	97,421	97,528	-2.3%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 553,966	\$ 553,732	\$ 541,385	\$ 561,899	1.5%
Full Time Equivalents	5	5	5	5	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 553,966	\$ 553,732	\$ 541,385	\$ 561,899	1.5%
Program	-	-	-	-	0.0%
Total Revenues	\$ 553,966	\$ 553,732	\$ 541,385	\$ 561,899	1.5%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Audit Program

General Fund: \$336,565

FTEs: 3

Goal: Well-Managed City

Objective: To provide independent and objective assurance and consulting services that enhance the efficiency and effectiveness of the City's services; and ensure resources are used in accordance with established laws.

Initiative: Complete comprehensive audits and quarterly follow-up reports and provide useful recommendations for management.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
# Comprehensive audits completed	10	10	9	10
% Recommendations accepted by management	100%	100%	100%	100%
# Audits/Reports completed during the year per FTE	5	4	4	4

Program: Fraud, Waste and Abuse

General Fund: \$112,667

FTEs: 1

Goal: Well-Managed City

Objective: To increase awareness about fraud, waste and abuse by communicating the need for ethical behavior regarding City financial transactions and relationships with customers, vendors and employees.

Initiative: Market the fraud, waste and abuse Program by conducting City wide training on ethics and internal controls, hosting fraud awareness activities and posting the tip Hotline in at least two different media.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
% of Fraud Hotline tip allegations commenced within 2 days of receipt	100%	100%	100%	100%
# of Fraud, waste and abuse allegations investigated	36	19	15	19
% of Fraud Hotline tips substantiated	45%	40%	55%	40%

Program: Administration

General Fund: \$112,667

FTEs: 1

Goal: Well-Managed City

Objective: Obtain training and maintain certifications for staff to meet required professional standards, and to sustain a highly trained professional staff.

Initiative: Meet the GAO's Government Auditing Standard that requires each auditor to complete at least 80 hours of Continuing Professional Education every two years which contributes to each auditor's proficiency.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of CPE hours completed by the staff	160	160	140	160
% of Audit staff achieving professional certification	100%	100%	100%	100%

Objective: Engage in continuous process improvement.

Initiative: Evaluate existing technologies. Implement technologies to streamline/enhance department operations.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of Active Strategic Plan initiatives meeting target implementation timeline	80%	80%	87%	80%
% of Active Strategic Plan measures showing improvement (upward trend)	89%	80%	11%	80%

Objective: To conform to requirements for contracting for the annual audit per North Carolina G.S.159-34.

Initiative: Comply with invoice processing and audit completion deadlines.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% Times financial audit report was completed by the designated 10/31 deadline	100%	100%	100%	100%

BUDGET ISSUES FOR FY 2015-16

- The external audit contract begins a new three year cycle in FY 2015. The FY 2015 fee is the same as the fee for FY 2014; however, the fee will increase by 3% for FY 2016.

ACCOMPLISHMENTS FOR FY 2014-15

- Managed mandatory Ethics Training for 92.6% of full and part-time City staff through March 31, 2015.
- Emphasized increased monitoring and internal control implementation through a combination of compliance and performance audits for activities such as the Take Home Vehicle Performance Audit, the Code Enforcement Performance Audit, and the City of Durham Benefits Performance Audit.
- Developed performance measures for the new Departmental Strategic Plan.
- Held a fraud prevention awareness week of activities commemorating National Internal Audit Week; showcasing a fraud museum, and ending with a symposium with a keynote speaker.
- Volunteered in programs such as the Food Bank of Durham with 100% participation from staff.
- 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.
- Two staff members completed the Chartered Global Management Accountant (CGMA) certification. This certification focuses on skills that enhance critical thinking to drive best business practices through decision modeling tools as well as enterprise risk management assessment tools.
- Completed ten (10) employee engagement activities towards improvement of the 2014 employee opinion survey results.

- Authored article titled “Fraud Theory” in the 2014 ALGA Quarterly Fall Journal. The fraud prevention toolkit discussed in the article incorporated seminal and current fraud literature. The toolkit recommended, provides a protocol against fraud when publicized and practiced organization wide.
- Monitored the Fraud, Waste and Abuse hotline; examined 9 allegations.
- Evaluated and developed specific training and career development plans for Audit staff; resulting in two staff securing opportunities to help them achieve their individual development career goals.
- Participated in City College, providing employees a general overview of the Audit Services Department.
- Participated in the 2015 Speakers Forum for the Raleigh, NC Chapter of Institute of Internal Auditors.
- Participated as a member of a Yellow Book Peer Review Team (Wake County Public School System- NC).
- Taught eight sessions of the Ethics component of New Employee Orientation training.
- Began the Executive Leadership Academy sponsored by the City.
- Completed a departmental newsletter that focused on talent development and perspectives on ethical conduct: the gray area.

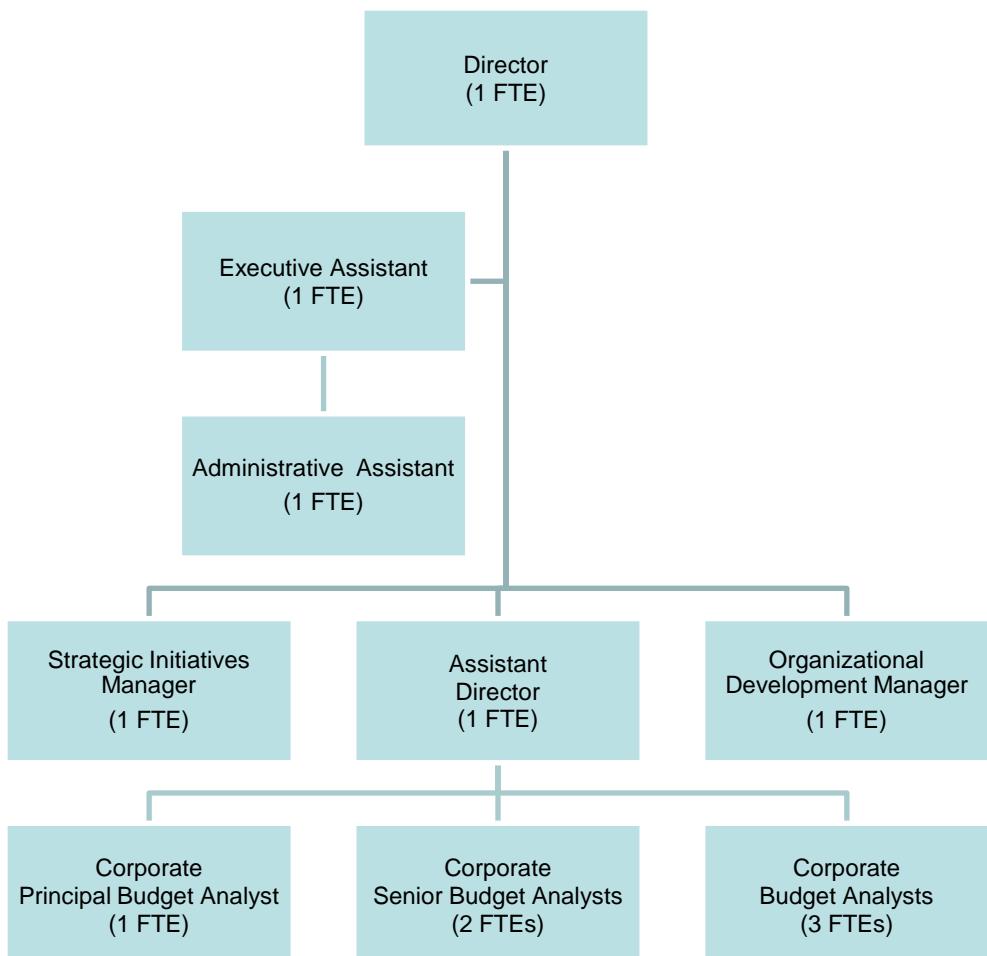
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Implement new initiatives and measures for the Departmental Strategic Plan.
- Apply continuous monitoring for selected processes as a result of using the MUNIS integrated modules.
- Conduct training sessions targeted to City staff accountable for developing, implementing, and monitoring internal controls.
- Evaluate and continue to develop specific training, career development and certification plans for Audit staff.
- Enhance sustainability initiatives to gain efficiencies in the auditing program, thus reducing costs.
- Continuously research best practices to complement and augment the risk-based audit work plan process.
- Produce a semi-annual 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; and volunteer to help positively impact the Mayor’s Poverty Initiative in Durham.
- Develop and implement strategies to improve employee satisfaction within the department by using results from the Employee Satisfaction Survey to impact positive change.
- Seek to integrate outside experts in the areas of ethics and internal controls to supplement in house staff training.



Budget & Management Services

(12 FTEs)



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	\$1,511,107 12 FTEs
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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 organizational development, performance management and strategic planning. The department provides policy and management analysis to support decision making. The department primarily supports two Strategic Plan goals; Well Managed City and Stewardship of the City's Physical Assets.

Other departmental responsibilities include training and support for the MUNIS / ERP budgeting module, the coordination of cross-organization training and leadership initiatives such as Culture of Service, 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.

Administration

Administration provides leadership and administrative support both within the department and throughout the City government.

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. Also, supports the Citizen Capital Improvement Panel (CCIP) and CIP project website.

Strategic Initiatives/Organizational Development

Maintains the citywide Strategic Plan and provides support in the development of departmental strategic plans. Also, conducts operational and organizational studies as identified by City Council, City Manager's Office, department and budget staff. Works with departments to build and implement performance measurement monitoring and evaluation. Provides oversight of the resident opinion and employee satisfaction surveys.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 1,114,121	\$ 1,117,987	\$ 1,119,908	\$ 1,197,145	7.1%
Operating	70,924	108,489	163,362	313,962	189.4%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 1,185,045	\$ 1,226,476	\$ 1,283,270	\$ 1,511,107	23.2%
Full Time Equivalents	12	12	12	12	-
Part Time	-	-	-	-	-
Revenues					
Discretionary Program	\$ 1,184,795 250	\$ 1,226,476 -	\$ 1,283,270 -	\$ 1,511,107 -	23.2% 0.0%
Total Revenues	\$ 1,185,045	\$ 1,226,476	\$ 1,283,270	\$ 1,511,107	23.2%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Annual Budget Development, Monitoring and Reporting **General Fund:** \$763,730
FTEs: 7

Goal: Well Managed City

Objective: To provide a budget document that meets the program criteria of the Government Finance Officers Association (GFOA) and serves as a policy document, operations guide, and financial plan for the City.

Initiative: Develop a budget document that qualifies for GFOA Distinguished Budget Presentation Award.

	Actual FY 14	Adopted FY 15	Estimated FY15	Adopted FY16
Measure: Received GFOA distinguished budget award	YES	YES	YES	YES

Objective: To project General Fund discretionary revenues to within 1% of actual revenues received.

Initiative: Develop revenue estimates based on information obtained from other city departments, state agencies, and the Durham County Tax Office.

	Actual FY 14	Adopted FY 15	Estimated FY15	Adopted FY16
% Accuracy of discretionary General Fund revenue projection	-0.7%	±1.0%	2.53%	±1.0%

Objective: To provide timely and accurate reports to update the City Manager and City Council on the City's current and future financial position and to support decision making.

Initiative: Present quarterly financial reports to the City Manager and City Council and post reports on the City's internet.

	Actual	Adopted	Estimated	Adopted
Measure:	FY 14	FY 15	FY15	FY16
% Reports issues on schedule	100%	100%	100%	100%

Objective: To project City department budgets and fund budgets at or below budget.

Initiative: Provide monthly reconciliations of City budgets, and work with departments to ensure that revenues and expenditures are monitored and accurately forecasted.

	Actual	Adopted	Estimated	Adopted
Measure:	FY 14	FY 15	FY15	FY16
% Departments at or below net funding	100%	100%	100%	100%

Program: Annual Capital Improvement Program Development, Monitoring and Reporting **General Fund:** \$103,376
FTE: 1

Goal: Stewardship of City's Capital Assets

Objective: To invest in public infrastructure.

Initiative: Manage decision-making process and information that allows for strategic investment in infrastructure.

	Actual	Adopted	Estimated	Adopted
Measures:	FY 14	FY 15	FY15	FY16
% of requested General Fund CIP projects approved for funding	71%	70%	70%	70%
% Dollar value of approved General Fund CIP/requested funding	94%	60%	60%	60%

Program: Strategic Initiatives **General Fund:** \$344,727
FTE: 1

Goal: Well-Managed City

Objective: To initiate process improvements in City government that will increase the efficiency and effectiveness of operations.

Initiative: To develop revised strategy for process improvements.

	Actual	Adopted	Estimated	Adopted
Measures:	FY 14	FY 15	FY15	FY16
# of Process improvement initiatives completed	2	2	0	1
% of Approved process improvement recommendations implemented by original target date	80%	100%	0%	100%

% of No cost process improvement recommendations implemented within 6 months of final approval	100%	100%	0%	100%
Staff hours/cost per process improvement	48/\$1892	150/\$5,100	0/\$0	150/\$5,100

Objective: Engage in Continuous Process Improvements.

Initiative: Ensure implementation of City-wide strategic plan initiatives.

Measures:	Actual FY 14	Adopted FY 15	Estimated FY15	Adopted FY16
% Accuracy of Citywide Strategic Plan Measures per Annual Audit	80%	95%	85%	95%
% of FY14 Citywide intermediate measures at or above milestone or target	35%	50%	33%	40%
% of Departments with Strategic Plans	100%	100%	79%	100%

Program: Organizational Development

General Fund: **\$184,109**
FTE: **1**

Goal: Well Managed City

Objective: To establish an exceptional, diverse, and engaged workforce.

Initiative: Increase employee engagement through organizational development initiatives.

Measures:	Actual FY 14	Adopted FY 15	Estimated FY15	Adopted FY16
# of employees participating in Durham First initiatives	1,915	2,000	2,300	2,100
City College	37	40	36	40
Leadership Academy	13	16	13	16
Leadership Conference	237	300	250	300
Admin. Professionals Conference	105	120	81	120
Average cost/employee				
Durham First initiatives	\$6	\$3	\$4	\$3
City College	\$52	\$50	\$75	\$50
Leadership Academy	\$0	\$860	\$1,000	\$839
Leadership Conference	\$22	\$17	\$22	\$17
Admin. Professionals Conference	\$16	\$13	\$33	\$13

- Objective:** Manage talent and ensure continuity of leadership.
Initiative: Increase employee engagement through organizational development initiatives.

Measures:	Actual FY 14	Adopted FY 15	Estimated FY15	Adopted FY16
# of existing employees promoted to management positions	43	55	44	55
Program: Administration			General Fund: FTEs:	\$115,165 2
Goal: Well-Managed City				

- Objective:** Ensure effective internal and external communication/satisfaction.

Measures:	Actual FY 14	Adopted FY 15	Estimated FY15	Adopted FY16
% of departments surveyed rating the budget process at satisfied or above	88%	80%	79%	80%

BUDGET ISSUES FOR FY 2015-2016

- Implementation of the proposed FY 2016-2018 City Strategic Plan.
- Development and implementation of departmental strategic plans.
- Continued development of departmental performance measures.
- Continued refinement of the Priority Based Budgeting Process.
- Implementation of a City-wide performance measurement and monitoring system.
- Improvements in the monitoring of strategic plan objectives, measures, and initiatives.
- Update to the Budget and Management Services Strategic Plan.

ACCOMPLISHMENTS FOR FY 2014-15

- Granted the Distinguished Budget Document award for the FY2014-15 budget from the Government Finance Officers Association. This is the 26th consecutive year that the City has received this award.
- Staffed the Citizen's Capital Improvement Panel (CCIP) Advisory Committee for the 12th 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.
- Coordinated five Coffees with Council, a citywide PAC meeting, internet engagement activities, an e-Town Hall with Council, and two public hearings in an effort to solicit feedback from Durham residents and City employees on budget priorities for the upcoming fiscal year.
- Maintained a website for citizens and City staff to track annexation requests and further the goal of enhanced communications.
- Processed thirteen voluntary annexation petitions.
- Developed the City Manager recommended annual budget for FY2015-16 and the Capital Improvement Plan for FY2016-21 on May 19, 2015.
- Posted the FY2015-16 final budget document to the City web site on June 30, 2015, and distributed thereafter.
- 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 FY2014-15 budget.

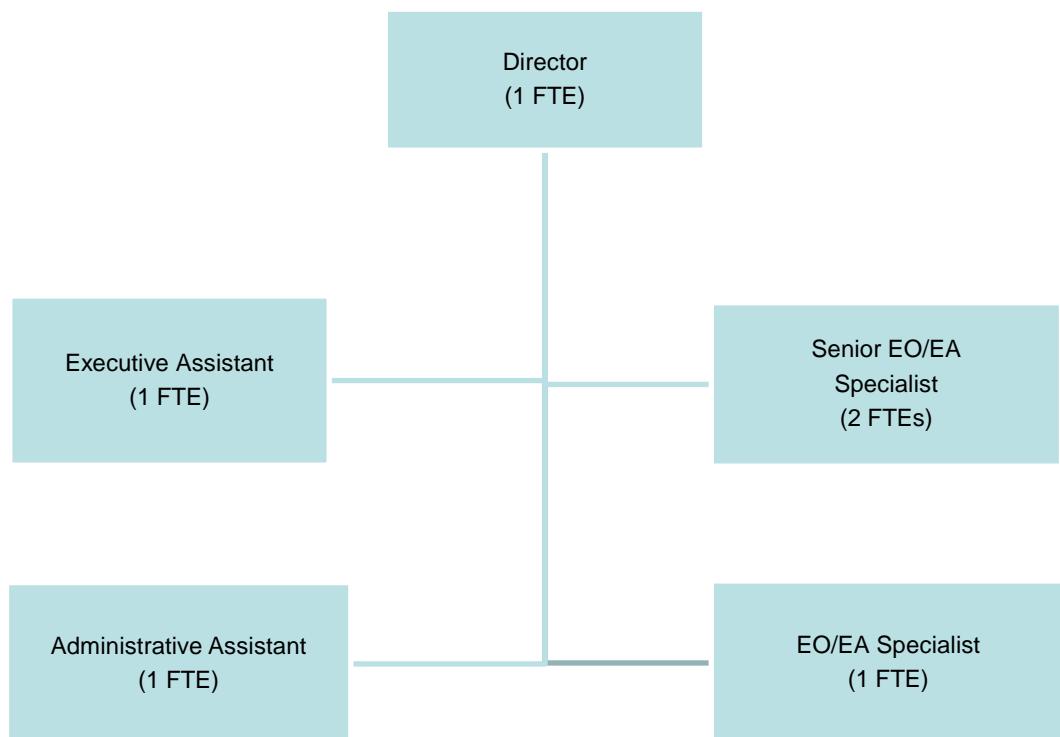
- Provided ongoing education opportunities to the public on the budget process and development of the FY2015-16 budget.
- Led organization-wide Culture of Service initiatives.
- Completed biennial Employee Satisfaction Survey.
- Facilitated Executive Team retreats.
- Coordinated implementation of the FY2015 Employee Satisfaction Survey.
- Conducted Leadership Academy, City College, the sixth Annual Fall Leadership Conference and the seventh Annual Administrative Professionals Conference.
- Created and maintained a strategic plan dashboard for citizens and City staff to track progress on objectives, measures and initiatives and to obtain general information about the City's Strategic Plan.
- Performed a City-wide Strategic Plan Refresh, engaging residents, city employees, and other stakeholders on important objectives and initiatives for the City.
- Continued coordination and oversight of the departmental Strategic Planning process.
- Transitioned to the new City-wide intranet, CODI, for Budget, Strategic Planning, and DurhamFirst.
- Implement an Executive Leadership Academy for Department Directors and Deputy City Managers.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Develop and publish the FY2016-17 Budget and FY2017-22 Capital Improvement Plan.
- Monitor annual operating and CIP budgets.
- Refine the multi-year financial model.
- Refine the CIP model.
- Development of action plans regarding results from Employee Satisfaction Survey.
- Continue implementation of the Citywide strategic plan to include all joint City/County/DPS initiatives.
- Coordinate and provide oversight on the Departmental strategic planning process and implementation.
- Coordinate the development and implementation of strategic plan departmental dashboards.
- Development of new strategy for the Process Improvement Program.
- Provide quarterly financial updates to the City Manager and Council.
- Provide monthly financial updates to the City Manager.
- Coordinate annual Coffees with Council and other budget outreach efforts.
- Coordinate the evaluation and updating of departmental performance measures.
- Perform cost benefit analyses on voluntary annexation petitions as received.
- Maintain the CIP website.
- Continue to integrate Strategic Initiatives resources within the department to enhance the citywide focus on performance and delivery of services, leadership development, and a culture of service.
- Coordinate and provide oversight on biennial Resident Opinion Survey.
- Coordinate organizational Culture of Service initiatives.
- Continue to refine departmental performance measures.
- Refine the Priority Based Budgeting process.
- Select and implement a city-wide performance measurement software system.
- Implement an Executive Leadership Academy for Assistant Directors.



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	\$537,341 6 FTEs
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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 small disadvantaged business enterprises (SDBEs) and small local business enterprises (SLBEs) eligible to participate in the EBOP and SLBEP.
- Certification of businesses to service City contracts in the areas of construction, professional services, supplier/vendor, and non-professional services.
- Maintenance of the SDBE and SLBE databases of all currently certified businesses.
- Business development through the provision of technical assistance and support.
- Staff support to the EBOP Advisory Committee and the Mayor's Committee for Persons with Disabilities.
- Project identification for potential contracting opportunities from City departments.
- SDBE/SLBE participation goal setting.
- EBOP and SLBEP compliance determination.
- Monitoring of SDBE and SLBE participation in City contracting activity.
- Reporting of SDBE 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 SDBE/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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 503,304	\$ 496,620	\$ 474,988	\$ 508,106	2.3%
Operating	216,337	79,310	51,432	24,235	-69.4%
Capital and Other	-	-	-	-	0.0%
Subtotal Appropriations	\$ 719,641	\$ 575,930	\$ 526,420	\$ 532,341	-7.6%
Mayor's Committee					
for Persons with Disabilities	\$ 3,706	\$ 5,500	\$ 2,910	\$ 5,000	-9.1%
Subtotal Nondepartmental	\$ 3,706	\$ 5,500	\$ 2,910	\$ 5,000	-9.1%
Total Appropriations	\$ 723,347	\$ 581,430	\$ 529,330	\$ 537,341	-7.6%
Full Time Equivalents	5	5	5	6	1
Part Time	1	1	1	-	-1
Revenues					
Discretionary Program	\$ 723,347	\$ 581,430	\$ 529,330	\$ 537,341	-7.6%
Total Revenues	\$ 723,347	\$ 581,430	\$ 529,330	\$ 537,341	-7.6%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program:	Business Services	General Fund:	\$283,079
		FTEs:	3.50
Goal:	Strong and Diverse Economy		
Objective:	SDBEs will receive a percentage of City of Durham construction and professional services contracting dollars.		
Initiative:	Recruit SDBE firms, seek and make available economic and business development opportunities for SDBE firms and monitor participation.		
Measures:	Actual FY14	Adopted FY15	Estimated FY15
% of dollars spent with minority-owned SDBEs in professional services	4%	8%	2%
% of dollars spent with minority-owned SDBEs in construction	3%	10%	3%
% of dollars spent with women-owned SDBEs in professional services	2%	5%	7%
% of dollars spent with women-owned SDBEs in construction	3%	5%	2%
			Adopted FY16
			5%
			5%
			5%
			5%

Objective:	To make economic and business development opportunities in construction of up to \$500,000 and professional services \$100,000 or less available to Small Local Business Enterprises (SLBEs) in the Durham Metropolitan Statistical Area (MSA).			
Initiative:	Implement Durham Small Local Business Enterprise Program and monitor contracts awarded to SLBEs.			
Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of professional services dollars spent with SLBEs from contracts \$100,000 or less	2%	10%	7%	10%
% of construction dollars spent with SLBEs from contracts \$500,000 or less	2%	10%	2%	5%
Program:	Administrative Services		General Fund: FTEs:	\$216,510 2.00
Goal:	Well-Managed City			
Objective:	To find City contracting activity in compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting 100% of the time.			
Initiative:	Audit contract compliance in the OnBase Contract Workflow System.			
Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of contracts found in compliance with ordinance	95%	100%	95%	100%
Program:	Technical Assistance Program		General Fund: FTEs:	\$32,752 0.50
Goal:	Strong and Diverse Economy			
Objective:	Provide at least six educational programs to at least 10 small businesses per session.			
Initiative:	Offer series of educational programs focused on identified needs of small businesses and promote participation in programs.			
Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of small business participants per session	9	10	11	11
Average cost per session	\$469	\$422	\$384	\$384
Program:	Mayor's Committee for Persons With Disabilities		General Fund:	\$5,000

BUDGET ISSUES FOR FY 2015-16

- Maintaining current departmental service level to fulfill the responsibilities of the Equal Business Opportunity Program and Small Local Business Enterprise Program.

ACCOMPLISHMENTS FOR FY 2014-15

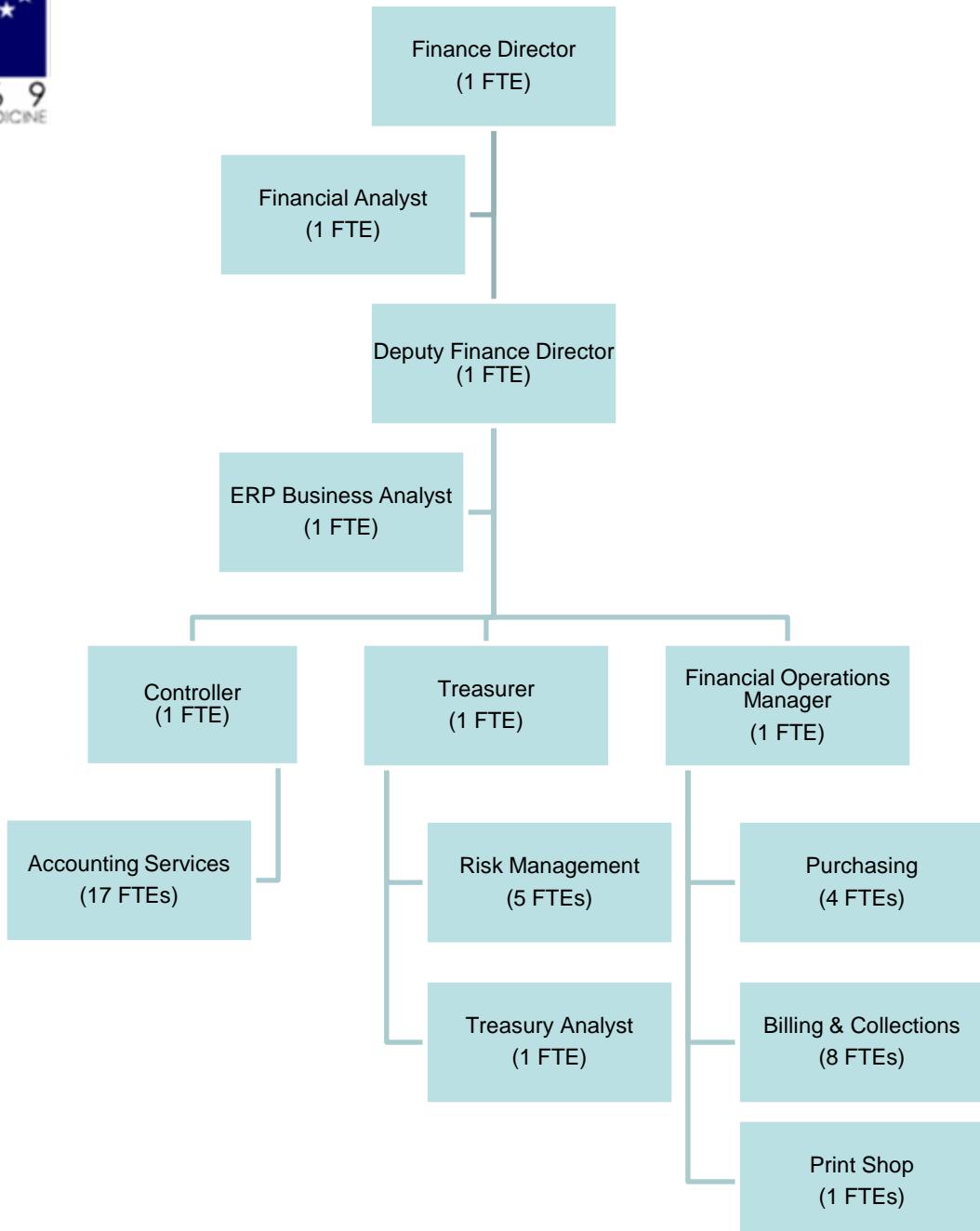
- Sought business opportunities for certified small disadvantaged business enterprises (SDBEs) in all City contracting, as well as Durham County Government, Durham Public Schools projects and private sector projects.
- Certified sufficient firms to begin full implementation of the SLBE Program and began assigning projects to this program.
- Competed implementation of joint Disparity Study with Durham County Government,
- Monitored our departmental Strategic Plan.
- Conducted successful Minority Enterprise Development Week activities that included: an Awards Luncheon attended by approximately 125 persons and was highlighted by honoring four small businesses and a minority business advocate, a forum on new Durham development projects attended by approximately 80 participants, a Meet the Purchaser networking event with the Durham Chamber of Commerce attended by approximately 200 participants, a Multicultural Business Fair in conjunction with the Greater Durham Black Chamber of Commerce with approximately 75 attendees and a MED Week Golf Day with approximately 50 participants for golf and the golf clinic.
- Conducted six technical assistance seminars on various business development topics with an average of ten persons in attendance.
- Sent bid opportunities to SDBEs 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.
- Received minority business advocacy awards from the Triangle Business Journal and the Greater Durham Black Chamber of Commerce.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Detailed review of the joint Disparity Study recommendations with development of an implementation strategy and implementation of recommendations.
- Continue monitoring of our 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.
- Continue efforts to increase the numbers of SDBEs and SLBEs and the dollars they obtain through City contracting activity.
- Actively seek specific business opportunities for SDBEs and SLBEs on all City projects.
- Maintain high level of departmental employee satisfaction.



Finance (43 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	\$4,931,101 43 FTEs
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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 and policy formulation and analysis for the City.

Payroll

This program processes the biweekly payroll checks for approximately 2,300 City employees.

Accounts Payable

This program provides accounts payable for approximately 65,000 invoices per year.

Financial Reporting

This program provides financial reporting including 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, issues business licenses, and provides a centralized approach for cash collections of all revenues 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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 3,290,534	\$ 3,450,054	\$ 3,457,303	\$ 3,352,044	-2.8%
Operating	1,240,112	1,648,343	1,629,571	1,579,057	-4.2%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 4,530,646	\$ 5,098,397	\$ 5,086,874	\$ 4,931,101	-3.3%
Full Time Equivalents	48	47	47	43	-4
Part Time	-	-	-	-	-
Revenues					
Discretionary Program	\$ 3,911,114 113,690	\$ 4,412,471 105,700	\$ 4,376,005 123,394	\$ 4,198,429 125,564	-4.9% 18.8%
Total General Fund	\$ 4,024,804	\$ 4,518,171	\$ 4,499,399	\$ 4,323,993	-4.3%
Water and Sewer Fund	161,381	193,602	200,851	199,786	3.2%
Risk Claims Fund	344,461	386,624	386,624	407,322	5.4%
Total Revenues	\$ 4,530,646	\$ 5,098,397	\$ 5,086,874	\$ 4,931,101	-3.3%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program:	Administration	General Fund:	\$ 559,937
		FTEs:	4
Goal:	Well-Managed City		
Objective:	To maintain the highest possible credit ratings from all ratings agencies.		
Initiative:	To present information to the rating agencies that illustrates the City's financial, administrative, and economic strengths.		

Measures:	Actual	Adopted	Estimated	Adopted
	FY14	FY15	FY15	FY16
Credit rating issued by S&P	AAA	AAA	AAA	AAA
Credit rating issued by Fitch	AAA	AAA	AAA	AAA
Credit rating issued by Moody's	Aaa	Aaa	Aaa	Aaa

Program: Payroll

General Fund: \$252,936

FTEs: 3.5

Goal: Well-Managed City

Objective: To process each bi-weekly payroll on time with error rate of less than 0.02%.

Initiative: To utilize best practices and continuously improve quality.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Payroll checks issued	1,953	2,600	2,400	2,500
# Direct deposits	70,312	70,000	70,200	70,250
# Checks/advises issued with errors	3	8	8	8
% Checks/advises issued without error	100.00%	99.99%	99.99%	99.99%

Objective: To ensure that all balance sheet general ledger accounts associated with payroll are maintained accurately.

Initiative: To perform account reconciliations thoroughly each accounting period according to the established schedule.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# GL accounts reconciled	1,637	1,600	1,600	1,600
% GL accounts reconciled (corrected if necessary) each month	100%	100%	100%	100%

Program: Accounts Payable

General Fund: \$341,471

ETFs: 55

Goal: Well-Managed City

Objective: To pay 90% of all invoices within 30 days of invoice date.

Initiative: To utilize best practices and continuously improve quality.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Invoices	58,993	59,000	62,500	65,000
% Invoices paid within 30 days	89.7%	90.0%	90.0%	90.0%

Objective: To maximize the number and percentage of invoices paid by electronic payment.

Initiative: To utilize best practices, reduce printing/postage costs, and continuously improve quality.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Checks issued	33,616	32,450	31,250	30,875
# Electronic payments	25,377	26,550	31,250	34,125
% Electronic payments	43.0%	45.0%	50.0%	52.5%

Program:	Financial Reporting	General Fund:	\$833,029
		FTEs:	9
Goal:	Well-Managed City		
Objective:	To prepare financial reports that are timely and of the quality warranting an unqualified audit opinion and GFOA awards for excellence in financial reporting.		
Initiative:	To prepare quality financial reports.		

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Was audit opinion unmodified?	Yes	Yes	Yes	Yes
Did CAFR receive GFOA award?	Yes	Yes	Yes	Yes
Did Popular Report receive GFOA award?	Yes	Yes	Yes	Yes
# Significant material findings in internal and external audits	0	0	0	0

Program:	Purchasing	General Fund:	\$398,842
		FTEs:	5
Goal:	Well-Managed City		
Objective:	To complete the purchasing cycle (requisition to PO) for 90% of purchases of commodities within 2 business days.		
Initiative:	To utilize best practices and continuously improve quality.		

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Purchase orders (PO)	17,282	20,000	16,000	15,500
% Purchase orders issued within 2 business days	88.5%	90.0%	90.0%	90.0%

Objective:	To increase the number of Purchasing card users and transactions.
Initiative:	To utilize best practices in procurement.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# P-Card users	354	380	380	400
# P-Card transactions	12,721	13,000	16,000	16,000

Objective:	To complete 95% of all Finance Officer's pre-audit certification of contracts within 3 days of notification via OnBase.
Initiative:	To manage and follow-up on the process.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Contracts	1,026	1,000	1,000	1,000
% Contracts certified within 3 days	98%	97%	100%	100%
Program:	Treasury Management			General Fund: \$553,565
				FTEs: 2
Goal:	Well-Managed City			
Objective:	To ensure that investment earnings for idle funds exceed the cost of managing those funds and contribute to the "bottom line."			
Initiative:	To more actively manage the City's investment portfolio.			

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
Investment % yield vs. average daily 2 year treasury yield for same period	+0.15%	+0.10%	+0.05%	+0.10%
Investment earnings	1,316,447	750,000	750,000	850,000
Program:	Interlocal Tax Contract			General Fund: \$1,007,226
Goal:	Well-Managed City			
Objective:	To ensure that the County Tax Collector maximizes the property tax collection rate.			
Initiative:	To utilize best practices and to maximize the collection rate.			

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
% Collection rate	99.23%	98.75%	98.75%	98.75%
Program:	Billing and Collections			General Fund: \$312,584
				FTEs: 4
				Water & Sewer Fund: \$199,786
				FTEs: 4
Goal:	Well-Managed City			
Objective:	To ensure that adjustments are made to false alarm bills as infrequently as possible.			
Initiative:	To monitor performance of outside service provider and make recommendations to continuously improve quality			

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
\$ Value of false alarm bills issued	368,791	400,000	410,000	400,000
% False alarm bills adjusted	0.29%	0.35%	0.40%	1.16%
# False alarms	8,349	N/A	10,900	10,900

of false alarm bills issued 3,490 N/A 2,150 2,150

Objective: To maximize earnings from business licensing by ensuring that discovery efforts result in an increase in the number of licensed businesses.

Initiative: To increase diligence in identifying unlicensed businesses operating within the City and develop an "audit" program.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Business licenses issued	9,646	11,900	4,600	N/A
# New licenses issued resulting from discovery efforts	71	300	325	N/A
\$ Generated from business licenses issued from discovery efforts	24,480	60,000	325,000	N/A

Objective: To ensure that payments received are posted accurately.

Initiative: To utilize best practices and continuously improve quality.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
% Payments posted accurately by Cashiering	99.83%	99.00%	99.84%	99.84%

Objective: To reduce the amount of delinquent accounts and increase collection rates.

Initiative: To pursue more aggressive collection efforts utilizing new tools such as collection agency, wage garnishment, bank account attachment, and other strategies as appropriate or allowed by law.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
% Delinquent UB accounts placed with collection agency	67.60%	68.00%	63.00%	60.00%
% Collection/recovery UB accounts - collection agency	12.62%	10.00%	12.75%	12.99%
Internal collections rate - select GB segments	68.25%	70.00%	55.00%	57.33%

Program: Risk Management and Safety

Risk Fund: \$407 322

ETFs: 5

Goal: Safe and Secure Community

Objective: To ensure the safety of city facilities and work-sites by increasing the number of safety inspections and by evaluating facility and site inspection reports to identify and correct hazards and potential hazards.

Initiative: To maintain continuous process improvement in the City's risk management and safety process.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Inspections	139	100	130	150

% City facilities inspected	N/A	N/A	85.0%	90.0%
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Objective: To reduce the number of lost time claims.

Initiative: To develop new employee safety program that will include training more closely targeted at work hazards and exposures and other risks identified through claims analysis.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Lost work days	1,443	1,475	1,875	1,600
# Lost time claims	44	N/A	22	26
% Claims reported within 3 days	72.02%	N/A	90.00%	90.00%
% Claims generating lost time	20.28%	N/A	13.00%	13.00%

Objective: To reduce at fault automobile accidents by 5%.

Initiative: To maintain continuous process improvement in the City's risk management and safety process.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# At fault auto accidents	123	121	142	135
% Reduction in number of at fault automobile accidents	8.9%	6.0%	6.0%	4.9%

Program: Print Shop **General Fund:** \$64,403
FTEs: 1

Goal: Well-Managed City

Objective: To ensure that the Print Shop is utilized to the maximum extent possible to minimize total printing and duplicating services expenses.

Initiative: To utilize best practices and manage expenses.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Print jobs	1,560	1,600	995	300
% Print jobs produced in-house	98%	98%	61%	20%
# Impressions generated	3,656,469	3,600,000	2,980,180	150,000
% On Time Performance for Bill Print/Mail Service	N/A	N/A	N/A	100%

BUDGET ISSUES FOR FY 2015-16

- Reductions in staffing levels over the past several budget years will continue to create challenges within the department as workloads and demands for services have not declined.
- 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 2014-15

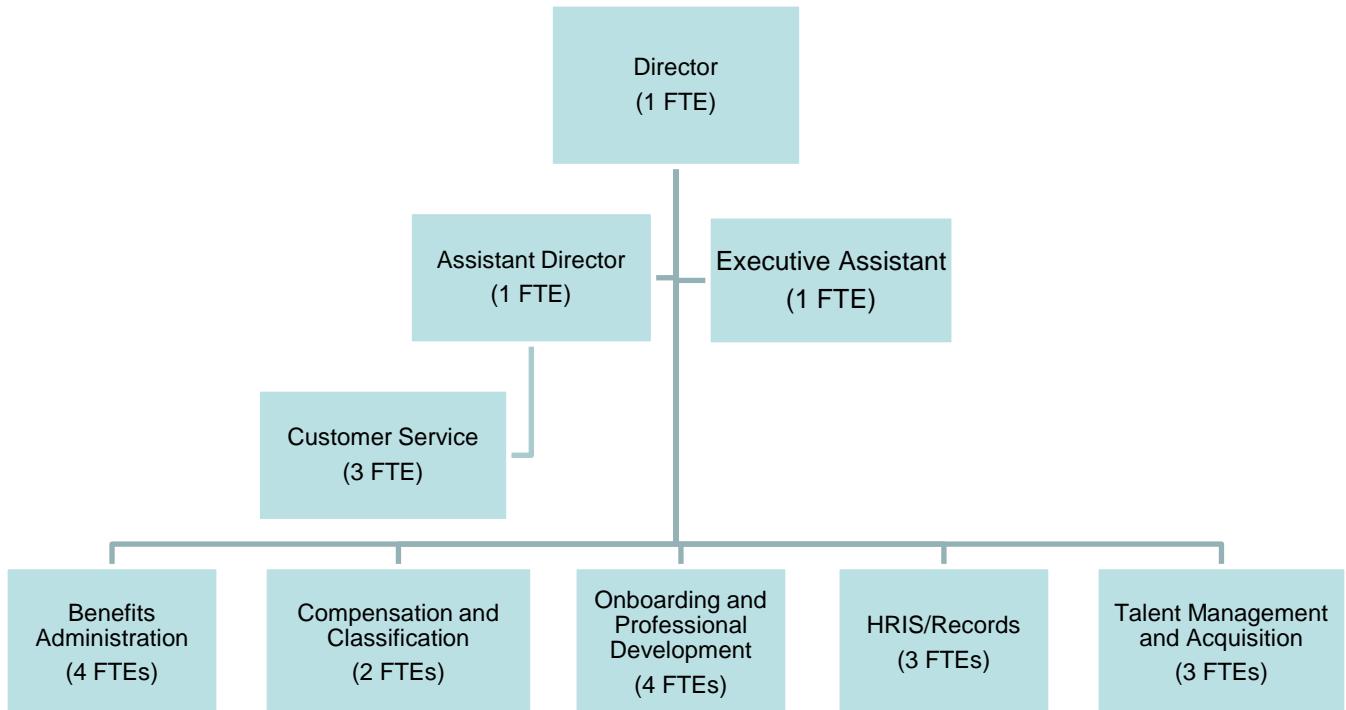
- Contributed to the Culture of Service to Co-workers initiative by hosting Safety Expo
- Analyzed various economic development projects, including Bull Durham Village and Durham Innovation District
- Transitioned Third Party Administrator for workers comp and liability claims
- Transitioned Print shop to outsourced vendor
- Expanded on-line bill paying functionality
- Increased the use of procurement cards by City departments and e-payables program to take advantage of rebates and to lower accounts payable costs
- Updated debt model and indirect cost plan based on latest round of assumption
- Updated Storm Water and Water Management rate models
- Revised Convention Center Interlocal Agreement
- Repurposed existing staff to better support the MUNIS ERP system
- Received a “clean” and unmodified audit opinion, with no issues to report in the Management Letter, on the FY 2013-14 financial statements along with a single audit report that identified no findings related to the City’s expenditure of Federal Funds
- Reaffirmed credit ratings with all agencies that make the city one of the highest rated public entities in the country
- Refinanced \$82M of outstanding GO & LOBs bonds with gross savings of \$10.1M including \$4.9M in the DPAC Fund
- Working on draw-down program that will enable more flexibility with project funding
- Maintained credit ratings that make the city one of the highest rated public entities in the country
- Received 29th consecutive Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR)
- Received 10th consecutive Award for Outstanding Achievement in Popular Annual Financial Reporting
- Received 12th consecutive Sustained Professional Purchasing Award from the Carolinas Association of Governmental Purchasing

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Provide leadership to Billing Process Improvement Team and improve billing processes city-wide.
- Improve Risk Management and Safety functions and continue working on the improvement plan.
- Document procedures within Risk Management.
- Determine curriculum for on-line safety training.
- Identify options for increasing electronic payments.
- Identify methods to increase collections on amounts owed to the City.
- Develop customized MUNIS training for specific user groups (e.g. project managers).
- Develop marketing framework for financial consulting services.
- Conduct overall review of procurement process.
- Continue the oversight of program accountants responsible for administering grants.
- Provide monthly and quarterly financial updates to the City Manager and Council (joint projects with BMS Department).
- Maintain the City’s credit ratings.
- Monitor recent, upcoming, and anticipated GASB pronouncements, how they are being addressed, and the impacts they are expected to have on financial reporting and budgeting.



Human Resources (22 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	\$1,980,711
	22 FTEs

The Human Resources Department provides the City of Durham with personnel based services. These services are dedicated to attracting and retaining well qualified employees and to creating a positive environment in which the employees work. The services provided to departments include: benefits, selection and recruiting, compensation and classification, training, employee relations, wellness, and consultation on employee relations matters and organizational issues. The department provides administration and oversight of the City's benefit plans, wellness and Employee Assistance Program (EAP), substance abuse testing, coordinates training, and ensures compliance with federal and state regulations and consults/advises on organization policies. 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 the 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 is responsible for testing, designing and implementing all systems changes and upgrades. Develops and maintains reports to provide accurate data to internal and external customers. Accurately reviews, approves, and processes citywide personnel actions and leave adjustments. HRIS functions as project manager for new departmental systems initiatives. HRIS is responsible for the disclosure, security and maintenance of personnel records.

Benefits Administration

The Benefits Administration team is responsible for the central management of employee benefit programs, wellness programs, the employee assistance program, the Medicare Supplement program, Paid Temporary Disability coordination; HIPAA and FMLA management, and training and coordination of the retiree benefits program and retiree planning; COBRA administration; preparation of benefit survey responses, and benefit regulation compliance for the department. Develops the request for proposals for benefits and benefits brokerage services. Responsibility for coordination of the military leave process and personal illness process and for the preparation of any benefits request for proposals is included.

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. The unit also provides recommendations regarding pay policy related issues such as Extra Duty Pay, Acting Pay, incentive pay, and exceptional salary offers. All salary offers for positions are reviewed by the unit through NeoGov.

Onboarding and Professional Development

The Onboarding and Professional Development Team provides a variety of services that enhance employees' overall value to the organization and maximize service delivery to the citizens of Durham. The services provided include onboarding, training, educational opportunities including technical skills and communication skills (workshops, courses, and career development), customized facilitations, MUNIS Employee Self Service administration and request for proposals for professional training consultants and facilitators and monitors the fund from which organization-wide training is paid. This includes trainers, consultants, facilitators, training resources, and tuition reimbursement for all City employees. This team also is responsible for employee relations. Employee relations includes coordinating, facilitating and monitoring Employment Security Commission (ESC) hearings, assigned investigations, grievances, mediations and responses. The ER coordinator assists in responding to Equal Employment Opportunity Commission (EEOC) and Retaliatory Employment Discrimination Act (REDA) complaints, reviews and updates policies, and conducts various trainings related to employee relations.

Customer Service

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 & lobby coverage, provides phone, email, & walk-in support, processes department mail, and manages first stop resolution & 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.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 1,599,836	\$ 1,645,878	\$ 1,724,006	\$ 1,827,605	11.0%
Operating	96,193	105,136	154,926	153,106	45.6%
Capital and Other	-	-	-	-	0.0%
Subtotal Appropriations	\$ 1,696,029	\$ 1,751,014	\$ 1,878,932	\$ 1,980,711	13.1%
Nondepartmental					
Flex Reimbursement	\$ 41,913	\$ 30,000	\$ 30,000	\$ 30,000	0.0%
Unemployment Compensation	613,556	300,000	124,000	200,000	-33.3%
Subtotal Nondepartmental	\$ 655,469	\$ 330,000	\$ 154,000	\$ 230,000	-30.3%
Total Appropriations	\$ 2,351,498	\$ 2,081,014	\$ 2,032,932	\$ 2,210,711	6.2%
Full Time Equivalents	20	20	20	22	2
Part Time	1	1	1	1	-
Revenues					
Discretionary Program	\$ 2,269,502	\$ 2,000,275	\$ 1,952,193	\$ 2,054,038	2.7%
	-	-	-	-	0.0%
Total General Fund	\$ 2,269,502	\$ 2,000,275	\$ 1,952,193	\$ 2,054,038	2.7%
Risk Claims Fund	-	-	-	73,034	100.0%
Employee Insurance Fund	81,996	80,739	80,739	83,639	3.6%
Total Revenues	\$ 2,351,498	\$ 2,081,014	\$ 2,032,932	\$ 2,210,711	6.2%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program:	General Administration	General Fund: \$362,126
		FTEs: 3
Goal:	Well Managed City	
Objective:	To improve customer satisfaction with HR services.	
Initiative:	Survey organization at least once annually and design responses based on results.	
Measures:	Actual FY14	Adopted FY15
Surveys Completed	514	605
% Employees completing Survey	25%	35%
%Employees rating HR services satisfactory or better	85%	90%
Program:	HRIS	General Fund: \$273,388
		FTEs: 3
Goal:	Well Managed City	
Objective:	To provide comprehensive, secure Human Resources documentation, information and data management.	
Initiative:	Maintain accurate MUNIS records, personnel records, Employee Self Service (ESS), document management intake.	

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of Processes automated	N/A	N/A	N/A	2
Program:	Benefits		General Fund: \$247,341 FTEs: 3	
			Employee Insurance Fund: \$83,639 FTE: 1	
Goal: Objective: Initiative:	Well Managed City To improve employee well-being and decrease health-related costs. Provide opportunities to employees to improve their well-being.			
Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Health risk assessment surveys or studies conducted	1,835	2,080	2,080	2,340
Average claim amount (Per Employee Per Month)	\$834	\$760	\$790	\$760
Program:	Classification & Compensation		General Fund: \$190,885 FTEs: 2	
Goal: Objective: Initiative:	Well Managed City To increase satisfaction with salary and classification services. Conduct market research and implement adjustments to maintain salary structures.			
Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Reclassification studies (occupied positions) completed during annual process	67	57	51	45
% City employees ranking the compensation and classification systems as satisfactory or better	65%	39%	46%	70%
# Pay system adjustments needed	25	25	25	25
% Studied classifications whose midpoint is within 90% of market	90%	95%	90%	95%
Program:	Talent Management and Acquisition		General Fund: \$267,794 FTEs: 3	
Goal: Objective: Initiative:	Well Managed City To make Durham an employer of choice. Implement and improve NeoGov system to streamline the hiring and onboarding process.			
Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Days from posting to hire	116	40	80	40
Program:	Customer Service		General Fund: \$169,269 FTEs: 3	
Goal: Objective: Initiative:	Well Managed City To improve communications between HR and our customers. Utilize technology to facilitate faster, more accurate communication between HR and our customers.			

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of Employees rating HR as responsive or very responsive.	N/A	N/A	N/A	90%
Program:	Onboarding and Professional Development			General Fund: \$313,235 FTEs: 3 Risk Fund: \$73,034 FTE: 1
Goal:	Well Managed City			
Objective:	To provide training to individuals to enhance their career development.			
Initiative:	To survey training participants to learn if training was beneficial.			
Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Workshops and training events held	114	66	130	80
% Employees rating meetings, workshops, trainings as effective	94%	95%	95%	95%
# Training participants	1,877	880	2,400	1,400
% Stating training was beneficial to career enhancement and/or job performance	94%	92%	90%	95%
Objective:	To promote a positive work relationship between employees and the organization and with each other regarding equal employment opportunity, fairness and consistency in treatment, and complaint resolution.			
Initiative:	To reduce the number of complaints/grievances.			
Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of Investigations	14	12	10	12
% of Investigations resolved within 30 days	36%	80%	100%	100%
# of Grievances	18	19	10	12
% of Grievances resolved within 30 days	72%	80%	100%	100%

BUDGET ISSUES FOR FY 2015-16

- Department will need additional resources to continue taking on additional functions.
- Manual processes and aging computers are hindering staff efficiency and affecting the HR customer experience.
- Increased funding required to maintain HR information systems.

ACCOMPLISHMENTS FOR FY 2014-15

- Relocated all HR staff into one newly renovated location within City Hall.
- Established and communicated service level agreements for all functional units through HR Connect.
- Revised department performance measures.
- Updated many critical Human Resources Policies.
- Continued to address healthcare costs through usage analysis and member education.
- Continued updates to maintain current and accurate job descriptions.
- Maintained compensation systems (Executive, Exempt, Non-Exempt, General, and Part-time) to ensure competitiveness.
- Implemented the NeoGov Applicant Tracking System.

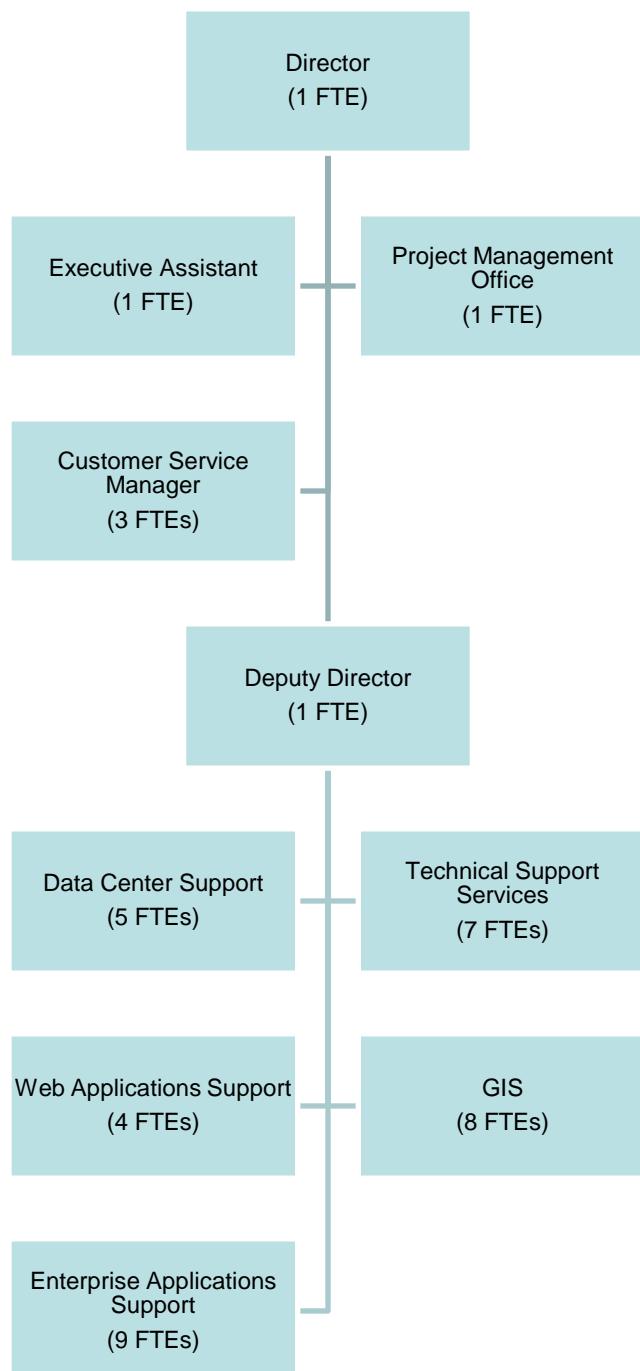
- Continued City wide wellness program activities.
- Launched HR Connect, the HR Customer Service team.
- Completed revision of the HR Strategic Plan.
- Unified training, onboarding, and employee relations as the Onboarding and Professional Development team.
- Completed reorganization of the department for functional and service-level improvements.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Reimagine the employee onboarding experience.
- Compile baseline health data for the City and continue development of wellness program.
- Design a recruiting plan to address EEOC deficiencies.
- Update Human Resources Web and CODI sites.
- Complete updates to critical Human Resources policies.
- Lead the City in strategic workforce and succession planning.
- Identify critical knowledge, skill and ability needs throughout the City.



Technology Solutions (40 FTEs)



TECHNOLOGY SOLUTIONS

Purpose Statement:

To provide quality Information Technology (IT) services and solutions that brings optimal business value to our customers.

DEPARTMENT DESCRIPTION

Technology Solutions Department	\$5,993,096
	40 FTEs

The core business of the Technology Solutions (TS) Department is to align the City's crucial information technology infrastructure, services, solutions, and TS human capital to the business needs of the City's departments.

Administration

This program provides for strategic planning and executive management of the Technology Solutions Department. Within the TS department's administrative program, there are three additional business programs: Project Management Office, IT Governance (has not been implemented at this time), and Customer Service Management.

Technical Support Services

The Technical Support Services Program supports the maintenance of desktop systems, network services and data center operations. This division of the TS department also manages the PC Replacement Program and systems administration of the metropolitan voice/data network and datacenter. It provides efficient and effective computer and infrastructure support services for employees, desktop systems and application, telecommunications, security, network and data center infrastructure and operations. This program also manages the multifunctional print devices (copiers) contract for the City of Durham.

Innovation & Solutions

The Innovations and Solutions Program provides business analysis, web applications development, database development and administration, and enterprise systems support. This program works with the business units to effectively align IT solutions to their business needs. Critical applications such as Payroll, Accounts Payable, Water Billing, Budget, Human Resources, Contract and Document Management, Work Order Management, etc. are supported by this division.

The Geographic Information Systems

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.

Technology Surcharge / Land Development Office (LDO)

The City's 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.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 3,825,899	\$ 3,770,049	\$ 3,970,293	\$ 3,802,398	0.9%
Operating	1,819,979	1,980,081	2,487,993	2,141,979	8.2%
Capital and Other	-	250,000	-	-	-100.0%
Transfers	48,709	48,709	48,709	48,719	0.0%
Total Appropriations	\$ 5,694,587	\$ 6,048,839	\$ 6,506,995	\$ 5,993,096	-0.9%
Full Time Equivalents	40	40	40	40	-
Part Time	-	-	-	-	-
Revenues					
Discretionary Program	\$ 5,286,374 408,213	\$ 5,477,228 571,611	\$ 5,870,384 636,611	\$ 5,333,149 659,947	-2.6% 15.5%
Total Revenues	\$ 5,694,587	\$ 6,048,839	\$ 6,506,995	\$ 5,993,096	-0.9%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program:	Administration	General Fund:	\$774,096
		FTEs:	7
Goal:	Well-Managed City		
Objective:	To efficiently and effectively align resources and services with business needs maintaining operating costs at less than 5% of City overall budget; and receive a 90% or better customer satisfaction rating.		
Initiative:	Establish Citywide IT Governance Framework based on best practice methodologies focused on information technology (IT) systems, their performance and risk management to accomplish goal. Create new programs to manage and align to business needs.		

Measures:	Actual FY 14	Adopted FY 15	Estimated FY 15	Adopted FY 16
% of Workplan projects completed on time.	88%	90%	90%	90%
% IT overall satisfaction (Bi-annual)	95%	90%	87%	90%
% of TS work plan projects completed on time	80%	90%	95%	90%

Program:	Technical Support Services	General Fund:	\$2,438,404
		FTEs:	12
Goal:	Well-Managed City		
Objective:	Meet or exceed a 90% or better customer satisfaction rating and complete 90% of all service requests within 24 hours or a due date set with customer.		
Initiative:	Align TS Infrastructure and computer support services and resources to the business needs of the City using best practice methodologies.		

	Actual FY 14	Adopted FY 15	Estimated FY 15	Adopted FY 16
Measures:				
% IT overall Satisfaction (Help Desk)	93%	90%	90%	90%
% Requests completed within 24 hours or by customer approved due date	80%	90%	90%	90%
% of Infrastructure Uptime	99.60%	99.90%	98.70%	99.90%
% of Available Data Center Capacity	93.00%	20%	60%	20%
Program:	Innovation & Solutions			General Fund: \$1,714,917
				FTEs: 13
Goal:	Well-Managed City			
Objective:	Meet or exceed a 90% or better customer satisfaction rating and complete 90% of all service requests within 24 hours or a due date set with customer.			
Initiative:	To deliver innovative solutions, and support to meet the business needs of the City. This is done using best practice methodologies while effectively aligning resources and services.			
	Actual FY 14	Adopted FY 15	Estimated FY 15	Adopted FY 16
Measures:				
% IT overall Satisfaction (Help Desk)	90%	90%	90%	90%
Tickets closed per analyst	297	297	297	297
% Requests completed within 24 hours or by customer approved due date	88%	90%	88%	90%
Program:	Geographic Information Systems			General Fund: \$860,893
				FTEs: 8
Goal:	Well-Managed City			
Objective:	Meet or exceed a 90% or better customer satisfaction rating and complete 90% of all service requests within 24 hours or a due date set with customer.			
Initiative:	To deliver innovative solutions, and support to meet the business needs of the City. This is done using best practice methodologies while effectively aligning resources and services.			
	Actual FY 14	Adopted FY 15	Estimated FY 15	Adopted FY 16
Measures:				
% IT overall Satisfaction (Help Desk)	92%	90%	92%	90%
% Requests completed within 24 hours or by customer approved due date	97%	90%	90%	90%

Technology Surcharge/Land Development Office (LDO) \$204,786

BUDGET ISSUES FOR FY 2015-16

- Arising need for additional office space/redesign of existing office space to accommodate staff work space and equipment needs.

ACCOMPLISHMENTS FOR FY 2014-15

- Implemented storage area network refresh and cost avoidance initiative.
- Implemented GIS improvements.
- Implemented fifty percent of the planned network infrastructure improvements.
- Implemented the City's open data initiative proof of concept.
- Implemented an improved voice over IP and alerting solution across all City Departments.
- Implemented new web 2.0 website for the City.
- Implemented applicant tracking (NEOGOV) phase 1 with the HR Department.
- Completed the planning phase of the timekeeping and advanced scheduling (Kronos) project.
- Completed fifteen of twenty departments approved for online employee self-service leave requests.
- Completed implementation of new asset management process for TS assets.
- Developed and documented standard operating procedures for all TS divisions.

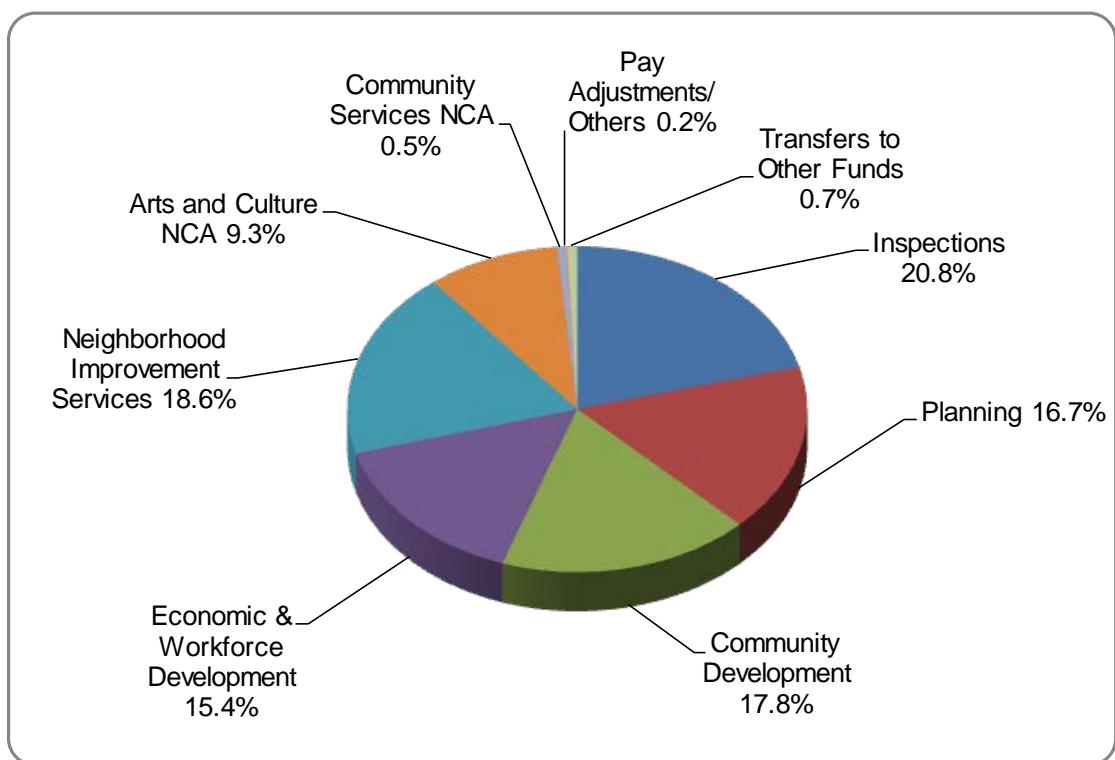
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Implement remaining network infrastructure improvements.
- Continued open data initiative.
- Complete planning for virtual server environment refresh.
- Complete planning for backup and archiving environment refresh.
- Complete GIS 3D modeling for urban design initiative.
- Complete twenty of twenty departments approved for online employee self-service leave requests.
- Implement new timekeeping and advanced scheduling system for DPR and Fire Departments.
- Implement Cityworks with Parks and Recreation Department.
- Complete OnBase upgrade.
- Complete Munis upgrade.

COMMUNITY BUILDING
BUDGET SUMMARY

Non-Grant Appropriations	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
City/County Inspections	\$ 3,513,344	\$ 3,757,433	\$ 3,706,043	\$ 3,913,261	4.1%
City/County Planning	2,902,289	3,111,028	2,965,867	3,136,228	0.8%
Community Development	2,806,022	3,314,714	3,160,557	3,337,691	0.7%
Economic Development	3,470,351	2,695,071	3,394,561	2,887,017	7.1%
Neighborhood Improvement	3,347,309	3,450,927	3,521,760	3,495,358	1.3%
Contract Agencies					
Arts and Culture	1,553,910	1,766,434	1,908,163	1,761,923	-0.3%
Community Services	49,215	30,000	48,285	95,000	216.7%
Pay Adjustments/Others	36,893	-	-	36,912	100.0%
Transfers to Other Funds	1,065,484	1,596,993	1,596,993	110,389	-93.1%
Total Appropriations	\$ 18,744,817	\$ 19,722,600	\$ 20,302,229	\$ 18,773,779	-4.8%
Full Time Equivalents	150	149.5	149.5	149.5	-
Part Time	4	4	4	4	-
Revenues					
General Fund					
Discretionary	\$ 9,248,234	\$ 10,546,239	\$ 10,675,233	\$ 10,758,827	2.0%
Program	7,466,273	6,070,550	6,893,746	6,261,042	3.1%
General Fund Subtotal	\$ 16,714,507	\$ 16,616,789	\$ 17,568,979	\$ 17,019,869	2.4%
Dedicated Housing Fund	2,030,310	3,105,811	2,733,250	1,753,910	-43.5%
Total Revenues	\$ 18,744,817	\$ 19,722,600	\$ 20,302,229	\$ 18,773,779	-4.8%
Grants					
Community Development Grants	\$ 4,631,164	\$ 2,927,390	\$ 2,916,187	\$ 4,009,007	36.9%
OEWD Grants	2,511,497	2,123,967	2,593,325	1,747,590	-17.7%
Total Grants	\$ 7,142,661	\$ 5,051,357	\$ 5,509,512	\$ 5,756,597	14.0%
Full Time Equivalents	19.0	18.5	18.5	18.5	-
Part Time	1	1	1	1	-
Total Budget	\$ 25,887,478	\$ 24,773,957	\$ 25,811,741	\$ 24,530,376	-1.0%

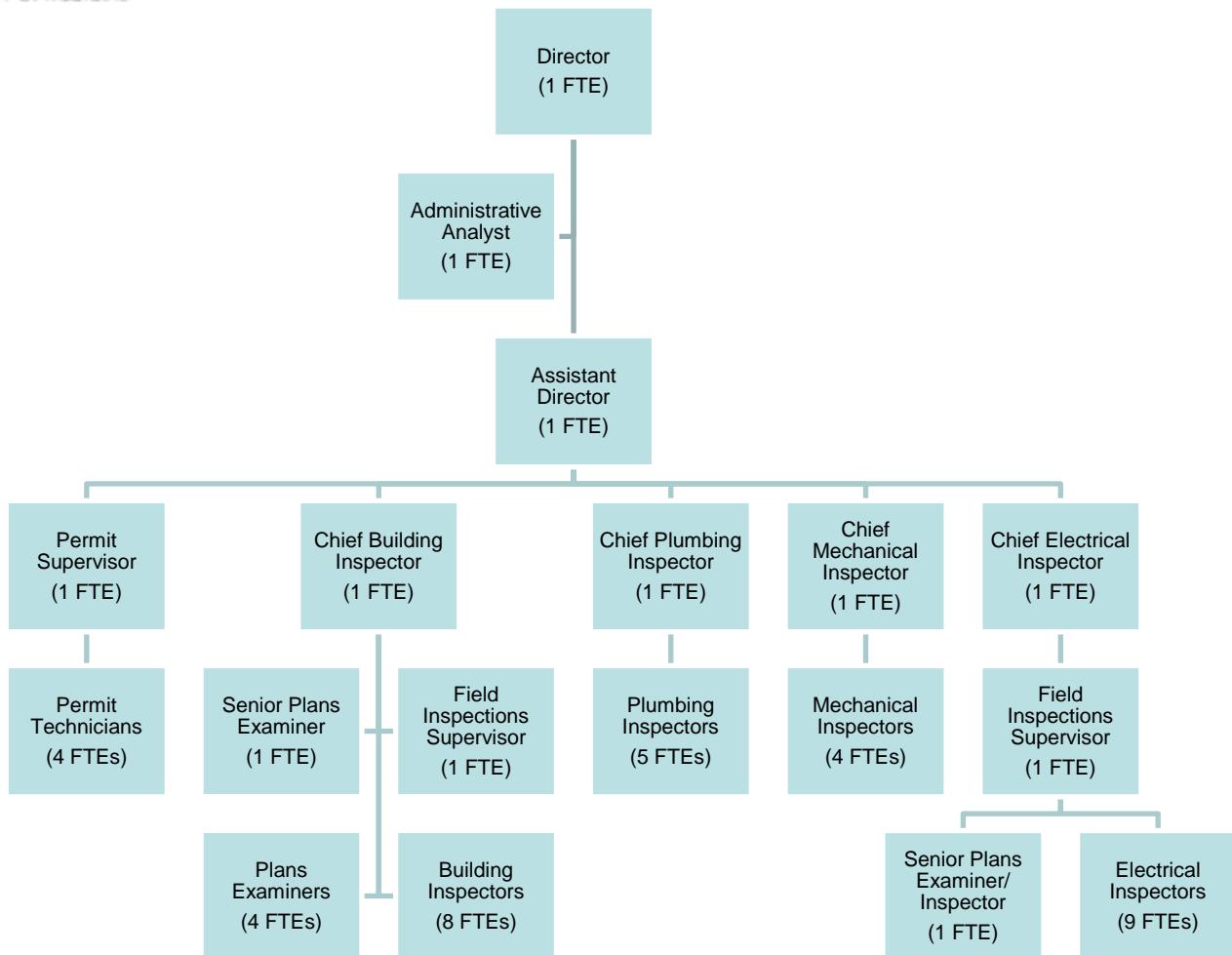
COMMUNITY BUILDING





Durham City-County Inspections

(46 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, and fire codes, and local zoning ordinances.

DEPARTMENT DESCRIPTION

Inspection Services	\$3,913,261
	46 FTEs

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 signs), 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 Rezoning 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 year, which included information on the recognition of suspicious activity. An additional update training class is currently being coordinated with the Police Department and is scheduled to take place during FY16.

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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 3,307,493	\$ 3,486,392	\$ 3,472,442	\$ 3,663,220	5.1%
Operating	205,851	271,041	233,601	250,041	-7.7%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 3,513,344	\$ 3,757,433	\$ 3,706,043	\$ 3,913,261	4.1%
Full Time Equivalents	46	46	46	46	-
Part Time	3	3	3	3	-
Revenues					
Discretionary	\$ (1,914,591)	\$ (82,103)	\$ (888,811)	\$ (212,312)	158.6%
Program*	5,427,935	3,839,536	4,594,854	4,125,573	7.4%
Total Revenues	\$ 3,513,344	\$ 3,757,433	\$ 3,706,043	\$ 3,913,261	4.1%

*Note: Program revenues exceed total expense appropriations. Additional revenues support other general fund operational expenses.

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Building Trade	\$1,834,190	19.9 FTEs
Electrical Trade	\$1,045,978	13.5 FTEs
Plumbing Trade	\$432,035	5.8 FTEs
Mechanical Trade	\$601,058	6.8 FTEs

Goal: Thriving and Livable Neighborhoods

Objective: To provide for the safety and health of citizens by ensuring that all construction meets the North Carolina State Building Codes by performing two quality control inspections per inspector per month.

Initiative: Appropriate Chief Inspector/Field Supervisor will report status of quality control inspections monthly during departmental staff meetings.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Quality control inspections per inspector per month	1.7	2.0	2.0	2.0
% Inspections found to be accurate	99%	98%	98%	98%
# Quality control checks	461	600	558	600

- Objective:** To provide accurate and prompt plan review by reviewing 90% of all residential plans within 5 working days.
- Initiative:** Utilize express review program. The status will be reported monthly during departmental staff meetings.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% Residential plans reviewed in 5 days	99%	90%	80%	90%
% Plan errors found in field	0.85%	1%	0.90%	1%
# of plans reviewed	2,739	2,700	2,800	2,940

- Objective:** To provide timely response to customer requests by responding to requested inspections within 24 hours 90% of the time.
- Initiative:** Appropriate Chief Inspector/Field Supervisor will report status of response time monthly during departmental staff meetings.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% Inspections performed within 24 hours	92%	90%	90%	90%
# Inspections per inspector per day	23.8	20.0	24.3	20.0
# of Inspections performed	111,508	90,000	116,005	117,000

BUDGET ISSUES FOR FY 2015-16

- Recent State mandate requires single permits and inspections (mechanical and electrical) for HVAC replacements, (and mechanical, electrical, and plumbing) and for water heater installations. We are still working on complying with this challenging requirement (like most other larger jurisdictions, we have always issued a separate permit for electrical, a separate permit for mechanical, and a separate permit for plumbing, and have always provided separate inspections for each trade).
- Enhancements to the Land Development Office (LDO) software (included in Departmental Strategic Plan).
- Providing limited cross-training for Mechanical, Electrical, and Plumbing certification in the Mechanical, Electrical, and Plumbing Divisions for specific types of projects (included in Departmental Strategic Plan).
- Mentoring and training needed for new Chief Building Inspector, new Chief Electrical Inspector, new Chief Plumbing Inspector, new Electrical Field Inspections Supervisor, and new Assistant Director (due to numerous retirements and promotions).
- Continued training for electrical inspectors for solar panel installations.
- Continuing to deal with the setbacks created by numerous retirements within the Department.

ACCOMPLISHMENTS FOR FY 2014-15

- Inspected all public schools and new daycare facilities.
- Conducted requested inspections within 24 hours, 90% of the time.
- Maintained 100% compliance with the Fleet Preventive Maintenance program.
- Performed quality assurance inspections for each inspector each month.
- Provided a bi-lingual employee in the Administrative Division and a bi-lingual employee in the Plan Review Division (to support the City's Hispanic initiative).

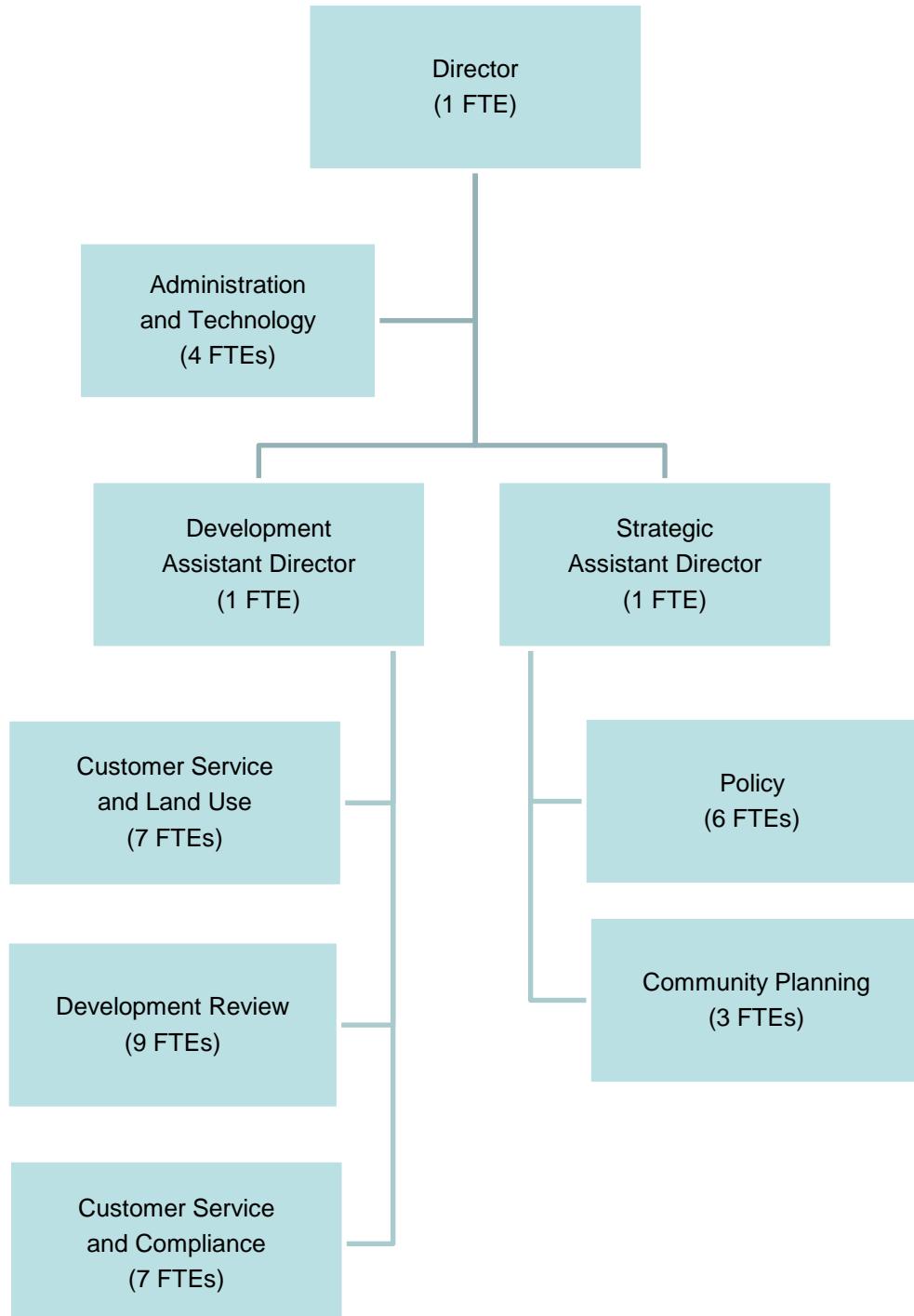
- Participated in economic development projects such as :
Merck Pharmaceutical, Purdue Pharmaceutical, Blue Cross Blue Shield renovations/addition project, Bayer Crop Science expansion project, Syngenta Biotech expansion project, the Project Joshua Data Center project, the Hendrick Dodge Auto Mall project, the Del Webb Carolina Arbors residential community project, the Fidelity Investment expansion project, the Durham City Hall exterior renovations project, the Cree Industries expansion project, the EMC² renovation, the Medicago project, the Diamond View III project up-fits, the United Therapeutics project, the Duke Surgical Unit renovations project, and multiple new apartment complexes and hotel projects (for example: 21C Hotel, Residence Inn, A-Loft Hotel, Hotel Durham, Home 2 Suites by Hilton, etc.).
- Collected Technology Surcharge to cover expenses for the LDO software and hardware.
- Completed numerous software enhancements for the LDO system.
- Participated in successful 911 and Police Department “City-Wide Eyes” (formerly known as “Eyes and Ears”) 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.
- Met state-required continuing education requirements for inspectors.
- Continued Department’s efforts to improve overall Departmental rating on Employee Opinion Survey.
- Successful implementation of Pilot Program for Digital Plan Review.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Assist in the reduction of the incidence of crime through participation in the “City-Wide Eyes” program (formerly known as “Eyes and Ears” 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 (included in Departmental Strategic Plan).
- 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 limited cross-training for Mechanical, Electrical, and Plumbing certification in the Mechanical, Electrical, and Plumbing Divisions for specific types of projects (included in Departmental Strategic Plan).



City-County Planning (39 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 Funds: \$3,146,617
38 FTEs

Grant Funds: \$49,920*
1 FTE

The Durham City-County Planning Department was established in accordance with 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, nine 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 work program is presented for adoption to the City Council and Durham County Board of Commissioners in accordance with the interlocal agreement.

Development Review

The staff prepares professional recommendations to advisory, quasi-judicial and elected boards about development proposals. The Department processes and reviews all proposals for new development to ensure that proposals are consistent with adopted City and County policies and the provisions of the Unified Development Ordinance (UDO). Staff assistance is provided to various joint City-County boards and commissions, including the Historic Preservation Commission, the Environmental Affairs Board, the Appearance Commission, the Durham Open Space and Trails Commission, the Board of Adjustment, the Planning Commission, and the Joint City-County Planning Committee.

Community Planning

The staff builds lasting relationships with citizens for the purpose of developing and implementing a collective land use vision for the community. Focus is on developing respectful collaboration that is intentionally designed to address community identified issues, facilitate collaborative knowledge generation that will serve as the foundation for designing, implementing and evaluating solutions to land use issues that are impacting the community.

Comprehensive Planning

The Department prepares and updates the Durham Comprehensive Plan, prepares various small area land use plans and studies, participates in planning for regional transit, and prepares proposed amendments to the Unified Development Ordinance. Staff assistance is provided to various joint City-County boards and commissions, including the Appearance Commission, Open Space and Trails Commission, Environmental Affairs Board, and Joint City-County Planning Committee.

Customer Service

Through the Customer Service Center and an extensive web site, the Department provides a wide range of information to the public about property, planning, and development in Durham.

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

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
<i>Non-Grant Appropriations</i>					
Personal Services	\$ 2,744,880	\$ 2,773,020	\$ 2,727,262	\$ 2,835,442	2.3%
Operating	157,409	323,499	226,596	286,786	-11.3%
Capital and Other Transfers	-	14,509	12,009	14,000	-3.5%
Total Appropriations	\$ 2,914,289	\$ 3,123,028	\$ 2,977,867	\$ 3,146,617	0.8%
Full Time Equivalents	38	38	38	38	-
Part Time	-	-	-	-	-
<i>Revenues</i>					
Discretionary Program	\$ 1,019,207 1,895,082	\$ 1,057,014 2,066,014	\$ 846,853 2,131,014	\$ 1,016,148 2,130,469	-3.9% 3.1%
Total Revenues	\$ 2,914,289	\$ 3,123,028	\$ 2,977,867	\$ 3,146,617	0.8%
<i>Grant</i>					
Personal Services	\$ 50,253	\$ 60,000	\$ 60,000	\$ 49,920	-16.8%
Operating	-	-	-	-	0.0%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 50,253	\$ 60,000	\$ 60,000	\$ 49,920	-16.8%
Full Time Equivalents	1	1	1	1	-
Part Time	-	-	-	-	-
<i>Transportation Planning</i>					
Grant Revenue	\$ 50,253	\$ 60,000	\$ 60,000	\$ 49,920	-16.8%
Total Grant Revenue	\$ 50,253	\$ 60,000	\$ 60,000	\$ 49,920	-16.8%
Total Budget	\$ 2,964,542	\$ 3,183,028	\$ 3,037,867	\$ 3,196,537	0.4%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Development Review

General Fund: \$1,346,444
FTEs: 17.25

Goal: Thriving Livable Neighborhoods

Objective: Review public and private land development proposals within the completion and milestone deadlines established by the Unified Development Ordinance and the Planning Director.

Initiative: Monthly report provided to Planning Director by Assistant Director for Development which defines on time compliance with adopted standard and issue abatement approaches.

Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Percent of reviews of public and private land development proposals completed within established deadlines	90%	95%	95%	95%

Objective: Review public and private land development proposals in a high quality manner.

Initiative: Monthly report provided to Planning Director by Assistant Director for Development which defines quality control compliance with adopted standard and issue abatement approaches.

Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Percent of reviews of public and private land development proposals evaluated by the appropriate Work Group Supervisor as high quality	95%	95%	95%	95%

Objective: Review public and private land development proposals in a manner that achieves a high level of customer satisfaction.

Initiative: Monthly report provided to Planning Director by Assistant Director for Development Planning which includes a summary of survey results and identification of areas that need improvement.

Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Percent of surveyed customers evaluating the review of public and private land development proposals as "good" or better on customer satisfaction surveys	95%	90%	90%	90%

Objective: Evaluate caseload trends to ensure adequate staffing of Development Review activities.

Initiative: Monthly report to Planning Director provided by Assistant Director for Development that provides information on caseload quantity.

Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Number of zoning map changes	29	29	59	45
Number of cases heard by the Board of Adjustment	36	33	38	38
Number of subdivision cases	280	280	275	280
Number of site plans	375	375	375	375
Number of COA cases processed	130	121	118	118

Program: Zoning Administration and Customer Service

General Fund: \$683,116
FTEs: 8.25

Goal: Thriving Livable Neighborhoods

Objective: Enforce and administer the regulations of the UDO within the deadlines established by the Planning Director.

Initiative: Utilize monthly zoning administration report provided to assess on time compliance with adopted standards.

Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Percent of case files, including LDO data, containing required materials and accurate information	95%	95%	95%	95%

Objective: Enforce and administer the regulations of the UDO in a manner that achieves a high level of quality.

Initiative: Monthly report provided to Planning Director by Assistant Director for Development which defines quality control compliance with adopted standard and issue abatement approaches.

Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Percent of zoning enforcement and site compliance files that are complete and accurate at time of close-out	95%	95%	95%	95%

Objective: Enforce and administer the regulations of the UDO in a manner that achieves a high level of customer satisfaction.

Initiative: Monthly report provided to Planning Director by Assistant Director for Development Planning which includes a summary of survey results and identification of areas that need improvement.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Percent of surveyed customers evaluating the zoning enforcement or site compliance activity they experienced as "good" or better on customer satisfaction surveys	90%	90%	90%	90%

Objective: Workload: Evaluate caseload trends to ensure adequate staffing of enforcement activities.

Initiative: Workload: Evaluate caseload trends to ensure adequate staffing of enforcement activities. Monthly report to Planning Director provided by Assistant Director for Development that provides information on caseload quantity.

Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Number of zoning enforcement cases initiated	1,384	1,400	1,423	1,400

Program: Comprehensive Planning

General Fund: \$724,643
FTEs: 8.75

Goal: Thriving Livable Neighborhoods

Objective: Prepare plans, policies, program and recommendations within the completion and milestone deadlines established by the adopted Work Program and the Planning Director.

Initiative: Utilize individual project plans to assess on time compliance with adopted standard and issue abatement approaches.

Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Percent of work products completed or milestones reached within established deadlines	90%	95%	95%	95%
Objective: Prepare plans, policies, program and recommendations in a manner that achieves a high level of quality.				
Initiative: Monthly report provided to Planning Director by Assistant Director for Strategic Planning which includes a summary of survey results and identification of areas that need improvement.				
Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Percent of work program projects evaluated by the Supervisor as high quality	95%	95%	95%	95%
Objective: Prepare plans, policies, program and recommendations in a manner that achieves a high level of customer satisfaction.				
Initiative: Monthly report provided to Planning Director by Assistant Director for Strategic Planning which includes a summary of survey results and identification of areas that need improvement.				
Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Percent of surveyed stakeholders evaluating the preparation of plan and policies as "Good" or better on customer satisfaction surveys	90%	90%	90%	90%
Program: Customer Service	General Fund: \$392,413 FTEs: 4.75			
Goal: Thriving Livable Neighborhoods				
Objective: Provide information about property, development, and regulations within deadlines established by the Planning Director.				
Initiative: Monthly report provided to Planning Director by Assistant Director for Strategic Planning which defines on time compliance with adopted standard and issue abatement approaches.				
Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Percent of public information inquiries responded to within departmentally established deadlines	95%	95%	95%	95%
Objective: Provide information about property, development, and regulations in a manner that achieves a high level of quality				
Initiative: Monthly report provided to Planning Director by Assistant Director for Strategic Planning which includes a summary of survey results and identification of areas that need improvement				

Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Percent of responses to public inquiries evaluated by the Supervisor as high quality	95%	95%	95%	95%

Objective: Provide information about property, development, and regulations in a manner that achieves a high level of customer satisfaction.

Initiative: Monthly report provided to Planning Director by Assistant Director for Strategic Planning which includes a summary of survey results and identification of areas that need improvement.

Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Percent of surveyed customers evaluating information they received about property, development and regulations as "good" or better in customer satisfaction surveys	92%	90%	90%	90%

Objective: Evaluate caseload trends to ensure adequate staffing of enforcement activities.

Initiative: Monthly report to Planning Director provided by Assistant Director for Development that provides information on caseload quantity.

Measure:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Number of customers assisted by Customer Service Center	11,223	12,000	14,599	12,000

BUDGET ISSUES FOR FY 2015 - 16

- A significant proportion of the Planning Department's work is mandated by City and County interlocal agreements, including those for joint planning, open space and trails planning, historic preservation, appearance and environmental planning.
- Work priorities shift throughout the year based on changes in direction from both elected boards, City and County Managers and the Joint City-County Planning Committee.
- Planning Department operational expenses are largely driven by legal requirements in the UDO, City Code, and state legislation.
- The Department has been reacting to new state legislation related to UDO requirements placing unexpected demands on the work program.
- Fees for review of new development are set to recover approximately 70 to 80 percent of staff costs related to development review, but some specific review costs are set much lower to minimize development review costs for small businesses and residential properties. Fees cover none of the costs related to the Zoning Administration, Comprehensive Planning, and Public Information programs.
- The department is proposing to assume the review and permitting of signs and for building permit reviews for UDO compliance.

ACCOMPLISHMENTS FOR FY 2014-15

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

Site Plans	426
Subdivisions	326
Board of Adjustment Cases	38
Certificates of Appropriateness	118

Zoning Map Changes	59
Plan Amendments	20
Building permit reviews	435
Outdoor seating permit reviews	6
Design Compliance Reviews	221
Architectural Reviews	8
Home Occupation Permits	700
Temporary Use Permits	50
Street Vendor Registrations	5
Selective Vegetation Removal Permits	5
Limited Agricultural Permits	12

- Provided timely enforcement of the UDO:

Zoning Enforcement Cases Initiated	1,423
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- Coordinated the review of Selective Vegetation Removal Permits for consideration by NCDOT.
- Coordinated with the Police Department to verify use for 86 ABC permit applications.
- Coordinated with the City-County Inspections Department to verify use prior to electrical reconnection for 176 properties.
- Coordinated with the City Business License Office to verify use or change of use for 521 properties.
- Coordinated with the County Sedimentation and Erosion Control Office for single-family grading permits for 42 properties.
- 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.
- Completed recertification of Durham County’s participation in the National Flood Insurance Program (NFIP) Community Rating System (CRS).
- Managed the consolidated annexation process.
- Enforced standards for mobile vendors.
- Enforced standards for outdoor seating standards in Design Districts.
- Implemented and enforced new standards for group and family care home spacing.
- Completed or worked on significant revisions to the UDO:
 - Removing Discretionary Actions from the UDO;
 - Wireless Communications Facilities (WCF);
 - Tree Coverage Calculation;
 - Density Revisions;
 - Affordable Housing Density Bonus and Parking Reductions;
 - Watershed Protection Overlays in Rural Villages (Rougemont); and
 - Technical Changes IX.
- Completed the annual Evaluation and Assessment Report of the Durham Comprehensive Plan.
- Prepared an affordable housing inventory and began work on regulatory incentives for affordable housing.
- Participated in a multi-departmental effort to work with the Triangle Transit Authority to develop and implement a regional Transit Plan.
- Continued work on the multi-year Station Area Strategic Infrastructure (SASI) project to evaluate needed infrastructure improvements around proposed regional transit stations.
- Continued work on a historic district preservation plan for an expanded Cleveland-Holloway Local Historic District.
- Continued work on merging criteria for seven local historic districts and numerous historic landmarks.
- Maintained Certified Local Government Status for historic preservation.
- Participated in Triangle J Council of Government (TJCOG) planning efforts including the Center of the Region (CORE) Project and the Smart Growth Committee
- Managed the Customer Service Center and provided timely response to all general public inquiries (projected EOY total contacts of 12,000 total contacts).
- Staffed seven appointed boards and commissions, as well as participated in numerous regional committees:
 - Joint City-County Planning Committee;
 - Planning Commission;
 - Board of Adjustment;
 - Environmental Affairs Board;
 - Durham Open Space and Trails Commission;
 - Appearance Commission; and
 - Durham-Chapel Hill-Orange Work Group.

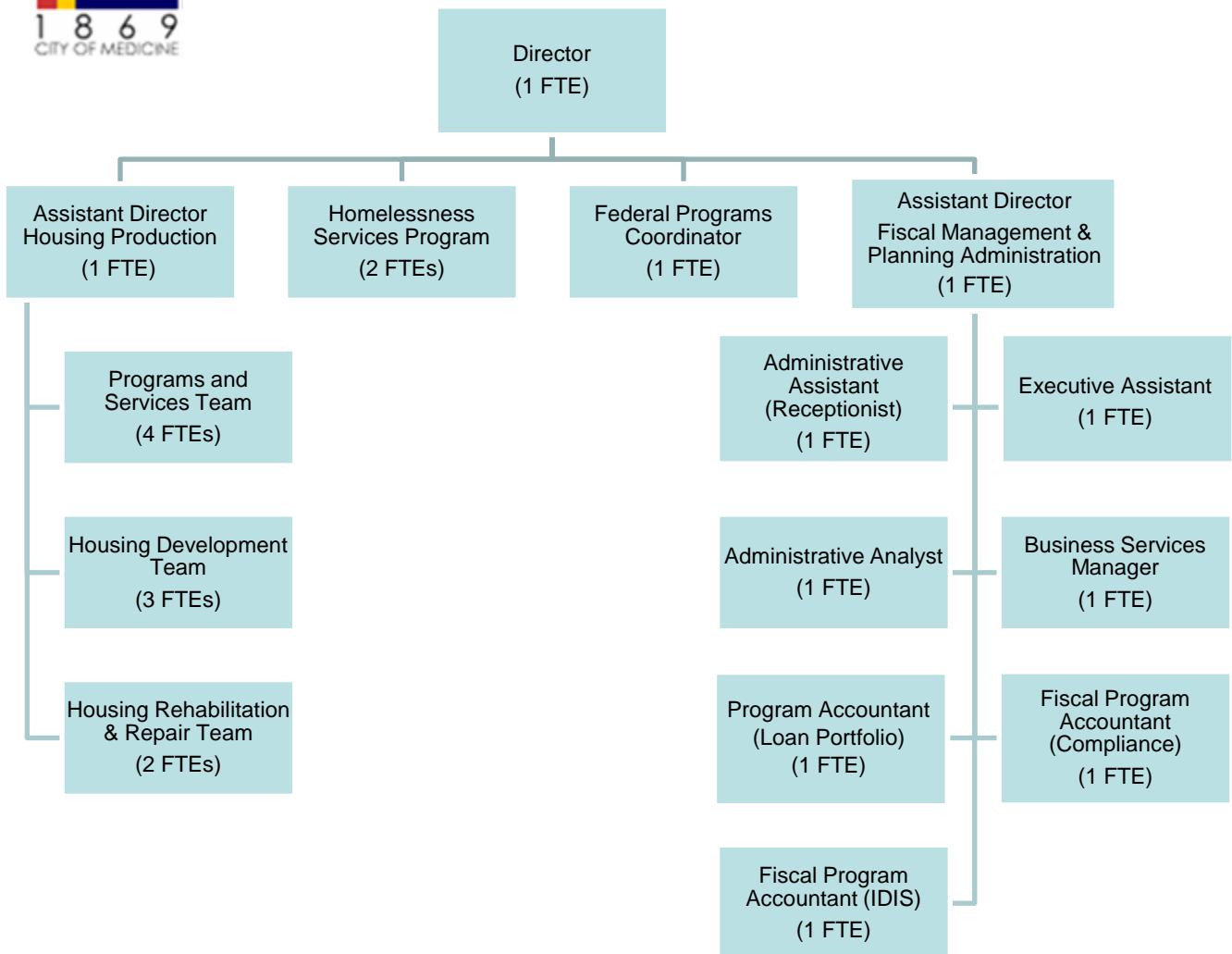
- Assisted in the development and presentation of the legislative agenda.
- Worked with multiple departments on enhancements to the Land Development Office (LDO) digital software.
- Participated in development of the new City and County Joint Economic Development Strategic Plan.
- Participated with multiple departments in planning for the Choice Neighborhood project.
- Completed station area affordable housing inventory and scoping for broader affordable housing program.
- Completed the Planning Department Strategic Plan.
- Assisted in implementation of the City Strategic Plan, Goals 1, 3 and 5.
- Adoption of the Downtown Open Space Plan by the City Council.
- Performed demographic analysis for the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (MPO).
- Provided Departmental GIS and computer hardware and software support.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Continue on-going work activities as defined in the adopted annual Work Program.
- Continue to make significant improvements to the UDO and to development review processes.
- Continue work on the multi-year Station Area Strategic Infrastructure study.
- Will 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 the Urban Open Space Plan by the City Council.
- Adoption of merged historic criteria by the City Council.
- Maintain Certified Local Government status.
- Maintain the NFIP Community Rating System certification for Durham County.
- Continue work on the Compact Neighborhood station area design districts.
- Work with the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization on data collection and analysis as well as transportation modelling for development of the next Metropolitan Transportation Plan.



Community Development (22 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

Community Development	General Fund: \$1,683,781 14 FTEs
	Dedicated Housing Fund: \$1,753,910 1 FTE
	Grant Funds: \$3,919,007 7 FTEs

Fiscal Management and Planning Administration Division

This Division provides oversight and administration of managerial functions that are required for daily operations of the department. The following program is administered under this Division:

Administration: This program involves 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 Program: This program focuses specifically on the Southside neighborhood with the objective of alleviating blight and disinvestment. Specific components include the redevelopment of vacant parcels through the construction of high quality, mixed-income rental units and new homeownership units; the rehabilitation of owner-occupied homes; and enhanced resident self-sufficiency through education and job training. An additional component is a community outreach coordinator located in Southside who, among other duties, works to strengthen and expand the Southside Neighborhood Association.

Affordable Housing Program: This program seeks to increase the rate of homeownership and the supply of quality affordable rental housing in targeted neighborhoods with a particular focus on Northeast Central Durham (NECD) and Southwest Central Durham (SWCD). The program is implemented primarily through partnerships with non-profit entities.

Financial Empowerment and Home Retention Program: This program focuses on assisting low income households in preserving financial wealth and homeownership retention. Second mortgage loans, and housing repair support these program objectives.

Homelessness Services Program: This program seeks to reduce the number of families and individuals in Durham who experience homelessness through case management, essential services, the creation of permanent housing with supportive services, homelessness prevention and rapid re-housing. Included in the program is the administration of the Emergency Solutions Grant (ESG) program and the Continuum of Care (CoC).

Sustainability

The City – County joint sustainability initiative is funded as part of the Community Development budget.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
<i>Non-Grant Appropriations</i>					
Personal Services	\$ 1,346,529	\$ 1,297,873	\$ 1,290,764	\$ 1,277,033	-1.6%
Operating	1,459,493	1,942,841	1,795,793	1,986,658	2.3%
Capital and Other Transfers	-	74,000	74,000	74,000	0.0%
Total Appropriations	\$ 3,859,506	\$ 4,899,707	\$ 4,745,550	\$ 3,437,691	-29.8%
Full Time Equivalents	15	15	15	15	-
Part Time	-	-	-	-	-
<i>Revenues</i>					
Discretionary Program	\$ 1,824,596 4,600	\$ 1,793,896 -	\$ 2,012,300 -	\$ 1,683,781 -	-6.1% 0.0%
Total General Fund	\$ 1,829,196	\$ 1,793,896	\$ 2,012,300	\$ 1,683,781	-6.1%
Dedicated Housing Fund	2,030,310	3,105,811	2,733,250	1,753,910	-43.5%
Total Revenues	\$ 3,859,506	\$ 4,899,707	\$ 4,745,550	\$ 3,437,691	-29.8%
<i>Grant Appropriations</i>					
Personal Services	\$ 526,960	\$ 505,664	\$ 470,207	\$ 508,843	0.6%
Operating	3,875,564	2,291,726	2,267,730	3,410,164	48.8%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 4,402,524	\$ 2,797,390	\$ 2,737,937	\$ 3,919,007	40.1%
Full Time Equivalents	7	7	7	7	-
Part Time	-	-	-	-	-
<i>Revenues</i>					
CDBG	\$ 1,791,544	\$ 1,564,678	\$ 1,494,508	\$ 2,226,378	42.3%
HOME	1,379,798	1,082,712	1,243,429	1,250,377	15.5%
Emergency Shelter	152,760	150,000	-	160,046	6.7%
HOPWA - Hsg Oppty 4	-	-	-	282,206	100.0%
NSP 1	87,794	-	-	-	0.0%
NSP 3	950,000	-	-	-	0.0%
EPA	40,629	-	-	-	0.0%
Total Revenues	\$ 4,402,524	\$ 2,797,390	\$ 2,737,937	\$ 3,919,007	40.1%
Total Budget	\$ 8,262,030	\$ 7,697,097	\$ 7,483,487	\$ 7,356,698	-4.4%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Neighborhood Revitalization Program	General Fund: \$387,029 FTEs: 3
	Dedicated Housing Fund: \$756,910 Grant Funds: \$2,130,062 FTEs: 2

- Goal:** To create thriving and sustainable neighborhoods.
- Objective:** To increase the rate of homeownership in the neighborhood through the construction and marketing of 45 high quality homes for mixed-income buyers over the next five years.
- Objective:** To create approximately 211 high quality rental housing units serving a broad range of incomes over the next five years.
- Objective:** To reduce the number of vacant properties through redevelopment by 33% over the next five years.
- Initiative:** To partner with proven real estate development professionals and community service providers having established track records of success.
- Objective:** To assist the 24 existing homeowners with housing repair and rehabilitation/replacement needs over the next five years.
- Initiative:** To continue with the rehabilitation of owner-occupied homes and initiate replacement housing efforts in those instances where rehabilitation is not feasible.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of Homeownership homes rehabilitated and replaced (Southside)	4	2	2	0
# of Homeownership homes rehabilitated and replaced (Non-Southside)	2	12	6	7

- Objective:** To provide residents with services and programs appropriate to their needs.
- Initiative:** To retain and increase the number of participants in the programs.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of Persons engaged in educational training.	10	10	15	20
# of Persons engaged in the Youth Council program.	19	20	10	15

Program: Financial Empowerment and Home Retention Program	General Fund: \$243,904 FTEs: 2
	Dedicated Housing Fund: \$297,000 Grant Funds: \$500,000 FTEs: 1

- Goal:** Strong and Diverse Economy
- Objective:** To provide homeownership and financial educational opportunities and assistance to low to moderate income households.
- Initiative:** To provide assistance and incentives to low to moderate income homebuyers purchasing homes constructed or rehabilitated by non-profits in NECD and SWCD.
- Initiative:** To provide comprehensive housing and financial counseling services in the areas of pre-purchase, and foreclosure prevention and work out plans, financial literacy, default and delinquency.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of Southside homebuyers assisted	8	13	11	8
# of Non-Southside homebuyers assisted	14	4	12	11
% delinquency rate relating to the City's loan portfolio	7.66%	6.00%	6.50%	6.00%

Objective: To provide urgent repairs and housing rehab to maintain Durham's housing stock.

Initiative: To create and disseminate informational materials relative to the availability of housing repair and rehabilitation assistance.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of urgent repairs/rehabs	27	25	25	30
Program: Affordable Housing Program			General Fund: \$121,449 FTEs: 1	

Dedicated Housing Fund: \$500,000
Grant Funds: \$209,854
FTEs: 1

Goal: Thriving Livable Neighborhoods

Objective: To invest funds in partnerships with for-profit and non-profit development entities that will leverage other resources in the creation of affordable homeownership and rental units in Northeast Central Durham (NECD), Southwest Central Durham (SWCD) and other Durham neighborhoods, excluding Southside.

Initiative: To partner with nonprofit organizations to complete homeownership and affordable rental development efforts in NECD and SWCD.

Initiative: To solicit proposals for the development of at least one Low Income Housing Tax Credit project through the Department's annual application process.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of Homeownership units created (Southside)	15	15	22	24
# of Homeownership units created (Non-Southside)	12	2	2	11
# of Affordable rental units created (Southside)	0	9	141	0
# of Affordable rental units created (Non-Southside)	8	169	124	122
# of Affordable rental units created (Special Needs)	23	23	11	12

Program: Administration	General Fund: \$762,501 FTEs: 7 Grant Funds: \$508,843 FTEs: 2
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Goal: Well Managed City

Objective: Timely compliance with HUD requirements.

Initiative: Strengthen internal controls in Integrated Disbursement and Information Systems (IDIS) and General Ledger reconciliation.

Program: Homelessness Services Program

General Fund:	\$168,898
FTEs:	1
Dedicated	
Housing Fund:	\$200,000
FTEs:	1
Grant Funds:	\$570,248
FTEs:	1

Goal: Thriving Livable Neighborhoods

Objective: To increase the number of permanent housing units and provide supportive services as well as assistance to homeless persons and those at risk of becoming homeless.

Initiative: To ensure that services are coordinated and delivered in a way that emphasizes homelessness prevention.

Initiative: To monitor and report on rapid re-housing efforts funded by both Federal and local sources.

Initiative: To solicit proposals for the development of at least one Permanent Supportive Housing project through the Department's annual application process.

Initiative: To effectively administer the Continuum of Care through a cooperation agreement with Durham County.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of Households provided prevention and rapid rehousing assistance	127	84	127	42

ACCOMPLISHMENTS FOR FY 2014-15

Neighborhood Revitalization (Southside)

- Construction and sale of 12 homeownership units.
- Completion of the Piedmont Rentals project (9 units).
- Re-zoning completed for the balance of the former Rolling Hills site.
- Site prep and infrastructure design documents completed for the balance of the former Rolling Hills site.
- Piedmont Rentals project (9 affordable units) completed.
- Final two homeowner replacement housing/relocations completed.
- Low Income Housing Tax Credits (LIHTCs) awarded to the Whitted School project (79 affordable elderly units).
- LIHTC application submitted for the second phase of the Lofts at Southside apartment development by Durham Community Land Trustees (DCLT) and McCormack Baron Salazar (MBS) (approximately 85 units).

Financial Empowerment and Home Retention

- Urgent repairs completed to the homes of 25 elderly or disabled owner-occupants.
- Default/delinquency counseling provided to homeowners having City loans resulting in 6 loan modifications.
- Assistance provided to 12 low to moderate income buyers in NECD and SWCD for the purchase of homes constructed or renovated by non-profits.

Affordable Housing

- Goley Pointe project completed and occupied (20 units) (Durham Housing Authority/DVI).
- Priess-Steele Place completed and occupied (82 units) (Durham Housing Authority).
- 10 affordable rental units preserved in SWDC (Southwest Central Durham) by DCLT.
- 12 affordable rentals preserved by Woodland Associates.
- 10 owner-occupied units repaired in SWDC by DCLT.
- Construction underway on the "Vermillion," a 60-unit affordable development serving families.

Homeless Services

- Continue homeless prevention and rapid re-housing efforts.
- CASA's Denson Apartments for Veterans Phase 1 and DVI's Goley Pointe projects are complete and occupied (23 total units).
- Construction initiated on CASA's Denson Apartments for Veterans Phase 2.

Administration

- Continued to develop and implement a plans to address departmental concerns on the employee opinion survey.
- Issued Request for Qualifications (RFQ) for consultant to assist department in developing policy recommendations for affordable housing at transit stops, homelessness services and staff development.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

Neighborhood Revitalization (Southside)

- Construction and sale of an additional 24 homeownership units.
- Completion of site prep and infrastructure improvements for the Beamon/Piedmont assemblage (unit count to be determined).
- Construction to begin on second phase of the Lofts of Southside development (approximately 85 units).

Financial Empowerment/Home Retention

- Urgent repairs to be completed to the homes of 30 elderly or disabled owner-occupants.
- Default/delinquency counseling to be provided to homeowners having City loans resulting in approximately 5 loan modifications.
- Continued assistance to be provided to low to moderate income buyers in NECD and SWCD for the purchase of homes constructed or renovated by non-profits.

Affordable Housing

- 20 affordable rental units to be preserved in SWCD by DCLT.
- 35 affordable rentals preserved by Woodland Associates.
- 2 new affordable rental units to be created in SWCD by DCLT.
- Construction to be completed on the "Vermillion" (60 affordable rental units).
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Homeless Services

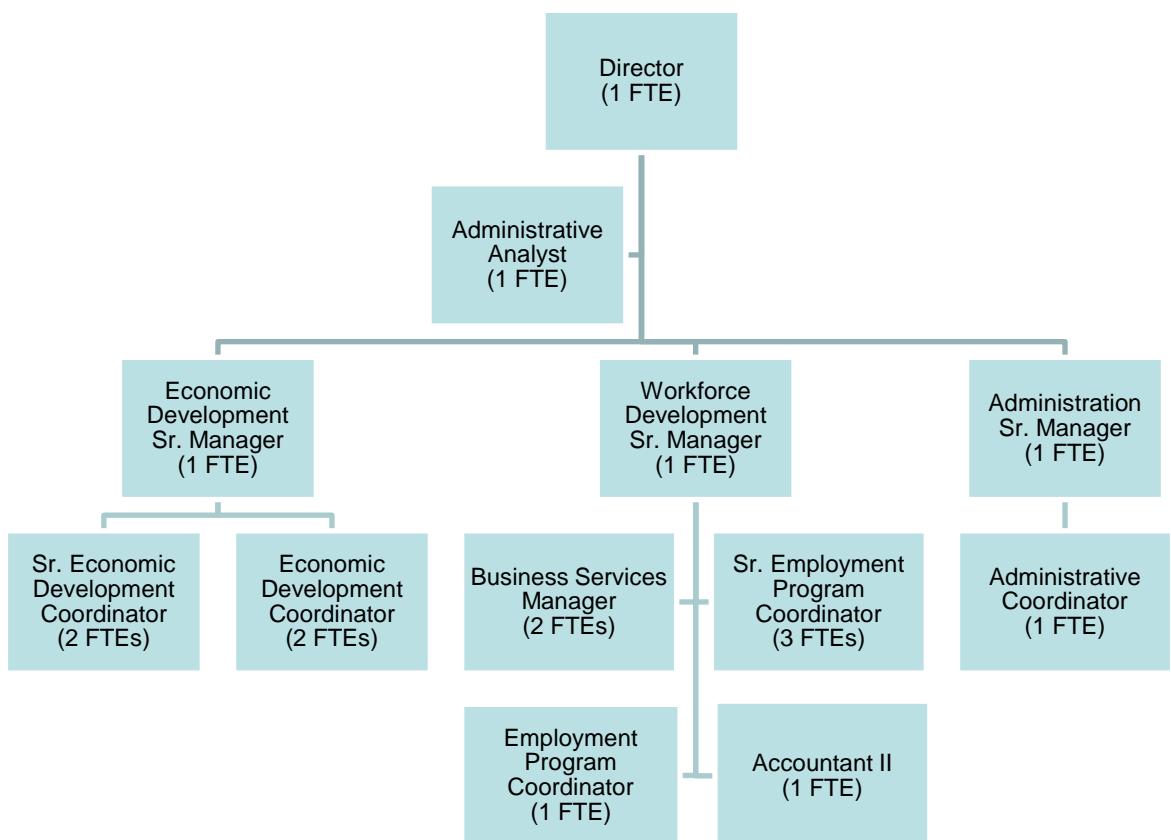
- Continue prevention and re-housing efforts.
- Construction to be completed on CASA's Denson Apartments for Veterans Phase 2.

Administration

- With the assistance of a consultant, develop policy options and recommendations on affordable housing at transit stops.
- Develop and implement U.S. Department of Housing and Urban Development (HUD)'s HOPWA (Housing Opportunities for Persons with A.I.D.S.) funding.
- Continue to develop and implement a plans to address departmental concerns on the employee opinion survey.
- Submit for approval the developed Policies and Procedures that addresses Borrowers' delinquencies on the City's Loan Portfolio.



Office of Economic & Workforce Development (17 FTEs)



OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT

Purpose Statement: To innovatively drive economic prosperity in Durham by:

- Revitalizing Durham neighborhoods;
- Increasing Durham's commercial tax base;
- Assisting in attracting, creating, expanding and retaining businesses;
- Fostering a skilled workforce.

DEPARTMENT DESCRIPTION

Office of Economic & Workforce Development

General Fund: \$2,887,017

10.5 FTEs

Grant Funds: \$1,747,592

6.5 FTEs

Economic Development Division

The Economic Development Division is charged with executing the City of Durham's economic development strategy, which encourages growth and investment across the City. Our strategy is centered on three major priorities: attracting businesses, revitalizing neighborhoods and creating jobs. The division is dedicated to promoting City initiatives and providing economic tools to business owners interested in relocating to or expanding their companies within the City of Durham. The division coordinates a myriad of economic development incentives and programs with businesses. Our strategy involves building upon the City's strengths to promote existing businesses and retain jobs; to facilitate business expansion and startups; and to recruit new businesses and related employment to the City. Because business recruitment is very competitive, we partner with the State of North Carolina Department of Commerce, the Durham County Government, Downtown Durham, Inc., the Research Triangle Regional Partnership, the Research Triangle Park Foundation, the Greater Durham Chamber of Commerce, the Durham Convention and Visitors Bureau and a multitude of other economic development organizations to ensure that companies utilize the appropriate tools to help start, grow or locate their businesses in Durham.

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

- Initiators - through distribution of 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 their job to bring the different stakeholders to the bargaining table, gather resources, mediate and match buyers with suppliers and facilitate business partnerships.
- Conveners - essential to achieving successful outcomes in collaborative processes, especially when the solutions reached require action by multiple sectors and levels of government.

Cultural/Creative Arts Innovation and Tourism Development - spearheading and implementing 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 coordination on area-wide initiatives. The division develops supports and expands the City's Public Art initiatives and infrastructure. Staff provides 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 works 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.

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, including the redevelopment of the American Tobacco Campus and the transformation of the Liggett tobacco property into West Village. 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. Major property incentive deals, as well as Building Improvement Grants (BIGs), Retail and Professional Services Grants, and sign grants are tools geared toward strengthening the stability of businesses, growing the tax base and creating job opportunities for Durham residents.

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 economically revitalize neighborhoods, remove blight and improve the quality of life.

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 provides project management services and develops 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.

Workforce Development Division

Planning and Re-engagement – In November of 2014, the Durham Workforce Development Board (DWDB) approved its 2015-17 Strategic Plan. This multi-faceted plan is a reflection of the collaboration between the private- and public-sector members of the Board as well as staff from partner agencies that comprise the NCWorks Career Center system, i.e., the Office of Economic and Workforce Development (OEWD), Durham Technical Community College (DTCC), the Durham Public Schools (DPS), etc. Overall, the new plan lays a foundation that focuses 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 a three-part coordinating group, i.e., DWDB, Made in Durham (MID), and the Youth Opportunity Initiative (YOI), for youth development programs;
- Improving the selection process for and the composition of the DWDB for greater effectiveness and future compliance with the Workforce Innovation and Opportunity Act (WIOA), which will take effect in July 2015;
- 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.

Additionally, OEWD staff members have been working with Durham County staff and City strategic planning staff to finalize the Joint Economic Development Strategic Plan. This plan includes the following Strategic Focus Areas with relevance to workforce development:

Strategic Focus Area 1 – Business Retention and Recruitment; and Strategic Focus Area 4 – Talent Development and Recruitment.

Finally, OEWD staff continues to work and collaborate with community members and external agency staff to craft the Jobs Action Plan for the Mayor's Poverty Reduction Initiative. The action plan is comprised of the recommendations of six working groups that focused on several employment barriers/issues, i.e., transportation, childcare, criminal background, communication, youth, and use of the Holton Career and Resource Center by residents in the 10.01 census block.

Job Preparation and Placement Services are guided by the DWDB 2015-2017 Strategic Plan and are delivered through the Durham NCWorks system, which includes the newly certified NCWorks Career Centers. This system connects Durham businesses with well-trained, top talent seeking new employment or upgrading their career paths. Federal and private-sector funding supports training and workforce placement programs for eligible adults, laid-off workers, and youth. Included within the system, the Former Offender Program provides employment orientations and workshops that maximize employability. These sessions deliver customized job development, job placement, and retention activities, as well as training. City funds supplement employment and training opportunities for youth and former offenders.

Other special initiatives include the US Environmental Protection Agency (EPA) Brownfields Grant for job training, certification, and placement; the Telecommunications, Energy, and Truck Driving Job Training Program in partnership with the North Carolina Institute for Minority Economic Development (NCIMED); and the two-year NCWorks system's Jobs Driven National Emergency Grant (JDNEG), which is a hallmark grant of over \$500,000 to OEWD and Durham Technical Community College that provides training in high-demand fields and results in Certified Production Technician (CPT) certifications, BioWork Process Technician certifications, OSHA certifications for bioworks students, and certifications for CPT students in each of the following modules: Quality Practices and Measurement, Maintenance Awareness, Safety, and Manufacturing Processes and Production. All students will also earn the Career Readiness Certificate. This initiative also results in job placements and includes on-the-job training (OJT) as an intervention.

We are continuing and refining the implementation of a demand-driven, Integrated Service Delivery (ISD) system at the Durham NCWorks Career Centers. The main objective of Durham's ISD is more customers receiving skill enhancement services that are critical to the local, regional, and statewide economy and are necessary for meeting the needs of Durham's local employers. ISD is designed to impact key operational objectives by improving access to services; increasing efficiency in the use of limited resources by eliminating duplication; ensuring efficient customer flow; and improving program performance.

The Durham YouthWork Internship Program (DYIP) for youth ages 14-21 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 with the Greater Durham Chamber of Commerce, DTCC, NCIMED, North Carolina Central University (NCCU), Duke University, DPS, MID, 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. This includes support of pipeline efforts planned and evaluated by the Durham NCWorks Career Center Leadership Team. OEWD promotes the Durham NCWorks Career Centers to business and community stakeholders for greater customer visibility and increased customer use of the Durham NCWorks Career Center system by doing the following: 1) increasing awareness, 2) creating stronger linkages between the Durham NCWorks Career Centers and businesses through direct outreach, 3) coordinating opportunities for businesses to use the Durham NCWorks Career Centers 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. Finally, we continue to support staff members who oversee special grants/initiatives through employer outreach in an effort to develop placement and career exploration opportunities for jobseekers.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
<i>Non-Grant Appropriations</i>					
Personal Services	\$ 1,094,453	\$ 1,057,533	\$ 1,049,231	\$ 1,077,763	1.9%
Operating	2,375,898	1,536,538	2,244,330	1,809,254	17.7%
Capital and Other	-	101,000	101,000	-	-100.0%
Total Appropriations	\$ 3,470,351	\$ 2,695,071	\$ 3,394,561	\$ 2,887,017	7.1%
Full Time Equivalents	10	10.5	10.5	10.5	-
Part Time	1	1	1	1	-
Revenues					
Discretionary Program	\$ 3,437,186	\$ 2,690,071	\$ 3,388,808	\$ 2,882,017	7.1%
	33,165	5,000	5,753	5,000	0.0%
Total Revenues	\$ 3,470,351	\$ 2,695,071	\$ 3,394,561	\$ 2,887,017	7.1%
<i>Grant</i>					
Personal Services	\$ 621,817	\$ 480,992	\$ 641,236	\$ 480,992	0.0%
Operating	1,889,680	1,642,975	1,952,089	1,266,598	-22.9%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 2,511,497	\$ 2,123,967	\$ 2,593,325	\$ 1,747,590	-17.7%
Full Time Equivalents	7	6.5	6.5	6.5	-
Part Time	1	1	1	1	-
Revenues					
EPA Brownfields	\$ 199,998	\$ 199,998	\$ 25,000	\$ 199,998	0.0%
Employment Training	2,271,499	1,923,969	2,568,325	1,547,592	-19.6%
SAMHSA	40,000	-	-	-	0.0%
Total Grant Revenue	\$ 2,511,497	\$ 2,123,967	\$ 2,593,325	\$ 1,747,590	-17.7%
Total Budget	\$ 5,981,848	\$ 4,819,038	\$ 5,987,886	\$ 4,634,607	-3.8%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program:	Downtown Redevelopment	General Fund:	\$1,260,746
		FTEs:	2.25
Goal:	Strong & Diverse Economy		
Objective:	To drive commercial activity, job creation and decrease vacancies		
Initiative:	Medium to Large-Scale Projects		

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of Projects evaluated and facilitated	5	4	3	7
# of Projects approved	3	4	1	7
Office vacancy rate (Downtown) ¹	10%	9%	76%	9%

¹ NAI Carolantic Realty, 2014 Triangle Commercial Real Estate Report

Program:	Neighborhood Development/Redevelopment	General Fund:	\$752,721
		FTEs:	1.25

Goal:	Strong & Diverse Economy
Objective:	To drive commercial activity, job creation and decrease vacancies
Initiative:	Medium to Large-Scale Projects

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of Projects evaluated and facilitated	4	5	3	5
# of Projects approved	2	1	1	2
Qualified Capital Investment dollars committed in neighborhood revitalization projects receiving direct financial support from the City	N/A	\$1,400,000	\$1,895,000	\$1,500,000

Program:	Business Expansion and Retention Services	General Fund:	\$81,896
		FTEs:	2

Goal:	Strong & Diverse Economy
Objective:	Improve business prospects for small businesses (especially professional services firms and contractors)
Initiative:	Implement Durham-based Business Plan

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of Businesses in SBAC program that reach business goal (i.e. increased sales, profits, contracts awarded, job creation/retention) within 12 months	N/A	75%	59%	75%
# of Businesses and entrepreneurs served by the Small Business Advisory Committee	N/A	75	130	130
# of Durham based firms awarded contracts from City ED projects	8	50	75	60
Program: Cultural/Public Art			General Fund: \$27,603	
			FTEs: 0.25	
Goal: Strong & Diverse Economy				
Objective: Increase the availability of the arts to encourage economic development, pedestrian experience and quality of life.				
Initiative: Develop an ongoing public arts program and to support the growth and expansion of other cultural programs.				
Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of ED projects that include public art installations or financial contributions to the public art fund within a 12-month period	N/A	3	0	3
# of Public art installations at targeted locations within a 12-month period (Target 1/yr)	14	3	4	4
# of new cultural arts programs to support tourism and ED in collaboration with stakeholders completed within a 12-month period	3	4	1	4
Program: Job Preparation and Placement			General Fund: \$413,952	
			FTEs: 1.75	
			Grant Funds: \$1,687,071	
			FTEs: 5.5	

Goal: Strong and Diverse Economy

Objective: Job creation and placement of Durham residents aged 24 and older

Initiative: Implement grant funded programs for eligible adults and laid off workers

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# of participants	726	570	2,200	2,200
Cost per participant	\$1,075	\$1,800	\$328	\$280
% of adults leaving grant funded program(s) with employment	79%	65%	90%	70%

Initiative: Implement Ex-Offender placement and training program

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
% Placed in employment or training	70%	60%	70%	70%
% All ex-offender participants placed in employment remaining on the job at least 6 months	64%	63%	63%	63%

Objective: Help youth achieve educational and employment success

Initiative: Implement short-term employment programs for youth (year-round work experience, WHOA, and summer programs)

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# of participants in subsidized employment	468	125	485	585
% completing work assignment	99%	100%	99%	100%

Initiative: Implement grant funded programs for low income youth

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# of youth participants	141	150	152	150
Cost per participant	\$3,078	<\$2,500	\$2,000	\$2,000
% Entering employment or post-secondary education	67%	69%	65%	65%

Program: Administration

General Fund: \$350,099

FTEs: 3

Grant Funds: \$60,521

FTEs: 1

BUDGET ISSUES FOR FY 2015-16

- Limited funding allocated to neighborhood revitalization may prohibit the ability to support potentially transformative projects in the commercial corridors. The funding needs of projects from developers exceed the current allocation.
- Increased funding for Public Art and festival support, more requests are being received annually.
- While the State has mandated Integrated Services Delivery (ISD) at both Durham NCWorks Career Centers, there have been reductions in NC Commerce Division of Workforce Solutions staff and financial resources, as well as changes in technological support, that make it more challenging to implement ISD effectively. Therefore, the department is exploring expanded use of volunteers in the Durham NCWorks Career Centers such as a potential agreement with AmeriCorps, and building scale through the new Memorandum of Understanding with Step up Ministries.
- Planning effective, quality workforce development programs will be challenging because a vast majority of the funding will come from the Workforce Innovation and Opportunity Act (the title of the re-authorized Workforce Investment Act). The department will aim to leverage the resources of system partners and will seek additional grant funding sources to offset the decrease in funding.
- Partnering and leveraging resources with Durham County, Durham Public Schools and the private sector to expand the DYIP will continue to be challenging. This is a result of the leveling off and, in some cases elimination, of public-sector financing. Greater investment from the private sector will be needed to ensure the future growth of the program. The recent addition of a Senior Employment Program Coordinator for Business Outreach and Career Exploration for Youth, a coordinated approach among youth partners and the maximization of responsibilities of our Business Services Manager, should help in this area.
- Consistent program promotions in line with the DWDB Strategic Plan and Joint City-County Economic Development Strategic Plan, particularly social media and website communications, will continue to be a challenge. Therefore, achieving effective branding and greater recognition of programs, products, and services through print media and electronic media, e.g., social media and websites will continue to be difficult. To overcome this obstacle, we will try to identify and seek grant funding to address this need.

ACCOMPLISHMENTS FOR FY 2014-15

- Collaborated with Downtown Durham, Inc. and Liberty Arts, Inc. on two public art donations under the Durham Public Art Program. This program adds cultural amenities to downtown in support of economic development and visitation.
- Approved extension of the Bull City Sculpture Show through May 2015. This continues the exhibition of 13 sculptures in public areas of downtown for an additional 6 months.
- Negotiated and implemented economic development incentive agreements, Durham Workforce Plans and Durham-Based Business Plans for the development of three transformative downtown hotel projects that will create over 250 permanent jobs, over \$10 million in contracting opportunities, add property, sales and occupancy tax revenues and significantly enhance the ability of the City to host conferences and events:
 - The 125 room 21c Museum Hotel project has a minimum required capital investment of \$33.6 million. Anticipated multi-year economic incentive from the City of Durham is slightly over \$5.7 million.
 - The 143 room Concord Hospitality Residence Inn project has a minimum required investment of \$22 million. Anticipated multi-year economic incentive from the City of Durham is slated to be slightly over \$1.3 million.
 - The 54 room Hotel Durham project has a capital investment of approximately \$10 million. Anticipated multi-year economic incentive from the City of Durham is \$605,000.
- Facilitated the Ninth Street streetscape project with the Public Works and Transportation departments. The venture is a public/private partnership between the City of Durham and CPGPI Regency Erwin, LLC. The scope of the project was the re-construction of approximately 1,200 linear feet of sidewalks and streetscape amenities to enhance the visual appeal of the Ninth Street business corridor. The project was valued at \$625,000.
- Received and evaluated 10 applications for Downtown Retail and Professional Services Grants in FY15. If awarded, grants will be completed in FY16. Grants awarded will support downtown retail growth.
- Awarded \$70,932 to 13 businesses in the Ninth Street Commercial Corridor for signs and facades. Anticipated completion by the end of FY15. Grants awarded will support the existing Ninth Street small retail business retention and expansion.

- Facilitated the Angier/Driver streetscape project with the Public Works Department to provide new pavement, curb and gutter, sidewalks, landscaping, underground and overhead utilities, and street lights. The project extends from the intersection of Angier Avenue and Driver Street east along Angier Avenue to Briggs Avenue, and includes Driver Street north to Ashe Street. The project was awarded \$3,980,065. The improvements will increase the business growth and expansion potential in a key neighborhood economic development corridor.
- Facilitated the West Chapel Hill Street streetscape project with the Public Works Department. The venture is a public/private partnership between the City of Durham and Self-Help Ventures. The streetscape enhancements consisted of curb, gutter and sidewalks extending beyond the Kent Corner Project, east along Chapel Hill Street to Carroll Street and south along Kent Street to Jackson Street. The project was awarded \$220,000. The improvements will increase the business growth and expansion potential in a key neighborhood economic development corridor and contemplate the commercial development project that is underway at the corner of West Chapel Hill and Kent Streets.
- Approved Retail and Professional Services Grants in the Targeted Community Development Area to renovate 1230 Avondale Drive to accommodate five businesses. The total project value exceeds \$400,000 with the City contributing \$75,000. The grants will activate a formerly vacant building to add athletic training facilities and food services with a youth education component.
- Initiated an economic development incentive agreement with A&J Capital Corporation for a \$525,000 building renovation project at 406 S. Driver Street. The project is located in a targeted commercial corridor in Northeast Central Durham. Upon completion, the project will stimulate business development and provide new housing opportunities in Northeast Central Durham.
- Awarded a three year Environmental Protection Agency Brownfield Assessment Grant in the amount of \$399,999. The grant serves as an additional economic development financing tool to support transformative redevelopment projects in Northeast Central Durham and other targeted areas of the City during FY15 through FY17. Anticipate completion of up to 5 Brownfield Assessments in FY15.
- The Durham Career Centers were certified in February 2015 as NCWorks Career Centers by the State of North Carolina Department of Commerce, Division of Workforce Solutions. This certification means that the Durham NCWorks Career Centers have been deemed by the State to meet and/or exceed standards of quality in areas such as Center Workflow and the Product Box, as well as implementation of the following:
 - A customer flow process to better serve jobseekers;
 - Comprehensive employment case management and counseling were provided to 52 former offenders for the first six months of FY15 placing 86% of participants in employment or training.
 - Forty-two companies participated in Employer Fridays and other direct recruitment events held at the Durham NCWorks Career Centers in 2014. There were 64 recruitment events held with 212 placements and an average hourly wage of \$11.23. There was a range of participating employers hiring customer service operators, certified nursing assistants, warehouse workers, sales associates, etc. Examples of participating companies included, but were not limited to, the following: MS Designs Embroidery, Integral Resources Inc., Royal Threads, First Stop Auto, Durham Co-op Market, All Team Staffing, Bojangles, Volt Workforce Solutions, Ashley Stewart, Cardinal Health, Wisdom Healthcare, 21c Museum Hotel, B and C Care System, and Premier Employee Solutions.
 - The Durham NCWorks Career Centers partnered with various agencies to present holistic services each month to jobseekers through the Workforce Development Networking Opportunity (WDNO) and Open Innovation Towards Employment (OITE) programs.
 - A monthly *Communique* newsletter that provides information to jobseekers, community partners, and businesses was distributed.
 - The Durham NCWorks Career Centers cross-trained staff to provide ISD mandated services.
- NCWorks system partners participated actively during the statewide 1,000 in 100 business visitation initiative issued by the Governor as a means for local workforce areas to engage businesses on issues concerning the development, recruitment, and retention of talent for NC businesses. The initiative required a minimum of 10 businesses to be visited within each of the 100 NC counties. NCWorks system partners in Durham exceeded the benchmark by meeting with 11 businesses between September and December 2014. Data gathered during the visits was entered into a State survey from which the State will aggregate the responses.
- The DWDB and OEWD provided services to 134 WIA youth for the first six months of FY15 through the Durham Youth Employed and Succeeding (YES) program. Youth participants in the program met state goals for placement in employment/education, attaining a degree/certificate, and gains in numeracy and literacy measures. An additional 96 youth were placed in paid internships.
- The DYIP employed 474 youth throughout the summer and fall of 2014, as well as the winter of 2015 with youth working at the City of Durham, Durham County, NCCU, Favor Desserts Bakery and Coffee Shop, Duke University, Duke Health System, Mike's Transmission, Kimley-Horn, and Blue Cross Blue Shield. All DYIP youth attended a week-long pre-employment training including soft skills and financial literacy training.

- A \$24,000 project was authorized by the Urban Research CDE, LLC/Longfellow funds as a part of the DYIP. Beginning in January 2015, and for the next 2 1/2 years, the DYIP Longfellow Grant is providing books and supplies for 25 juniors and seniors participating in the Science, Technology, Engineering, Arts, and Mathematics (STEAM) courses in the Career and College Promise Programs at Hillside New Tech and Southern high schools. Career and College Promise is a DPS and DTCC strategy that pays the tuition of the students while they are still in high school and puts them on the path to pursue an associate's degree or to participate in a university transfer program. The coursework will also be coupled with internships that will enhance the chances for educational success and employability.
- OEWD implemented a new initiative by onboarding a Senior Employment Program Coordinator for Business Outreach and Career Exploration for Youth. This position has begun developing and will lead a Business Engagement Team in collaboration with system partners including MID, the DPS Career and Technical Education (CTE) Department, and DTCC that will more extensively seek and obtain greater private-sector support for youth work experience placements. The team's emphasis will be outreach to businesses in the STEAM fields.
- The third EPA job training grant program (\$199,998) is nearing completion. This grant has provided environmental technology training for 78 individuals and has resulted in a 64% placement of program graduates in environmental technology jobs and other related fields. OEWD seeks to reach a program placement goal of 65% by the Spring of 2015.
- The fourth EPA job training grant program (\$200,000 for 2015-17) is beginning training for an additional 80 residents in environmental technology and other related fields.
- In partnership with NCIMED, OEWD completed a grant program (\$161,000) that graduated 46 individuals with 32 placed in full-time employment in telecommunications, energy, and truck driving occupations.
- The outcomes of the Environmental Workforce Development Job Training program and the successful broadband, telecommunications, and energy pilot program were featured in "City Life" (<http://youtu.be/zd684i417eQ>). The training programs and partnerships create career pathways for the unemployed or underemployed into fields where the jobs are in demand.
- The Durham NCWorks Career Centers integrated and onboarded a new Adult WIA service provider, Educational Data Services, Inc. (EDSI), for the purpose of expanding training and placement services for Durham's underemployed and unemployed populations. EDSI, within the NCWorks Career Centers, provided nineteen (19) OJT opportunities for Durham clients with an average wage of \$33,044 and a total NCWorks investment of \$159,661 from July 1, 2014 to June 30, 2015. Over \$627,000 in private sector salary investment was leveraged with these grants.
- The NCWorks partnership, including OEWD and Durham Tech, received grants of over \$500,000 for the JDNEG from the North Carolina Department of Commerce to implement ongoing on-the-job (OJT) and classroom training opportunities for dislocated workers in high-growth industries. OJT subsidies will support placements within pharmaceutical, manufacturing, energy, healthcare, and other entry- to mid-level professional positions with an average starting wage of \$16.15 per hour.
- The anticipated completion of the Civil Rights Mural by June 30, 2015. The mural celebrates important aspects of Durham history and will serve as a significant teaching tool about Durham civil rights history.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Facilitate the completion of the Willard Street mural project funded by the American Tobacco Campus. The project adds a major public art piece at gateway into downtown.
- Applied for a grant from Bloomberg Philanthropies to support a *Durham Dances* series of events in targeted neighborhoods in the summer of 2016, in partnership with the American Dance Festival and other agencies. The grant amount requested is \$592,000.
- Initiate at least two additional public art projects to support streetscape enhancement and further improve the quality of life in accordance with the Downtown Development Plan and Public Art Program Resolution.
- 21c Museum Hotel will add a new museum of contemporary American Art downtown.
- Continued implementation of the economic development incentive agreement with Argos Therapeutics, Inc. for capital improvements in the amount of \$40.9 million. A Durham-based business plan and a workforce development plan were included in the agreement to encourage the use of Durham contractors and hiring of Durham residents. The incentive amount is \$924,676.
- Continued implementation of the \$100,000 economic development incentive agreement with Re-investment Partners for a total combined project value of \$545,000 in FY14. Upon completion the project will renovate a blighted 4,500 square foot building located at 902 North Mangum Street into a food hub with an urban agriculture component. It will support economic development in the neighborhood and add an additional grocery alternative. Anticipated completion in FY16.

- Continued implementation of the \$3,973,095 economic development incentive agreement to Austin-Lawrence Partners East, LLC for a total capital investment of \$65 million to develop the 26-story City Center office tower and renovate the 74-room Jack Tar Hotel in FY14. This project will address the storage of Class A office space in downtown. Work will continue throughout FY16 and FY17 with anticipated completion by FY18 and the Durham-Based Business Plan and Durham Workforce Plan will be implemented.
- Complete a marketing video to promote business recruitment and retention in FY15. This will also address the Business Recruitment and Retention objectives outlined in the Joint Economic Development Strategic Plan.
- Develop a global audit and foreign direct investment strategy plan in FY16. The audit will enable the City to identify its foreign direct investment recruitment challenges and assets. The strategy will improve our competitive edge for foreign investors by enabling us to address the challenges and expand on our assets.
- Execute priority initiatives for the Joint Economic Development Strategic Plan in FY16. This plan will align goals and processes to create a more transparent and efficient system for the planning and implementation of economic development strategies. Priority initiatives in FY16 will include the following:
 - Ensure continuity and consistency of development plans and policies across jurisdictions
 - Formation of policy advisory body Refinement of incentive policies to reflect a unified and/or complimentary approach – October 2015
 - Study other development review models for best practices that further incorporate a more coordinated “one-stop-shop” approach; report on analysis and recommendations by December
 - Develop and implement a communications plan that incorporates job placement success stories across the community; communications plan to be implemented by January 2016
 - Improve coordination and role clarity between various workforce development organizations in Durham; improve selection process for composition and operating procedures for the Workforce Development Board
 - Continue to reinforce policy elements that include infrastructure as an incentive tool; refine incentive policies to reflect a unified and/or complimentary approach that continues to include infrastructure
- Continue implementation of a \$100,000 commitment from A&J Capital under the Durham-Based Business Plan to encourage the use of Durham based contractors in conjunction with the renovation of 406 S. Driver Street.
- Continue implementation of the Durham Workforce Development Board 2015-2017 Strategic Plan approved in November 2014 to achieve the following goals:
 - Goal 1: Implement and sustain comprehensive workforce development initiatives that create conditions for success between jobseekers, educators, and employers.
 - Goal 2: Strengthen and simplify service delivery that engages all of the workforce community including special program models for youth.
- Create conditions for success between jobseekers, educators, and employers by designing incentive programs, policies and procedures around the recruitment and retention of high-growth industry workers.
 - Position the Durham workforce system as the best source for businesses to find top talent by implementing education-to-work pathways and by streamlining the entry and assessment processes in the Durham NCWorks Career Centers.
 - Improve service delivery using the data generated through the assessment of customer satisfaction.
 - Use qualitative and quantitative outcomes metrics prescribed by WIOA combined with local DWDB measures and other evaluative tools such as focus groups and surveys.
 - Reimagine and strengthen the brand of the NCWorks Career Centers through effective use of media and outreach strategies.
 - Improve the branding of the NCWorks system initiatives in Durham through social and print media and other means of communicating effectively and more pervasively.
- Continued improvement and consolidation of performance measures and alignment of them with the various strategic plans including the DWDB plan, the OEWD strategic plan and the Joint Economic Development Plan.
- Graduate 65 Durham residents from the EPA job training program in partnership with DTCC; certify and place 46 in environmental technology jobs and other related fields.
- Implement a second training program for opportunities in the telecommunications/broadband, energy, and construction industries. Graduates will receive CDL certification and Career Readiness Certificates. Power Linesman training will prepare students to sit for the Construction and Skilled Trades (CAST) test with Duke Energy.
- Continue to implement the JDNEG (a grant of over \$500,000), in partnership with DTCC, resulting in career pathways in high-demand fields. Train 60 dislocated worker students in classroom training, and provide 25 OJT experiences that lead to full-time employment with a six-month earnings average of \$15,500. The classroom-based training will result in Certified Production Technician (CPT) certifications, BioWork Process

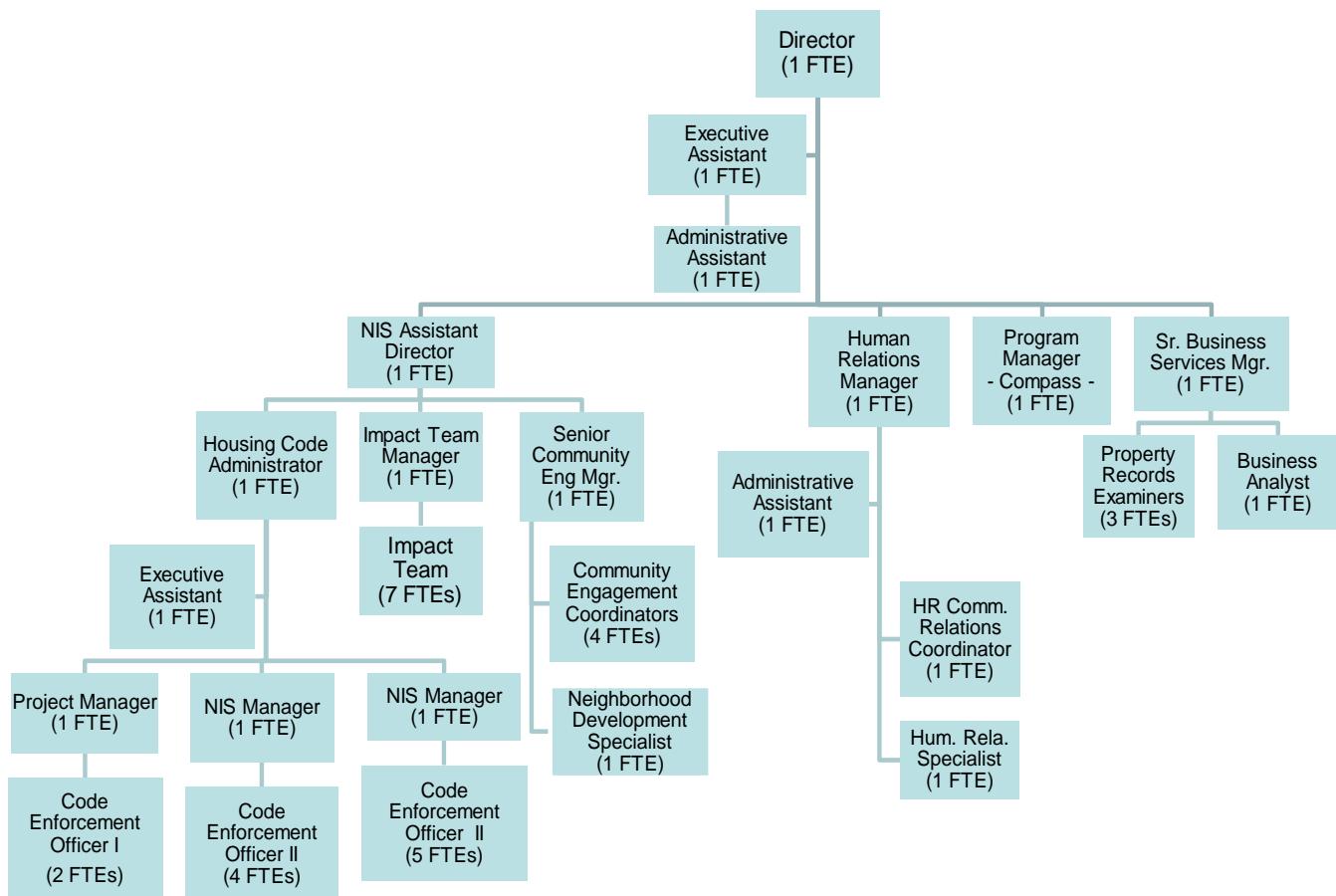
Technician certifications, OSHA certifications for bioworks students, and certifications for CPT students in each of the following modules: Quality Practices and Measurement, Maintenance Awareness, Safety, and Manufacturing Processes and Production. All students will earn the Career Readiness Certificate (CRC).

- Expand the DYIP to serve a greater number of youth by increasing the participation of local businesses through the work of the new full-time staff person who will coordinate with businesses for more private-sector paid internships. The goal is to add 100 private-sector internships.
- Implement periodic service provider collaboratives to connect programs that serve youth.
- Continue and expand upon the Longfellow grant for the DYIP to support more juniors and seniors in DPS to enter college and pursue careers in STEAM fields.
- Seek new grants to supplement City funding and form partnerships to collaboratively pursue grants and other financial resources.



Neighborhood Improvement Services

(44 FTEs)



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: \$3,495,358 40.0 FTEs
	Grant Funds: \$230,000* 4.0 FTEs

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 the residents.

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

Contracted remediations of dilapidated houses classified as unsafe or pursuant to Housing Appeals Board orders. Includes contractor services and landfill tipping charges.

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, graffiti removal, creak clean-ups, and neighborhood clean-ups.

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 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 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.

Neighborhood Compass

The Neighborhood Compass provides data that allows residents and City government to track progress on neighborhood improvement efforts and shifts in the overall quality of life of Durham neighborhoods. The

Neighborhood Compass will help City government allocate resources and establish partnerships to track neighborhood quality of life, increase accountability, and target services to improve community conditions.

Human Relations

The Human Relations Division enforces the City of Durham's Fair Housing Ordinance and Title VIII of the Civil Rights Act of 1968 and the Ordinance has been deemed substantially equivalent to the federal civil rights law in housing. 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). These services are provided in collaboration and conjunction with the US Department of Housing and Urban Development (HUD) Fair Housing Assistance Program (FHAP). Fair Housing division staff have been certified by HUD to intake, investigate and conciliate housing discrimination cases and all cases that are accepted for investigation are dual filed with HUD.

The Human Relations Division prioritizes community outreach and conducts weekly outreach at designated locations around the City. The Division provides fair housing training throughout Durham to landlords, tenants, the housing industry, residents and the general public. Fair Housing training is provided to increase the knowledge of residents, community groups, and housing providers relative to discrimination in sales, rentals, mortgage and insurance discrimination, reasonable accommodations and design and construction requirements.

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.

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 what they can do on their own to reduce their electric bill.

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; business services, personnel administration and development; customer service, strategic planning, quality control, process improvement, and performance reporting.

**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 FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
<i>Non-Grant Appropriations</i>					
Personal Services	\$ 2,642,135	\$ 2,691,554	\$ 2,649,450	\$ 2,812,932	4.5%
Operating	685,583	759,373	857,310	682,426	-10.1%
Capital and Other	19,591	-	15,000	-	0.0%
Total Appropriations	\$ 3,347,309	\$ 3,450,927	\$ 3,521,760	\$ 3,495,358	1.3%
Full Time Equivalents	41	40	40	40	-
Part Time	-	-	-	-	-
<i>Revenues</i>					
Discretionary Program	\$ 3,241,818	\$ 3,290,927	\$ 3,359,635	\$ 3,495,358	6.2%
	105,491	160,000	162,125	-	-100.0%
Total Revenues	\$ 3,347,309	\$ 3,450,927	\$ 3,521,760	\$ 3,495,358	1.3%
<i>Grant</i>					
Personal Services	\$ 197,700	\$ 197,700	\$ 205,000	\$ 205,000	3.7%
Operating	170,940	72,300	113,250	25,000	-65.4%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 368,640	\$ 270,000	\$ 318,250	\$ 230,000	-14.8%
Full Time Equivalents	4	4	4	4	-
Part Time	-	-	-	-	-
<i>Revenues</i>					
CDBG	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000	0.0%
HUD	203,640	130,000	178,250	90,000	-30.8%
Play Streets	25,000	-	-	-	0.0%
NC DENR	-	-	-	-	0.0%
Total Grant Revenue	\$ 368,640	\$ 270,000	\$ 318,250	\$ 230,000	-14.8%
Total Budget	\$ 3,715,949	\$ 3,720,927	\$ 3,840,010	\$ 3,725,358	0.1%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program:	Code Enforcement Team	General Fund:	\$996,062
		FTEs:	13
		Grant Funds:	\$140,000
		FTEs	3

Goal: Thriving and Livable Neighborhoods

Objective: To aggressively enforce the Minimum Housing Code, the Non-Residential Code and the Unsafe Building Ordinance in the City of Durham.

Initiative: Work with other City and County departments and citizens to proactively identify and eliminate code violations by sending Code Enforcement Teams out to canvass inner-city neighborhoods.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Housing inspections in Designated Area	3,340	4,000	3,547	3,575
# Housing inspections outside of Designated Area	1,844	1,000	1,579	1,600
# Non-residential structure initial inspections	32	80	65	35
# Boarded houses in low-mod areas	115	75	135	75

Program:	Contract Services for the remediation of unsafe structures	General Fund:	\$109,444
		FTEs:	0

Goal: Thriving and Livable Neighborhoods

Objective: To remediate unsafe residential and non-residential structures located in the City of Durham.

Initiative: Code enforcement officers will identify all dilapidated vacant houses in their areas and administer the code enforcement process to achieve code compliance.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Demolished by Owner	26	25	22	12
# Rehabilitated by Owner	45	40	20	40
# Demolished by City	5	15	12	5
# Stabilized by City	2	5	20	20

Program:	Community Improvement Services: Impact Team	General Fund:	\$563,983
		FTEs:	8

Goal: Thriving and Livable Neighborhoods

Objective: Decrease response time to public nuisances

Initiative: Implement measures to improve the effectiveness and efficiency of the Impact Team.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Tons of junk/debris removed	694	700	700	700
# Graffiti sites removed	522	400	425	400
% Graffiti removed within 24 hours of notification	100%	99%	98%	99%

Program: Community Engagement Services

General Fund: \$486,515
FTEs: 6

Goal: Thriving and Livable Neighborhoods

Objective: Planning and implementation of neighborhood services and public education/community outreach programs to support neighborhoods and the facilitation of open communication and interface between city staff and the community.

Initiative: Expand outreach activities to reach citizens by using PAC brochures, fliers, and other written materials.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Residents attending PAC meetings	2,478	3,020	2,100	3,000
# of residents attending NECD Livability Initiative activities / Mayor's PRI activities	2,746	1,500	2,000	2,000
# of Neighborhood or homeowner associations on City's official community engagement list	98	150	250	275
# residents reached through internal consulting activities	N/A	20,000	64,000	64,000
# of Participants at Play Streets events	3,105	1,500	3,000	3,000

Program: Neighborhood Compass

General Fund: \$83,086
ETEs: 1

Goal: Thriving and Livable Neighborhoods

Objective: Provide data that allows residents and local government to track progress on neighborhood improvement efforts and shifts in our overall quality of life.

Initiative: Expand the impact of the Neighborhood Compass by increasing partnerships and engagement with community groups and expanding its measures.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of Compass users creating reports, downloading data, or actively using the website	86%	40%	85%	85%
# of Designated data dimensions represented in the Compass	7	9	9	9

Program: Human Relations

General Fund:	\$227,543
FTEs:	3
Grant Fund:	\$90,000
FTEs:	1

Goal: Thriving and Livable Neighborhoods

Objective: To ensure that housing discrimination complaints are processed in accordance with HUD guidelines and the Fair Housing Ordinance.

Initiative: To provide intake, investigation, enforcement and conciliation of complaints within required time frames and to keep the complainants and respondents aware of the status of their complaints.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# intakes, inquiries, supporting services	157	N/A	300	200
# HUD cases processed	37	40	40	40
# of Participants in HR-sponsored events and outreach activities	3,469	3,500	2,000	2,000
# Basic Energy Education (BEE) training and outreach activities	107	90	85	80
% of Participants who feel that they have gained useful knowledge from BEE training	100%	95%	100%	99%

Program: Administration

General Fund: \$1,028,725
FTEs: 9

Goal: Well-Managed City

Objective: To maximize the effectiveness and efficiency of the Department's employees.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% Staff participating in culture of service projects	100%	100%	100%	100%

BUDGET ISSUES FOR FY 2015-16

- None
-

DEPARTMENT ACCOMPLISHMENTS FOR FY 2014-15

- 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
- Conducted inspections in the City Council Designated area: Proactive (PRIP) and Reasonable Cause
- Stabilized 8 substandard properties and implemented a pilot program to secure 3 properties using clear polycarbonate panels
- Updated the Boarded Property directory through a citywide survey and removed boarding from 30 structures
- Presented 28 cases to the Housing Appeals Board
- Presented 73 cases to the Community Life Court with an additional 58 cases brought into compliance prior to Community Life Court appearance (cases dismissed)
- Supported 16 National Night-Out Events across the City by blocking streets with materials from the Transportation Department
- Partnered with approximately 31 businesses, non-profits, churches, schools, special interest groups and 26 divisions of the City and County to conduct projects and special initiatives such as: Play Streets; community building events; Junior Bulls; the effort to end homelessness; NC Fall Big Sweep; "Embrace Your Neighborhood"; Spring Creek Week; NECD Livability Initiative; Senior/Disabled Assistance; parades; and trail, creek, park, and neighborhood clean-up events
- Supported 16 National Night-Out Events across the City by blocking streets with materials from the Transportation Department
- Conducted 86 Special Initiative projects with other departments, special interest groups and neighborhoods 07/01/15 to 04/28/15.
- Removed 650 displaced shopping carts from 318 different locations 07/01/15 to 04/28/15.
- Removed 3202 symbols/scripted words of graffiti from 359 sites within 24 hours of notification 98% of the time 07/01/15 to 03/31/15.
- Mowed 234 yards and removed debris from 185 neglected private properties 07/01/15 to 04/28/15
- Promoted participation in PACs with newly formed neighborhood associations and expanded the networking process to increase neighborhood outreach
- Supported all PAC activities including coordinating Questions and Answers for Coffee with Council, National Night Out, and Commander Tours
- Conducted 5 landlord training workshops
- Conducted 5 Play Streets events in partnership with the Durham County Department of Public Health, Partnership for A Healthier America, and Blue Cross and Blue Shield of North Carolina and developed a process for awarding 6 neighborhood driven mini Play Streets grants
- Developed, participated in, or leveraged resources for community projects including: Mayor's Poverty Reduction Initiative, Embrace Your Neighborhood, Beautification projects in Districts Two, One and Four and Duke Energy New Energy Program in District Four
- Engaged in 65 internal consultant activities with City departments, for example: Police Department (National Night Out, Commander Tours, Bentwood Apt.) Transportation Department – TTA (public input meetings), General Services (Neighborhood Farm/vacant lots) and Duke Energy (New Energy Program public meeting)
- Partnered with the NECD Leadership Council to implement projects such as: Membership Drive, Organizational Restructure, and Updated By-Laws.
- Supported Partnership for a Healthier Durham's Healthy Mile Trail Clean Up Day (coordinated workshops to prepare the trail—sidewalk stenciling and clearing sidewalks from debris and overgrowth)
- Co-hosted with Biopharma, NC COIN, NC Biotech Center, and Planet Connect the Biopharma/Biotechnology and community engagement symposia at the NC Biotech Center in Research Triangle Park which included 100 participants and presenters
- Provided data and analytical support for the Poverty Reduction Initiative Task Forces;
- Served as a member of the Innovation Team for the Forward Cities Learning Collaborative: cross-city collaboration on developing best practices for measuring entrepreneurial activity and growth; analytical

- support for community partners and Economic and Workforce Development to identify corridors of entrepreneurial opportunity;
- Partnered with Duke Translational Research Institute to create/publish a Durham County Health Metrics Report;
 - Established an in-house data management system and automated data update protocols with City/County GIS;
 - Released first Compass data update;
 - Developed effective relationships with two major regional media outlets.
 - Enforced the City of Durham's Fair Housing Ordinance and Title VIII of the Federal Fair Housing Act by providing intake, investigation and conciliation of formal housing complaints alleging discrimination on the basis of race, color, sex, religion, national origin, familial status and disability.
 - Resolved informal landlord-tenant complaints through mediation and supportive services.
 - Continued to conduct research on affirmatively furthering fair housing issues which was made possible through HUD Partnership Grant funding.
 - Provided Fair Housing training seminars and workshops for landlords, property managers, housing providers, public housing tenants and the general public in addition to conducting weekly fair housing education and outreach at designated locations around the City in both English and Spanish.
 - Developed a bi-lingual fair housing, marketing and public awareness campaign to educate the Hispanic-Latino community about the Fair Housing Act and their rights relative to the City of Durham Fair Housing Ordinance.
 - Conducted bi-lingual fair housing education workshops for: El Centro, Latino Community Credit Union, Lincoln Community Health Center, Social Services Department, Durham County Health Department, CAARE, Inc., Compare Foods, In Stepp, Inc., Immaculate Conception Catholic Church and other partnership agencies.
 - Conducted Annual Human Relations Awards Ceremony with the Durham Human Relations Commission on February 20, 2015.
 - Conducted Annual Women's Forum during Women's History Month on March 26, 2015.
 - Sponsored weekly Fair Housing programs and partnership activities during April which was National Fair Housing Month.
 - Conducted 64 citywide Basic Energy Education trainings for 440 attendees from July 1, 2014 to March 31, 2015.
 - Served as Staff Liaison for the Mayor's Hispanic-Latino Inclusion Committee.

ANTICIPATED DEPARTMENT ACCOMPLISHMENTS FOR FY 2015-16

- 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.
- Continue housing inspections in the City Council Designated Areas through the Proactive Rental Inspection Program (PRIP): Proactive and Reasonable Cause.
- Stabilize 20 substandard properties.
- Secure 40 vacant properties using clear polycarbonate panels.
- Present 48 cases to the Housing Appeals Board.
- Present 80 cases to the Community Life Court; bring 30 additional cases into compliance prior to Community Life Court appearance (cases dismissed)
- Impact Team will prioritize safe remediation of private properties to improve residents' quality of life and provide a revenue stream for the City of Durham.
- Impact Team will respond to all resident concerns within 24 hours.
- Impact Team will seek additional partners for projects that will benefit the community and create a greater sense of neighborhood pride.
- Conduct five Play Street events including neighborhood mini grants
- Provide ten landlord and 2 tenant training workshops
- Provide two Homeowner Associations Workshops
- Expand the Embrace Your Neighborhood Program to assist 3 low-wealth families with housing repairs and assist neighborhoods with clean-ups, yard maintenance, and landscaping
- Coordinate NECD projects with the Mayor's PRI and the NECD Leadership Council that demonstrate measureable benefit/impact to neighborhoods

- Coordinate NECD projects with the NECD Livability Initiative and the NECD Leadership Council that demonstrate measureable benefit/impact to neighborhoods
- Promote healthy living activities through the “Durham on the Move” partnership with the Durham County Department of Public Health
- Develop and leverage resources to support community engagement, neighborhood revitalization and capacity building
- Continue interdepartmental collaboration to serve as the city’s internal community engagement consultant with the community for at least 50 events
- Continue to enforce the City of Durham’s Fair Housing Ordinance and Title VIII of the Federal Fair Housing Act by providing intake, investigation and conciliation of housing complaints alleging discrimination on the basis of race, color, sex, religion, national origin, familial status and disability
Provide Fair Housing Training Seminars for landlords, property managers and the general public
- Provide Fair Housing training seminars and workshops for landlords, property managers, housing providers, public housing tenants and the general public
- Provide weekly fair housing education and outreach at designated locations around the City
- Serve as Staff Liaison for the Durham Human Relations Commission
- Conduct Annual Human Relations Month Awards Ceremony in February
- Conduct Annual Women’s Forum during Women’s History Month in March
- Conduct Fair Housing Month programs and partnership activities during month of April
- Continue Citywide Basic Energy Education training and measure the success of the training
- Served as Staff Liaison for the Mayor’s Hispanic-Latino Inclusion Committee
- Conduct Spanish fair housing workshops in partnership with El Centro and other agencies
- Conduct Hispanic Heritage Month Celebration during Hispanic Heritage Month

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	\$1,761,923
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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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16
Appropriations				
Operating	1,553,910	1,766,434	1,908,163	1,761,923
Total Appropriations	\$ 1,553,910	\$ 1,766,434	\$ 1,908,163	\$ 1,761,923
Revenues				
Discretionary	\$ 1,553,910	\$ 1,766,434	\$ 1,908,163	\$ 1,761,923
Program	-	-	-	-
Total Revenues	\$ 1,553,910	\$ 1,766,434	\$ 1,908,163	\$ 1,761,923

Arts & Culture Facilities	Service Provided	Award
Carolina Theatre	Manages the Carolina Theatre. It is governed by a management agreement with the City.	\$635,000
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.	\$649,500
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.	\$185,423
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		\$1,761,923

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 **\$95,000**

These organizations provide services that focus on improving the quality of life through a myriad of different services that are provided citywide.

RESOURCE ALLOCATION

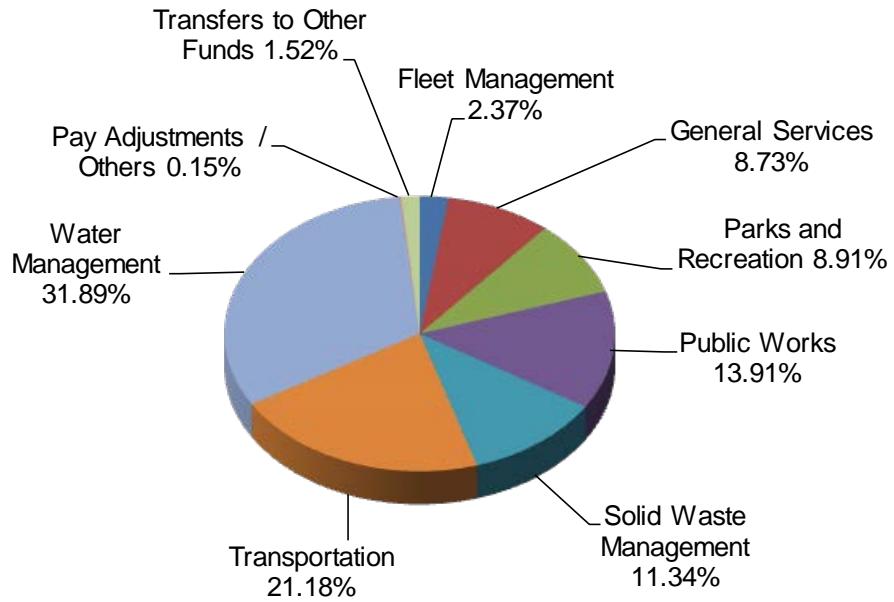
	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16
Appropriations				
Operating	49,215	30,000	48,285	95,000
Total Appropriations	\$ 49,215	\$ 30,000	\$ 48,285	\$ 95,000
Revenues				
Discretionary	\$ 49,215	\$ 30,000	\$ 48,285	\$ 95,000
Program	-	-	-	-
Total Revenues	\$ 49,215	\$ 30,000	\$ 48,285	\$ 95,000

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.	\$20,000
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.	\$10,000
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.	\$65,000
Total Community Development		\$95,000

**PUBLIC SERVICES
BUDGET SUMMARY**

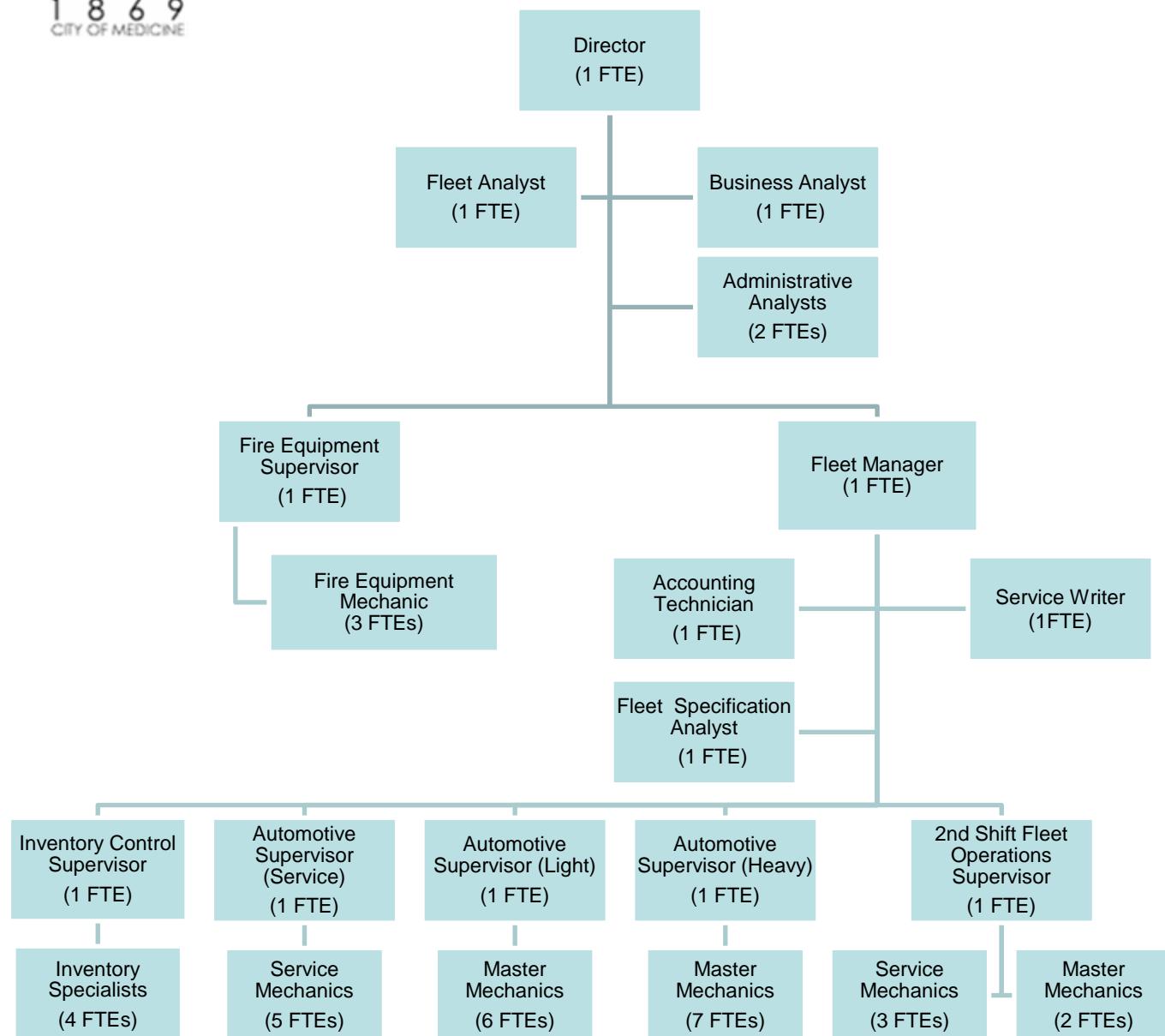
	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Non-Grant Appropriations					
Fleet Management	\$ 3,943,761	\$ 4,211,987	\$ 4,171,566	\$ 3,159,967	-25.0%
General Services	10,882,678	11,133,949	12,067,764	11,620,682	4.4%
Parks and Recreation	9,920,723	11,761,290	11,764,303	11,860,862	0.8%
Public Works	17,205,531	18,149,523	17,989,743	18,509,174	2.0%
Solid Waste Management	14,409,961	15,031,547	14,941,851	15,092,628	0.4%
Transportation	24,874,732	27,120,064	27,559,882	28,198,084	4.0%
Water Management	38,550,444	41,578,389	39,631,372	42,448,246	2.1%
Pay Adjustments/Others	178,906	200,000	200,000	200,000	0.0%
Transfers to Other Funds	11,823,572	11,054,834	11,957,588	2,017,609	-81.7%
Total Appropriations	\$ 131,790,308	\$ 140,241,583	\$ 140,284,069	\$ 133,107,252	-5.1%
Full Time Equivalents	974.5	989.5	989.5	982.5	-7
Part Time	86	86	86	86	-
Revenues					
General Fund					
Discretionary Program	\$ 45,294,783	\$ 47,990,163	\$ 49,013,458	\$ 38,519,695	-19.7%
	3,301,622	3,872,927	4,120,969	3,333,150	-13.9%
General Fund Subtotal	\$ 48,596,405	\$ 51,863,090	\$ 53,134,427	\$ 41,852,845	-19.3%
Ballpark Fund	421,280	-	-	-	0.0%
Parking Fund	2,287,404	2,343,514	2,446,664	2,623,374	11.9%
Solid Waste Disposal Fund	15,171,729	15,033,252	14,989,307	15,346,240	2.1%
Storm Water Fund	7,721,636	8,292,275	7,865,242	8,125,107	-2.0%
Transit Fund	16,329,583	18,107,836	19,340,791	19,679,295	8.7%
Water and Sewer Fund	41,262,271	44,601,616	42,507,638	45,480,391	2.0%
Total Revenues	\$ 131,790,308	\$ 140,241,583	\$ 140,284,069	\$ 133,107,252	-5.1%
Grants					
Transit Grant	\$ 4,612,894	\$ 5,034,115	\$ 5,870,305	\$ 8,297,731	64.8%
Transportation Planning	2,380,580	2,776,137	2,071,840	1,986,287	-28.5%
Total Grants	\$ 6,993,474	\$ 7,810,252	\$ 7,942,145	\$ 10,284,018	31.7%
Full Time Equivalents	11.5	11.5	11.5	11.5	-
Part Time	2	2	2	2	-
Total Budget	\$ 138,783,782	\$ 148,051,835	\$ 148,226,214	\$ 143,391,270	-3.1%

PUBLIC SERVICES





Fleet Department (45 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, 24/7, and 24/7 support for fleet functions during emergency events

DEPARTMENT DESCRIPTIONS

Fleet Management	\$3,159,967
	45 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 1500 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 has a direct support mission to the Police and Fire departments that 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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 3,086,980	\$ 3,233,606	\$ 3,122,253	\$ 2,762,696	-14.6%
Operating	757,336	927,381	999,033	346,271	-62.7%
Capital and Other	99,445	51,000	50,280	51,000	0.0%
Total Appropriations	\$ 3,943,761	\$ 4,211,987	\$ 4,171,566	\$ 3,159,967	-25.0%
Full Time Equivalents	53	53	53	45	-8
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 4,062,730	\$ 3,928,733	\$ 3,888,312	\$ 3,147,967	-19.9%
Program	(118,969)	283,254	283,254	12,000	-95.8%
Total Revenues	\$ 3,943,761	\$ 4,211,987	\$ 4,171,566	\$ 3,159,967	-25.0%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Fleet Maintenance/Fire Maintenance

General Fund: \$3,159,967

FTEs: 45

Goal: Stewardship of City's Physical Assets & Well Managed City

Objective: Provide cost effective and efficient maintenance services to ensure vehicles and equipment are serviced, safe and reliable. This includes maintaining high preventative maintenance (PM) compliance. These efforts protect the value of the assets. The PM program insures the availability of the asset, allowing for user departments to provide the citizens the services timelier, contributing to a well-managed City.

Initiative: Utilize the fleet management software system to ensure that maintenance standards are achieved and use the software system to identify replacement vehicles/equipment. Monitoring direct labor, managing an effective PM program and focusing on availability as primary indicators, will assure that our total maintenance management focus stays on track.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
% work orders scheduled maintenance vs. unscheduled	52%	52%	55%	55%
% repairs from PM service	32%	34%	34%	34%

Goal: Safe and Secure Community & Thriving Livable Neighborhoods

Objective: Insure that the City's fleet has high availability; repairs are made properly and provide an effective consolidated replacement program. This insures that the Police and Fire have their vehicles to provide for a safe and secure community. This also insures that Solid Waste, Public Works, Water, Neighborhood Improvement, Parks & Recreation and General Services can provide the services that promote thriving livable neighborhoods.

Initiative: Utilize the fleet software system to track availability and comeback repairs. The fleet software system will be used to control fleet size through annual utilizations studies, complemented by using an effective scoring system to make sound fleet replacement decisions.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Vehicles/Equipment Supported (Includes small equipment in fleet)	1,567	1,500	1,580	1,560
% Fleet availability (Light)	94%	95%	96%	95%
% Fleet availability (Heavy)	90%	95%	95%	95%
% Comebacks per total work orders	<0.11%	<1%	<0.20%	<1%
% Work orders within 24 hours	83%	82%	85%	85%
# Vehicles in service per technician	65	55	67	55

BUDGET ISSUES FOR FY 2015-16

- Ongoing building, grounds and equipment maintenance needs on two aging facilities.
 - Fleet staffing levels; slightly understaffed according to industry standards (vehicle/technician ratio).
 - Retention of experienced Master Mechanics.
 - Fire Maintenance is quickly outgrowing maintenance facility.
-

ACCOMPLISHMENTS FOR FY 2014-15

- Recognized as the 17th best managed government fleet in the nation by 100 Best Government Fleets.
 - Recognized as the 50th best managed government fleet in the nation by the Government Green Fleet.
 - Recognized as a “notable fleet” by Leading Fleets.
 - Received the City of Durham Excellence Award.
 - Continue to see upward trends in key performance indicators and performance measures.
 - Completed a Fleet Study.
 - Adopted an Annual Risk/Safety Plan.
 - Developed Asset Management Plan.
 - Completed ninth year of consolidated vehicle replacement plan.
 - Entered into the third year of the shop space lease agreement with Durham County EMS.
 - Entered into the second year of a contract to provide repair services for Durham County Fire.
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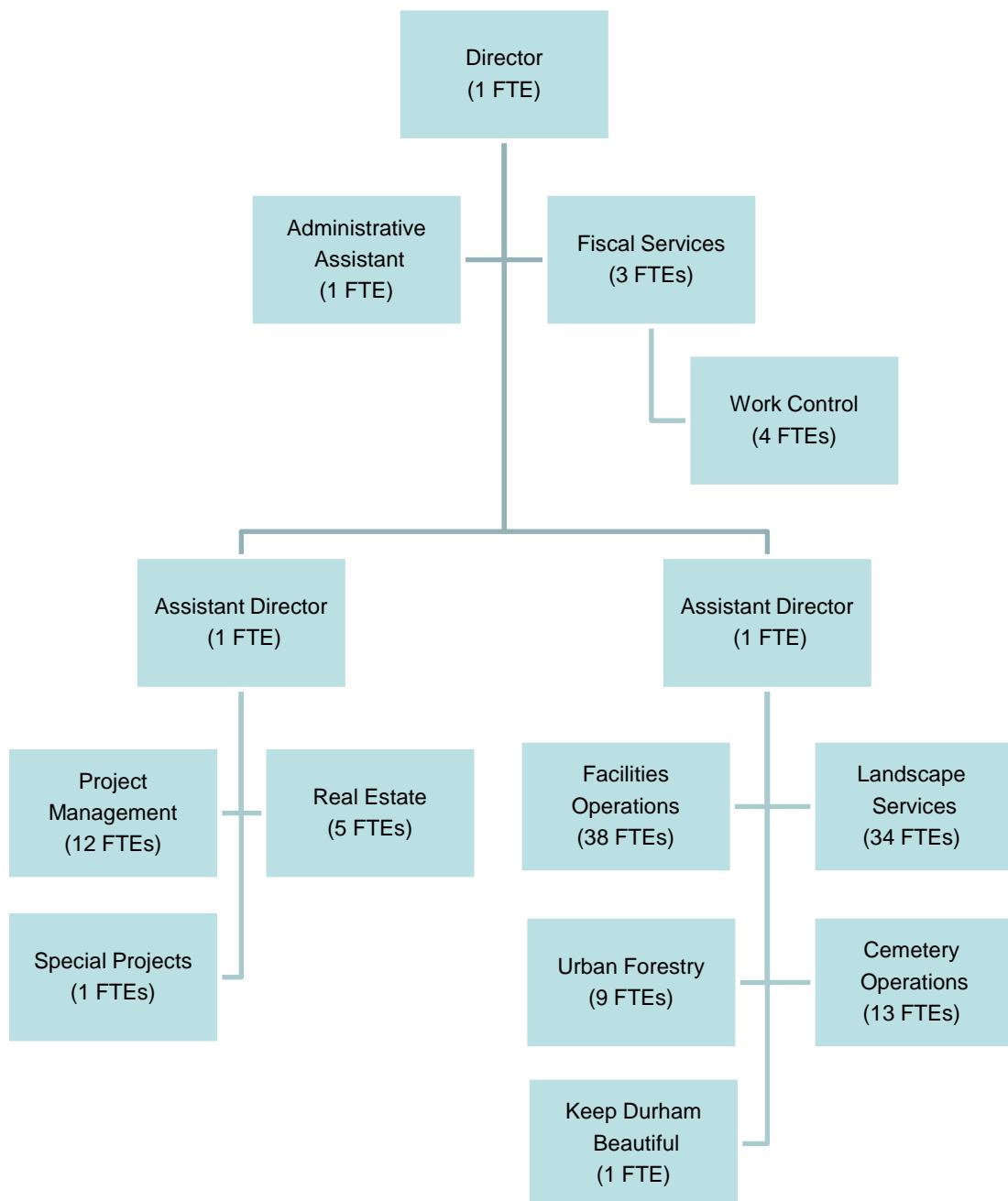
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- 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.



General Services

(124 FTEs)



GENERAL SERVICES

Purpose Statement:

To create, manage, and maintain city properties to provide best value to our community

DEPARTMENT DESCRIPTION

General Services

General Fund: \$11,620,682
124 FTEs

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), asset/space management, planning for other departments' facilities and other special projects.

Facilities Operations

The Facilities Operations division is responsible for the maintenance of 1.7 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 maintenance and repairs and associated project management of HVAC, building energy management, 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 is also provided. This operation provides after hours on-call service for reporting and responding to emergencies.

Landscape Services

The Landscape Services division is responsible for enhancing and maintaining the City's public spaces, recreation centers grounds, park landscape beds and trails and rights-of-way using current horticultural practices to implement grounds maintenance, landscape installation and turf management. This division also maintains the landscape installations in public areas, plazas and around decorative fountains and outdoor amenities on City property in downtown Durham.

Urban Forestry

The Urban Forestry division provides arboriculture 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. This operation provides after hour on-call service for reporting and responding to emergencies.

Cemetery Operations

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, grave marker installation, as well as landscaping and maintenance of the properties.

Project Management

The Project Management division manages and coordinates the design and construction of a wide range of the City's public improvements, administers the City's Deferred Maintenance program and coordinates energy management initiatives and projects. Services include conducting feasibility studies, preparing construction plans, and providing project administration for facility renovations, new facility construction and parks.

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

Keep Durham Beautiful, Inc. (KDB) is a non-profit volunteer-based organization whose mission is to engage and inspire individuals to take greater responsibility for their community environment. KDB encourages beautification, litter reduction and recycling by fostering community awareness and resident involvement through educational and programmatic activities. A local affiliate of the national organization, Keep America Beautiful, KDB forms partnerships with businesses, organizations and individuals to leverage resources to enhance City and County appearance. KDB has many initiatives including the annual Litter Index (a visual assessment of litter on City streets), organized litter cleanups, environmental education, community greening and other beautification activities.

Sustainability

The City – County joint sustainability initiative is funded as part of the Community Development budget.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 7,247,388	\$ 7,529,265	\$ 7,682,607	\$ 7,889,904	4.8%
Operating	3,626,562	3,299,684	4,385,157	3,630,278	10.0%
Capital and Other	8,728	305,000	-	100,500	-67.0%
Total Appropriations	\$10,882,678	\$11,133,949	\$12,067,764	\$11,620,682	4.4%
Full Time Equivalents	118	124	124	124	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$10,023,426	\$10,610,384	\$11,626,299	\$11,159,682	5.2%
Program	437,972	523,565	441,465	461,000	-11.9%
Total General Fund	\$10,461,398	\$11,133,949	\$12,067,764	\$11,620,682	4.4%
Ballpark Fund	421,280	-	-	-	0.0%
Total Revenues	\$10,882,678	\$11,133,949	\$12,067,764	\$11,620,682	4.4%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Administration

General Fund: \$1,420,358

FTEs: 12

Goal: Well Managed City and Stewardship of City's Physical Assets

Objective: To perform accounting services in a systematic manner in order to provide timely processing and payment of procurement documents.

Initiative: Utilize work order system to improve responsiveness and adhere to City and departmental standards.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of Labor hours to total payments processed	43%	44%	44%	43%

Objective: ADA Compliance - To ensure people with disabilities have full access to City government in compliance with the Americans with Disabilities Act (ADA) of 1990 as amended, Section 504 of the Rehabilitation Act of 1973 and applicable federal, state and local laws, and other regulations pertaining to persons with disabilities.

Initiative: Provide technical support to City departments, employees, and citizens regarding the Americans with Disabilities Act (ADA), thereby building capacity to serve citizens with disabilities.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of Projects receiving technical reviews for ADA compliance	95%	95%	98%	95%

Goal: Stewardship of City's Physical Assets

Objective: To perform maintenance in a systematic manner and to provide a clean and well-maintained environment.

Initiative: Utilize work order system to improve responsiveness and adhere to departmental maintenance standards.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
% Reactive work orders per quarter	31%	27%	27%	25%
Avg Days to Complete work orders	8	7	6	6

Goal: Stewardship of City's Physical Assets

Objective: To perform maintenance in a systematic manner and to provide a clean and well-maintained environment.

Initiative: Utilize work order system to improve responsiveness and adhere to departmental maintenance standards.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
% Preventive maintenance work orders completed on schedule	100%	100%	100%	100%

Goal: Stewardship of City's Physical Assets

Objective: To perform maintenance in a systematic manner and to provide a clean and well-maintained environment.

Initiative: Utilize work order system to improve responsiveness and adhere to departmental maintenance standards.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
Avg # days to complete service requests	9	6	7	8
% of self-performed mowing cycles completed in adherence with adopted frequency standards as part of the GSD Operations and Management Plan	89%	85%	85%	85%

Urban Forestry General Fund: \$755,036

Program: Bilingual Education

FTEs: 9

Initiative: Utilize work order system to improve responsiveness and adhere to departmental maintenance standards.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
Avg # of labor hours per service request	14	16	16	16
Avg # days to complete service requests	25	35	35	35

Goal: Stewardship of City's Physical Assets

Objective: To perform maintenance in a systematic manner and to provide a clean and well-maintained environment.

Initiative: Utilize work order system to improve responsiveness and adhere to departmental maintenance standards.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
% Mowing Cycles completed in adherence with adopted frequency standards as part of the GSD Operations and Management Plan	90%	90%	90%	90%

Revenue % of total expenses	50%	60%	50%	52%
Program: Project Management			General Fund: \$1,566,468 FTEs: 12	

Goal: Stewardship of City's Physical Assets

Objective: To maintain approved project scope, schedule and budget.

Initiative: Utilize best practices to control variance from original budget, scope and schedule.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% Project design schedules maintained on time	69%	80%	67%	75%
% Project construction schedules maintained on time	65%	90%	70%	75%
% of Construction Documents cost estimates within 15% of awarded bid	73%	90%	70%	80%
% Project budgets maintained	88%	95%	80%	80%
% of projects with change orders less than 5% of original amount	68%	90%	65%	65%

Program: Energy Management

Goal: Well Managed City

Objective: Manage the City's use of energy to reduce cost, make better use of resources and reduce the City's carbon footprint.

Initiative: Utilize a member of the General Services Department's Project Management Division to work with City departments to develop, implement and manage a City-wide Energy Management Program.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% Projects receiving technical reviews for new facilities and renovations for energy efficiency	89%	95%	90%	95%
Reduce energy consumption in the City buildings by 3%	67%	60%	60%	60%

Program: Real Estate **General Fund:** \$427,712
FTEs: 5

Goal: Well Managed City and Stewardship of City's Physical Assets

Objective: To maintain high quality record keeping and reporting of the services requested from internal and external customers as well as the efficiency and timeliness for completing requested services.

Initiative: Track when services are requested and completed, with the ability to generate reports showing the number of acquisitions, sales, etc. completed and efficiency in completing services.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of Transactions completed on schedule	N/A	75%	100%	75%
% of evaluation survey respondents that report Real Estate Division services met or exceeded expectations based on: maintenance of schedule, technical proficiency, and reporting to client	N/A	75%	100%	75%

Objective: To measure the workload of real estate officers performing acquisitions, sales, leasing, database development, and other real estate matters for both internal and external customers.

Initiative: To use a portfolio management technique to track the number of real estate matters handled per real estate officer.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
Average # of real estate transactions completed annually per Real Estate Officer	19	20	20	20

Goal: Thriving Livable Neighborhoods

Objective: To support strategies designed to strengthen the City's partnership with community groups to improve and enhance the appearance of Durham through litter abatement, solid waste reduction education and beautification.

Initiative: Focus on strategies that continue community cleanup activities, in conjunction with other City departments, community agencies and organizations, and Keep Durham Beautiful.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Partnerships formed/created	40	30	42	40
Cost/benefit return ratio	\$1:\$4.51	\$1:\$4.50	\$1:\$4.50	\$1:\$4.60

BUDGET ISSUES FOR FY2015-16

- Continue capital projects implementation
 - Implementation of an Asset/Space Management System and Develop space and design standards for city departments
 - Continue facility Deferred Maintenance Fund Implementation
 - Continue implementation of the departmental Strategic Plan
 - Continued development and implementation of Facility Maintenance Plans (FMP)
 - Implement storage platform for facility maintenance plans

- Increasing landscape services in downtown and parks
- Continue Energy Management Phase I & II implementation.
- Propose revision for City-Wide Energy Management Policy
- Develop space and design standards for city departments

ACCOMPLISHMENTS FOR FY 2014-15

- Continued the CPTED (Crime Prevention through Environmental Design) principles in collaboration with DPD and the Trail Watch along the American Tobacco Trail
- Landscape and Trail Maintenance and Facilities and Structures MOUs completed with DPR
- AmeriCorps Service Member assigned to KDB to work as a Volunteer Coordinator from April 2015 through January 2016
- Signature Litter Prevention Event “The Great Durham Cleanup” piloted by Keep Durham Beautiful
- KDB applied for and received a \$10,000 grant from Waste Management to reduce litter and decrease sources of storm water pollution downtown and expand public space and pilot special event recycling downtown
- \$7,000 grant received from the NC Forest Service to further tree canopy inventory data collection efforts by volunteers from Triangle Land Conservancy. An additional 3500 trees under power lines have been added to the inventory with this grant.
- KDB applied for and received a \$10,000 grant from Lowe’s Home Improvement Centers and KAB for improvements at the Briggs Avenue Community Garden and Pavilion
- Completed implementation of \$10,000 matching grant from DOST (with DPR and the Friends of Sandy Creek Park) to make improvements at Sandy Creek Park (fencing, accessible grills, wildlife observation deck, plantings of native trees, grasses and shrubs)
- Completed implementation of \$25,000 National Fish and Wildlife Foundation/Wells Fargo Solutions for Communities grant (with the Durham Green Infrastructure Investment Partnership) to create conservation solutions for urban streams and tree canopy. (tree planting, rain garden installation, cistern installation)
- KDB won a \$1000 prize in the 2014 Triangle Christmas Tree Challenge, competing against over 50 community non-profit organizations
- Continued to conduct and evaluate a tree canopy inventory study
- Continued implementation of new work order system for the Facilities Custodial Services and Building Maintenance Operations Divisions
- Continued implementation of inventory control system for Facilities Custodial Services and Building Maintenance Operations Divisions
- Continued verification process with City Operators for facility maintenance plans
- Identified storage platform for facility maintenance plans
- Completed camera upgrades at City Hall
- Transferred badge process from Facilities Building Maintenance to the Human Resources Department
- Provided front line employees with technology that will assist with work order management in the field
- Assisted with Energy Management upgrades in City facilities.
- Initiated design and preconstruction services on Police HQ/Annex/911 facility
- Continued development of facilities maintenance plans
- Completed design of new Fire Station 17
- Completed Armory Interior project
- Completed deferred maintenance requests in accordance with available funding
- Completed City Hall Human Resources consolidation project
- Completed Snow Hill Road Park irrigation and lighting improvements
- Completed driveway improvements at various Parks
- Demolished failing structures at various Parks
- Completed Real Estate transactions for the East End Connector project at Ellis Road and CR Wood Park
- Completed Real Estate transactions for the Brye Street Sewer Project
- Completed Real Estate transactions for the Avondale Drive Sidewalk Project
- Completed Real Estate transactions for the Fayetteville Road Sidewalk Project
- Completed Real Estate transactions for the Campus Walk Sidewalk Project
- Established real estate property management improvement process
- Continued development of the joint GS/DPR process improvement initiative
- Partnered with County, DPAC, DDI and Blackwell St. Management to improve appearance of the NC-147 gateway to downtown through increased and enhanced landscape management between the Fayetteville and Duke St. interchanges

- Completed property exchange with NCDOT at Penny's Bend
- Completed Bicycle Co-op lease at Duke Park
- Completed transaction with NCDOT for their Alston Avenue Widening Project
- Completed transaction with NCDOT for their Pedestrian Enhancement Project
- Completed Police Impounded Vehicle Lot lease at 700 N. Alston Avenue
- Completed sale of no-build easement to Liberty Warehouse Apartments, LLC
- Completed acquisition of properties for Police Headquarters relocation
- Completed acquisition of property for Fire Station 17 at Leesville and Doc Nichols Road
- Completed acquisition of property for the Sign and Signal Shop relocation at 320 Muldee Street
- Completed extension of lease for City departments at Golden Belt
- Completed grant of easement to NCDOT at 751 and Massey Chapel Road
- Completed acquisition of property for Lake Michie Expansion Project at 618 Buren Road
- Completed cellular carrier lease with Alltel Communications at Cole Mill Road Cell Tower
- Completed sale of property to NCDOT at Old Oxford and Danube Roads

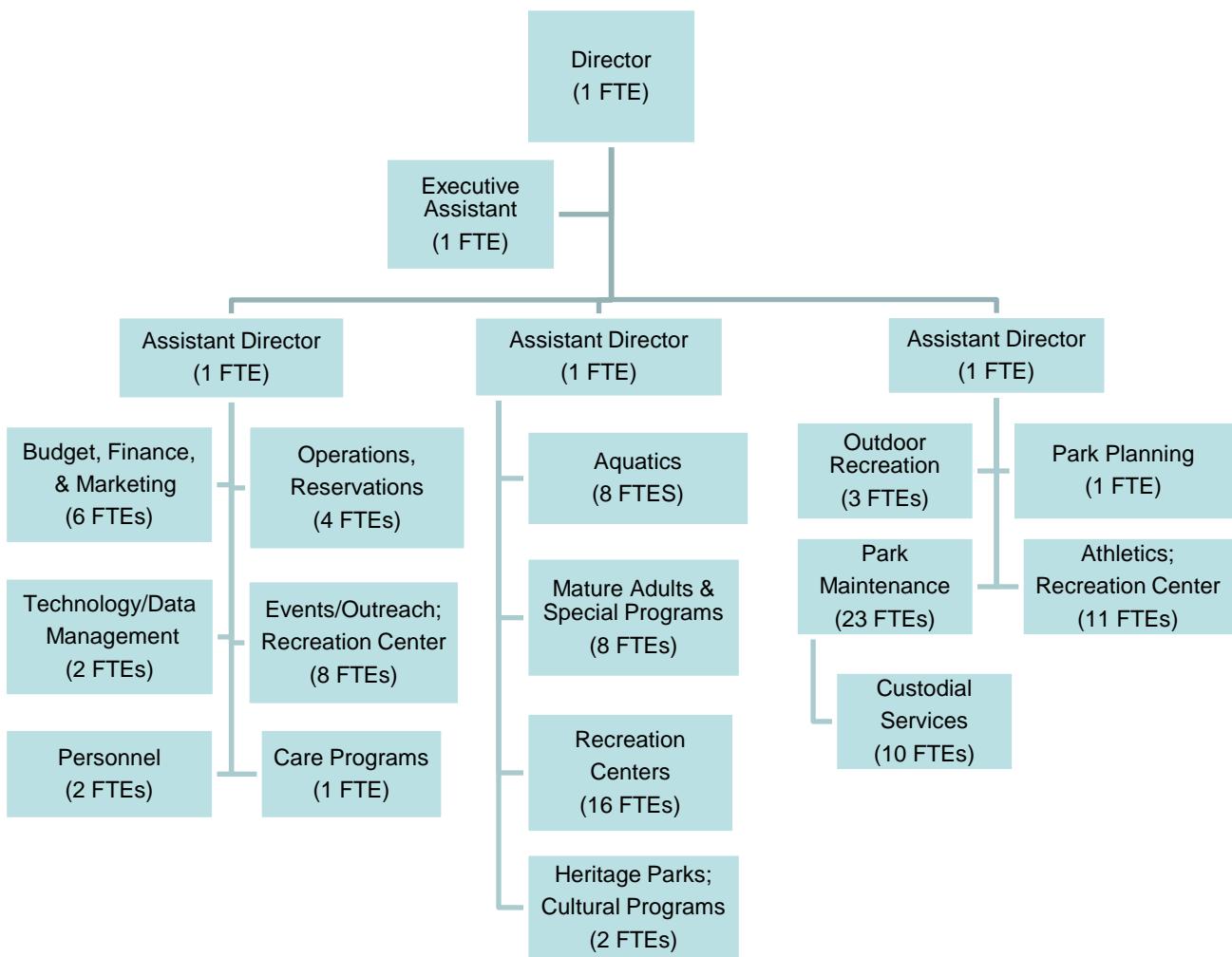
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Continue implementation of the Dedicated Funding for Parks initiative and report progress to DCM in collaboration with DPR
- Continue implementation of new work order system for the Facilities Custodial Services and Building Maintenance Operations Divisions
- Continue implementation of inventory control system for Facilities Custodial Services and Building Maintenance Operations Divisions
- Create facility maintenance plans for an additional four (4) City facilities
- Continue verification process with City Operators for facility maintenance plans
- Complete DPAC Lighting Project
- Complete DPAC Trash/Recycling Handling Area
- Identify storage platform for facility maintenance plans
- Continue implementation of the Half-Penny for Parks initiative and report progress to DCM in collaboration with DPR
- Continue the CPTED (Crime Prevention through Environmental Design) principles in collaboration with DPD and the Trail Watch along the American Tobacco Trail
- Implement expanded "Great Durham Cleanup" event
- Partner with The Durham Veterans Affairs Medical Center to provide opportunities for the hospital's patients to interact with KDB at community workshops and volunteer events
- Expand volunteer participation in the tree planting partnership with "Trees Across Durham" and the City/County Sustainability Office
- KDB to sponsor a follow up Recycling Summit to connect partners with DPS to identify resources (such as grants) for improving recycling infrastructure, system and process at DPS, and determining steps for educating staff and students about waste reduction best practices
- Implementation of GPS based grave site location services at Beechwood and Maplewood Cemeteries
- Repair mausoleum doors in "Old Maplewood" section of Maplewood Cemetery
- Complete design of cemetery improvements based on prior assessment
- Complete transactions for the University Drive Sidewalk Project
- Coordinate transactions for the Google Fiber Project
- Complete acquisition of Roberts property for Lake Michie Expansion Project
- Complete Real Estate transactions for the Southeast Pressure Zone Project
- Complete GSD Asset Management Plan
- Complete Revision of City-Wide Energy Management Policy
- Complete Implementation of Phase I Asset and Space Management Software Integration
- Complete design of new Fire Station 17
- Complete FS 1 HVAC Upgrades
- Complete Chapel Hill Surface Lot Repaving
- Complete FS 6 & 11 Roof & Envelope project
- Complete Fire Training Tower Structural Repairs
- Complete Solid Waste Management Transfer Station
- Complete Fleet HVAC and Controls project
- Complete FS 2 HVAC project

- Complete Energy Management – City Hall Interior Lighting project
- Complete Weaver Street Recreation Center Site Improvements
- Complete Armory Interior Upgrades (Phase II)
- Complete Design for ADA Valley Springs & West Point on the Eno Accessibility Improvements
- Complete American Tobacco Trail Parking Lot project
- Complete Edgemont Park Playground replacement project
- Begin Construction on West Ellerbee Creek Trail Phase II
- Complete DPR Pre-fab (Portland Loo) Bathroom project
- Complete DPR Floodplain Playgrounds project
- Complete on going DPR athletic court resurfacing projects
- Complete on going DPR asphalt resurfacing projects
- Complete City Hall Envelope Renovation project
- Complete 400 Cleveland St. Roof & Envelope project
- Complete Rec Center (Campus Hills) Roof Replacement Project
- Complete Church Street Elevator Modernization
- Complete Twin Lakes Park Upgrades project
- Complete Design for Cemeteries Phase I project
- Complete Design for Lake Michie ADA-Dock / Front Deck project
- Complete DPAC Divider Wall project
- Complete Sign and Signal Shop Relocation
- Complete Herndon Park Soccer Field Upgrades
- Complete FS 9
- Begin Design of New Police Headquarters & 911
- Initiate CIP and Deferred Maintenance Projects Approved for FY 16, such as: Complete Facilities and Operations Staff Fall Protection, Design for Fire Administration Building Renovation, Complete Master Plan for City-wide Security Upgrades, Complete Design for City Hall 2nd, 3rd and 4th HVAC and Lighting Renovation, Begin Design for Rock Quarry Park Upgrades, Complete Solid Waste Management Annex and Truck Washing Feasibility and Schematic Design, Complete City Hall Master Plan and Annex 2nd Floor Schematic Design, Begin Downtown Parking Garage Elevator Modernization, Begin Design for Snow Hill Rd Park Upgrades and Expansion, Complete Design for Dehumidifier Project and construction for Campus Hills, Begin City-Wide Master Plan for Pools, Begin Design for Twin Lakes Upgrades and Expansion, Begin Design for Herndon Park Upgrades – Baseball Fields, Begin Design for Crest St. Park Upgrades – Baseball Field Lighting, Complete Indian Trail Park Updates – Playground, Begin Design for Moreene Road Park Upgrades – Field Renovation



Parks and Recreation (110 FTEs)



PARKS AND RECREATION

Purpose Statement:

Durham Parks and Recreation provides opportunities for our community to Play More!

DEPARTMENT DESCRIPTION

Parks and Recreation	\$11,860,862
	110 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 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

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 three indoor aquatic centers (Campus Hills Pool and Edison Johnson Aquatic Center), and two 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 swim and lap swim, and safety trainings. The aquatics unit is also responsible for aquatic facility rentals. The goal is to provide aquatic programs in 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, Holiday 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, which re-opened in 2014 and has a historic nineteenth century farmhouse and outbuildings and extensive natural areas.

Recreation Centers

This unit operates 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. Teen enrichment programs are offered at these centers, i.e. performing dance and modeling groups, night flight basketball programs, etc. 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 visually impaired participants, 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. Teen After School programs for ages 13-17 are provided at the Holton Career and Resource Center. Also, After School programs are provided for adults and children with developmental and physical disabilities. "Explore" After School, for ages 13-21, provides an alternative to inclusion and promotes development of participants' life skills. Discover After School, for ages 5-21 offers opportunities to utilize existing skills or develop new ones. 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, Forest Hills Park, and the Holton Career and Resource Center. DPR also provides a one-week "Volunteers in Training Camp". "Explore" Summer Camp, for ages 13-21, provides an alternative to inclusion and promotes development of participants' life skills. Discover Summer Camp offers opportunities for ages 12-21 with disabilities.

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 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 special event set-up and support. Staff members implement and provide ongoing support of the department's maintenance management system with operational standards as adopted as part of DPR's accreditation process.

Custodial Services – Recreation Centers

To provide aesthetically pleasing recreation facilities for public use providing regular and frequently scheduled service and monitoring of DPR (large) Recreation Centers to meet the needs of user groups, to support existing and new programs, and to reduce liability risks throughout the system. These services are provided at the following facilities: Edison Johnson Recreation Center, Edison Johnson Aquatic Center, W. D. Hill Recreation Center, Weaver Street Recreation Center, Irwin R. Holmes, Sr. Recreation Center, and the Walltown Park Recreation Center

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 7,770,118	\$ 8,452,669	\$ 8,405,801	\$ 8,880,984	5.1%
Operating	2,086,481	2,346,145	2,612,262	2,372,113	1.1%
Capital and Other	64,124	962,476	746,240	607,765	-36.9%
Total Appropriations	\$ 9,920,723	\$ 11,761,290	\$ 11,764,303	\$ 11,860,862	0.8%
Full Time Equivalents	103	109	109	110	1
Part Time	82	82	82	82	-
Revenues					
Discretionary Program	\$ 8,683,009	\$ 10,541,920	\$ 10,561,794	\$ 10,624,662	0.8%
	1,237,714	1,219,370	1,202,509	1,236,200	1.4%
Total Revenues	\$ 9,920,723	\$ 11,761,290	\$ 11,764,303	\$ 11,860,862	0.8%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program:	Operational Services	General Fund: \$ 2,081,702
		FTEs: 16
	Administration	\$960,700, 4 FTEs
	Budget, Finance, & Marketing	\$512,860, 6 FTEs
	Personnel	\$115,515, 2 FTEs
	Technology and Data Management	\$248,190, 2 FTEs
	Park Planning	\$244,437, 2 FTEs
Goal:	Thriving and Livable Neighborhoods; Well Managed City	
Objective:	To provide responsive and accessible recreation programs by increasing connectivity of programs and facilities with customers and partners. To provide professional management that is accountable, efficient, and transparent.	
Initiative:	Maintain quality staff at sufficient levels needed to insure programming in response to citizen demand. Review and update DPR's compliance documentation for the Commission for Accreditation of Parks and Recreation Agencies (CAPRA). Application of a consistent fee philosophy. Increase the collection and use of data and best practices to achieve operational excellence in core programs (i.e. evaluation tools, citizen satisfaction survey, etc.).	

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% Compliant with CAPRA standards	100%	100%	100%	100%
# of Participants receiving a discounted fee (through Program Fee Waiver or Sliding Fee Scale Program)	1,559	1,450	1,500	1,500

Value of program fee waivers and Sliding Fee Scale discounts provided	\$590,961	\$650,000	\$600,000	\$650,000
# of Rentals (Organizations events, programs, meetings) receiving a discounted rental fee (through DPR's Facility and Field Fee Waiver Program)	106	100	95	100
Value of discounts provided to Organizations through DPR's Facility and Field Fee Waiver Program	\$121,658	\$105,000	\$100,000	\$100,000

Notes: The Sliding Fee Scale (SFS) provides for reduced fees for After School, Summer Camps, Intersession, and Fun Day programs). The scale is based on NC Health and Human Services poverty guidelines and is based on household income and #'s of persons residing in the household. Discounts are offered through this program that allow participants to pay 10%, 40%, or 70% of the total registration fee. Those in extreme hardship are granted a 100% waiver and attend the program at no cost. The Program Fee Waiver is available for the majority of all other registration based programs (not addressed under the SFS program). Under this program a 100% fee waiver available to participants if they are unable to pay. Verification is obtained through the Department of Social Services.

- Program:** Operations, Playground Safety, & Facility Reservations **General Fund:** \$510,655
FTEs: 4
- Goal:** Thriving and Livable Neighborhoods, Stewardship of City's Physical Assets
- Objective:** To provide opportunities for our community to utilize recreation facilities to host events, increase the number of picnic shelter rentals and improve the quality of customer service received by users of DPR's rental operations.
- Initiative:** Improve marketing efforts to educate the public about available facilities and improve maintenance in parks.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of Picnic shelter rentals	532	525	530	525
# of Rentals at rental facilities (Armory, Spruce Pine Lodge, Forest Hills, and McCown-Mangum House)	335	350	360	350
% of Participants (responding to evaluation surveys) rating overall rental experience as having "met" or "exceeded expectations"	89%	90%	90%	90%

Notes: Rental facilities include: Armory, Spruce Pine Lodge, Forest Hills, and McCown-Mangum House.

Objective: To provide aesthetically pleasing and safe playgrounds for public use and increase customer satisfactions and safety on DPR playgrounds.

Initiative: Development and Implementation of adopted service standards in accordance with national industry standards for public playgrounds. Provide routine inspection against these established standards and address deficiencies as necessary and as resources allow. Staff maintains CPSI (Certified Playground Safety Inspector) certification.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of Inspections of playgrounds per year (57 playgrounds @ 3 times each)	173	171	171	171
% of Playgrounds in compliance with minimum safety surfacing requirements	95%	95%	95%	95%
Program: Recreation Program and Events		General Fund: \$6,458,800 FTEs: 57		
		Outdoor Recreation	\$267,762, 3 FTEs	
		Aquatics	\$962,933, 8 FTEs	
		Athletics	\$716,291, 6 FTEs	
		Events and Outreach	\$473,067, 3 FTEs	
		Heritage Parks	\$205,799, 2 FTEs	
Recreation Centers: East Durham, WI Patterson, Walltown Park Recreation Center, IR Holmes, Sr. Recreation Center at Campus Hills, Edison Johnson Recreation Center, Community Family Life and Recreation Center at Lyon Park, Holton Career and Resource Center, and Weaver Street Recreation Center				\$2,408,987, 26 FTEs
Special Programs/Mature Adults Care Programs (After School, Summer Camps and Intersession)				\$634,703, 8 FTEs
				\$789,258, 1 FTE
Goal:	Thriving and Livable Neighborhoods			
Objective:	To provide responsive and accessible recreation programs, increasing the number of participants who actively participate in activities/courses and events offered by DPR, through a wide variety of quality, specialized program areas as indicated in the program unit list provided.			
Initiative:	Alignment of Recreation Program Plan with the adopted Master Plan and Department's Strategic Plan. Update and support the departments marketing and communications plan to reach a range of audiences. Campaign to educate the public about programs offered by DPR and of fee programs that help those that cannot afford the full program fee. Continue to provide translation of DPR marketing materials into Spanish. Increase feedback opportunities (through surveys at conclusion of each program, through community meetings, etc.) that allow for DPR to collect data pertaining to the interest of the community (what programs are in demand) and to determine successes and areas that require attention. Insure staffs are knowledgeable about provision of quality programming and remain up to date on current programming trends.			

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of Recreational opportunities offered	1,935	2,000	1,850	2,000
# of Individual participants served (registered programs and leagues)	23,117	22,000	23,000	22,000
# of Special events offered	42	40	40	40
% of Registered Course opportunities offered that met minimum registration requirements	71%	80%	75%	80%
% of Activities/courses exceeding maximum # of registrations allowed (participants waitlisted)	11.5%	11%	12%	11%
% of Participants (responding to evaluation surveys) rating programs attended as having "met" or "exceeded expectations"	91%	80%	91%	90%
% of Participants (responding to evaluation surveys) rating events attended as having "met" or "exceeded expectations"	91%	90%	91%	90%

Program: Park Maintenance

General Fund: \$2,300,213

FTEs: 23

Goal: Thriving and Livable Neighborhoods; Stewardship of the City's Physical Assets

Objective: To provide aesthetically pleasing and safe parks {and recreation facilities} for public use providing regular and frequently scheduled service and monitoring of DPR facilities to meet the needs of user groups, to support existing and new programs, and to reduce liability risks throughout the system.

Initiative: Implement and provide ongoing support of the department's maintenance management system with operational standards as adopted as part of DPR's accreditation process. In the adopted Maintenance and Operations Plan, parks are assigned a level of service based upon usage from high to low (green, blue, and orange levels).

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of Parks that are mowed in adherence with adopted standards as part of the DPR Operations and Management Plan	49%	70%	70%	75%

% of Participants (responding to evaluation surveys) that rate condition of City parks and/or ball fields as having "met" or "exceeded expectations" (DPR survey targeting "booked" users)	93%	90%	94%	90%
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Program:	Custodial Services - Recreation Centers	General Fund:	\$509,492
		FTEs:	10
Goal:	Stewardship of the City's Physical Assets		
Objective:	To provide aesthetically pleasing recreation facilities for public use providing regular and frequently scheduled service and monitoring of DPR (large) Recreation Centers to meet the needs of user groups, to support existing and new programs, and to reduce liability risks throughout the system.		
Initiative:	Development and Implementation of adopted service standards in accordance with national industry standards for recreation facilities. Provide routine inspection against the established standards and address deficiencies as necessary.		

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of Participants (responding to evaluation surveys) rating cleanliness of facility as having "met" or "exceeded" expectations	94%	95%	95%	95%

BUDGET ISSUES FOR FY 2015-16

- Achieving desired maintenance standards within existing resources for athletic fields, park cleanup, and custodial services in recreation centers to address priorities identified in the resident satisfaction survey.
- Implementing a workforce management solution for automation of timekeeping to achieve desired consistencies and efficiencies, minimize compliance risks, and control labor costs.
- 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.

ACCOMPLISHMENTS FY 2014-15

- As part of the efforts to increase connectivity of programs and facilities with customers and partners, DPR entered into an agreement with East Durham Children's Initiative for their usage of the East Durham Recreation Center. Programming began in the facility in January 2015.
- KaBOOM!, a national non-profit dedicated to bringing play back into children's lives, honored Durham, as a Playful City USA for the sixth straight year.
- A DPR-led team attended the second annual 2014 Playful City USA Leader Summit in Chicago, IL in October 2014. Durham was one of 12 cities invited to present a Bold Goal and Big Idea that would significantly increase the playability of our city.
- Durham Parks and Recreation was selected as the Outstanding Parks & Recreation Department for 2014 by the North Carolina Division of the United States Tennis Association.
- A Memorandum of Understanding was developed between DPR and General Services to clearly define roles and responsibilities in Parks and Trails.
- Completed safety surfacing projects at C.M. Herndon and Cook Road Parks. The C.M. Herndon project

- included repairs to improve drainage, control erosion and install new Engineered Wood Fiber. The Cook Road project included removing the damaged tiles and installing new safety surfacing.
- Multiple park driveways paved including Spruce Pine Lodge, Sherwood Park, and Whippoorwill Park.
 - “Hardening” of park bathrooms including Forest Hills, West Point on the Eno, East End and Northgate Park
 - Developed and implemented the Durham Parks Foundation, an independent non-profit organization to advocate and collect funding for parks, programs, special events, trails, and open space.
 - Implemented Bar|Scan Technology to capture DPR’s non-fixed asset inventory.

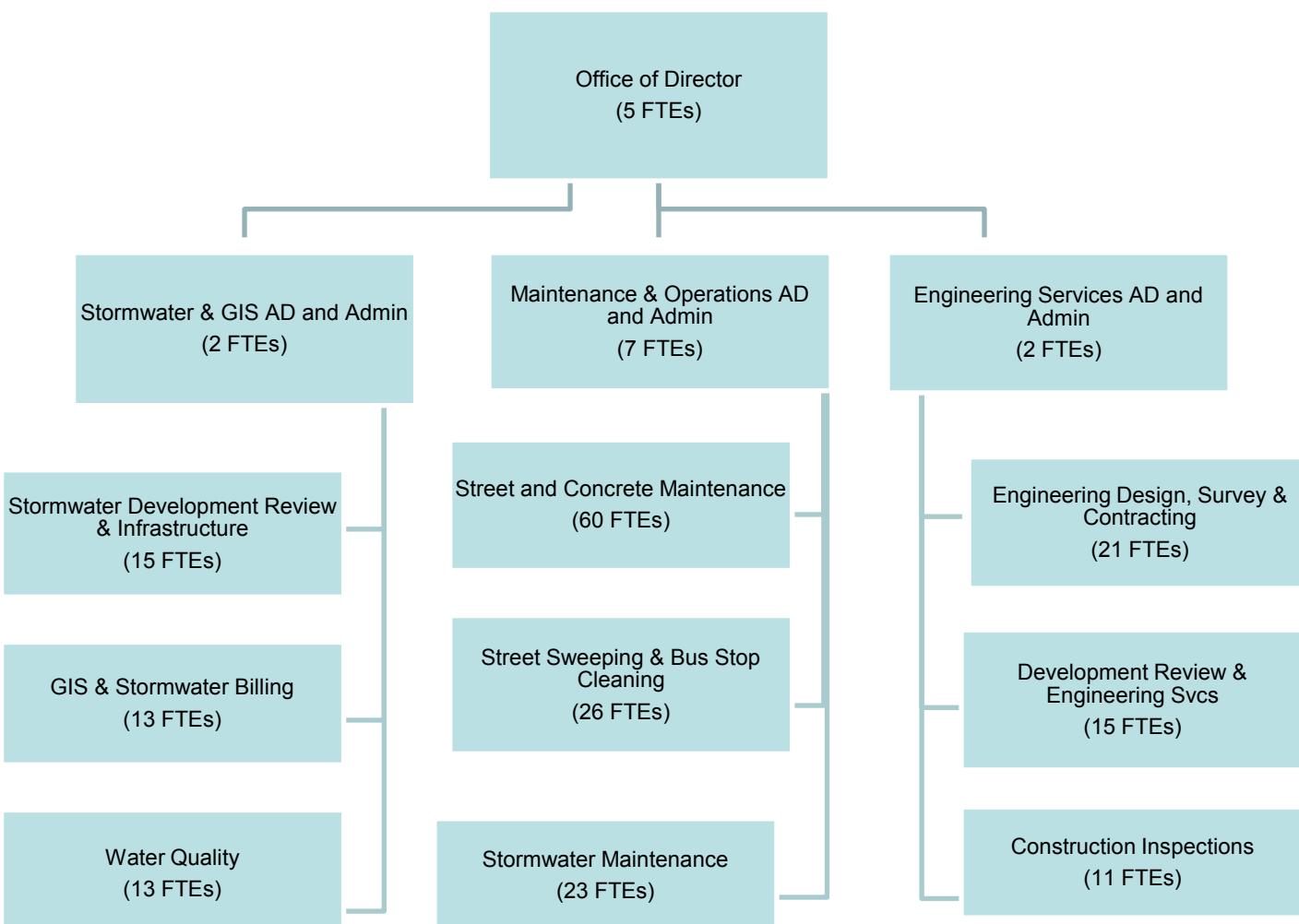
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- 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.
- Implement a department Cityworks domain in conjunction with the City’s enterprise work control system. This will allow for automating the park maintenance work orders and data tracking for the department.
- Implement KRONOS timekeeping system.
- Diversify offerings to include activities in parks that are designed to strengthen communities.
- Work with other City departments to complete an assessment of the City’s Trail system. This assessment will inform an Operations and Maintenance Plan for the Trails.
- Continue efforts with ½ Penny funding to pave park driveways, “harden”/renovate park bathrooms; and repair fencing in parks.
- In FY15, DPR began four Priority Program Initiative teams to focus on four programming areas identified in the Master Plan. The four initiatives included 1) Health and Wellness; 2) Teens; 3) Parks Connecting Neighbors; and 4) Marketing. The teams have worked to develop goals, objectives, and measures that will support the Master Plan and the department’s Strategic Plans. Teams will continue to work to achieve these goals in 2016.



Public Works

(213 FTEs)



PUBLIC WORKS

Purpose Statement:

To operate, maintain and improve the City's street and utility infrastructure and programs in a manner that cost effectively enhances the community's livability.

DEPARTMENT DESCRIPTION

Public Works Department

General Fund: \$7,098,310
Water and Sewer Fund: \$3,285,757
Stormwater Fund: \$8,125,107
213 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 floodplain information requests, 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 structural stormwater BMPs proposed 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 BMP Maintenance Certifier program, which includes annual inspection reports for BMPs, 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 satellite imagery and impervious area extraction for quality control purposes. The program supports and maintains 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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$13,180,082	\$14,176,521	\$13,009,601	\$14,262,325	0.6%
Operating	3,757,447	3,924,502	4,077,709	4,237,649	8.0%
Capital and Other	268,002	48,500	902,433	9,200	-81.0%
Transfers	-	-	-	-	0.0%
Total Appropriations	\$17,205,531	\$18,149,523	\$17,989,743	\$18,509,174	2.0%
Full Time Equivalents	211	213	213	213	-
Part Time	1	1	1	1	-
Revenues					
Discretionary	\$ 5,795,362	\$ 6,247,316	\$ 6,538,779	\$ 6,492,310	3.9%
Program	961,938	585,000	662,000	606,000	3.6%
Total General Fund	\$ 6,757,300	\$ 6,832,316	\$ 7,200,779	\$ 7,098,310	3.9%
Water and Sewer Fund	2,966,071	3,274,832	3,173,622	3,285,757	0.3%
Stormwater Fund	7,482,160	8,042,375	7,615,342	8,125,107	1.0%
Total Revenues	\$17,205,531	\$18,149,523	\$17,989,743	\$18,509,174	2.0%
Total Budget	\$18,548,454	\$18,149,523	\$17,989,743	\$18,509,174	2.0%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Engineering Survey, Design and Contracting

General Fund: \$461,390

Water & Sewer Fund: \$1,478,591

FTEs: 22

Goal: Stewardship of the City's Physical Assets and Safe and Secure Community

Objective: To ensure that streets are repaved efficiently and effectively and other data is collected in support of a safe and secure community.

Initiative: Maintain City infrastructure through the efficient use of contractors.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Street repaving lane mile contracted cost	\$117,858	\$100,000	\$100,000	\$100,000
Linear feet of new sidewalk constructed	150	7,000	1,735	7,000
% of Asphalt roadways with Pavement Condition Index above 75	66%	60%	60%	60%
% of contracts completed in 85-115% of original budget	6%	80%	80%	80%
% of projects designed on time	100%	80%	80%	80%

Program: Paved, Dirt Street and Sidewalk Maintenance

General Fund: \$5,501,190
FTEs: 65

Goal: Stewardship of the City's Physical Assets

Objective: To ensure streets are safe for travel and well maintained.

Initiative: Provide timely and efficient repair of City infrastructure.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of potholes repaired	2,533	1,600	2,300	1,600
Average cost per pothole	\$54	\$75	\$60	\$75
% of potholes repaired within 3 business days	46%	90%	75%	90%
Linear feet of sidewalk repaired	9,831	7,000	9,500	7,000
Average cost per linear foot for sidewalk repaired	\$17	\$40	\$22	\$40

Program: Stormwater Infrastructure and Development Review

Stormwater Fund: \$1,649,397

FTEs: 14

Goal: Stewardship of City's Physical Assets

Objective: To protect and restore the drainage system, preserve and maintain floodplain function, and provide technical reviews and assistance with drainage and floodplain issues.

Initiative: Provide timely technical assistance to stormwater infrastructure customers and complete stormwater infrastructure projects.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of routine drainage service requests addressed within one month	95%	90%	93%	90%
Average cost to address a routine drainage service request	\$153	\$210	\$210	\$210
% of Annual SCM Inspection reports submitted	90%	80%	80%	80%

Program: Stormwater Quality

Stormwater Fund: \$1,430,019

FTEs: 15

Goal: Stewardship of City's Physical Assets

Objective: To ensure that surface water quality is in compliance with the NPDES permit.

Initiative: To provide timely water quality investigation, control pollution sources and follow up on violations discovered.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Rolling Water Quality Index	83	80	80	80
# Pollution sources controlled	200	120	160	120
# Business days needed to issue violation letter/referral	2.73	4.00	2.7	4.00

Program: Stormwater Infrastructure Maintenance, Street and Bus Stop Cleaning **Stormwater Fund:** \$3,676,611
FTEs: 52

Goal: Stewardship of the City's Physical Assets

Objective: To ensure the storm drainage system is inspected and maintained per NPDES.

Initiative: To provide stormwater drainage system maintenance as required by the NPDES permit.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Linear feet of storm drain videoed	43,319	60,000	30,000	60,000
Linear feet of storm water pipe flushed	70,472	64,000	60,000	64,000
Curb miles cleaned/swept	20,676	20,000	20,000	20,000

Program: GIS & Stormwater Billing

General Fund: \$177,458

Stormwater Fund: \$706,884

Water & Sewer Fund: \$236,575

FTEs: 13

Goal: Well-Managed City and Stewardship of City's Physical Assets

Objective: Provide seamless service, project a positive image of the City, and manage the following GIS Layers: water, sewer, stormwater, street, sidewalk, City limits, curb ramps, emergency snow plow routes, and street sweeping routes.

Initiative: Manage stormwater billing program and stormwater revenues and efficiently manage GIS updates.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Stormwater billing - % of stormwater adopted target revenue billed	108%	100%	94%	100%
Stormwater billing - revenue received from return mail of stormwater customers	\$126,802	\$86,500	\$45,000	\$40,000
GIS - % of digital submittals input within 20 business days of approval	61%	90%	90%	90%

Program: Engineering Inspections

General Fund: \$262,637

Water & Sewer Fund: \$463,292

Stormwater Fund: \$243,753

FTEs: 11

Goal: Strong and Diverse Economy

Objective: To ensure that City infrastructure complies with all City codes and laws.

Initiative: To complete accurate inspections in a timely and efficient manner.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Linear feet of public infrastructure inspected	476,980	310,000	475,000	310,000
# Private utility permits issued	896	675	1,200	1,000

Right of Way and Certificate of Occupancy completed in 48 hrs for Commercial and Residential Construction 100% 100% 100% 100%

Program: Engineering Development Review

General Fund: \$411,702
Water & Sewer Fund: \$893,726
Stormwater Fund: \$190,940
FTEs: 16

Goal: Strong and Diverse Economy; Thriving, Livable Neighborhoods; Well-Managed City; Stewardship of City's Physical Assets

Objective: To provide timely responses for development topics: water, sanitary sewer, street, stormwater conveyances and control measures, plan approval, permitting, and all customer service activities for the Public Works Department.

Initiative: To monitor and track customer service and routing accuracy and timeliness.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Engineering Development Review: Total Number of plans/items reviewed	2,148	1,850	2,300	1,850
Engineering Development Review: Percent of plans/items reviewed on time	88%	90%	75%	90%
Engineering Development Review: Total number of Customers	21,727	18,000	18,000	18,000

Objective: To further safety and general welfare and convenience of the citizens of Durham through assessing, managing, and completing all infrastructures for the struggling and failed developments in the City of Durham.

Initiative: To monitor and track failed developments; and to works towards completion of all infrastructure within a failed or struggling development.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# of Completed projects	30	10	10	10
Work hours spent on failed or struggling developments	326	250	250	200

Program: Office of the Director

General Fund: \$283,932
Water & Sewer Fund: \$213,574
Stormwater Fund: \$227,503
FTEs: 5

Goal: Well-Managed City

Objective: To drive operational initiatives, departmental safety and overall departmental effectiveness.

Initiative: Promote the satisfaction and safety of citizens and staff.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% of identified safety deficiencies corrected as a result of safety inspections	100%	100%	100%	100%
# of Workman's comp claims per 100 FTEs	12	50	15	15

BUDGET ISSUES FOR FY 2015-16

- Meeting resident demand for street resurfacing within allotted budget.
- Completing the construction of new sidewalks and the repair of existing sidewalks within allotted budget.
- Assumption of Stormwater Maintenance and Stormwater Capital Improvements on City-owned properties

ACCOMPLISHMENTS FOR FY 2014-15

- Completed an inventory and assessment of the City's existing sidewalk repair needs with respect to the currently proposed national ADA/PROWAG guidelines.
- Completed a Pavement Condition Index (PCI) study to rate the condition of all City of Durham streets and sidewalks.
- Resolved issues related to over 35 failed developments throughout the City.
- Completed two stormwater control measures (SCMs) for a category 4 failed developments.
- Began construction of the Angier/Driver streetscape project in conjunction with the Office of Economic and Workforce Development.
- Completed design and construction of the Little Five Points streetscape in conjunction with the Office of Economic and Workforce Development.
- Completed design and began construction of the Carver Street Extension.
- Completed design of the Fayetteville/Buxton/Riddle intersection realignment.
- Completed two quarterly seminars for the development community on changes to design, construction and as-built characteristics of development within the City.
- Completed the Little Lick Creek Watershed Plan.
- Completed 30 drainage repair projects within City rights-of-way, on City-owned property, or on private property.
- Applied and was accepted into the National Flood Insurance Program's Community Rating System.
- Installed pilot project for Algal Turf Scrubber to address stormwater nutrient reduction requirements.
- Complete monitoring of permeable pavement on clay soil as part of a joint project with NC State University. Completed Eno River watershed monitoring study for use in upcoming Eno River watershed plan
- Issued request for bids for nutrient credits for Falls Lake Rule compliance
- Integrated mobile technology (laptops, tablets, etc.) within the Maintenance division.
- 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 city-wide.
- Completed repairs to three city-owned SCMs under the correction period in contract SWM 2013-01
- Implemented 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 51,000 meters added to the GIS from GPS results collected during AMR (Automated Meter Replacement) contracts. Approximately 42,000 associated taps and laterals added as well.
- Databases: Water Quality Investigations database beta tested. Stormwater Outfall Screening database completed and operational. Fire Department Hydrant Inspections moved to CityWorks.
- All utility databases (Water/Sewer/Stormwater) rebuilt. Database replication to enterprise GIS system enabled.
- Completed Module I of Heavy Equipment Operator Assessments and Training with Gregory Poole Caterpillar

- Revised Departmental Performance Standards
- Completed Employee Satisfaction Survey
- Completed concrete parking lot repairs at Durham Station
- Completed a series of 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
- Milled and Paved over 6,500 tons of asphalt
- Flushed over 30,000 linear feet of storm drain pipe
- Videoed over 20,000 linear feet of storm drain pipe
- Repaired over 6500 linear feet of concrete sidewalk
- Swept over 12,500 curb miles of roadway
- Excavated over 13,500 linear feet of roadside ditches

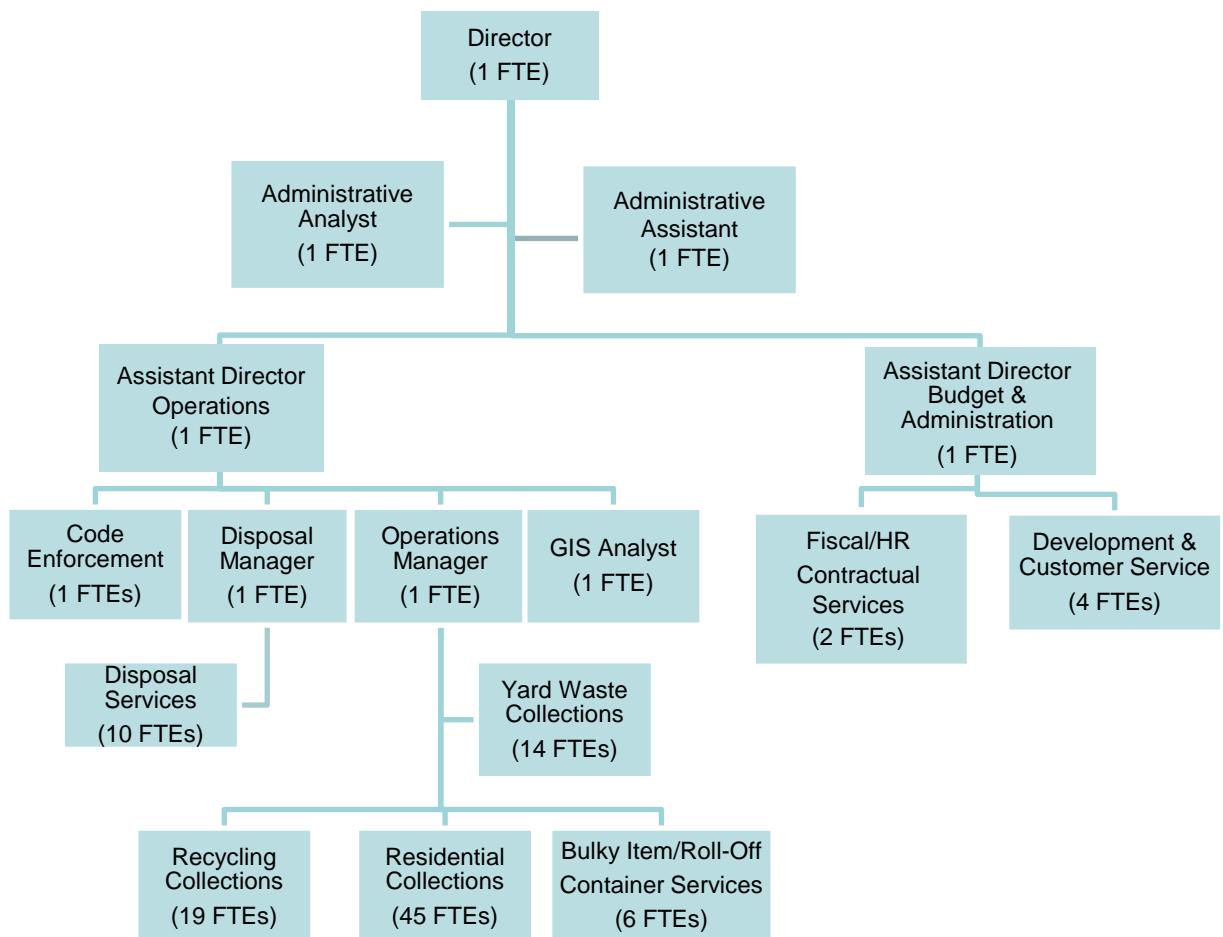
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Complete 25 drainage repair projects within City rights-of-way, on City-owned property, or on private property.
- Complete the design of a stream restoration for Third Fork Creek and begin construction.
- Issue RFP for the design of the South Ellerbe Creek Wetland Project.
- Complete two major rehabilitation and repairs to City-owned stormwater control measures.
- Begin work on the Eno River watershed plan.
- Begin operation of Algal Turf Scrubber pilot project.
- Complete an inventory and assessment of the City's existing sidewalk infrastructure; develop a multi-year maintenance plan that ensures compliance with currently proposed national ADA/PROWAG guidelines.
- Develop and refine a multi-year pavement preservation and rehabilitation program.
- Complete construction of the Angier/Driver streetscape project in conjunction with the Office of Economic and Workforce Development.
- Begin construction of the Carver Street Extension.
- Complete construction of the Fayetteville/Buxton/Riddle intersection realignment.
- Resurface through contracts 10,000 linear feet of road to help increase road integrity and potentially raise the PCI rating of each segment.
- Repair or replace 7,000 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.
- Begin Raincatchers post project monitoring
- Begin nutrient load monitoring study
- Complete two (2) SCMs for category 4 failed developments
- Complete 3 seminars providing professional development hours to the design and development community.
- Increase enforcement efforts with NOVs, which include monetary penalties, for non-compliant BMP owners
- Update various sections of the Reference Guide for Development to reflect latest stormwater requirements and procedures
- Implementation of the Public Works STEM YouthWork Internships
- Address needs of users in Engineering Services through multiple internal process improvements and database development efforts to better support their efforts.
- Placement of 10,000 tons of asphalt through routine maintenance functions



Solid Waste Management

(109 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 citizens of Durham.

DEPARTMENT DESCRIPTION

Solid Waste Management

**Solid Waste Fund: \$15,092,628
109 FTEs**

The Department is primarily responsible for the collection and disposal of residential municipal solid waste, bulky items/brush and subscriber-based yard waste debris. The Department also provides curbside recycling services. 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. This division directly administers all aspects of customer service to Durham's citizens, 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 supports City Council's goals and the Department's mission of providing environmentally safe collections of recyclable material..

City Facilities and Downtown Collections

This cost is associated with services provided by the SWM Department to collect solid waste from all City-owned facilities, residents and businesses in the downtown 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.

Code Enforcement Services

The Code Enforcement division utilizes a proactive approach 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 Waste Reduction division 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.

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 and landfill debt administration. 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 composting 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 determines 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 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 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 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, and supports the City Council goal of accountability and fiscal soundness.

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.

Household Hazardous Waste

The Household Hazardous 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 household hazardous waste, are unsafe to dispose of with regular trash and must be handled separately. The City provides for special collection of such items for citizens and residents of Durham, Orange, Wake, and Chatham Counties, six days per week.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 6,254,826	\$ 6,159,049	\$ 6,186,215	\$ 6,336,488	2.9%
Operating	8,155,135	8,852,498	8,755,636	8,756,140	-1.1%
Capital and Other	-	20,000	-	-	-100.0%
Transfers	747,000	-	-	-	0.0%
Total Appropriations	\$15,156,961	\$15,031,547	\$14,941,851	\$15,092,628	0.4%
Full Time Equivalents	112	109	109	109	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 9,393,253	\$ 8,551,487	\$ 8,730,855	\$ 8,885,176	3.9%
Program	5,524,232	6,230,160	5,961,096	6,207,452	-0.4%
Solid Waste Fund	\$14,917,485	\$14,781,647	\$14,691,951	\$15,092,628	2.1%
Stormwater Fund	239,476	249,900	249,900	-	-100.0%
Total Revenues	\$15,156,961	\$15,031,547	\$14,941,851	\$15,092,628	0.4%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program:	Administration	Solid Waste Fund:	\$1,094,233
		FTEs:	12
Goal:	Well-Managed City		
Objective:	Achieve exceptional customer service and a culture of professional development.		
Initiative:	Continuous communication updates to the City departments website, with accurate information, assuring that information regarding changes to departmental services are easily accessible.		

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% Collection complaints resolved within 48 hours	N/A	99%	99%	99%
% Residents rating trash collection services as satisfactory or better	86%	84%	86%	90%

Program:	Residential Collection	Solid Waste Fund:	\$3,686,603
		FTEs:	45
Goal:	Thriving Livable Neighborhoods		
Objective:	Deliver industry standard collection and disposal services while striving to maintain or reduce collection and disposal cost through the efficient management of resources.		
Initiative:	Increase the use of technology, best practices and training for field staff and managers.		

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Participating Households	69,744	69,800	70,600	71,200
Tons collected (Curbside)	46,124	47,600	47,800	47,800
Collection and disposal costs per collection point	\$1.48	\$1.45	\$1.43	\$1.42
Program:	Yard Waste Collection		Solid Waste Fund:	\$1,332,126
			FTEs:	14
Goal:	Thriving Livable Neighborhoods			
Objective:	Develop and implement strategies to promote environmentally sound practices (to include the diversion of reuseable and recyclable products from the waste stream thus increasing the diversion rate).			
Initiative:	Provide Durham residents with an efficient program to dispose of earth products.			

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Yard Waste Subscribers	18,191	17,006	18,200	18,250
Tonnage collected	9,160	9,300	9,300	9,500
% Waste stream diverted through yard waste collection	12.9%	13.0%	12.9%	13.0%
Program:	Curbside Recycling		Solid Waste Fund:	\$1,547,638
			FTEs:	19
Goal:	Thriving Livable Neighborhoods			
Objective:	Develop and implement strategies to promote environmentally sound practices (to include the diversion of reuseable and recyclable products from the waste stream thus increasing the diversion rate).			
Initiative:	Provide Durham residents with an effective and efficient program to dispose of recyclable materials.			

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Participating Households	69,744	69,800	70,600	71,200
Tonnage collected	13,927	13,800	13,800	14,300
% Waste stream diverted through recycling	23.2%	25.0%	23.0%	24.0%
Program:	City Facilities and Downtown Collections		Solid Waste Fund:	\$63,830
			FTEs:	0
Goal:	Thriving Livable Neighborhoods			
Objective:	Continuous efficient refuse collections of all City-owned facilities and the downtown collection areas.			
Initiative:	Collection services in downtown area and City-owned facilities.			

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Collection points	37	14	37	37
Annual Cost	\$63,704	\$75,000	\$75,000	\$78,800

Program: Bulky Item Collection **Solid Waste Fund:** \$586,195
FTEs: 6

Goal: Thriving Livable Neighborhood

Objective: Continuous efficient refuse collections of all City-owned facilities and the downtown collection areas.

Initiative: Use of GPS technology to effectively mange timely collections, resources and personnel.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Bulky item/brush collections	34,486	17,500	35,000	36,000
% Bulky collection complaints resolved within 48 hours	99%	100%	100%	100%
Bulky Tonnage Removed	1,839	1,700	1,900	1,300

Program: Code Enforcement **Solid Waste Fund:** \$69,260
FTEs: 1

Goal: Thriving Livable Neighborhood

Objective: Develop and implement strategies to promote environmentally sound practices (to include the diversion of reuseable and recyclable products from the waste stream thus increasing the diversion rate).

Initiative: Increased code enforcement officer's presence City of Durham communities.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Monthly Code enforcement investigations completed per officer each month	224	200	270	270
% Violations corrected by citizen within 30 days of notification	98%	96%	97%	95%
Fines Levied	2	1	2	1

Program: Waste Reduction **Solid Waste Fund:** \$90,500
FTEs: 0

Goal: Thriving Livable Neighborhood

Objective: Develop and implement strategies to promote environmentally sound practices (to include the diversion of reuseable and recyclable products from the waste stream thus increasing the diversion rate).

Initiative: Educate all citizens through educational forums, media outlets and planned events.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Educational events	30	15	15	15
# Educational event participants	3,804	1,500	1,500	1,500
Tons of E-Waste Received at Waste Reduction Events	35	35	28	40
Program:	Transfer Station		Solid Waste Fund: \$5,688,563	
			FTEs: 5	
Goal:	Well-Managed City			
Objective:	Deliver industry standard collection and disposal services while striving to maintain or reduce collection and disposal cost through the efficient management of resources.			
Initiative:	Education of public on recyclable materials and staff training on waste stream diversion.			
Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
# Small users (cars/small trucks)	22,692	21,000	21,100	21,500
# Large users (hydraulic dump trucks)	37,524	25,000	28,600	34,000
Disposal costs per ton	\$36.82	\$38.00	\$37.56	\$37.69
Program:	Convenience Center		Solid Waste Fund: \$330,050	
			FTEs: 4	
Goal:	Thriving Livable Neighborhoods			
Objective:	Increase citizen's awareness and use of convenience center to dispose of recyclables.			
Initiative:	Increased outreach efforts through education and marketing.			
Measures:	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
% Waste stream diverted from landfill due to convenience center	3.0%	3.5%	3.0%	3.0%
Tonnage of appliance/scrap metal	382.27	375.00	380.00	380.00
White goods revenue	\$69,935	\$70,000	\$75,000	\$75,000
Program:	Yard Waste Composting Facility		Solid Waste Fund: \$191,749	
			FTEs: 1	
Goal:	Thriving Livable Neighborhoods			
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).			
Initiative:	Train staff through a DENR-approved composting operations and maintenance certification program.			

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
Tonnage of yard waste collected	15,514	14,500	13,400	14,000
Yard waste tipping fee revenue	\$110,094	\$98,500	\$106,000	\$106,000
Pounds of non-yard waste material entering the facility	94,100	35,000	41,000	45,000

Goal: Thriving Livable Neighborhoods

Objective: To divert household hazardous waste (HHW) away from the waste stream and out of the environment.

Initiative: Contract for safe disposal of household hazardous waste.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Pounds of HHW collected	273,727	250,000	250,000	260,000
# Pounds of E-Waste collected	476,797	350,000	250,000	200,000

Goal: Thriving Livable Neighborhoods

Objective: To divert tires from entering into the waste stream.

Initiative: Educational forums for citizens on tire disposal's impact on the waste stream and effective tire recycling.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Tons of tires collected	2,380	3,000	2,500	2,500
Tire disposal revenue (citizens)	\$3,326	\$2,500	\$3,000	\$3,000

BUDGET ISSUES FOR FY 2015-16

- Maintaining a high level of service as the City continues to grow.
 - Efficient Management of our Transfer Station.
 - Funding for the Waste Characterization Study.
 - Technological Improvements.

ACCOMPLISHMENTS FOR FY 2014-15

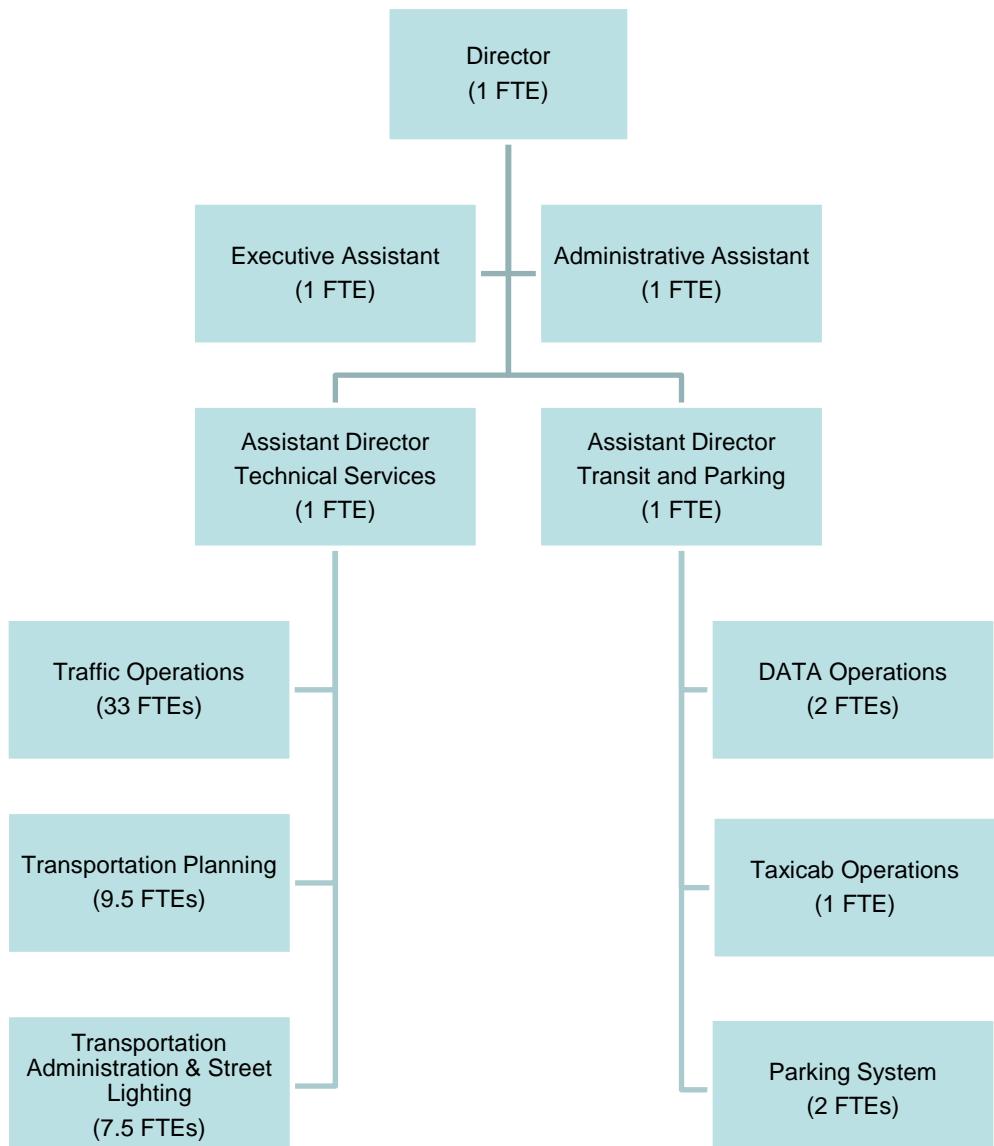
- Continued to provide a high level of service despite employee cuts.
 - Negotiated a more cost effective HHW contract.
 - Relocated and moved to a new HHW facility.
 - Hired new Assistant Director.
 - Replaced the 20 year old Transfer Station scales

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Completion of Waste Characterization Study.
- Implementation of a technology pilot program with Otto Container Management/Otto Environmental Systems.
- Successful negotiation of a new cart purchase and cart maintenance contract.



Transportation (60 FTEs)



TRANSPORTATION

Purpose Statement:

To serve our citizens, businesses and visitors by ensuring a safe, efficient, accessible and convenient transportation system that meets our City's interests and enhances the quality of life of our citizens, today and into the future.

DEPARTMENT DESCRIPTION

Transportation Department	General Fund: \$ 7,863,024 46.5 FTEs
	Transit Fund: \$19,679,295
	Parking Fund: \$2,623,374 2 FTEs
	Grant Funds: \$10,284,018 11.5 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 21,000 street lights, which are owned and operated by the City's two electric service providers: Duke Energy and Piedmont Electric Membership Corporation.

Transit

Transit service functions include the administration, planning and operation costs of the City's public mass transit system, the Durham Area Transit Authority (DATA). 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 DATA fixed route service provides citizens with alternative transportation options and is essential to transit dependent riders which often includes senior citizens and students. The DATA 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 Triangle Transit.

Parking

Parking Administration provides management oversight for the City's off-street and on-street parking system and plans for future parking needs. The daily operation of the parking system is provided by a private contractor.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$ 3,265,629	\$ 3,375,436	\$ 3,517,256	\$ 3,442,245	2.0%
Operating	21,437,753	23,542,128	23,925,672	24,329,339	3.3%
Capital and Other	171,350	202,500	116,954	426,500	110.6%
Transfers	1,287,272	1,374,700	2,277,454	1,967,609	43.1%
Total Appropriations	\$26,162,004	\$28,494,764	\$29,837,336	\$30,165,693	5.9%
Full Time Equivalents	48.5	48.5	48.5	48.5	-
Part Time	1	1	1	1	-
Revenues					
Discretionary Program	\$ 6,762,050 782,967	\$ 6,781,676 1,261,738	\$ 6,518,140 1,531,741	\$ 6,845,074 1,017,950	0.9% -19.3%
Total General Fund	\$ 7,545,017	\$ 8,043,414	\$ 8,049,881	\$ 7,863,024	-2.2%
Transit Fund	16,329,583	18,107,836	19,340,791	19,679,295	8.7%
Parking Fund	2,287,404	2,343,514	2,446,664	2,623,374	11.9%
Total Revenues	\$26,162,004	\$28,494,764	\$29,837,336	\$30,165,693	5.9%
Grants					
Transportation Planning Grant					
Personal Services	\$ 950,344	\$ 1,129,400	\$ 1,129,400	\$ 1,163,282	3.0%
Operating	1,430,236	1,646,737	942,440	823,005	-50.0%
Total Appropriations	\$ 2,380,580	\$ 2,776,137	\$ 2,071,840	\$ 1,986,287	-28.5%
Full Time Equivalents	9.5	9.5	9.5	9.5	-
Part Time	2	2	2	2	-
Transportation Planning Grant Revenues	\$ 2,380,580	\$ 2,776,137	\$ 2,071,840	\$ 1,986,287	-28.5%
Transit Grant					
Personal Services	\$ 107,107	\$ 109,914	\$ 109,914	\$ 126,056	14.7%
Operating	4,455,914	4,874,358	4,866,164	3,878,515	-20.4%
Capital and Other	49,873	49,843	894,227	4,293,160	8513.4%
Total Appropriations	\$ 4,612,894	\$ 5,034,115	\$ 5,870,305	\$ 8,297,731	64.8%
Full Time Equivalents	2	2	2	2	-
Part Time	-	-	-	-	-
Transit Grant Revenues	\$ 4,612,894	\$ 5,034,115	\$ 5,870,305	\$ 8,297,731	64.8%
Total Budget	\$33,155,478	\$36,305,016	\$37,779,481	\$40,449,711	11.4%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program:	Transportation Services	General Fund:	\$1,521,032
		FTEs:	12.5
		Grants:	\$1,986,287
		FTEs:	9.5
Goal:	Thriving and Livable Neighborhoods		
Objective:	To plan, operate and maintain safe and efficient transportation systems for the City by reviewing 95% of Traffic Impact Analyses (TIA) within 60 days and site plans within allotted review times.		
Initiative:	Assign a development review staff person with primary responsibility for Traffic Impact Analysis and use on-call development review services as development applications warrant.		

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# TIAs reviewed	10	12	17	12

Goal:	Thriving and Livable Neighborhoods		
Objective:	To ensure safe, reliable and customer-friendly vehicle for hire service effectively and efficiently enforcing the Passenger Vehicle for Hire Ordinance and regulations by inspecting 100% of all vehicles for hire and drivers' eligibility requirements annually.		
Initiative:	Inspect all vehicles for hire annually for compliance with established vehicle insurance, equipment, condition, appearance, and safety standards, and annually review all driver permit applications and renewals to ensure driver standard's compliance.		

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# of Passenger Vehicles for Hire inspected annually	267	260	260	260
# of Drivers permitted	208	290	290	290

Program:	Traffic Operations	General Fund:	\$2,963,332
		FTEs: 33.0	

Goal:	Thriving and Livable Neighborhoods and Stewardship of City's Physical Assets		
Objective:	To operate and maintain a well-managed traffic signal system with 90% of signalized intersections operating at Level of Service (LOS) D or better by analyzing traffic volumes and signal timing plans for all traffic signals once every eighteen months to ensure minimum vehicle delay and maximum efficiency.		
Initiative:	Conduct peak-hour turning movement counts and traffic analysis all traffic signals every two years.		

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Signals maintained	403	405	405	408
# Signals maintained per FTE	44.8	45.0	45.1	45.3
% Signals operating > LOS D	95%	95%	97%	97%

Goal:	Stewardship of City's Physical Assets		
Objective:	To maintain well-marked, highly visible pavement markings to ensure efficient traffic operations and public safety, by restriping 50% of the pavement lane markings (90 miles/year). Restriping 75% of all stop bars and crosswalks (20,000 ft./yr) and 50% of all pavement symbols (600/yr.) once every five years.		

Initiative: Maintain an inventory of all pavement markings, monitor established life-cycles and conduct routine field inspections which ensure conformance with Manual on Uniform Traffic Control Devices (MUTCD) maintenance schedules.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# Miles of lane markings striped	85	90	90	90
# Feet of markings striped per labor hour	660	420	815	600
# Feet of crosswalks & stop bars striped	23,619	22,000	22,000	22,000
# Feet of crosswalks & stop bars striped per labor hour	34.4	32.0	34.0	34.0

Goal: Safe and Secure Community and Thriving Livable Neighborhoods

Objective: To maintain a safe and efficient transportation system by improving street lighting, reviewing and implementing new street lighting requests as submitted by the Durham Police Department, citizens, PACs, or as identified by traffic safety studies and road construction project designs.

Initiative: Issue design and installation requests to electric utility for 95% of all eligible projects within two weeks of receiving a sufficient petition or property owner notification.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
# New street lights installed	253	450	450	450
# Street lights per 1,000 capita	87	88	87	88

Goal: Thriving and Livable Neighborhoods

Objective: To provide reliable fixed-route transit service to people who live, work, or play in Durham in order to connect them to the places that they want to go in a timely manner, increasing average daily ridership by 2.5% from 20,382 boardings to 20,892 daily boardings, and to improve on-time performance by 3 percentage points from 85% to 88% with an eventual target of 90% of all trip departures between the scheduled departure time and five minutes late.

Initiative: To monitor demand, modify and operate routes and schedules to improve service convenience and efficiency of service delivery, provide timely and accurate information, maintain facilities and equipment, improve safety and reliability, and promote a positive public image.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY15	FY16
Average daily boards	19,994	20,600	20,382	20,892
Cost per revenue hour	\$84.70	\$92.07	\$87.00	\$91.06
On-time Performance	82.6%	85.0%	85.0%	88.0%

Goal: Thriving Livable Neighborhoods

- Objective:** To provide ADA paratransit service to people with limited mobility that cannot use the DATA fixed-route service of Durham in order to connect them to the places they want to go in a timely manner, cost-effectively meeting demand by increasing the passengers per hour from 2.16 and maintaining on-time paratransit schedule performance of 85%.
- Initiative:** To monitor demand, modify scheduling and procedures to improve service efficiency, transition people to the fixed route and other transit services, provide timely and accurate information, maintain facilities and equipment, improve safety and reliability, and promote a positive public image.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
% Operate paratransit service within 15 minutes of scheduled time	77.5%	85.0%	80.0%	85.0%
# Passengers per hour	2.15	2.16	2.16	2.16
Program:	Parking		Parking Fund	\$2,623,374
			FTEs:	2.0

Goal: Well-Managed City and Thriving Livable Neighborhoods

Objective: To increase overall performance with parking operations by collecting 72% of all citations.

Initiative: To reduce the balance of outstanding and uncollectable citations.

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
% Collection of citations issued	72.00%	72.00%	72.00%	72.00%
% Increase in parking citations issued	-6.00%	3.00%	10.00%	15.00%
% of Citations appealed vs. issued	7.00%	5.50%	6.00%	6.00%

Goal: Well-Managed City and Thriving Livable Neighborhood

Objective: To increase the utilization of the City's off-street parking facilities

Initiative: Implement strategies to increase occupancy of parking facilities

	Actual FY14	Adopted FY15	Estimated FY15	Adopted FY16
Measures:				
Average occupancy in parking garages	46.0%	56.0%	56.0%	60.0%
Average occupancy off-street parking lots	48.0%	51.0%	64.0%	65.0%
Average revenue per space for garages and off-street lots	\$48.38	\$48.00	\$57.00	\$58.00

BUDGET ISSUES FOR FY 2015-16

- Duke/DATA/TTA transit service coordination.
- 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.
- Manage limited resources without service impacts.
- Prioritizing staff resources to assist with the update of the Durham Walks! Plan.

ACCOMPLISHMENTS FOR FY 2014-15

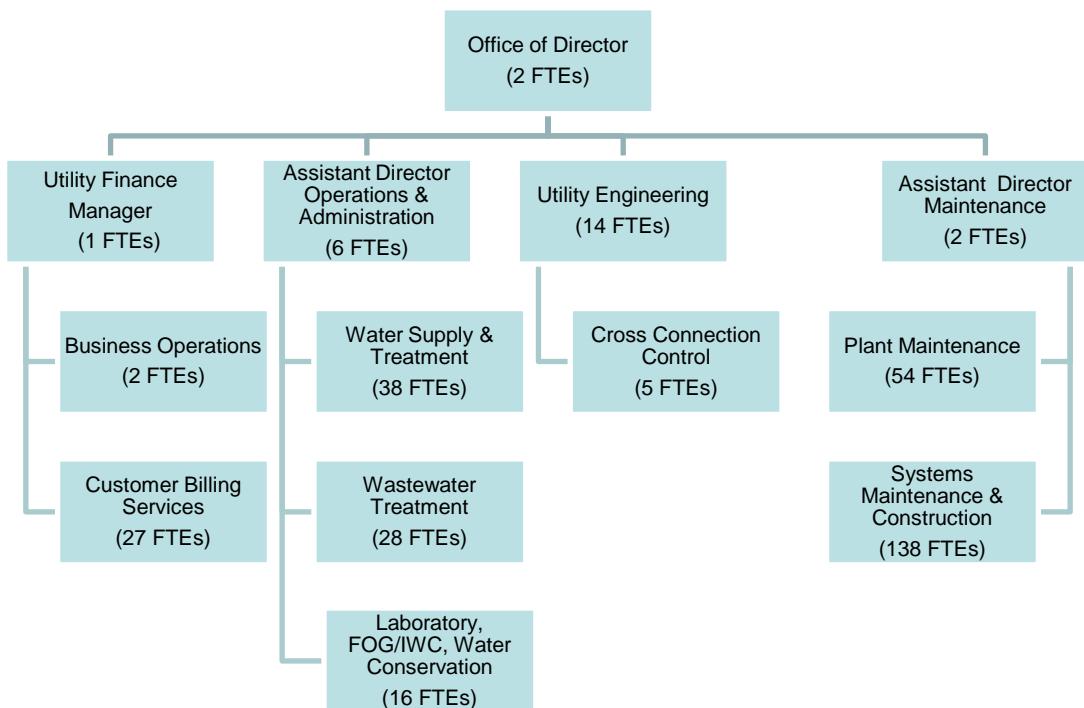
- Implemented new Downtown on-street parking limits
- Implemented parking enforcement within American Tobacco, Bright leaf, Durham Central Park areas.
- Increased security in parking garages.
- Developed Request for Proposal and selected parking system management company.
- Improved accessibility and amenities at DATA bus stops.
- Transported 20,400 daily fixed route passengers.
- Implemented new DATA service improvements.
- Launched new Go Durham transit logo
- Successfully completed FTA Triennial Review
- Successfully completed MPO certification review
- Launched new DCHC MPO website
- Optimized traffic signal timing at 200 intersections.
- Completed 90 miles of pavement markings.
- Continued to enhance bicycle and pedestrian amenities.
- Continued the City's Speed Hump Program with traffic studies, petitions, and installations.
- Provided input and assistance to Triangle Transit for the Durham-Orange light rail transit project development
- Installed 450 street lights

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Implement new Parking Management Agreement
- Improve accessibility and amenities at DATA bus stops.
- Transport 20,900 daily fixed route passengers.
- Implement new DATA service improvements.
- Transport 127,900 annual paratransit passengers
- Implement DATA service improvements
- Implement changes to Bull City Connector
- Optimize traffic signal timing at 200 intersections
- Complete 90 miles of pavement markings
- Install/replace 3,700 traffic signs
- Assist with the update of the Durham Walks! Plan
- Add (5) five miles of bicycle lanes
- Continue to enhance bicycle and pedestrian amenities
- Continue the City's Speed Hump Program with traffic studies, petitions, installations
- Amend Passenger Vehicle for Hire Ordinance to address digital dispatching services
- Install 450 new street lights



Water Management (333 FTEs)



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: \$42,194,634
332.5 FTEs

Solid Waste Fund: \$253,612
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 to use for other key purposes including fire protection. Additional functions include ensuring sustainable, reliable operations of water supply and water and wastewater treatment facilities. Wastewater collection and treatment services not only protect the public's health and safety but also the environment. By delivering these 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 both water and wastewater facilities and systems remains an integral part of operations for reliable short and long term needs. Long range planning for expanding water resources and treatment capacities contributes to a sustainable, well-managed City. The department champions the City's goal of stewardship of our physical assets through effective maintenance and improvement activities. The department pursues self-evaluation, benchmarking opportunities and other sound business practices in an effort 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, even in an environment of more stringent regulatory requirements and escalating energy costs, while improving reliability and maximizing staff deployment. The department is committed to ensuring that Durham citizens live and work in a well-managed City with efficient and accountable provision of water and sewer services. 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.

AdministrativeAdministration

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 providing 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 that 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.

Customer Billing Services

This division is the first point of contact for most customers. Staff provides billing services for the utility which include responding to customer inquiries, establishing new accounts, closing accounts for customers who move out, updating customer accounts for any changes, and enforcing collection of charges from active customers. Employees in the field services unit provide connection and disconnection services.

Industrial Waste Control/FOG Program

This program administers the City's mandated Industrial Waste Pretreatment/Fats, Oils and Grease Program under the City's Sewer Use Ordinance, the WRF NPDES permits and the Collection System Permit. Staff also conduct active public education, outreach and advertising campaigns to promote public awareness of proper grease disposal.

Laboratory Services

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 that citizens enjoy an efficient and accountable city government while assuring that drinking water meets state and federal standards and that wastewater discharges meet permit limits to protect the environment and downstream users.

Water Efficiency and Conservation Program

The 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.

Operations

Water Supply and Treatment

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 that 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 in the design phase will expand the capacity of the Brown Water Treatment Plant to 42 MGD and provide reliable residuals handling facilities for both water treatment plants.

Wastewater Treatment

Charged with providing the citizens of Durham with cost effective, wastewater treatment and residuals management, certified staff optimize the treatment processes so that the North Durham and South Durham facilities 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 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 planned to meet stringent water quality or biosolids disposal regulations.

Maintenance

This service area provides the citizens of Durham with cost effective maintenance of water and sewer infrastructure including the distribution and collection systems, raw water lake facilities, water treatment and water reclamation facilities, pump stations and elevated storage tanks.

Systems Maintenance and Construction

The Systems Maintenance and Construction 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.

Plant Maintenance

Plant Maintenance provides essential support for water and wastewater facilities, pump stations and other facilities 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.

Engineering

Utility Engineering

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. The program also 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 Program

Program staff implement 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 Monitoring

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 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Adopted FY 2015-16	Change
Appropriations					
Personal Services	\$19,618,105	\$20,799,808	\$19,590,943	\$21,830,665	5.0%
Operating	18,932,339	20,778,581	20,040,429	20,617,581	-0.8%
Total Appropriations	\$38,550,444	\$41,578,389	\$39,631,372	\$42,448,246	2.1%
Full Time Equivalents	329	333	333	333	-
Part Time	2	2	2	2	-
Revenues					
Water and Sewer Fund	\$38,296,200	\$41,326,784	\$39,334,016	\$42,194,634	2.1%
Solid Waste Disposal Fund	254,244	251,605	297,356	253,612	0.8%
Total Revenues	\$38,550,444	\$41,578,389	\$39,631,372	\$42,448,246	2.1%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Administration

Water & Sewer Fund: \$1,914,020

FTEs: 13

Goal: Thriving and Livable Neighborhoods & Stewardship of the City's Physical Assets

Objective: To sustain the community's drinking water needs by maintaining water demand/supply capacity percentage at 80% or less.

Initiative: To monitor annual demands, track daily and monthly demands and trends and project future raw water demands to meet system growth needs. Initiate planning for future expansion and/or increased allocation prior to reaching 80% benchmark.

	Actual FY14	Adopted FY15	Estimated FY 15	Adopted FY16
Measures:				
Annual demand as a percent of water supply volume	71%	72%	72%	73%

Objective: To ensure adequate wastewater treatment capacity for community needs by maintaining treatment plant discharges/treatment plant capacity percentage at 80% or less.

Initiative: Track monthly discharge flows and trends and monitor treatment flows as a percentage of the rated capacities and project future system needs for capacity and process treatment. Initiate planning for expansion or upgrades prior to reaching 80% benchmark.

	Actual FY14	Adopted FY15	Estimated FY 15	Adopted FY16
Measures:				
Wastewater Average annual flow as a percentage of rated capacity	45%	55%	46%	50%

Goal: Well-Managed City

Objective: To enhance and increase customer responsiveness by promptly answering telephone calls transferred from Durham One Call.

Initiative: Closer monitoring of incoming phone call levels and managing staffing levels/training to minimize wait time for assistance and call abandonment which compounds difficulty when customers call back.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY 15	FY16
Average minutes hold time in queue before answer	5.2	2.5	3.0	2.5
% of Callers who abandon (hang up) call prior to CBS staff answering.	27.22%	15.00%	15.00%	10.00%

Objective: Enforce ordinances and collection policies for water and sewer services and reduce the number of accounts delinquent more than 60 days to less than 10% of accounts billed.

Initiative: Aggressively enforce cut-offs for non-residential accounts. Review aging reports to monitor effectiveness of cut-off strategy.

	Actual FY14	Adopted FY15	Estimated FY 15	Adopted FY16
Measures:				
% of Active Accounts delinquent more than 60 days	9.40%	6.00%	6.00%	5.00%

Program: Laboratory Services **Water & Sewer Fund:** \$962,290
FTEs: 9

Program: Industrial Waste Control/FOG **Water & Sewer Fund:** \$310,225
FTEs: 3

Program: Water Efficiency/Conservation **Water & Sewer Fund:** \$550,046
FTEs: 4

Program: Cross Connection Control **Water & Sewer Fund:** \$595,580
FTEs: 5

Goal: Thriving and Livable Neighborhoods & Stewardship of the City's Physical Assets

Objective: To protect the City's potable water supply by implementing and enforcing the City's Cross Connection Control Ordinance and achieve compliance with annual backflow preventer (BFP) testing as mandated by the City's Cross Connection Control Ordinance.

Initiative: Maintain database, conduct inspections, mail notices and review test and maintenance submittals monthly to ensure compliance with ordinance requirements.

Measures:	Actual FY14	Adopted FY15	Estimated FY 15	Adopted FY16
% of BFP owners conducting & submitting reports as required	92%	95%	89%	95%

Program: Water Supply and Treatment **Water & Sewer Fund:** \$8,029,006
FTEs: 38

Goal: Stewardship of the City's Physical Assets

Objective: To provide customers with a sufficient and aesthetically pleasing supply of safe drinking water, meeting all regulatory requirements, in a cost efficient manner.

Initiative: To produce drinking water that meets all regulatory requirements, while monitoring operations at the reservoirs and water treatment facilities to ensure cost efficiencies are consistently applied.

Measures:	Actual FY14	Adopted FY15	Estimated FY 15	Adopted FY16
% Compliance with Federal and State drinking water quality standards	100%	100%	100%	100%
Treatment cost per million gallons of treated water.	\$947.21	\$932.95	\$930.00	\$919.77

Objective: To maintain water quality throughout the distribution system consistent with the water quality produced at the treatment plants.

Initiative: Monitor the water quality in the distribution system and respond to customer calls and concerns. If results are found to be outside water quality targets, the issue is evaluated, recorded and steps taken to resolve the concern.

	Actual FY14	Adopted FY15	Estimated FY 15	Adopted FY16
Measures:				
# Water Quality investigations/month requiring corrective action (outside established criteria)	0.83	3	4	3

Program: Wastewater Treatment **Water & Sewer Fund:** \$8,553,491
FTEs: 28

Goal:	Thriving and Livable Neighborhoods & Stewardship of the City's Physical Assets
Objective:	To provide citizens with cost effective wastewater treatment and residuals management while ensuring compliance with all current and future regulations (Falls Lake & Jordan Lake Rules) by reducing discharges of nutrients (Nitrogen and Phosphorus) into the receiving streams.
Initiative:	Optimize processes and construct facilities to reduce levels of Nitrogen and Phosphorus discharged.

	Actual FY14	Adopted FY15	Estimated FY 15	Adopted FY16
Measures:				
NDWRF:				
Lbs. of N** (335,435 allowed)*	95,923	120,000	82,000	97,000
Lbs. of P (10,631 allowed)*	4,514	7,900	3,500	3,500
SDWRF:				
Lbs. of N (334,705 allowed)*	192,607	267,765	240,000	251,028
Lbs. of P (14,053 allowed)*	8,359	10,540	10,200	10,000

*Calendar year

** ND permit limits for CY 2016 for N - 97,000 lbs

Program: WSM/Systems Maintenance & Construction **Water & Sewer Fund:** \$11,890,378
FTEs: 138

Goal:	Well-Managed City & Stewardship of City's Physical Assets
Objective:	To ensure the operational functionality of the City's sanitary sewer collection system by providing timely and efficient routine maintenance, reducing instances of emergency maintenance, and controlling Sanitary Sewer Overflows (SSOs), to the extent practicable, so that wastewater flows from customers reach water reclamation facilities for appropriate treatment.
Initiative:	To maintain sewer collection system in good condition and meet sewer collection system permit requirements.

	Actual	Adopted	Estimated	Adopted
Measures:	FY14	FY15	FY 15	FY16
# of Repeat SSOs	0	0	0	0
% of Total sewer system cleaned per year to meet regulatory requirement	24.04%	15.00%	15.50%	12.00%

Goal: Well-Managed City
Objective: To ensure that the city measures the amount of water sold accurately and responsibly.
Initiative: Identify and resolve AMR meter failures and regularly test large meters to ensure accuracy in both large and residential meters.

Measures:	Actual FY14	Adopted FY15	Estimated FY 15	Adopted FY16
% of 3" and larger meters within AWWA recommendation for accuracy per month	96%	98%	100%	99%
Program: Utility Engineering		Water & Sewer Fund: \$1,601,454 Solid Waste Fund: \$253,612 FTEs: 14		

BUDGET ISSUES FOR FY 2015-2016

- Maintain current levels of water and wastewater services. Energy and chemical costs constitute a substantial portion of water and wastewater treatment costs. Increasing energy and chemical expenditures reflect the costs of meeting increasingly stringent standards for drinking water quality and wastewater discharges.
- Expanded efforts to improve revenue for the utility will continue to address CIP funding and the long-term financial health of the Water & Sewer Fund. Continue to evaluate opportunities to enhance revenue streams through on-going improvements and enhancements to MUNIS Utility Billing System and intensified delinquent account collection practices.
- Continue efforts to enhance 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.
- Sustainable funding of infrastructure rehabilitation and replacement continues to be an issue of concern for the utility.
- Continue taking advantage of technological efficiencies with business processes and customer service delivery which will involve increased financial and human resources.

ACCOMPLISHMENTS FOR FY 2014-15

- Provided 25.42 Million Gallons per Day (MGD) of drinking water that met all state and federal water quality standards to Durham customers.
- Discharged 18.04 MGD of highly treated effluent meeting all NPDES permit requirements into the receiving waters in the Neuse and Cape Fear basins.
- Completely utilizing AMR and staffing initiatives to read and bill water customers on a monthly basis.
- Completed initial drive to improve concerns discovered in the Employee Opinion Survey.
- Partnered with the Durham Fire Department to develop enhanced process for inspection of fire hydrants in the City.
- Issued RFP and selected vendor to provide an IVR system for customer and billing services offering ability to pay utility bills by phone as well as extending web options for payment and customer account self-service.
- In collaboration with Jordan Lake Partners, completed Triangle Regional Water Supply Plan (TRWSP) which received a regional planning award.
- Based on the TRWSP, submitted allocation to DENR/EMC requesting retention of current 10% allocation of Jordan Lake and additional allocation of 6.5% of the water supply pool of the Lake. With Western Intake Partners, completed feasibility study on development of a regional intake on the western portion of the lake, transmission and treatment facilities.
- Completed first phase of the Collection System Management, Operations and Maintenance (MOM) Plan.
- Completed the master plan for the Water Management Facility Expansion.
- Began construction of the Downtown Loop water main replacement project.
- Began construction of the Southeast Pressure Zone elevated storage tank and awarded construction for the new water mains.
- Completed departmental Strategic Plan.
- Began design of the Downtown Durham Development Rehabilitation (Durham Central Park) project.
- Completed design and construction of numerous rehabilitation projects at North and South Durham WRFs.

- Continued construction of the Chemical Feed/Nutrient Removal Systems project at North and South Durham WRFs.
- Completed Contract SR-55, Sanitary Sewer System Repairs, and advertised for FY2015 Sanitary Sewer System Repairs.
- Completed 2012 Contract SR-56 which included CIPP lining and manhole rehabilitation. Began construction of 2014 Contract SR-58, which includes CIPP lining and manhole rehabilitation.
- Continue Contract SR-57 which includes CCTV inspection of sewer mains, smoke testing and manhole inspections.
- Began construction for Contract SR-59, Chemical Control of Sewer Root Intrusions.
- Completed several sewer replacement and rehabilitation projects at numerous sites.
- Began a City-wide Reclaimed Water Master Plan.
- Began design and permitting of the CY 2014 WRF Improvements at North and South Durham WRFs.
- To promote safe driving habits throughout the department, initiated the Smith Driving Program. Two staff members participated in week-long Train the Trainer classes so that the department now has 3 fully trained instructors. First employee training sessions held in third quarter.
- Began participation in interdepartmental Billing Processes Task Force designed to review City-wide billing with the objective of maximizing business efficiencies and the customer/citizen experience.
- Renewed efforts on data integrity and clean up including efforts to reduce duplicate customer numbers and ensure that all utility billing locations reflect current GIS address points and parcel numbers.
- Continued collaboration between customer service and water/sewer maintenance divisions to better coordinate billing and collection success

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Begin Phase III of the Commercial Meter Replacement Project.
- In concert with Jordan Lake Partners, continue collaborative planning efforts to develop direct access to Jordan Lake with interested partners along with regional water transfer strategies to maximize water sources.
- Implement enhanced customer responsiveness through new/expanded technologies for payment options over the phone and web.
- Continue to implement tools and strategies to increase collection rates for water and sewer bills.
- Complete sewer replacement and rehabilitation projects at numerous sites.
- Complete construction of the Downtown Loop water main replacement project.
- Continue construction of the Southeast Pressure Zone elevated storage tank and begin construction of the new water mains.
- Begin the construction of the Water Treatment Regulatory Compliance and Water Facilities Rehabilitation projects.
- Complete design of the Downtown Durham Development Rehabilitation (Durham Central Park) project.
- Complete Route Analysis and begin design of the Downtown East-West Reinforcing Main.
- Begin design of the American Tobacco District Water Main Replacement Project.
- Complete upgrades to the interim Snow Hill Lift Station.
- Begin design of the Southeast Regional Lift Station.
- Begin electronic submittal of Monthly Reports to DENR for Water Reclamation Facilities
- Begin design for the Water Management Facility Expansion.
- Continue to participate in the City's strategic plan implementation and more closely align 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.
- Implement departmental and divisional actions plans to address issues noted in the 2014 Employee Opinion Survey.
- 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, enhancing 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 implement the Smith Driving System to reduce vehicle accidents.

- Promote public awareness through education, outreach and marketing campaigns for water conservation/efficiency and the Fats, Oils and Grease efforts; maintain and expand water efficiency incentive programs.
- Implement e-billing and electronic lobby wait line management software.
- Review customer service business processes and customer communications along with a quality assurance program to evaluate customer satisfaction and formulate appropriate response for continuous improvement.
- Collaborate with TS and Finance to upgrade enterprise billing software and implement enhancements.

DEBT MANAGEMENT

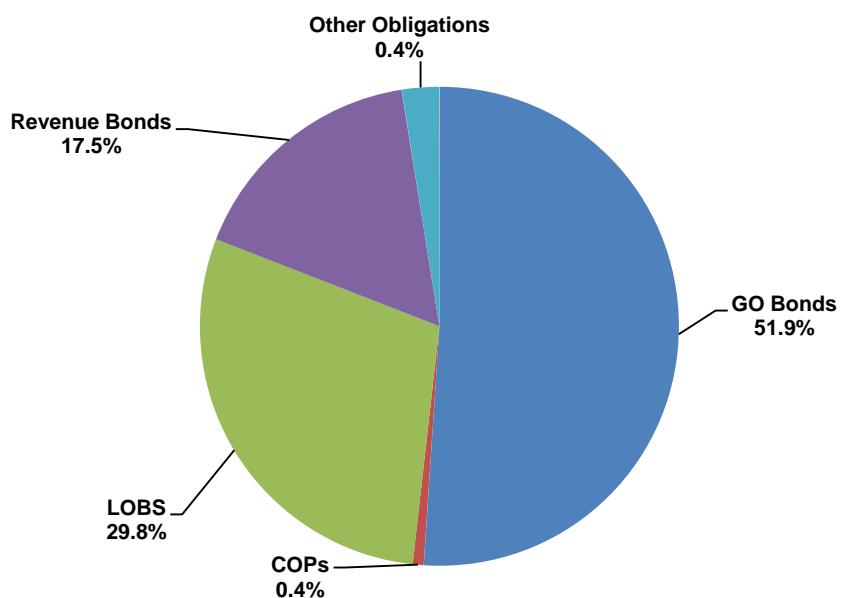
The City manages its long term financing needs through periodic issuance of General Obligation Bonds. Debt service expenditures include principal and interest payments on the City's outstanding bonded debt. These payments are budgeted in the funds that incur the debt: for example, water and sewer debt 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 2015-16 Obligations			Future Obligations		
	Principal	Interest	Total	Principal	Interest	Total
General Obligation Bonds	\$17,230,000	\$8,164,447	\$25,394,447	\$175,465,000	\$46,044,090	\$221,509,090
Installment Sales	1,360,000	143,275	1,503,275	1,430,000	76,005	\$1,506,005
Revenue Bonds	3,400,000	3,062,463	6,462,463	59,040,000	38,474,513	\$97,514,513
Limited Obligation Bonds	9,405,000	3,862,691	13,267,691	100,575,000	29,426,776	\$130,001,776
<u>Other Obligations</u>	<u>8,107,490</u>	<u>99,977</u>	<u>8,207,467</u>	<u>1,444,750</u>	<u>86,474</u>	<u>\$1,531,224</u>
Total Debt Service:	\$38,502,490	\$15,332,851	\$54,835,341	\$337,954,750	\$114,107,857	\$452,062,607

**Outstanding Debt by Type of Issue
FY2015-16**



Legal Debt Limit:

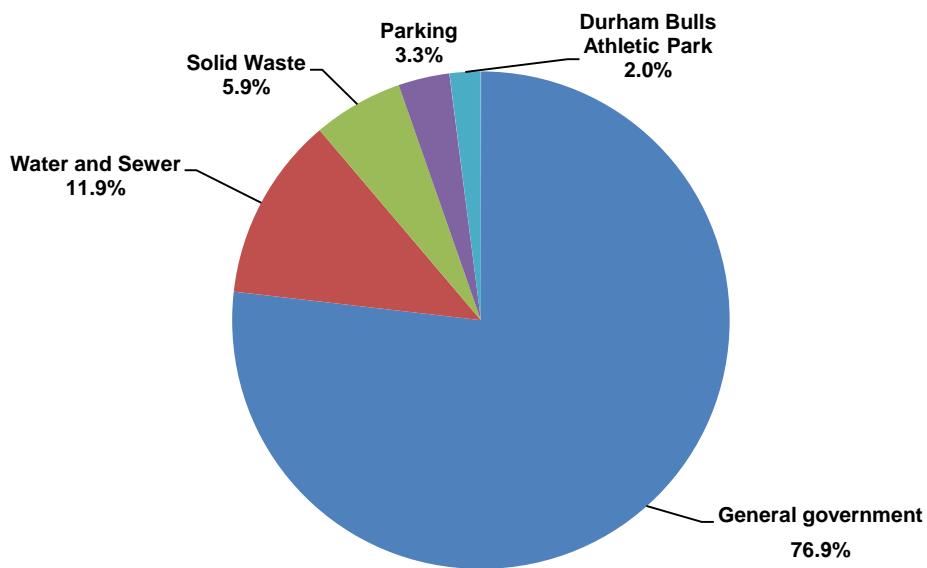
The City is subject to the Local Government Bond Act. The Act limits the net bonded debt that the City may have outstanding to eight percent of the appraised value of property subject to taxation. As of March 1st, 2015 the statutory limit for bonded debt for the City was \$1,837,919,363 providing a debt margin of approximately \$1,587,532,123.

Outstanding General Obligation Debt

General Obligations

General Government	\$148,054,130
Water & Sewer	23,048,418
Solid Waste	11,297,360
Parking	6,406,980
Durham Bulls Athletic Park	3,888,113
Total	\$192,695,000

**Outstanding General Obligation Debt
FY 2015-16**

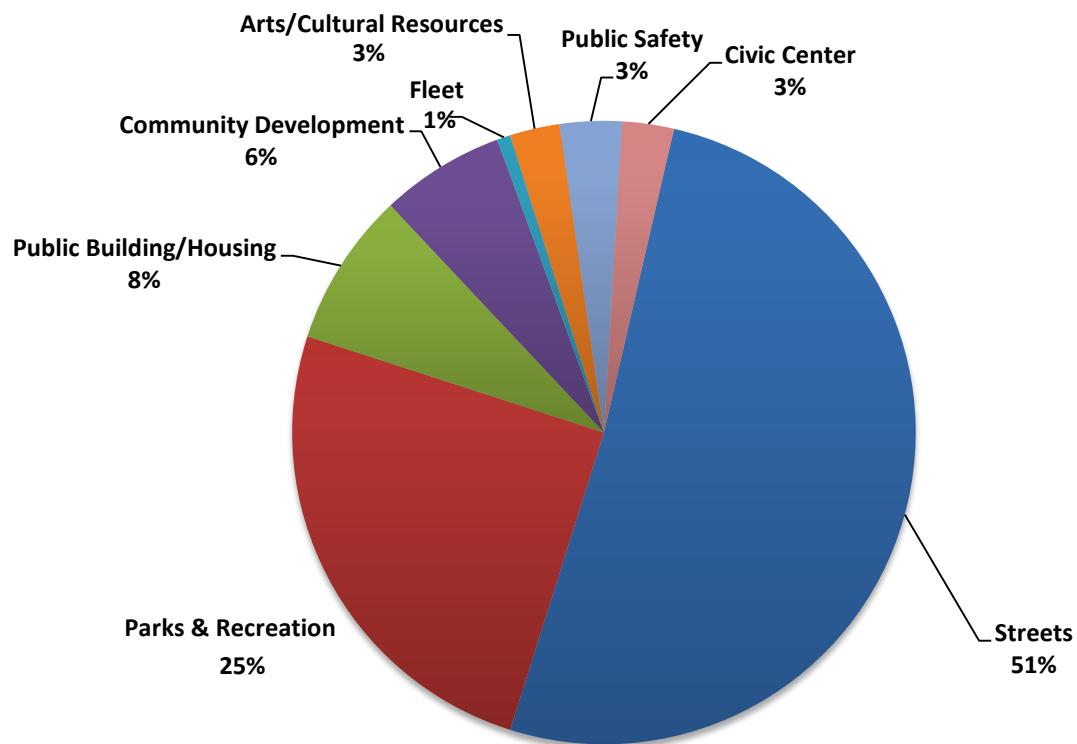


Outstanding General Government General Obligation Debt

General Government

Arts/Cultural Resources	\$3,801,999
Public Building /Housing	11,755,524
Community Development	9,452,386
Parks and Recreation	36,895,222
Fleet	1,023,783
Public Safety	4,725,426
Civic Center	3,927,250
Streets	75,272,779
Public Improvements	1,145,909
Technology	53,853
Total	\$148,054,130

Outstanding General Government G.O. Debt FY 2015-16



Outstanding General Government General Obligation Debt

The City currently has no Authorized and unissued Debt

Outstanding Variable Rate Debt

The City currently has no Authorized and unissued Debt

Annual Principal and Interest Requirements FY 2015-16

<u>Issue</u>	<u>Debt Purpose</u>	<u>Principal</u>	<u>Interest</u>	<u>Future Principal</u>
				<u>Obligations</u>
COPS-2005-A	2005 COPs	475,000	46,438	500,000
COPS-2007-A	Durham Performing Arts Center	885,000	96,837	930,000
GO-2005-B	GO Series 2005B taxable	650,000	30,875	0
GO-2006-A	Taxable Housing	475,000	39,618	510,000
GO-2006-B	2006B GOs	500,000	30,000	500,000
GO-2007-A	Refund (98 99 00B 02 04)	4,535,000	1,349,919	22,610,000
GO-2008-A	23 G.O. Bonds	375,000	75,613	1,345,000
GO-2008-B	05 & 07 authority (\$8 million Streets)	1,425,000	259,200	5,055,000
GO-2009-A	REFUNDING 98, 99, 00B, 02, 04	1,710,000	312,450	5,560,000
GO-2010-A	GO Series 2010A	2,190,000	1,374,471	32,855,000
GO-2012-A	General Obligation Bonds, Series 2012A	1,015,000	333,581	8,870,000
GO-2012-B	GO Series 2012B - DBAP Taxable	1,605,000	8,025	0
GO-2012-C	GO Bond Series 2012C 2005/2010 Bond Ref	630,000	1,591,950	37,890,000
GO-2012-D	GO Bond Series 2012D Refunding	985,000	472,950	10,630,000
GO-2015-A	General Obligation Refunding Bonds, Series 2015	1,135,000	2,285,796	49,640,000
LEASE-2011-A	Private Placement	624,750	15,249	634,750
LEASE-2013-A	RADIO LEASE	7,347,740	57,606	0
LOBS-2010-LOBA	LOBs 2010	1,225,000	924,284	18,330,000
LOBS-2010-LOBB	LOBs 2010 Fleet	1,075,000	88,876	2,150,000
LOBS-2010-R-1	2001 Refunded	675,000	151,600	3,290,000
LOBS-2010-R-2	2008 Refding Gen Fd	705,000	352,750	8,335,000
LOBS-2012-A	LOB Series 2012A Refunding COP2003	800,000	188,338	4,995,000
LOBS-2012-B	LOB Series 2012B Refunding COP 2005B	830,000	184,144	6,795,000
LOBS-2013-A	LOBS 2013A	2,195,000	680,256	14,165,000
LOBS-2013-B	LOBS 2013B	1,470,000	468,029	13,230,000
LOBS-2015-A	Taxable Refunding Limited Obligation Bonds Series 2015	430,000	824,415	29,285,000
REVENUE-2005-A	Revenue Refunding (1998, 2001 partial)	2,370,000	636,563	9,755,000
REVENUE-2011-R	Revenue Bond Series 2011	1,030,000	2,425,900	49,285,000
<u>STATE LOAN-2001-B</u>	<u>State Loan/Clean Water Revolving</u>	<u>135,000</u>	<u>27,122</u>	<u>810,000</u>
	Total	\$39,502,490	\$15,332,851	\$337,954,750



CITY OF DURHAM, NORTH CAROLINA

CAPITAL IMPROVEMENT PLAN FY 2016 – 2021



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 2016 CIP Process

For the preparation of the 2016-21 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 Citizen 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 2016-2021. 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 2016-21 CIP process included the participation of the CIP Advisory Committee and a Citizen 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 roadblocks 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 Citizen 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 2016-21 CIP includes approximately \$109.5 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 15, 2015.

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:

- A Strong and Diverse Economy
- Safe and Secure Community
- Thriving Livable Neighborhoods
- Innovative and High Performing Organization
- Stewardship of City's Physical and Environmental Assets

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 for Aquatic Updates/Upgrades to city pools, Birchwood Park, Indian Trail Park, Crest Street Park 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 Cemeteries Upgrades, Energy Management Projects, the purchase of fleet vehicles, and critical security upgrades to city facilities.
- 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 Fire Station #18 land acquisition and major system upgrades at the Fire Administration Building.
- 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 to conduct a feasibility study for the Annex and Truck Wash Station.
- 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, and funding for Stormwater fleet replacement vehicles.
- VII. Technology. This category contains projects that improve the technological capabilities of the City, producing a more innovative, efficient and accountable government.
- 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, the Duke Belt Line Trail master plan, and to address Failed and Struggling Development infrastructure projects.
- 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 the planning of the Southeast Regional Lift Station.
- 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 deferred maintenance upgrades to the Parking Garages and the continuation of 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 2016-2021 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 2015:

Culture and Recreation

- American Tobacco Trail, Phase E
- Campus Hill Park Parking Lot Resurfacing
- Driveway/Parking Lot Paving
- Sports Facilities Lighting Package
- Third Fork Creek Trail
- Weaver St. Park/Center Upgrades

Downtown Revitalization

- Durham Bulls Park Upgrade, Phase II

Housing and Revitalization

- Southside Redevelopment, Phase I

General Services

- 400 Cleveland St. Exterior Restoration
- City Hall HR Renovation
- Radio Infrastructure Replacement

Public Protection

- SCBA Replacements

Technology

- Enterprise Resource System (ERP)

Solid Waste

- SW Operations Facility

Water

- Automated Meter Replacement

**CITY OF DURHAM
CAPITAL IMPROVEMENT PROGRAM**

FY 2016 - 2021 CAPITAL IMPROVEMENT PROGRAM SUMMARY

SUMMARY BY PROJECT CATEGORY

Category	Prior Year	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	Future Years	Total Request
Culture & Recreation	8,138,562	2,254,000	2,637,335	20,000	20,000	20,000	20,000	20,000	13,129,897
Downtown Revitalization	1,155,000	0	0	0	0	0	0	0	1,155,000
General Services	26,487,016	5,287,000	309,000	318,270	0	0	0	0	32,401,286
Other Enterprise Funds	4,460,000	581,000	0	0	0	0	0	0	5,041,000
Public Protection	72,967,762	1,730,000	0	0	0	0	3,212,202	3,308,568	81,218,532
Solid Waste	6,040,787	1,825,000	2,250,000	0	0	0	0	0	10,115,787
Stormwater	25,639,360	3,979,776	10,375,000	6,525,000	7,075,000	6,100,000	0	0	59,694,136
Technology	1,751,556	0	0	0	0	0	0	0	1,751,556
Transportation	41,111,169	11,049,048	5,356,000	2,970,520	7,130,044	3,995,557	8,752,519	9,612,121	89,976,978
Wastewater	127,040,295	25,950,000	64,600,000	16,500,000	15,900,000	22,500,000	5,000,000	5,000,000	282,490,295
Water	183,155,595	56,890,869	21,200,000	14,550,000	11,050,000	91,050,000	8,800,000	8,800,000	395,496,464
	\$497,947,102	\$109,546,693	\$106,727,335	\$40,883,790	\$41,175,044	\$123,665,557	\$25,784,721	\$26,740,689	\$972,470,931

SUMMARY BY REVENUE SOURCE

Source	Prior Year	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	Future Years	Total Funds
GOB Authorized	21,636,292	0	0	0	0	0	0	0	21,636,292
GOB Unauthorized	7,054,301	0	0	0	0	0	0	0	7,054,301
Impact Fees	26,317,919	1,051,000	0	0	0	0	0	0	27,368,919
Installment Sales	81,508,402	11,161,682	2,000,335	318,270	0	0	0	0	94,988,689
Intergovernmental	19,703,696	190,000	0	0	0	0	0	0	19,893,696
Other	35,976,565	9,728,366	0	0	0	0	0	0	45,704,931
Pay-As-You-Go	109,173,807	5,475,645	21,475,000	17,625,000	18,175,000	17,200,000	5,000,000	5,000,000	199,124,452
Rev Authorized	10,763,654	0	0	0	0	0	0	0	10,763,654
Rev Unauthorized	185,812,466	81,940,000	74,700,000	19,950,000	15,850,000	102,450,000	8,800,000	8,800,000	498,302,466
Unidentified	0	0	8,552,000	2,990,520	7,150,044	4,015,557	11,984,721	12,940,689	47,633,531
	\$497,947,102	\$109,546,693	\$106,727,335	\$40,883,790	\$41,175,044	\$123,665,557	\$25,784,721	\$26,740,689	\$972,470,931

Operating Costs from Associated Capital Expenditures

	<u>Prior</u> Years	2014-15	2015-16	2016-17	2017-18	2018-19	<u>Future</u> Years	Total
Culture & Recreation								
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maint/Operations	79,000	12,000	-	-	-	-	800,000	812,000
Personnel	-	40,000	-	-	-	-	-	40,000
Total	\$ 79,000	\$ 52,000	\$ -	\$ -	\$ -	\$ -	\$ 800,000	\$ 852,000
Public Protection								
Maint/Operations	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ 1,815,000	\$ 1,818,000
Personnel	-	-	-	-	-	-	-	-
Total	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ 1,815,000	\$ 1,818,000
Technology								
Maint/Operating	<u>\$ 800,000</u>	-	-	-	-	-	-	<u>\$ 800,000</u>
Water								
Maint/Operating	\$ 11,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,000
General Capital Improvements								
Operating Costs Total:	\$ 890,000	\$ 55,000	\$ -	\$ -	\$ -	\$ -	\$ 2,615,000	\$ 3,481,000
All Capital Improvements								
Operating Costs Total:	\$ 890,000	\$ 55,000	\$ -	\$ -	\$ -	\$ -	\$ 2,615,000	\$ 3,481,000

CITY OF DURHAM
DURHAM PERFORMING ARTS CENTER CAPITAL IMPROVEMENTS PROJECT ORDINANCE

ORDINANCE #14784

FISCAL YEAR 2015-16

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY			
DPAC Operating Fund	\$	900,000	
TOTAL	\$	900,000	

Section 1. Description of Projects

(a) Durham Performing Arts Center

	Project Title	Revenue Source	Appropriation	Revenue
1	DPAC Condo Purchase CH901	DPAC Operating Fund	650,000	650,000
2	DPAC Furnishings CH902	DPAC Operating Fund	250,000	250,000
	TOTAL		\$ 900,000	\$ 900,000

Section 2. Each project authorized by this ordinance is for the period of July 1, 2015 through June 30, 2016.

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 15 2015

CITY CLERK
J. Ben Gray

**CITY OF DURHAM
GENERAL CAPITAL IMPROVEMENTS PROJECT ORDINANCE**

ORDINANCE #14778

FISCAL YEAR 2015-16

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY	
Culture and Recreation	\$ 36,556,885
Downtown Revitalization	2,280,687
General Services	22,856,052
Housing	40,578,738
Public Protection	80,711,734
Technology	2,971,602
Transportation	61,756,703
TOTAL	\$247,712,401

Section 1. Description of Projects

(a) Culture and Recreation

Number	Project Title	Revenue Source	Appropriation	Revenue
1	American Tobacco Trail Phase E CH056	Open Space Impact Fees (Zone 1) Private Grant Miscellaneous Revenue Payment in Lieu Zone 1B Third Fork Payment in Lieu Zone 1-C Northeast Creek General Obligation Bonds (2007) 2/3 Bond - Series 2008 Parks and Recreation Bonds (1996) Federal Match/ Grants Distributed Interest Impact Fees P&R Zone 3 Open Space Impact Fees (Zone 3) Open Space Impact Fees (Zone 2)	11,816,838	468,956 150,000 38,375 73,150 73,150 967,320 1,500,000 350,986 7,497,057 197,844 201,316 112,389 186,295
2	American Tobacco Trail Parking Lot CH285	Parks and Recreation Impact Fees (Zone 1) NC Horse Council Grant (2014)	105,000	100,000 5,000
3	Aquatic Updates (Dehumidifier Units) CH002	Debt	643,000	643,000
4	Aquatic Upgrades (Citywide Master Plan) CH003	Open Space Impact Fees (Zone 1) Open Space Impact Fees (Zone 2) Open Space Impact Fees (Zone 3)	120,000	40,000 40,000 40,000
5	Athletic Courts Improvements CH510	2013 Limited Obligation Bonds Debt 2009 Limited Obligation Bonds General Obligation Bonds (2005)	2,689,807	346,859 1,228,141 297,496 817,311

6	Athletic Field Irrigation/Lighting (Snow Hill)	550,000
	CH058	Debt
		89,484
		2013 Limited Obligation Bonds
		460,516
7	Bethesda Park	4,165,720
	CH080	Payment in Lieu Lick Creek 2-B
		29,170
		Parks and Recreation Impact Fees (Zone 2)
		741,872
		General Obligation Bonds (2005)
		3,394,678
8	Birchwood Park - Parking Lot Upgrades	160,000
	CH005	Open Space Impact Fees (Zone 2)
		160,000
9	C.M. Herndon Park (Baseball Field Lights)	220,000
	CH011	Open Space Impact Fees (Zone 1)
		220,000
10	Crest Street Park (Baseball Field Lights)	235,000
	CH012	Open Space Impact Fees (Zone 3)
		235,000
11	Demolition DPR Structures	58,751
	CH057	General Obligation Bonds (2005)
		10,321
		Investment Income
		48,430
12	Duke Park Restrooms	200,000
	CH133	General Obligation Bonds (2005)
		200,000
13	Edgemont Park (Playground Equipment)	200,000
	CH195	Parks and Recreation Impact Fees (Zone 2)
		200,000
14	Forest Hills Park Upgrade	662,886
	CH270	2009 Limited Obligation Bonds
		464,430
		General Obligation Bonds (2005)
		86,114
		Debt
		112,342
15	Herndon Park - Soccer Field	900,000
	CH196	Parks and Recreation Impact Fees (Zone 1)
		900,000
16	Indian Trail Park (Playground Upgrades)	180,000
	CH013	Debt
		180,000
17	Lake Michie Upgrade	868,710
	CH007	Debt
		302,301
		General Obligation Bonds (2005)
		566,409
18	Leigh Farm Park Phase I & II	1,500,954
	CH140	Payment in Lieu District 1-A New Hope
		200,000
		2/3 Bond - Series 2012
		202,094
		General Obligation Bonds (2005)
		300,000
		Parks and Recreation Impact Fees (Zone 1)
		798,860
19	Lyon Park Upgrade	600,494
	CH340	2009 Limited Obligation Bonds
		386,495
		General Obligation Bonds (2005)
		213,999
20	Moreene Rd. Park (Field Renovations)	116,000
	CH014	Parks and Recreation Impact Fees (Zone 1)
		116,000
21	Northgate Renovations	20,000
	CH193	General Obligation Bonds (2005)
		20,000
22	Park Renovations	1,096,962
	CH410	Parks and Recreation Bonds (1996)
		281,640
		Investment Income
		98,810
		Sale of Land
		33,518
		Parks and Recreation Impact Fees (Zone 2)
		241,000
		General Obligation Bonds (2005)
		26,561
		2009 Limited Obligation Bonds
		415,433
23	Park Restrooms Pilot Project	250,000
	CH197	Parks and Recreation Impact Fees (Zone 2)
		250,000

24	Pool Assessment CH027	General Obligation Bonds (2005)	75,000
25	Public Art Funding 70003	Distributed Interest	50,000
26	Snow Hill Park - Expansion Study CH017	Parks and Recreation Impact Fees (Zone 3)	100,000
26	Sports Facilities Lighting Package CH504	Impact Fees	600,000
		2009 Limited Obligation Bonds	300,000
27	Third Fork Creek Trail CH060		300,000
		General Obligation Bonds (1996)	4,196,481
		General Obligation Bonds (2005)	1,844,242
		General Fund (2005)	444,535
		2010 Limited Obligation Bonds	106,780
		Parks and Recreation Impact Fees (Zone 1)	953,844
		Parks and Recreation Impact Fees (Zone 2)	752,718
			94,362
28	Twin Lakes Park Restrooms CH132	General Obligation Bonds (2005)	155,650
29	Twin Lakes Park - Soccer Field CH198	Debt	400,000
		General Obligation Bonds (2005)	97,698
			302,302
30	Twin Lakes Park Upgrade CH131	Impact Fees (Zone 2)	725,000
		Parks and Recreation Impact Fees (Zone 2)	385,000
		Debt	100,000
		General Obligation Bonds (2005)	120,925
			119,075
31	Weaver Street Center and Park Upgrade (formerly Renovation of Weaver Street CH150	Private Replacement (2008)	620,336
		Payment in Lieu District 1-B Third Fork	58,486
		General Obligation Bonds (2005)	158,843
			403,007
32	West Ellerbee Creek Trail Phase 2 CH505	2013 Limited Obligation Bonds	2,021,600
		Debt	48,847
		Interest Income	222,850
		Other (CMAQ)	15,303
		Payment in Lieu Zone 3-A South Eno	1,081,600
		Parks and Recreation Impact Fees (Zone 3)	89,522
		Open Space Impact Fees (Zone 3)	471,327
			92,151
33	West Point on the Eno Upgrade CH320	Parks and Recreation Impact Fees (Zone 3)	252,696
		General Obligation Bonds (2005)	17,019
		Transfer from General Fund	190,581
			45,096
	TOTAL		\$ 36,556,885
			\$ 36,556,885

(b) Downtown Revitalization

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Chapel Hill Street Deck Repaving CC019		36,000	
		Debt		36,000
2	Durham Armory Upgrades CH059	2013 Limited Obligation Bonds	905,000	
		Debt		326,994
				578,006

3	9th Street Infrastructure Redevelopment CH111	2013 Limited Obligation Bonds	1,039,687
4	NCIMED Streetscape CH095	Debt	300,000
	TOTAL		\$ 2,280,687
			\$ 2,280,687

(c) General Services

Number	Project Title	Revenue Source	Appropriation	Revenue
1	400 Cleveland Street Exterior Renovation CC240		600,000	
		2/3 Bond - Series 2012		600,000
2	ADA Compliance CH215	General Obligation Bonds (2005) Certificates of Participation Debt 2/3 Bond - Series 2012 General Fund FY10	906,530	40,739 9,877 181,599 668,573 5,742
3	Cemeteries Upgrade CC018	Debt Transfer from General Fund Transfer from Cemetery Fund	1,560,000	1,120,000 100,000 340,000
4	City Hall Annex and Building Envelope CC210	2013 Limited Obligation Bonds Debt Investment Income Transfer from General Fund 2/3 Bond - Series 2012 Limited Obligation Bonds General Obligation Bonds (2005)	7,177,467	1,281,811 944,902 9,054 207,709 4,149,026 582,604 2,361
5	Citywide Security Upgrades - Ph. I CC003	Debt	543,000	543,000
6	DPR Operations Facility CH520	Parks and Recreation Impact Fees (Zone1) Parks and Recreation Impact Fees (Zone2) Parks and Recreation Impact Fees (Zone3) 2005 GO Bonds Private Replacement (2008)	2,186,545	442,575 442,576 442,575 812,762 46,057
7	Driveway/Parking Lot Paving CH026	General Obligation Bonds (2005) Miscellaneous Revenue	317,000	103,675 213,325
8	Energy Management Projects Ph. II & III CH295	2013 Limited Obligation Bonds Debt	1,747,490	854,490 893,000
9	Facilities & Operations Staff Fall Protection CC021	Debt	124,000	124,000
10	General Fund Fleet Vehicles S3016	Debt	3,000,000	3,000,000
11	New Sign & Signal Shop CL001	Debt 2/3 Bond - Series 2012 General Obligation Bonds (2005)	4,130,000	1,999,515 1,000,485 1,130,000

12	Project Financial Management		209,020
	AA000	Transfer from CIP	209,020
13	Project Mgmt. Software		200,000
	CC016	Water and Sewer Operating Fund	200,000
14	PWOC Security Upgrades		155,000
	CH096	Debt	70,107
		General Obligation Bonds (2005)	84,893
	TOTAL		\$ 22,856,052 \$ 22,856,052

(d) Housing and Neighborhood Revitalization

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Eastway Ave (Barnes Ave) Redevelopment DB018	Loan Repayments Investment Income Land Sales Rental Income	10,165,744	6,841,366 628,577 2,657,651 38,150
2	Loan Servicing/Administration DB010	Loan Repayments	932,569	932,569
3	Neighborhood Streetscape 70002	2/3 Bonds - Series 2008 2/3 Bonds - Series 2005 General Obligation Bonds (2005)	3,721,670	554,465 88,392 3,078,813
4	Reserve for Pending Projects DB001	Loan Repayments Miscellaneous Revenue	1,469,259	1,281,281 187,978
5	Southside East Phase I QEP1Y	Sale of Land Sale of Property Section 108 Loan Miscellaneous Income Federal Grant Loan Repayments Investment Income	15,392,941	367,360 2,531,254 5,400,392 137,935 65,000 4,753,786 2,137,214
6	Single Family Lead Abatement Match DB022	Loan Repayments	245,256	245,256
7	Southside West Homeownership Redevelopment QWH1Y	Section 108 Loan Loan Repayments	4,067,623	3,264,023 803,600
8	Southside East Phase II QEP2Y	Loan Repayments Loan Repayments General Fund Sale of Property Section 108 Loan	508,662	260,000 36,866 18,638 57,573 135,585
9	Southside Dedicated Funding QWDFY	Transfer from Dedicate Housing Fund	3,935,131	3,935,131
10	Southside East Infrastructure Balance (Bond P1) QEP3Y	Loan Repayments	139,883	139,883
	TOTAL		\$ 40,578,738	\$ 40,578,738

(e) Public Protection

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Communications Radio Building		1,293,036	
	CC310	2/3 Bonds - Series 2005	400,312	
		Debt	7,283	
		Limited Obligation Bonds - 2010	607,997	
		Installment Sales	124,226	
		Miscellaneous Income	153,218	
2	Digital File Management System		258,500	
	CK106	Miscellaneous Revenue	258,500	
3	Fire Admin. Bidg. Updates (Roof/HVAC)		730,000	
	CB012	Debt	730,000	
4	Fire Station #1 Upgrade		553,523	
	CB009	2/3 Bonds - Series 2008	53,523	
		General Obligation Bonds (2005)	64,772	
		Investment Income	85,037	
		Pay-As-You-Go	350,191	
5	Fire Station # 9		4,321,600	
	CB007	Investment Income	254,021	
		Transfer from General Fund	1,333,056	
		Debt	151,550	
		Limited Obligation Bonds	1,219,842	
		Private Placement (2008)	1,363,131	
6	Fire Station #17		5,400,000	
	CB011	Transfer from General Fund	50,000	
		Debt	5,350,000	
7	Fire Station #18		1,000,000	
	CB013	Debt	1,000,000	
8	Police HQ Replacement & Annex		62,434,057	
	CK002	Debt	55,579,756	
		2013 Limited Obligation Bonds	6,854,301	
9	Police Headquarters Repair		4,721,018	
	CK001	Certificates of Participation - AB	2,500,000	
		2/3 Bonds - Series 2012	700,000	
		Investment Income	46,018	
		General Obligation Bonds (2005)	1,475,000	
	TOTAL		\$ 80,711,734	\$ 80,711,734

(f) Technology

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Enterprise Resource Planning System		325,046	
	AN001	General Obligation Bonds (2005)	65,046	
		Investment Income	260,000	
2	IT Infrastructure Improvements		1,751,556	
	NP001	Water and Sewer Construction Fund	87,000	
		Transfer from Water & Sewer Fund	1,664,556	

3	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
	TOTAL	\$ 2,971,602	\$ 2,971,602

(g) Transportation

Number	Project Title	Revenue Source	Appropriation	Revenue
1	2010 Street Repaving Project LE300		8,193,776	
	General Obligation Bonds (2007)			361,322
	2/3 Bond - Series 2008			222,586
	Transfer from General Fund			411,028
	General Obligation Bonds (2010)			7,198,840
2	Brick Pavers Repairs LF700		250,000	
	Miscellaneous Revenues			93,549
	Transfer from General Fund			156,451
3	Carver Street Extension LE003		8,185,000	
	Street Impact Fees (Zone 5)			8,185,000
4	DATA Operations Facility LD001		1,075,976	
	Installment Sales			1,075,976
5	Dirt/Petition Street Paving LF800		700,000	
	Debt			700,000
6	Duke Belt Line Trail LC400		297,700	
	TIGER Grant 2015			222,700
	Transfer from General Fund			75,000
7	Failed Development Infrastructure LE450		3,352,147	
	Other Revenues			780,831
	Transfer from General Fund			1,420,632
	Transfer from Stormwater Fund			950,684
	2/3 Bonds - Series 2012			200,000
8	Fayetteville Road Widening Phase II LE004		8,035,789	
	Street Impact Fees (Zone 1)			567,953
	Street Impact Fees (Zone 4)			7,467,836
9	Fayetteville/Buxton/Riddle Rd. Improvements LF900		5,000,000	
	Street Impact Fees (Zone 1)			1,600,000
	Street Impact Fees (Zone 4)			3,400,000
10	Federal and State Match Projects LC100		13,018,001	
	Grants			2,109,627
	Transfer from General Fund			2,676,169
	Debt			4,402,473
	Street Impact Fees (Zone 3)			2,000,000
	Street Impact Fees (Zone 4)			206,254
	2/3 Bond - Series 2012			161,026
	Department of Transportation			109,640
	Other Revenue			612,134
	General Obligation Bonds (2005)			740,678
11	Miscellaneous Thoroughfares and Street Improvements LC200		1,318,351	
	Transfer from General Fund			569,658
	2/3 Bond - Series 2008			12,058
	Debt			572,000
	General Obligation Bonds (2005)			164,635

12	NC 147 Bicycle Pedestrian Bridge LE007		3,250,000
		Installment Sales	450,000
		NC Department of Transportation	2,800,000
13	Sidewalk Repair, ADA and Gaps LF150		4,908,257
		Debt	1,190,379
		Sidewalk-in-Lieu of Payment	645,778
		Investment Income	35,122
		Distributed Interest	194,843
		General Obligation Bonds (2005)	1,132,028
		General Obligation Bonds (2007)	1,121,130
		Transfer from General Fund	66,673
		Pay As You Go	500,000
		2/3 Bond - Series 2012	22,304
14	Street Paving & Maintenance LE950		3,000,000
		General Fund FY16	2,000,000
		General Fund FY15	1,000,000
15	Traffic Calming LC160		1,171,706
		General Obligation Bonds (2005)	671,155
		Transfer from General Fund	400,137
		Certificates of Participation	28,931
		Investment Income	71,483
	TOTAL		\$ 61,756,703 \$ 61,756,703

Section 2. Each project authorized by this ordinance is for the period of July 1, 2015 through June 30, 2016.

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 15 2015

CITY CLERK
Bob Gray

CITY OF DURHAM
PARKING CAPITAL IMPROVEMENTS PROJECT ORDINANCE

ORDINANCE #14782

FISCAL YEAR 2015-16

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY			
Parking Fund	\$	1,357,266	
TOTAL	\$	1,357,266	

Section 1. Description of Projects

(a) Parking

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Church Street Parking Deck Upgrade		966,266	
	CC015	Limited Obligation Bonds (2009)		377,504
		2/3 Bond - Series 2012		518,865
		General Obligation Bonds (2005)		69,897
2	Parking Garages - Elevators		391,000	
	CC022	Debt		391,000
	TOTAL		\$ 1,357,266	\$ 1,357,266

Section 2. Each project authorized by this ordinance is for the period of July 1, 2015 through June 30, 2016.

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 15 2015

CITY CLERK
J. Ben Gray

**CITY OF DURHAM
SOLID WASTE CAPITAL IMPROVEMENTS PROJECT ORDINANCE**

ORDINANCE #14781

FISCAL YEAR 2015-16

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY		
Solid Waste Fund	\$	1,825,000
TOTAL	\$	1,825,000

Section 1. Description of Projects

(a) Solid Waste

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Solid Waste Fleet Vehicles		1,700,000	
	S4416	Debt		1,700,000
2	Solid Waste Annex & Truck Wash		125,000	
	CM006	Debt		125,000
	TOTAL		\$ 1,825,000	\$ 1,825,000

Section 2. Each project authorized by this ordinance is for the period of July 1, 2015 through June 30, 2016.

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 15 2015

CITY CLERK
John Gray

CITY OF DURHAM
STORMWATER CAPITAL IMPROVEMENTS PROJECT ORDINANCE

ORDINANCE #14780

FISCAL YEAR 2015-16

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY			
Stormwater Fund	\$	26,645,880	
TOTAL	\$	26,645,880	

Section 1. Description of Projects

(a) Stormwater

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Drainage Repair of City Owned Properties LK105	Stormwater Fund	2,145,417	2,145,417
2	Floodplain Mitigation LK106	Stormwater Fund	741,000	741,000
3	Major Stormwater Infrastructure & BMP Improvements LK107	Stormwater Fund	6,665,700	6,665,700
4	Private Property Drainage Projects LK100	Stormwater Fund	4,012,670	4,012,670
5	Stormwater Fleet Vehicles S4316	Fleet 2016 - Pay As You Go	289,776	289,776
6	Stormwater Retrofitting LK109	Stormwater Fund	5,693,000	5,693,000
7	Watershed Planning & Design LK102	Grants Stormwater Fund	7,098,317 242,811 6,855,506	
	TOTAL		\$ 26,645,880	\$ 26,645,880

Section 2. Each project authorized by this ordinance is for the period of July 1, 2015 through June 30, 2016.

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 15 2015

CITY CLERK
Mark Gray

CITY OF DURHAM
TRANSIT FUND CAPITAL IMPROVEMENTS PROJECT ORDINANCE

ORDINANCE #14783

FISCAL YEAR 2015-16

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY			
Transit Fund	\$	4,650,000	
TOTAL	\$	4,650,000	

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
	TOTAL		\$ 4,650,000	\$ 4,650,000

Section 2. Each project authorized by this ordinance is for the period of July 1, 2015 through June 30, 2016.

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 15 2015

CITY CLERK
Dawn Shay

CITY OF DURHAM
WATER AND WASTEWATER CAPITAL IMPROVEMENTS PROJECT ORDINANCE
FISCAL YEAR 2015-16

ORDINANCE #14779

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY			
Water	\$	241,927,878	
Wastewater		111,175,256	
TOTAL	\$	353,103,134	

Section 1. Description of Projects

(a) Water

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Asbestos Cement Line Replacement P0100	Water and Sewer Construction Fund Revenue Bonds	750,000 250,000 500,000	
2	Automated Meter Replacement P0410	General Obligation Bonds (2005) Revenue Bonds Distributed Interest Water and Sewer Construction Fund Water and Sewer Operating Fund	15,450,876 1,898,000 4,557,253 1,233,306 3,409,388 4,352,929	
3	Brown Water Treatment Plant Expansion and Rehabilitation P0200	Water and Sewer Operating Fund Future Revenue Bonds Revenue Bonds Capital Facilities Fee Fund General Obligation Bonds (2005)	13,577,957 3,134,905 4,348,409 3,065,563 2,029,080 1,000,000	
4	Downtown East-West Reinforcing Main P0420	Water and Sewer Operating Fund	2,350,000	2,350,000
5	Finished Water Storage and Pressurization P0400	Revenue Bonds Water and Sewer Operating Fund Water and Sewer Construction Fund	7,334,713 3,491,738 883,129 2,959,846	
6	Jordan Lake Water Treatment Plant P0610	Revenue Bonds Future Revenue Bonds Water and Sewer Operating Fund Water and Sewer Construction Fund	5,182,146 103,948 2,250,000 2,344,837 483,361	
7	Lake Michie and Little River Rehabilitation P0500	Water and Sewer Operating Fund	2,596,238	2,596,238
8	Raleigh Water Interconnection P0B05	Future Revenue Bonds Water and Sewer Construction Fund Revenue Bonds	3,793,703 636,067 1,991,996 1,165,640	
9	Southeast Distribution System Expansion P0B08	Water and Sewer Construction Fund Water and Sewer Operating Fund Future Revenue Bonds Revenue Bonds	7,162,000 466,674 2,226,065 4,306,318 162,943	
10	Teer Quarry Water Supply Phase II P0800	Future Revenue Bonds Capital Facilities Fee Fund Revenue Bonds	15,016,950 12,643,450 2,173,500 200,000	

11	Two-Inch Water Main Replacement P0900	2,088,000
	Water and Sewer Operating Fund	558,000
	Water and Sewer Construction Fund	300,000
	Revenue Bonds	1,230,000
12	Water Distribution System Rehabilitation P0B01	39,290,003
	Water and Sewer Operating Fund	7,813,081
	Water and Sewer Construction Fund	628,377
	Future Revenue Bonds	29,686,722
	Revenue Bonds	85,043
	General Obligation Bonds (2005)	1,076,780
13	Water Facilities Rehabilitation P0B09	32,515,219
	Future Revenue Bonds	27,342,796
	Revenue Bonds (2009)	3,982,648
	Investment Income	39,800
	Water and Sewer Construction Fund	58,534
	Water and Sewer Operating Fund	1,091,441
14	Water - Future Supply/Source Protection P0B03	7,873,721
	Future Revenue Bonds	3,821,392
	Water and Sewer Operating Fund	2,237,166
	Water and Sewer Construction Fund	1,182,230
	Distributed Interest	287,851
	Revenue Bonds	345,082
15	Water Lines Extensions & Improvements P0A00	5,477,483
	Future Revenue Bonds	600,000
	Sale of Land	500
	Water and Sewer Operating Fund	4,689,728
	Loans	115,489
	Revenue Bonds	52,520
	General Obligation Bonds (2005)	19,246
16	Water Regulatory Improvements P0B06	35,268,000
	Future Revenue Bonds	31,550,970
	Revenue Bonds (2009)	564,395
	Water and Sewer Operating Fund	2,006,520
	Water and Sewer Construction Fund	1,146,115
17	Water Residuals Handling P0B10	45,550,000
	Water and Sewer Operating Fund	1,363,679
	Water and Sewer Construction Fund	248,568
	Investment Income	246,028
	Future Revenue Bonds	43,691,725
18	Water & Sewer Fleet Vehicles S4116	650,869
	Fleet 2016 Pay-As-You-Go	650,869
	TOTAL	\$ 241,927,878 \$ 241,927,878

(b) Wastewater

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Enhanced Nitrogen Removal P2130		17,823,704	
	Distributed Interest		516,280	
	Investment Income		78,715	
	Loans		611,225	
	Transfer from Reserves		1,217,455	
	Water and Sewer Operating Fund		7,165,029	
	Revenue Bonds		919,246	
	Future Revenue Bonds		7,315,754	
2	Facility Paving P2110		2,860,000	
	Water and Sewer Construction Fund		330,000	
	Future Revenue Bonds		770,000	
	Water and Sewer Operating Fund		1,760,000	

3	Orange Co. Economic Development Zone improvements P2650	Pay-As-You-Go	950,000
4	Reclaimed Water Systems Phase I & II P2530	Revenue Bonds	2,181,000
		Future Revenue Bonds	48,750
5	Sewer Collection System Rehabilitation P2800	Water and Sewer Operating Fund	2,132,250
		Water and Sewer Construction Fund	30,982,116
		Distributed Interest	8,105,952
		Revenue Bonds	992,869
		Future Revenue Bonds	33,967
		General Obligation Bonds (2005)	802,491
			20,593,053
			453,784
6	Sewer Lines Extensions & Improvements P2600	Water and Sewer Construction Fund	7,796,842
		Transfer from Reserves	1,508,462
		Future Revenue Bonds	400,937
		Revenue Bonds	5,775,522
		General Obligation Bonds (2005)	29,596
			82,325
7	Southeast Regional Lift Station P2840	Future Revenue Bonds	4,700,000
8	Wastewater Process Rehabilitation P2510	Future Revenue Bonds	32,581,594
		Revenue Bonds	25,242,800
		Distributed Interest	2,465,754
		Capital Facilities Fee Fund	109,889
		Water and Sewer Operating Fund	1,053,087
		Water and Sewer Construction Fund	1,943,284
			1,766,780
9	Water Mgmt. Facility Expansion P2120	Future Revenue Bonds	11,300,000
		Water and Sewer Construction Fund	10,870,016
		Water and Sewer Operating Fund	411,023
			18,961
TOTAL			\$ 111,175,256
			\$ 111,175,256

Section 2. Each project authorized by this ordinance is for the period of July 1, 2015 through June 30, 2016.

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.

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Section 7. This ordinance shall be in full force and effect from and after its passage.

APPROVED BY
CITY COUNCIL

JUN 15 2015

CITY CLERK

**HISTORIC PRESERVATION FUND FY2016 GRANT PROJECT ORDINANCE
AND AUTHORIZE THE EXECUTION OF THE GRANT AGREEMENT**

WHEREAS, the City of Durham, through the City-County Planning Department, has been awarded a grant from the National Park Service (NPS) of the United States Department of the Interior through the North Carolina Department of Cultural Resources under the NPS's Historic Preservation Fund (HPF) Grant Program; and

WHEREAS, the City values the preservation of its historic areas; 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 Historic Preservation Fund Grant agreement is hereby authorized to be undertaken until August 31, 2016.

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 Historic Preservation Fund Grant and to undertake the project.

Section 3. The following revenue is anticipated to be available to the City of Durham to complete the project:

Historic Preservation Fund Grant	\$5,000
Donation From Preservation Durham (Local Match)	<u>\$3,468</u>
Total	\$8,468

Section 4. The following amount is appropriated for the project:

HPF FY2016 Grant	\$8,468
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Section 5. Within five days after this ordinance is adopted, the City Clerk shall file a copy of this ordinance with the City-County Planning Director, Finance Director, Accounting Services Manager, and the Budget and Management Services Director.

Section 6. This ordinance shall be in full force and effect from and after its passage.

APPROVED
CITY COUNCIL

JUN 15 2015

CITY CLERK
John Shay

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 Investment Act) Grants:

FY 2013-15 Grants:

PY13-15 WIA ADMINISTRATIVE

Amount of Grant	\$ 168,532
Expenditures	168,532
BALANCE	\$0

PY13-15 WIA ADULT

Amount of Grant	\$ 535,078
Expenditures	535,078
BALANCE	\$0

PY13-15 WIA DISLOCATED WORKER

Amount of Grant	\$ 381,258
Expenditures	381,258
BALANCE	\$0

PY13-15 WIA YOUTH

Amount of Grant	\$ 600,458
Expenditures	600,458
BALANCE	\$0

ANTICIPATED PY15-17

WIOA Admin	\$ 154,759
WIOA Adult	449,361
WIOA Dislocated Worker	434,078
WIOA Youth	509,394
Total	\$ 1,547,592

FY 2014-16 Grants:

PY14-16 WIA ADMINISTRATIVE

Amount of Grant	\$ 192,397
Expenditures	134,678
BALANCE	\$ 57,719

PY14-16 WIA ADULT

Amount of Grant	\$ 556,547
Expenditures	389,583
BALANCE	\$ 166,964

PY14-16 WIA DISLOCATED WORKER

Amount of Grant	\$ 544,020
Expenditures	380,814
BALANCE	\$ 163,206

PY14-16 WIA YOUTH

Amount of Grant	\$ 631,005
Expenditures	441,704
BALANCE	\$ 189,302

*PY14 grants must be at least 70% spent by 6/30/15

**CITY OF DURHAM EMPLOYMENT AND TRAINING 2015-2017 GRANT
PROJECT ORDINANCE FOR FEDERAL GRANT
July 1, 2015– June 30, 2017**

**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, 2015 to June 30, 2017.
- 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	\$1,547,592
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- Section 4. The following amount is appropriated for the project:

WIOA-Administrative	\$154,759
WIOA-Adult	\$449,361
WIOA-Dislocated Worker	\$434,078
WIOA-Youth	\$509,394

Total	\$1,547,592
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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 15 2015

CITY CLERK
Dan Shreey

**CITY OF DURHAM GRANT PROJECT ORDINANCE
NEIGHBORHOOD IMPROVEMENT SERVICES DEPARTMENT
FOR 2014-15 HUD COOPERATIVE AGREEMENT FAIR HOUSING GRANT**

WHEREAS, the City of Durham through the Human Relations Division of the Neighborhood Improvement Services Department has been awarded a HUD Fair Housing Cooperative Agreement Grant from the U.S. Department of Housing and Urban Development; and

WHEREAS, the City has always promoted fair housing through education, outreach and training;

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 pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Grant Project Ordinance is hereby adopted for the period beginning October 1, 2014 and terminating on September 30, 2019.

Section 1. The project authorized is to fund fair housing training, education, and outreach programs as outlined in the HUD Cooperative Agreement.

Section 2. The City Manager is authorized and directed to undertake the project within the limitations of the funds appropriated herein.

Section 3. The following revenue is anticipated to be available to the City of Durham Human Relations Division of the Neighborhood Improvement Services Department to complete the project:

U.S. HUD Cooperative Agreement Award (Case Processing, Administrative Costs, Training)	\$81,530
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Section 4. **The total amount appropriated for this project is: \$81,530**

Section 5. Within five days after adoption, the City Clerk shall file a copy of the ordinance with the Director of Finance, the Director of Budget and Management Services, the Accounting Services Manager and the Neighborhood Improvement 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 15 2015

CITY CLERK
D. Bell Gray

**FY2015-16 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 July 1, 2015 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	\$30,960
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- Section 4. The following amount is available to provide the City match for these grants:

State Apprentice Program Grant- City Match	\$4,754
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- Section 5. The following amount is appropriated for the project:

State Apprentice Grant Program Project Ordinance	\$35,714
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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), 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.

- Section 7. This ordinance shall be in full force and effect from and after its passage.

**APPROVED BY
CITY COUNCIL**

JUN 15 2015

CITY CLERK
D. Bill Gray

FY 2015-16 TRANSIT CAPITAL GRANT PROJECT ORDINANCE AND
AUTHORIZATION TO EXECUTE GRANT AGREEMENT

WHEREAS, the City of Durham retained federal interest of buses disposed before their useful life from grants from the Federal Transit Administration 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, 2015 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 utilize funds received from the Federal Transit Administration for 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 Interest of Buses	\$ 184,458
TOTAL	\$ 184,458

- Section 4. The following amount is appropriated:

FY2015-16 Transit Capital Grant Project Ordinance	\$ 184,458
TOTAL	\$ 184,458

- Section 5. 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 15 2015

CITY CLERK
John Gray

FY 2015-16 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, 2015 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	\$ 227,405
FTA Section 9 Operating Assistance	\$ 165,000
FTA Section 9 Capital Grant	<u>\$ 3,361,105</u>
TOTAL	\$ 3,753,510

Section 4. The following amount is available to provide the City match for these grants:

Transit Fund- Section 9 Planning	\$ 56,851
Transit Fund – Section 9 Operating Assistance	\$ 165,000
Transit Fund- Section 9 Capital	<u>\$ 840,277</u>
TOTAL	\$ 1,062,128

Section 5. The following amount is appropriated:

FY2015-16 Transit Planning Grant Project Ordinance	\$ 284,256
FY2015-16 Transit Operating Assistance Grant Project Ordinance	\$ 330,000
FY2015-16 Transit Capital Grant Project Ordinance	<u>\$ 4,201,382</u>
TOTAL	\$ 4,815,638

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 15 2015

B. Ben Gray
CITY CLERK

ORDINANCE #14791

FY 2015-2016 (FY 2016) 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, 2015 through June 30, 2016 as described in the Unified Planning Work Program for the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, fiscal year 2015-2016, as amended. Funds are for FY 2015-16 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)	\$ 277,760
NCDOT-PTD Section 5303 Matching Grant	34,720
City of Durham -DATA Matching Grant	17,707
Town of Chapel Hill Matching Grant	17,013
 TOTAL	 \$ 347,200

Section 4. The following amount is appropriated for the project:

City of Durham -DATA	\$ 177,070
Pass Through Grants (upon appropriate invoice):	
Chapel Hill	\$ 170,130
 TOTAL	 \$ 347,200

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 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.

Section 7. This ordinance shall be in full force and effect from and after its passage.

APPROVED BY
CITY COUNCIL

JUN 15 2015

CITY CLERK
J. Rex Gray

FFY-2013 & FFY-2014 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 2013 and 2014 (FFY-2013 and FFY2014) project for the period July 1, 2015 through June 30, 2018 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 revenue is anticipated to be available to the City of Durham to complete the project:

FTA Section 5339 Grant	\$900,797
City of Durham -DATA Matching Grant	<u>\$225,199</u>
TOTAL	\$1,125,996

- Section 4. The following amount is appropriated for the project:

City of Durham-DATA	<u>\$1,125,996</u>
TOTAL	\$1,125,996

- 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.

- Section 6. This ordinance shall be in full force and effect from and after its passage.

APPROVED BY
CITY COUNCIL

JUN 15 2015

CITY CLERK
Dawn Gray

**CITY OF DURHAM AND NORTH CAROLINA DEPARTMENT OF TRANSPORTATION SECTION
104(f) AND SECTION 133(b)(3)(7) TRANSPORTATION PLANNING GRANT PROJECT ORDINANCE -
FY 2015-2016 (FY 2016) 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, 2015 through June 30, 2016 as described in the Unified Planning Work Program for the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, fiscal year 2015-2016, as amended. Funds are for FY 2015-16 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)	\$2,072,853
City of Durham Matching Grant	262,656
Town of Carrboro Matching Grant	22,452
Town of Chapel Hill Matching Grant	75,164
Orange County Matching Grant	31,752
Triangle-J COG	13,750
TTA Match	20,828
Durham County Match	45,584
Chatham County Match	20,109
Hillsborough	25,918
TOTAL	\$2,591,066

Section 4. The following amount is appropriated for the project:

City of Durham NCDOT Planning Grant Project Pass Through Grants (upon appropriate invoice):	\$2,159,506
Carrboro	34,006
Chapel Hill	155,030
Orange County	30,031
Triangle-J COG	68,750
Chatham Co	43,743
Hillsborough	100,000
TOTAL	\$2,591,066

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 TTA 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.

Section 7.

This ordinance shall be in full force and effect from and after its passage.

**APPROVED BY
CITY COUNCIL**

JUN 15 2015

CITY CLERK
Shelley Gray

**FY2015-16 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, 2015 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 | \$ 225,000 |
|------------------------|------------|
- Section 4. The following amount is available to provide the City match for this grant:
- | | |
|-----------------------------------|-----------|
| State Technology Grant City Match | \$ 25,000 |
|-----------------------------------|-----------|
- Section 5. The following amount is appropriated for the project:
- | | |
|--|------------|
| State Technology Grant Project Ordinance | \$ 250,000 |
|--|------------|
- 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.
- Section 7. This ordinance shall be in full force and effect from and after its passage.

**APPROVED BY
CITY COUNCIL**

JUN 15 2015

CITY CLERK
Dawn Bracey

DURHAM POLICE DEPARTMENT
NEW ORDINANCES FOR FY 2015/2016:

**THE U.S. DEPARTMENT OF JUSTICE, FY 2015/2016 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 2015/2016 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, 2015 FEDERAL TASK TEAM INITIATIVES
GRANT FUNDS - \$160,000**

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 U.S. DEPARTMENT OF JUSTICE, 2015 BULLETPROOF VEST
PARTNERSHIP GRANT FUNDS - \$36,060**

Since 1999, the Police Department has participated in a reimbursement program with the U.S. Department of Justice Bulletproof Vest Partnership Program. We set up a new ordinance each year to receive the expected reimbursement of that year's portion of funds available in the federal program for large cities. This program was established to assist municipalities in offsetting the costs incurred in supplying bulletproof vests to its officers.

THE UNITED STATES MARSHALS SERVICE, 2016 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 2015 JUSTICE ASSISTANCE GRANT - \$71,128

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 TOWN OF CHAPEL HILL REQUEST FOR TEMPORARY LAW ENFORCEMENT ASSISTANCE, 2015 HALLOWEEN GRANT - \$25,000

Every year for Halloween, the Town of Chapel Hill expects several thousand people to gather in its business district for a Halloween celebration. The Town of Chapel Hill does not have the adequate personnel resources to manage the event. Consequently, the Chapel Hill Police Department requested that the Durham Police Department provide assistance under their existing Mutual Assistance Agreement. The Town of Chapel Hill offers to reimburse the City of Durham for the costs incurred for this assistance.

2015 NORTH CAROLINA GOVERNOR’S HIGHWAY SAFETY PROGRAM: BIKE SAFE GRANT - \$5,000

The City of Durham through the Durham Police Department has been awarded a grant from the State of North Carolina, Department of Transportation, Governor’s Highway Safety Program (NCGHSP) to support the purchase of bike and traffic safety equipment. The NC GHSP is a program that promotes highway safety awareness and reduces the number of traffic crashes in the state of North Carolina through the planning and execution of safety programs.

THE U.S. DEPARTMENT OF TREASURY, 2016 FINANCIAL CRIMES TASK FORCE GRANT - \$27,360

The City of Durham, through the Durham Police Department, has been awarded funding through The Treasury Forfeiture Fund Act of 1992, which provides for the reimbursement of certain expenses of local, county, and state law enforcement agencies incurred as participants in joint operations/task forces with a Department of the Treasury law enforcement agency. A Durham Police Department Criminal Investigator from the Fraud Unit will join the Financial Crimes Task Force that focuses on the monetary aspect of significant crimes and criminal organizations. The government agrees to reimburse the City for overtime wages and other expenses for the investigator assigned to this task team.

2016 NORTH CAROLINA GOVERNOR'S HIGHWAY SAFETY PROGRAM GRANT - \$2,500

The City of Durham through the Durham Police Department has been awarded a grant from the State of North Carolina, Department of Transportation, Governor's Highway Safety Program (NCGHSP) to support the purchase of equipment for the Motorcycle Unit. The NC Governor's Highway Safety Program is a program that promotes highway safety awareness and reduces the number of traffic crashes in the state of North Carolina through the planning and execution of safety programs.

**DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS,
NATIONAL INSTITUTE OF JUSTICE, 2015 PAUL COVERDELL FORENSIC SCIENCE IMPROVEMENT GRANT - \$174,882**

The City of Durham, through the Durham Police Department, has been awarded a the 2015 Paul Coverdell Forensic Science Improvement grant from the Department of Justice, Office of Justice Programs, National Institute of Justice (DOJ/OJP/NIJ). The grant must be used to support the expansion and improvement of the Durham Police Department's Forensic Services Unit.

**THE DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS,
BUREAU OF JUSTICE ASSISTANCE, 2015 JUSTICE AND MENTAL HEALTH COLLABORATION PROGRAM (JMHCP): EXPANSION GRANT - \$242,130**

The City of Durham, through the Durham Police Department, has been awarded a the 2015 Justice and Mental Health Collaboration Program grant from the Department of Justice, Office of Justice Programs, Bureau of Justice Assistance. The grant funds must be used to increase public safety by facilitating collaboration among the criminal justice, juvenile justice, and mental health and substance abuse treatment systems to increase access to mental health and other treatment services for those individuals with mental illness or co-occurring mental health and substance use disorders.

2015 FOX FAMILY FOUNDATION, INC. GRANT - \$5,000

The City of Durham, through the Durham Police Department, has been awarded a Fox Family Foundation, Inc. grant to support the Durham Police Department's youth programs during 2015/2016.

**THE U.S. DEPARTMENT OF JUSTICE, U.S. MARSHALL'S OFFICE, FY 2015/2016
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 2015/2016 Federal Asset Forfeiture Program	\$545,000
Interest Income	<u>20,000</u>
Total	\$565,000

- Section 4. The following amounts are appropriated for this project:

FY 2015/2016 Federal Asset Forfeiture Funds Grant	\$565,000
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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 15 2015

CITY CLERK
D. Gray

**THE STATE OF NORTH CAROLINA, DEPARTMENT OF JUSTICE,
DEPARTMENT OF REVENUE, FY 2015/2016 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 2015/2016	\$185,000
Interest Income	<u>15,000</u>
Total	\$200,000

Section 4. The following amount is appropriated for this project:

FY 2015/2016 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 15 2015

CITY CLERK

D. Reid Gray

Section 4. The following amount is appropriated for this project:

FY 2015/2016 Controlled Substance Abuse Funds Grant	\$200,000
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2015 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, 2015 through September 30, 2016 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	\$128,773
Local Match (Police General Funds Budget)	<u>31,227</u>
Total	\$160,000

Section 4. The following amount is appropriated for this project:

2015 Federal Task Team Initiatives	\$160,000
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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 15 2015

CITY CLERK
Dawn Gray

**THE U.S. DEPARTMENT OF JUSTICE, BUREAU OF JUSTICE ASSISTANCE,
OFFICE OF JUSTICE PROGRAMS, 2015 BULLETPROOF VEST PARTNERSHIP
PROGRAM GRANT PROJECT ORDINANCE**

WHEREAS, the City of Durham, through the Durham Police Department, has been awarded a grant from the U.S. Department of Justice, Bureau of Justice Assistance, Office of Justice Programs, 2015 Bulletproof Vest Partnership Program (USDOJ/BJA/OJP/BVP); and

WHEREAS, the USDOJ/BJA/OJP/BVP will reimburse the City of Durham for up to 50% of costs incurred from the purchase of approved bulletproof vests from April 1, 2015 through a date to be determined by the U.S. Department of Justice; 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 described in the Catalog of Federal Domestic Assistance (CFDA), section 16.607, is hereby authorized to be undertaken during the grant period from April 1, 2015 through March 31, 2017 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 USDOJ/BJA/OJP/BVP 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:

USDOJ/BJA/OJP/BVP Grant FY 2015	\$36,060
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Section 4. The following amount is appropriated for the project:

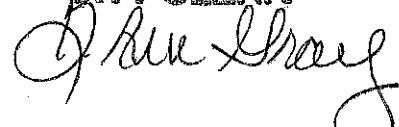
2015 Bulletproof Vest Partnership Grant	\$36,060
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Section 5. Within five (5) days after this ordinance is adopted, the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, and the Budget Director.

**APPROVED BY
CITY COUNCIL**

JUN 15 2015

CITY CLERK



**THE UNITED STATES MARSHALS SERVICE, 2016 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 2016 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, 2015 through September 30, 2016 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 2016 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 2016 Fugitive Apprehension Task Force \$18,638

- Section 4. The following amount is appropriated for this project to be expended in the following manner:

FY 2016 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 15 2015

CITY CLERK
R. Sue Gray

**THE U.S. DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS, BUREAU
OF JUSTICE ASSISTANCE, 2015 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 2015 Local Solicitation Edward Byrne Memorial Justice Assistance Grant (JAG) Program in the amount of \$142,255; 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 \$71,127.50 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 \$71,127.50 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, 2015 through September 30, 2017 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	\$71,127.50
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- Section 4. The following amount is appropriated for this project to be expended in the following manner:

2015 US/DOJ/BJA Local Solicitation JAG Grant \$71,127.50

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 15 2015

CITY CLERK
Jill Gray

**2015 NORTH CAROLINA GOVERNOR'S HIGHWAY SAFETY PROGRAM: BIKE
SAFE GRANT PROJECT ORDINANCE**

WHEREAS, the City of Durham, through the Durham Police Department, has been awarded a grant from the North Carolina Governor's Highway Safety Program, in the amount of \$5,000; and

WHEREAS, the grant must be used to support the purchase of Highway Safety equipment for the Durham Police Department; and

WHEREAS, the City Council of the City of Durham deems this activity to be 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 authorized to support the purchase of bike and traffic safety equipment and 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 North Carolina Governor's Highway Safety Program: Bike Safe Initiative Grant and to undertake the project.

Section 3. The following revenue is anticipated to be available to the City of Durham to complete the project:

NC GHSP: Bike and Traffic Equipment Grant	\$5,000
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Section 4. The following amount is appropriated for this project to be spent in the following manner:

2015 NC GHSP: Bike Safe Grant	\$5,000
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Section 5. Within five 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 15 2015

CITY CLERK
D. M. Gray

**THE TOWN OF CHAPEL HILL REQUEST FOR TEMPORARY LAW ENFORCEMENT
ASSISTANCE, 2015 HALLOWEEN GRANT PROJECT ORDINANCE**

Whereas, the City of Durham agrees to provide temporary law enforcement assistance to the Town of Chapel Hill on the evening of Friday, October 31 through the early morning of Saturday, November 1, 2015; and

Whereas, the Town of Chapel Hill will reimburse the City of Durham for its overtime costs, including applicable benefits, for officers providing the requested law enforcement assistance; 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 159.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

Section 1. The project described in the agreement with the Town of Chapel Hill is hereby authorized to be undertaken until all project activity is completed.

Section 2. The City Manager is hereby authorized to execute the grant agreement and other documents that are required or appropriate in order for the City of Durham to receive reimbursement for providing temporary law enforcement services by the Town of Chapel Hill.

Section 3. The following revenues are anticipated to be reimbursed to the City of Durham for its assistance in this project. Town of Chapel Hill – \$25,000

Section 4. The following amount is appropriated for this project to be spent in the following manner:

2015 Halloween Grant	\$25,000
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Section 5. Within five (5) days after this ordinance is adopted, the City of Durham shall file a copy of the ordinance with the Finance Director, Accounting Services Manager, the Budget Director and the Chief of Police.

**APPROVED BY
CITY COUNCIL**

JUN 15 2015

CITY CLERK
Dick Gray

ORDINANCE #14803

2016 FINANCIAL CRIMES TASK FORCE GRANT PROJECT ORDINANCE

WHEREAS, the City of Durham has agreed to provide an experienced City of Durham Police Department Investigator for the Financial Crimes Task Force; and

WHEREAS, the Federal Government will reimburse the City of Durham for approved overtime and other expenses for the Investigator assigned to the task force; 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, 2015 through September 30, 2016 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	\$23,500
Local Match (Police General Funds Budget)	<u>3,860</u>
Total	\$27,360

Section 4. The following amount is appropriated for this project:

2016 Financial Crimes Task Force Grant	\$27,360
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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 15 2015

CITY CLERK
Alex Gray

**2016 NORTH CAROLINA GOVERNOR'S HIGHWAY SAFETY PROGRAM GRANT
PROJECT ORDINANCE**

WHEREAS, the City of Durham, through the Durham Police Department, has been awarded a grant from the North Carolina Governor's Highway Safety Program, in the amount of \$2,500; and

WHEREAS, the grant must be used to support the purchase of Highway Safety equipment for the Durham Police Department; and

WHEREAS, the City Council of the City of Durham deems this activity to be 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 authorized to support the purchase of motorcycles, and 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 North Carolina Governor's Highway Safety Program Grant and to undertake the project.

Section 3. The following revenue is anticipated to be available to the City of Durham to complete the project:

2016 NC Governor' Highway Safety Program Grant	\$1,875
Local Match (Forfeiture Funds)	<u>625</u>
	\$2,500

Section 4. The following amount is appropriated for this project to be spent in the following manner:

2016 NC Governor's Highway Safety Program Grant \$2,500

Section 5. Within five 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 15 2015

CITY CLERK
John Gray

**DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS, NATIONAL INSTITUTE
OF JUSTICE, 2015 PAUL COVERDELL FORENSIC SCIENCE IMPROVEMENT GRANT
PROJECT ORDINANCE**

WHEREAS, the City of Durham, through the Durham Police Department, has been awarded a grant from the Department of Justice, Office of Justice Programs, National Institute of Justice (DOJ/OJP/NIJ), in the amount of \$174,882; and

WHEREAS, the grant must be used to support the expansion and improvement of the Durham Police Department's Forensic Services Unit; 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 described in the Department of Justice, Office of Justice Programs, National Institute of Justice grant agreement is hereby authorized to be undertaken during the grant period October 1, 2015 through either September 30, 2016 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 Department of Justice, Office of Justice Programs, National Institute of Justice, 2015 Paul Coverdell Forensic Science Improvement Grant and to undertake the project.

Section 3. The following revenue is anticipated to be available to the City of Durham to complete the project:

DOJ/OJP/NIJ	\$174,882
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Section 4. The following amount is appropriated for this project:

FY15 Paul Coverdell Forensic Science Improvement Grant	\$174,882
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Section 5. Within five 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 15 2015

CITY CLERK
J. Ben Gray

THE DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS, BUREAU OF JUSTICE ASSISTANCE, 2015 JUSTICE AND MENTAL HEALTH COLLABORATION PROGRAM (JMHCP): EXPANSION GRANT PROJECT ORDINANCE

WHEREAS, the City of Durham, through the Durham Police Department, has been awarded a grant from the Department of Justice, Office of Justice Programs, Bureau of Justice Assistance. The grant has been made available to the City of Durham under the 2015 Justice and Mental Health Collaboration Program (JMHCP): Expansion Grant in the amount of \$242,130; and

WHEREAS, the grant funds must be used to increase public safety by facilitating collaboration among the criminal justice, juvenile justice, and mental health and substance abuse treatment systems to increase access to mental health and other treatment services for those individuals with mental illness or co-occurring mental health and substance use disorders; 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 JMHCP grant application is hereby authorized to be undertaken during the grant period of October 1, 2015 through September 30, 2017 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 JMHCP 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:

**APPROVED BY
CITY COUNCIL**

JUN 15 2015

JMHCP Grant	\$193,704
Local Match (Police General Funds)	48,426
Total Grant Amount	\$242,130

Section 4. The following amount is appropriated for this project to be expended in the following manner:

FY 2015 JMHCP Grant	\$242,130
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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.

2015 FOX FAMILY FOUNDATION, INC. GRANT PROJECT ORDINANCE

WHEREAS, the City of Durham, through the Durham Police Department, has been awarded a Fox Family Foundation, Inc. grant to support the Durham Police Department's youth programs during 2015; and

WHEREAS, the grant must be used to support the Durham Police Department's youth programs during 2015;

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 authorized to support Durham Police Department's youth programs during 2015 and 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 Fox Family Foundation, Inc. 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:

2015 Fox Family Foundation Grant	\$5,000
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Section 4. The following amount is appropriated for this project to be expended in the following manner:

Specialized Departmental Supplies	<u>\$5,000</u>
Total Appropriation	\$5,000

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 15 2015

CITY CLERK
John Gray

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	February	March
<ul style="list-style-type: none">❖ Budget kick-off. City Manager and Budget Director presents financial and operational objectives.	<ul style="list-style-type: none">❖ Department budgets submitted to Budget office.❖ City Council retreat to discuss vision and service issues.❖ Public input on budget sought through engagement activities; "Coffees with Council", etc.	<ul style="list-style-type: none">❖ Coffees with Council continue.❖ First formal public hearing conducted at a regular City Council meeting.❖ Budget office prepares revenue projections.❖ City Council retreat to discuss financial projections.
April	May	June
<ul style="list-style-type: none">❖ Departments present budgets to the City Manager.❖ Balance expenditure requests with revenue estimates.	<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.	<ul style="list-style-type: none">❖ Second Public Hearing is held in accordance with state law; "E-Town Hall" occurs prior to the hearing.❖ The City Council adopts the budget. State law requires it to be adopted by June 30.
July	August	September
<ul style="list-style-type: none">❖ New fiscal year begins. Budget becomes control instrument for all expenditures.	<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.	<ul style="list-style-type: none">❖ Annual audit of prior year expenditures is conducted and Comprehensive Annual Financial Report (CAFR) is published.
October	November	December
<ul style="list-style-type: none">❖ Management Team discusses and develops overall budget goals for next fiscal year.	<ul style="list-style-type: none">❖ Appropriation Transfers and Budget Amendments are reviewed and processed throughout the year, as necessary.	<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.

2015-16 CITY OF DURHAM BUDGET ORDINANCE

WHEREAS, the budget estimate for fiscal year 2015-16 for the City of Durham, North Carolina was submitted to the City Council on May 18, 2015 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 17, 2015, 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 1, 2015 at which time any persons who wish to comment on the budget may appear; and the budget estimate for fiscal year 2015-16 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 1, 2015, 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 2015-16 beginning July 1, 2015 and ending June 30, 2016, 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 beginning July 1, 2015 and ending June 30, 2016 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, 2015, for the purpose of raising revenue to defray expenses for the proper governance of the City for fiscal year 2015-16 (as shown in the Revenue Section of this Ordinance as General Property Taxes):

2015-16 CITY OF DURHAM BUDGET ORDINANCE, CONTINUED

General Fund Operations	\$0.3538
Debt	\$0.1302
Solid Waste	\$0.0585
Transit Operations	\$0.0387
Dedicated Housing Funding	\$0.0100
Total Rate per \$100 Valuation of Taxable Property	\$0.5912

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, 2014, for the purpose of raising revenue to fund downtown service enhancements for fiscal year 2015-16. 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, 2015.

Section 7. That any operating funds encumbered on the financial records as of June 30, 2015 are hereby reappropriated to the FY 2015-16 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.

**APPROVED BY
CITY COUNCIL**

JUN 15 2015

CITY CLERK

Phil Gray

**2015-16 City of Durham Budget Ordinance
Appropriations**

General Fund	\$	171,844,119
Emergency Telephone System Fund		2,171,896
Business Improvement District Fund		693,294
Dedicated Housing Fund		2,475,547
Debt Service Fund		41,245,468
Impact Fee Fund		3,031,292
Watershed Protection Fund		92,000
Capital Facilities Fee Fund		4,584,090
Water and Sewer Fund		88,733,710
Transit Fund		20,669,557
Solid Waste Disposal Fund		20,893,403
Storm Water Fund		15,348,162
Ballpark Fund		1,462,569
Parking Facilities Fund		5,233,461
Durham Performing Arts Center Fund		3,494,249
Cemetery Fund		5,000
LEO Special Separation Fund		1,608,777
Other Post Employment Benefits Fund		4,564,124
Total	\$	388,150,718

Attachment 1

2015-16 City of Durham Budget Ordinance
Revenues

General Fund

General Property Taxes	\$ 89,197,999
Other Local Taxes	53,372,090
Licenses and Permits	4,408,736
State-Shared Revenues	11,881,736
Intragovernmental Revenue	1,822,778
Charges for Current Services	7,080,356
Investment and Rental Income	126,272
Other Revenue	730,847
Appropriation from Fund Balance	3,223,305
Subtotal	\$ 171,844,119

Emergency Telephone System Fund

Other Local Taxes	\$ 1,619,955
Investment and Rental Income	2,000
Appropriation from Fund Balance	549,941
Subtotal	\$ 2,171,896

Business Improvement District Fund

General Property Taxes	\$ 443,294
Transfer from Other Funds	250,000
Subtotal	\$ 693,294

Dedicated Housing Fund

General Property Taxes	\$ 2,475,547
Subtotal	\$ 2,475,547

Debt Service Fund

General Property Taxes	32,231,624
Other Revenue	6,635,637
Intragovernmental Revenue	1,217,222
Appropriation from Fund Balance	1,160,985
Subtotal	\$ 41,245,468

Impact Fee Fund

Investment and Rental Income	\$ 107,000
Operating Revenue	2,924,292
Subtotal	\$ 3,031,292

Watershed Protection Fund

Operating Revenue	\$ 92,000
Subtotal	\$ 92,000

Capital Facilities Fees Fund

Investment and Rental Income	\$ 49,000
Operating Revenue	4,535,090
Subtotal	\$ 4,584,090

Attachment 2

2015-16 City of Durham Budget Ordinance
Revenues

Water and Sewer Fund

Licenses and Permits	\$ 85,000
Operating Revenue	86,935,103
Other Revenue	970,625
Investment and Rental Income	466,000
Transfers from Other Funds	276,982
Subtotal	\$ 88,733,710

Transit Fund

General Property Taxes	\$ 9,580,368
Licenses and Permits	2,480,521
Intergovernmental Revenue	4,946,681
Operating Revenue	3,636,525
Other Revenue	25,462
Subtotal	\$ 20,669,557

Solid Waste Disposal Fund

General Property Taxes	\$ 14,481,951
State Shared Revenue	152,400
Operating Revenue	6,237,052
Investment and Rental Income	7,000
Transfer from Other Funds	15,000
Subtotal	\$ 20,893,403

Storm Water Fund

Operating Revenue	\$ 15,219,115
Investment and Rental Income	20,000
Transfer from Other Funds	109,047
Subtotal	\$ 15,348,162

Ballpark Fund

Operating Revenue	\$ 215,793
Investment and Rental Income	2,000
Transfers from Other Funds	1,244,776
Subtotal	\$ 1,462,569

Parking Facilities Fund

Operating Revenue	\$ 3,306,726
Investment and Rental Income	2,000
Transfers from Other Funds	1,924,735
Subtotal	\$ 5,233,461

Durham Performing Arts Center Fund

Other Local Taxes	\$ 1,400,000
Operating Revenue	1,664,249
Investment and Rental Income	5,000
Other Revenues	425,000
Subtotal	\$ 3,494,249

2015-16 City of Durham Budget Ordinance
Revenues

Cemetery Fund

Investment and Rental Income	\$ 5,000
Subtotal	\$ 5,000

LEO Special Separation Allowance Fund

Operating Revenue	\$ 1,604,777
Investment and Rental Income	4,000
Subtotal	\$ 1,608,777

Other Post Employment Benefits Fund

Contributions	\$ 4,563,124
Investment and Rental Income	1,000
Subtotal	\$ 4,564,124

Total All Revenues \$ 388,150,718

**RESOLUTION ESTABLISHING FY 2015-16 FINANCIAL PLANS
FOR INTERNAL SERVICE FUNDS**

WHEREAS, FY 2015-16 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 FY2015-16 financial plan is adopted for the **Risk Reduction Fund**:

Estimated Revenues:

Charges for Current Services	\$ 4,932,803
Investment Income	68,088
Appropriation from Fund Balance	562,343
Transfers from Other Funds	<u>48,719</u>
TOTAL	\$ 5,611,953

Estimated Expenses:

Personnel	\$ 475,856
Operating	5,066,304
Transfer to Fund Balance	<u>69,793</u>
TOTAL	\$ 5,611,953

Section 2. The following FY2015-16 financial plan is adopted for the **Employee Insurance Fund**:

Estimated Revenues:

Charges for Current Services	\$ 29,001,619
Investment Income	33,000
Appropriation from Fund Balance	<u>1,092,407</u>
TOTAL	\$ 30,127,026

**APPROVED BY
CITY COUNCIL**

JUN 15 2015

Estimated Expenses:

Personnel	\$ 83,639
Operating	<u>30,043,387</u>
TOTAL	\$ 30,127,026

CITY CLERK
D. W. Gray

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, 2015.

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.

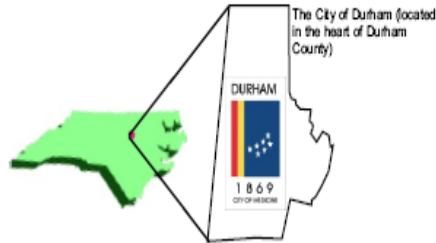


Durham's original name of Durhamville was given when the first postmaster was appointed for the area in 1851. The town's name originated from the family name of Dr. Bartlett Snipes Durham, who at that time, owned several acres of land in what is now downtown Durham. The town's first step to becoming 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 109.8 square miles. The estimated population of 249,912 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

BUILDING PERMIT ACTIVITY FOR THE CITY 2005-2014 AND 2015-TO-DATE (Through May)					
CALENDAR YEAR	NEW RESIDENTIAL	NON- RESIDENTIAL	RESIDENTIAL REPAIRS, ETC.	RESIDENTIAL REPAIRS, ETC.	NON- TOTAL
2005	\$370,163,430	\$173,910,511	\$21,724,046	\$175,842,013	\$741,640,000
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 - May	\$129,015,071	\$81,706,705	\$38,397,705	\$208,405,439	\$457,524,894

Numbers are based on a calendar year period.

2015 Calendar period from 1/1/15 - 5/31/2015

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
Quintiles Transnational Corp.	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 39,000 employees working for over 190 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 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 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.fidelityinvestments.com	<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>National Institute of Environmental Health Sciences</i> 79 T.W. Alexander Drive P.O. Box 12233 www.niehs.nih.gov

Durham Banks

Bank of America	Latino Community Credit Union
Branch Banking and Trust	Mechanics and Farmers Bank
Cardinal Bank & Trust	RBC Centura Bank
Coastal Federal Credit Union	State Employees Credit Union
First Citizens Bank and Trust	SunTrust
First South Bank	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 14,850 (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. Richard H. Brodhead became the ninth president of the university as of July 1, 2004.

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 8,645 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. One of the goals of this university is to prepare students academically and professionally to become leaders prepared to advance the consciousness of social responsibility in a diverse, global society. Debra Saunders-White serves as the university's eleventh chief administrator, and first permanent female chancellor, as of February 8, 2013.



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 at the Orange County Skills Development Center in Chapel Hill. Over 19,000 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)

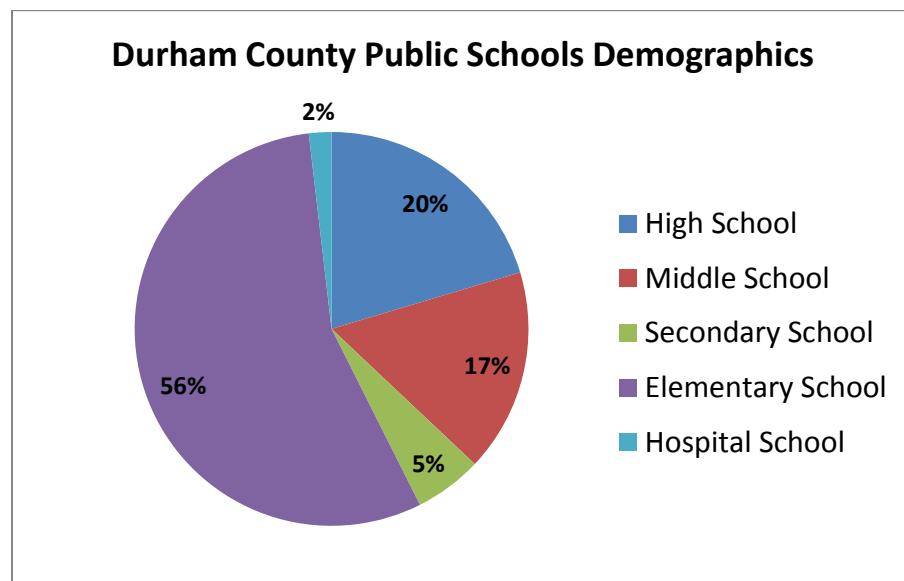


The North Carolina School of Science and Mathematics (www.ncssm.edu) opened in September 1980 and is a state-supported high school for eleventh and twelfth grade students who are exceptionally talented in the fields of science and mathematics. Located in west Durham on the site formerly occupied by the 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 11 public senior high schools, 9 middle schools, 3 secondary school (grade 6-12), 1 hospital school, and 30 elementary schools that serve all sections of the City and County. Durham Public Schools currently provides education for over 33,000 students in all of its school districts. In addition, there are 30 private and parochial schools that offer classes ranging from kindergarten through senior high and 11 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 938 acute care beds. In 2000, the \$30.5 million McGovern-Davison Children's Health Center, a division of Duke Medical Center, was completed. It serves more than 39,000 patients each year. Durham also has a 271 bed Veterans' Administration Hospital and the Duke Regional Hospital with 369 acute care beds. North Carolina Specialty Hospital has 18 licensed beds. Lincoln Community Health Center is an outpatient clinic in south Durham, which provides various health services, 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 2014, the City provided an average of 25.42 million gallons per day (MGD) to its customers. 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 2014, City wastewater treatment facilities processed an average of 18.04 MGD. The City's water and sewer system is self-supporting with approximately 80,000 active/inactive City/County accounts.

Duke Power Company serves the City with electricity, PSCN provides natural gas and Verizon provides telephone service.

The City owns six off-street parking garages, with operations provided for the Chapel Hill, Church, Corcoran, Durham Centre and City Hall Annex garages by Lanier Parking Solutions, and American Tobacco Campus providing operations for the North garage. The City owns four reserved parking lots, five public parking lots, two employee only-surface lots, and one combination reserved/hourly parking lot in the central business district.

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 710.45 miles of paved, 23.33 miles of unpaved and 139.44 miles of State roads.

Domestic airlines (AirTran, Delta, Frontier, Jet Blue, Southwest, US Airways, 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 24 bus routes throughout the city, and by GoTriangle with six 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. 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 5 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, with 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 \$14.50, children \$10 (ages 3-12), free under age 2, Senior Citizens \$12). www.ncmls.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. www.ci.durham.nc.us/departments/parks/parks.cfm

GLOSSARY

ADA:	Americans with Disabilities Act. The ADA is a wide-ranging civil rights law that prohibits, under certain circumstances, discrimination based on disability.
Adjusted Appropriations:	The annual budget may be adjusted, either increased or decreased, by subsequent City Council action.
Annual Budget:	The annual budget forecasts revenues and outlines expenditures planned for the current fiscal year.
Appropriation:	An authorization by the City Council to spend money for a specific purpose.
Appropriated Fund Balance:	The amount of fund balance appropriated as a revenue source for the current fiscal year.
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:	Associated revenues include user fees, licenses and permits, and intergovernmental revenues which are associated with a particular City department.
Authorized Position(s):	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.
BABs:	Build America Bonds are taxable municipal bonds which carry special tax credits and federal subsidies for either the bond issuer or the bondholder.
Benchmarking:	A strategic management process in which organizations evaluate various processes in relation to identified best practices from other organizations. The City participates in the North Carolina Benchmarking Project along with fifteen other North Carolina municipalities.
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.
BID:	Business Improvement District is 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.
BMP:	Nationally accepted best management practices with regard to stormwater management and the evaluation of stormwater management practices.

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:	A bond rating is 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.
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:	Capital outlay includes budgeted expenditures of at least \$5,000 for tangible items with a useful life of at least one year.
Capital Project:	Capital projects are 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:	An accepted alternative financing mechanism in which certificates are sold to investors to finance capital projects. Principal and interest on Certificates of Participation (COPs) 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.
DATA:	Durham Area Transit Authority (DATA,) is the public bus and para-transit (van) service in Durham.
DBAP:	Durham Bulls (Triple A Baseball Club) Athletic Park.
DCTC:	Durham City Transit Company, the DATA operator.
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.
DPAC:	Durham Performing Arts Center.
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.
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:	Enterprise revenue is generated by user charges for City provided services.
EPA:	Environmental Protection Agency (federal agency).
ERU:	Equivalent Residential Units, 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 fiscal year for the City of Durham begins on July 1 and ends on June 30.
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.
GASB:	Government Accounting Standards Board.
General Fund:	The General Fund is 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 the functional areas of general government, development, public protection, general services, parks and recreation, and for 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.

GFOA:	Government Finance Officers Association.
GIS:	Geographic Information Systems.
Grants:	The City competes for Federal and State allocations of funding (grants) for a defined use. These grants often have strict spending requirements and timeframes, and may require a City match to obtain.
HUD:	Housing and Urban Development (federal agency).
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:	Impervious surfaces are mainly constructed surfaces - rooftops, sidewalks, roads, and parking lots - covered by impenetrable materials such as asphalt, concrete, brick, and stone which repel water.
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.
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 Revenue:	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.
Intergovernmental Revenues:	Revenue received by the City from federal, state, and county government in the form of grants, shared revenues, or entitlements.
LCID:	Land Clearing and Inert Debris Landfill.
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.

NCA:	Non-City Agency. Contract non-profit agencies which are partially funded by City grants. These agencies serve needs in community development, youth, arts and culture.
Nondepartmental:	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.
NCDOT:	North Carolina Department of Transportation
One cent on Tax rate:	The amount of revenue derived from one penny of property tax assessed against the valuation of property within City limits.
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 Resources:	The amount of a department's budget that is not funded by associated revenues. Other General Fund Resources consist of property taxes, sales taxes, and other revenue not attributable to a specific department's activities.
Other Local Taxes:	Other local taxes include 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.
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.
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.
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.
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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