

News Release

For Immediate Release: June 17, 2019

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

DURHAM, N.C. – Citing how the FY 2019-2020 final budget enhances City of Durham efforts to address equity issues, the City Council voted tonight to approve next year's budget, which features equity efforts woven into existing and new initiatives to collectively make a bold statement about the City's intentions moving forward.

The City Council set the new property tax rate at 53.17 cents, a 1.72 cent increase from the revenue neutral rate of 51.45 cents. This is a decrease of 4.69 cents from the FY 2018-2019 property tax rate of 57.86 cents. The new tax rate generates a tax bill of about \$1,219 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.

The City's total budget is \$477.8 million, compared to \$510.4 million last year, a decrease of \$32.6 million, and includes a \$215.8 million budget for services covered by the general fund, a 7.04% increase from last year.

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

The Equal Opportunity/Equity Assurance Department will now be called the Equity and Inclusion Department. The work to expand opportunities for disadvantaged and local businesses will continue, and equal attention will also 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 budget includes \$300,000 to support the creation of the Bull City Foundation, which 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 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 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 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 budget provides \$2.4 million for [Participatory Budgeting](#) project implementation. Residents finished voting for projects in late May and the top projects will be implemented in their neighborhoods starting in FY2020.

Police Department needs are supported including two latent print examiners in the Forensics Unit to address an increase in caseloads, overall performance in case processing to ensure timely prosecution of criminal cases, and to prevent a 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 is also 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 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 will receive \$10 million to address ongoing street maintenance, 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. There is \$6.5 million for road reconstruction and rebuilding to address the pavement preservation strategy for maintenance of asphalt street pavements, \$2.2 million for citywide sidewalk repairs and curb 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 rate increase of 2.8% is included for the average customer to support ongoing capital, operating, and sustainability efforts.

The budget includes fund balance reserves at 19.74% with \$5.9 million to be used for one-time expenditures.

To review the final budget, visit the City's Budget and Management Services Department [webpage](#) or hard copies may also be reviewed 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.

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