



News Release

For Immediate Release: May 20, 2019

Durham's Proposed FY 2019-20 Budget Focuses on Addressing Equity Issues

DURHAM, N.C. – Citing how the FY 2019-2020 budget proposal enhances City of Durham efforts to address equity issues, City Manager Tom Bonfield highlighted that equity efforts are woven into existing and new initiatives to collectively make a bold statement about the City's intentions moving forward during his presentation at tonight's City Council meeting.

"It certainly would be less complicated to develop and present a budget guided only by our core municipal responsibilities, the so-called hard services – roads, water, parks, etc. – without assuming ownership of other obligations that contribute toward the City's mission to make Durham a great place to live, work, and play," said Bonfield. "The reality is that we, as a community, can no longer afford to overlook issues that have been staring us in the face for so long...issues that have laid the foundation for where Durham is now, which is a progressive city of the south, but also a city with much work that remains to be done."

Bonfield recommended a proposed property tax rate of 53.34 cents per \$100 of assessed value, which is 4.52 cents below the current combined tax rate of 57.86 cents. This year's rate reduction is a result of the Durham County property revaluation that occurred earlier this year. The proposed tax rate generates a tax bill of about \$1,223 per year, or about \$102 per month on a house valued at \$229,246, which is the median house value for the City of Durham according to the Durham County Office of Tax Administration.

Bonfield's recommended total preliminary budget is \$476.2 million, compared to \$510.4 million last year, a decrease of \$34.8 million, and includes a \$216.2 million budget for services covered by the general fund, a 7.24% increase from last year.

The proposed budget continues the dedicated affordable housing tax rate at 2 cents, while appropriating \$5.7 million from fund balance to support the plan. Also included funding within the affordable housing plan is support for the existing housing repair program to address non-code-compliant homes that are occupied by low-income homeowners.

The Equal Opportunity/Equity Assurance Department has been reimagined and will now be called the Equity and Inclusion Department. While work to expand opportunities for disadvantaged and local businesses will continue, equal attention will be focused on racial and economic equity. This will include adding the City's first full-time Chief Equity Officer, who will lead the implementation of adopted recommendations from the City Council-appointed Racial Equity Task Force, racial equity trainings, and support for equity action planning teams who will operationalize the plan in all City departments.

The establishment of the Bull City Foundation is funded at \$300,000, and is modeled after successful economic foundations in a number of cities throughout the country. Funding is also included to support the addition of 50 students in the Summer Youth Work Internship Program, which will be leveraged to attract private-sector participants to hire an additional 50 youth bringing the total number of students to 300 and closer to the five-year goal of hiring 1,000 youth.

One-time funding of \$145,344 is also provided for the Justice-Involved Transitional Employment prototype, which connects justice-involved residents with jobs in City departments and includes job training, case management, and wrap-around services. The Training to Work program is also funded at \$285,000, which provides early intervention with residents still in prison and preparing for release back to Durham in 45-to-60 days; and \$40,000 for the development of

a financial empowerment strategy to improve the financial health of Durham residents. This work includes a stakeholder engagement process so that the financial empowerment strategy is driven by local stakeholders and is informed by the needs of the community.

Approximately \$125,000 in funding is also provided to pilot the implementation of the City's equitable community engagement blueprint in addition to funding a dedicated full-time position to focus on Latino community engagement.

This year's proposed budget also provides \$2.4 million for [Participatory Budgeting](#) project implementation, which is underway now with residents voting for the top projects they want to see in their neighborhoods.

According to Bonfield, several police and fire department needs are supported including an additional 18 District 4 patrol officers for the first phase of an approach to improve efficiencies in the police beat structure and uniform patrol work schedule. This is in addition to the establishment of a community engagement unit for public housing communities as well as adding two latent print examiners to its Forensics Unit to address an increase in caseloads, increase overall performance in case processing to ensure timely prosecution of criminal cases, and to prevent further backlog of cases. A previously grant-funded licensed crisis intervention clinician to help residents in mental health crisis when they come into contact with police officers will also now be permanently funded within the police department.

Funding for the Fire Department includes new equipment such as helmet accountability shields for all personnel at emergency incidents and throughout tours of duty as well as particulate barrier hoods and personal protective equipment to reduce firefighters' exposure to persistent fire ground carcinogens, bodily fluids, and other chemicals.

The street resurfacing fund is recommended to receive approximately \$10 million to address the ongoing maintenance of streets, which is an increase of \$1 million over last year's budget, and includes \$4 million in one-time funding from the fund balance.

The Capital Improvement Plan (CIP) budget includes \$186.8 million for new and existing projects, such as \$6.5 million for road reconstruction/rebuilding to address the pavement preservation strategy for maintenance of asphalt street pavements; \$2.2 million for citywide sidewalk repairs and curb/gutter repairs; and \$960,000 for new sidewalk projects noted in the [2017 Bike + Walk Implementation Plan](#).

Nearly \$118 million dollars is budgeted for water and sewer improvements including water and sewer rehabilitation, distribution, water residuals, and construction. A modest increase of 2.8% is proposed for in water and sewer rates for the average customer is also included to continue to support ongoing capital, operating, and sustainability efforts.

The budget also estimates fund balance reserves at 19.92% with \$5.7 million to be used for one-time expenditures. The City continues to maintain excellent fiscal status with an AAA bond-rating from all three ratings agencies – achieved by only a few of the nation's more than 22,500 cities.

A public hearing is scheduled for the proposed budget for Monday, June 3 with final budget approval set for Monday, June 17 at 7 p.m. in the City Council Chambers. To review the proposed budget, visit the City's Budget and Management Services Department [webpage](#) or hard copies may also be reviewed in the City Clerk's Office, located on the second floor of City Hall, and in the City's Budget and Management Services Department, located on the first floor of City Hall.

About the City of Durham Budget and Management Services Department

The City of Durham [Budget and Management Services Department](#) is responsible for the development and oversight of the City's annual budget and Capital Improvement Program (CIP). The department is also responsible for performance management, continuous improvement, and strategic planning. A division of the department, the [Office of Performance and Innovation](#), serves as internal consultants, helping City departments accomplish Durham's "One Vision and Five Goals" through advancing the City's [Strategic Plan](#); providing framework for data-driven decisions; fostering a culture of innovation; and facilitating process improvements.

###

101 City Hall Plaza, Second Floor, Durham, NC 27701

919.560.4123

[DurhamNC.gov](#)

Follow Us @CityofDurhamNC

