

Guilford County

North Carolina

Annual Comprehensive Financial Report



For the Year Ended June 30, 2023

GUILFORD COUNTY, NORTH CAROLINA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2023



COUNTY MANAGER
Michael Halford

CHIEF FINANCIAL OFFICER
Donald P. Warn, MPA

Prepared by
Guilford County Finance Department

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Introductory Section

LETTER OF TRANSMITTAL



Guilford County

October 26, 2023

Residents of Guilford County
The Honorable Members of the Board of County Commissioners
Guilford County, North Carolina

The Annual Comprehensive Financial Report (ACFR) of Guilford County, North Carolina, for the fiscal year ended June 30, 2023, is hereby submitted. This report was prepared by the County's Finance Department and consists of management's representations concerning the finances of Guilford County. Responsibility for the reliability, completeness, and fairness of the presentation of the information presented in this report rests with the County. In order to provide a reasonable basis for making these representations, management of Guilford County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Guilford County's financial statements in conformity with generally accepted accounting principles in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, Guilford County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. Management asserts, to the best of our knowledge and belief, that this financial report is complete and reliable in all material respects.

This report is divided into three sections:

The **Introduction** includes this letter of transmittal, a list of the County's principal officials, and an organizational chart of Guilford County government.

The **Financial Section** contains the report of independent auditor, Management's Discussion and Analysis, and the basic financial statements including the accompanying notes to the financial statements. In addition, there is required supplementary information presenting certain disclosures, combining and individual fund financial statements and schedules, and additional financial data.

The **Statistical Section** provides selected financial trends; revenue and debt capacity; and demographic, economic, and operating information for the past ten years.

North Carolina General Statutes Chapter 159, the Local Government Budget and Fiscal Control Act, requires that units of local governments have an audit of their accounts including a complete set of financial statements presented in conformity with GAAP. The audited financial report is submitted to the Local Government Commission (LGC), which is established by statute to oversee local government financial affairs.

Cherry Bekaert LLP, a firm of licensed certified public accountants, has audited Guilford County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of Guilford County for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures

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in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that Guilford County’s financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The report of independent auditor is presented as the first component of the financial section of this report. The independent audit of the financial statements of Guilford County was part of a broader, Federal and State of North Carolina mandated “Single Audit” designed to meet the special needs of Federal and State grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal and State awards. These reports are available in Guilford County’s separately issued Single Audit Report.

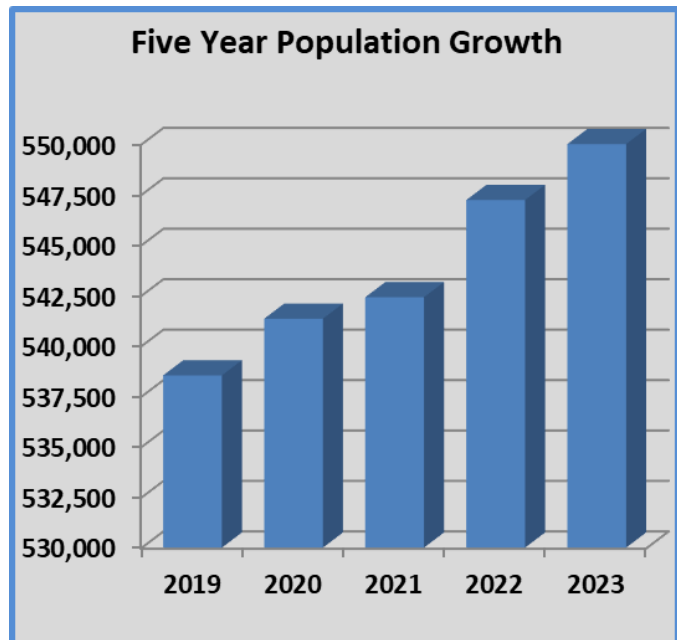
As required by GAAP, this ACFR includes all funds of the County and its component units as legally separate entities for which the County is financially accountable. The Greensboro/Guilford County Tourism Development Authority is a discretely presented component unit which is reported separately within Guilford County’s financial statements to emphasize it is legally separate from the primary government. Additional information on the Authority can be found in Note I. A. in the notes to the financial statements.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Guilford County’s MD&A can be found immediately following the report of the independent auditor.

County Government Profile

In January of 1771, the North Carolina General Assembly passed an act creating Guilford County. The new county was named after Francis North, first Earl of Guilford, whose son Frederick was Prime Minister of Great Britain at the time of the county’s creation. In 1779, the southern portion of Guilford was taken to Randolph County, and six years later the northern part was cut off to create Rockingham County, leaving Guilford with its present dimensions. Guilford County, with a population of 550,610, is the most populous county of the Piedmont Triad region, and the 3rd largest county in North Carolina. The Piedmont Triad is a twelve-county area with a population of 1.8 million located in the north-central portion of North Carolina between the Blue Ridge Mountains and the coastal plains. A moderate year-round climate enhances the lifestyle of the area. The County’s 651 square miles contain ten municipalities including two of the state’s nine largest cities.

The Board of County Commissioners is the chief administrative and policymaking body of Guilford County government, and consists of nine members, eight of whom are elected from districts, and one is elected at-large. Board members serve four-year staggered terms. The Board chooses a Chairman and Vice Chairman from among its membership during its first meeting in December.



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Major duties of the Board of County Commissioners include:

1. Adoption of an annual budget.
2. Establishment of an annual property tax rate for the County.
3. Appointment of various officials and the following County employees - County Manager, County Attorney, Tax Director, and Clerk to the Board.
4. Regulation of land use and zoning outside the jurisdiction of incorporated municipalities.
5. Enactment of local ordinances.
6. Enactment of policies concerning the operation of the County.
7. Planning for County needs.

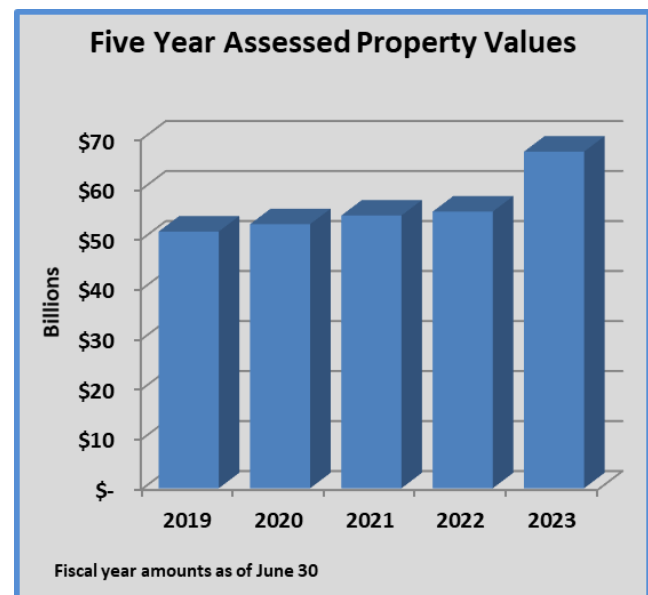
The Board of County Commissioners does not have complete authority over all the services provided within the County. Many County activities are administered by boards with varying degrees of autonomy and by elected officials who receive their instructions from laws passed by the General Assembly. Some examples are the boards of education, mental health, elections, register of deeds, and sheriff. State law requires the Commissioners to appropriate funds in the areas of health, mental health, social services, and public schools. They must also provide for the operation of the offices of the Register of Deeds, Elections, and the Sheriff, and are required to allocate funds for the building and maintenance of courtrooms and facilities to house county departments. In addition, Guilford County provides services in the areas of health and human services, emergency services, juvenile detention, planning and zoning, building inspections, animal services, and parks and recreation.

Guilford County was a pioneer among North Carolina counties when it adopted the county manager form of government in 1928. The County Manager is responsible to the Board for carrying out its policies and ordinances, administration of county affairs, and supervising and coordinating the activities of county departments.

Guilford County continues to have an excellent financial reputation receiving a AAA bond rating from Standard & Poor's Corporation, Aaa from Moody's, and AAA from Fitch Ratings on all outstanding general obligation bonded debt.

County Budget

The North Carolina Local Government Budget and Fiscal Control Act governs all local governments and their agencies in North Carolina. All monies received or spent by local governments must be budgeted, disbursed, and accounted for in accordance with this act. The annual budget serves as the foundation for Guilford County's financial planning and control. All departments and agencies of Guilford County are required to submit requests for appropriation to the Budget, Management, and Evaluation Department. The Budget Director and County Manager use these requests for the development of the proposed budget. The County Manager presents the proposed budget to the Board of County Commissioners by June 1. The Board of County Commissioners is required to hold a public hearing on the proposed budget and to adopt the budget ordinance making appropriations and setting the tax rate no later than July 1, the first day of Guilford County's fiscal year.



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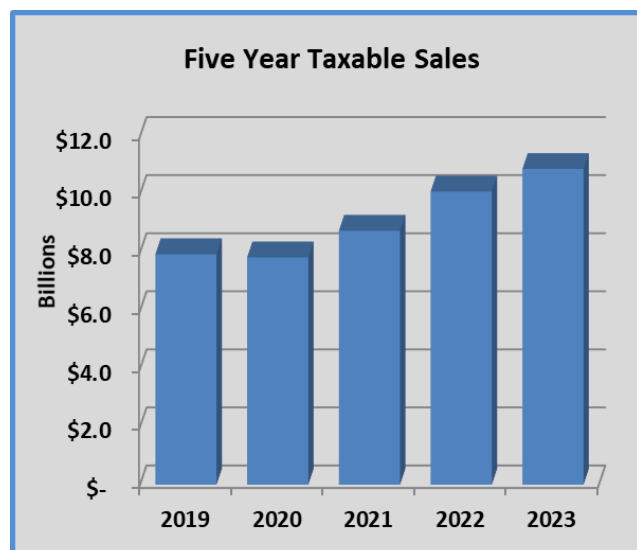
Appropriations in the various funds are formally budgeted on a departmental basis except for the Rural Fire District Fund appropriations, which are by rural fire tax or protection service district; and the Room Occupancy/Tourism Tax Fund, which is on a fund basis. The County Manager is authorized by the budget ordinance to make intrafund transfers of appropriations up to \$30,000 for each transaction, except that funds transferred cannot be used to create unauthorized positions or to raise salaries and that funds appropriated for merit raises can be used solely for that purpose. In addition, the County Manager has the authority to transfer funds budgeted in General Fund insurance, salaries and benefits, energy, technology, and facility expense accounts to the same accounts in other departments within the General Fund to adjust for projected expenditure patterns. Each such transfer must be reported to the Board of Commissioners at its next regular meeting. Any revisions that alter total appropriations of any fund must be approved by the Board. All annual appropriations lapse at each fiscal year end and open encumbrances representing legal obligations at June 30 are reappropriated in the following fiscal year's budget. Concurrent with the adoption of the annual budget ordinance the County approves a balanced financial plan for the Internal Service Fund. Any change in the financial plan during the year must be approved by the Board of County Commissioners. Guilford County appropriates funds for most capital projects and some grants through project and grant ordinances. This process is authorized under North Carolina law as an alternative to budgeting capital projects and grants in the annual budget ordinance. Under this process a project or grant ordinance is in effect as a legal appropriation until the project or grant is completed.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented on page 10 as part of the basic financial statements for the governmental funds. For other governmental funds with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 78. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted and a more detailed comparison of General Fund expenditures by department, the legally adopted control level. The proprietary fund subsection beginning on page 96 presents budget-to-actual comparisons of the approved financial plan for the Internal Service Fund.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Guilford County operates.

Local economy. Situated in the Piedmont Triad region of North Carolina, Guilford County is centrally located in the Carolina Core, a 120 + mile corridor stretching across four mega sites and the future Interstate 685, with four certified mega-sites for advanced manufacturing, industrial sites, urban research parks and mixed-use developments. Since 2022, (significant) advanced manufacturing projects have been (announced) at each of the four megasites, which provide access to a skilled labor force, 250,000 students at 30+ colleges and universities and multiple airports. The Carolina Core project is part of an effort to meet the Piedmont Triad

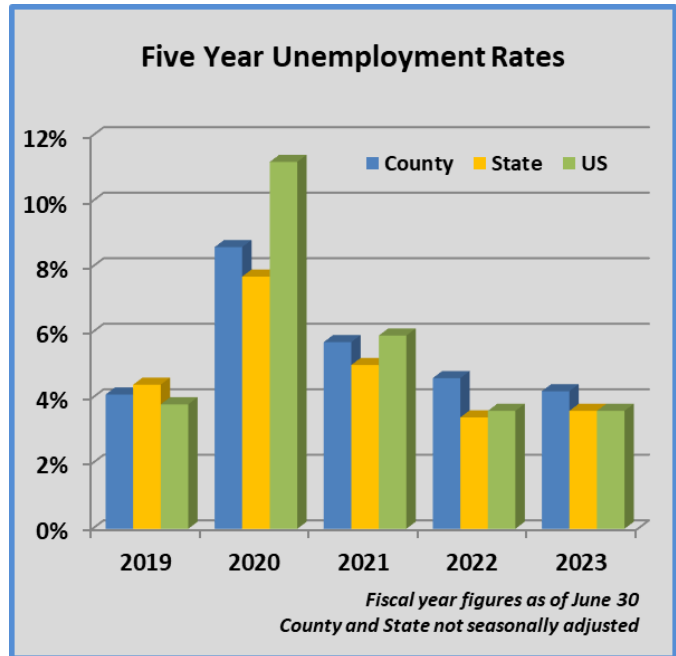


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Partnership’s goal of attracting more than 50,000 jobs to the included area over the next 20 years.

Guilford County houses a robust transportation and logistics structure benefiting from a network of major interstates, airports, and railroads, with access to seaports. This has attracted a continuing inflow of additional capital and job creation in a wide array of existing and new industry, which positions the region to become a global logistics hub of the East Coast. In early 2023, the city of Greensboro, the County Seat, completed a 44 mile Urban Loop comprised of four major interstates, including I-73, I-85, I-785 and I-840.

In July, 2022, it was announced that North Carolina ranked number one for overall economy in CNBC’s 2022 competitive rankings, citing the state’s sound fiscal management and credit rating, with an acknowledgement that state leaders have succeeded in putting aside political divisions to promote commerce and the economy.



The Greensboro/High Point/Guilford County Workforce Development Board reported a workforce totaling approximately 250,000 in Guilford County as of June 2023, with over 2,000 more people employed compared to the same period a year earlier.

State taxable sales for Guilford County increased an estimated 7.7% in fiscal year 2023 following a 17.6% rise in fiscal year 2022, a 9.7% rise in fiscal year 2021, and a Covid related 1.4% decline in fiscal year 2020. Estimated taxable sales were \$10.9 billion for fiscal year 2023 compared to \$10.1 billion for fiscal year 2022. The County, State, and U.S. unemployment rates as of June 30, 2023 were 4.2%, 3.3%, and 3.6%, respectively.

From June 2022 to June 2023, Guilford County saw a 0.40% decline in the unemployment rate, from 4.60% to 4.20%, compared to a 0.10% decline for North Carolina as a whole during the same period. The June 2023 rate nationwide was 3.6%.	North Carolina and Guilford County Yearly Unemployment Rate Changes			
	June 2023	June 2022	Change	
	Statewide	3.30%	3.40%	-0.10%
	Guilford County	4.20%	4.60%	-0.40%

Source: North Carolina Department of Commerce and U.S. Bureau of Labor and Statistics (Per the Bureau of Labor and Statistics, the statewide June 2023 rate is seasonally adjusted, while the Guilford County June 2023 rate is preliminary).

The County is home to two state universities, four private colleges, a private school of law, and a community college. Two of the schools, Guilford College and UNC-Greensboro, are included in The Princeton Review’s “The Best 387 Colleges: 2022 Edition”. Major employers with headquarters or divisions within Guilford County include logistics and transportation, semiconductor, communications, chemical, bus, truck, insurance, aircraft manufacturing and maintenance, healthcare, real estate development, clothing, and tobacco and grocery distribution services. Forbes’ 2022 list of “America’s Best Employers By State” includes Guilford County based UNC-Greensboro, Cone Health of

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Greensboro and Publix Super Markets, which house significant operations in the County.

In 2022, North Carolina came in first for the Southeast and seventh overall in Site Selection's most recent annual sustainability rankings. Area companies which have invested in sustainability initiatives include textile and fabrics manufacturers Culp, Inc., Unifi Industries, and Kontoor Brands, as well as Boom Supersonic, Volvo Trucks of North American, and Toyota.

Large employers new to the region which have recently committed to investing, including Toyota and Boom Supersonic, have cited quality workforce and infrastructure as factoring into their decision to locate in and around the County.

In December 2021 Toyota announced an investment of at least \$1 billion in creating a battery plant and 1,750 jobs at the Greensboro-Randolph Carolina Core Megasite, with a possible future expansion which may result in an investment of over \$3 billion and a total of 3,875 potential jobs.

In January 2022, the aircraft manufacturing company Boom Technology Inc., doing business as Boom Supersonic, announced plans to locate its first manufacturing plant on the campus of the Piedmont Triad International Airport (PTIA), with plans to invest \$500 million in its assembly operation and create an estimated 1,761 jobs through 2030. The plant will build the first supersonic passenger plane since the Concorde was retired in 2003, debuting its new aircraft, Overture, in 2026, with its first flight carrying paying passengers in 2029.

Ranked as one of USA Today's Top 10 Small Airports for 2021, the Piedmont Triad International Airport (PTIA), plays a vital role in the region's aerospace, manufacturing, and logistics industry tied to direct access to an interstate network, rail, and air. Piedmont Triad International Airport is part of a 4,000-acre campus which houses more than 50 companies that infuse nearly \$6 billion into the local community annually. More than 8,600 people work on the campus.

Honda Aircraft Company, which has its world headquarters at the PTIA, is one of the two largest employers at the airport with more than 1,700 employees. Since 2007, Honda Aircraft Co. has invested approximately \$160 million into its world headquarters and manufacturing campus on a 130-acre site campus near PTIA.

HAECO Americas, one of the world's largest maintenance and repair companies, is the airport's other leading employer. HAECO Americas has its North American headquarters at the airport and employs more than 1,700 people at or near the airport. In 2018, HAECO opened another hangar at the airport, which could lead to an additional 500 jobs.

PTIA houses the Mid-Atlantic FedEx air hub, which accounts for roughly 80% of cargo volume in the area. Other major air cargo companies using PTIA include United Parcel Service (UPS), DHS (Kalitta Air), Airborne Express and Atlas.

The FedEx Express mid-Atlantic air hub at PTIA expanded its operations in September 2018 with approximately 400 new employees and eight new daily cargo flights. In 2021 it added about 350 new employees to support an expanded schedule of daytime flights, with plans to add an additional 160 workers, bringing its total employment to over one thousand, and in 2020 it opened a new 285,000 square foot distribution center along I-40/I-85 in Rock Creek Industrial Center, the Piedmont Triad's largest corporate park, located in Whitsett.

In July 2020, Amazon opened a 1 million-square-foot, \$150 million fulfillment center in Kernersville, providing a prospective 1,000 full time equivalent jobs when fully staffed. The site is located in the Triad Business Park, which adjoins the western border of Guilford County. In 2019 it opened a last mile delivery center in High Point, employing about 200, and has more recently added another delivery center at Rock Creek Center in Whitsett, which will be larger than the two existing delivery centers in High Point and Kernersville.

In Greensboro, United Parcel Service ("UPS") Ground, which employs over 2,000 between its

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Greensboro and High Point facilities, currently operates a small package operations hub and a freight facility moving approximately 1 million pounds of freight daily.

Publix Super Markets recently filled approximately 1,000 positions at its new 1.8 million square foot groceries distribution center located east of Greensboro.

Transportation company Old Dominion Freight Line Inc., based in Thomasville, looked to fill more than 500 jobs across the country in 2021 to meet increased demand, augmented by its network of services centers and equipment. Old Dominion is the nation's largest less-than-truck freight hauler.

Thomas Built Buses, headquartered in the County with more than 1,600 employees announced in May 2022 that is adding 280 employees to its manufacturing staff to work exclusively on its new electric school buses.

The International Home Furnishings Market, the world's largest wholesale home-furnishings industry trade show, is located in the city of High Point. The market is held twice annually, with an average of 150,000 people attending each year from more than 100 countries, utilizing 12 million square feet of permanent exhibit space in 180 buildings, and displaying furnishings from more than 2,000 exhibitors.

A 2019 report from UNC-Chapel Hill and Duke University's Global Value Chains Center indicates the High Point Market remains the State's largest economic event, bringing in an annual \$6.73 billion, and concludes that the market supports 42,427 jobs and generates \$616 million in tax revenue.

High Point opened a new 4,400-seat \$36 million baseball stadium, Truist Point, in 2019 and a children's museum in the spring of 2022. High Point is home to High Point University, which attracts 100,000 visitors to the City each year.

High Point University plans to add up to 300 new jobs over the next four years connected to its construction of a new School of Dental Medicine building and recently opened its new Conference Center and Hotel. The proximity of High Point University and High Point Medical Center are viewed as magnets for downtown residential activity. New construction projects include a library expected to be completed in 2024, new dental and law school buildings and an NCAA Division ice hockey area.

In downtown Greensboro, a mixed-use development overlooking the First National Bank Baseball Field recently opened a 108-room Hyatt Place Hotel and 289 upscale apartments and parking deck. An adjacent development includes an office tower, which will house First National Bank's new market headquarters. Located within walking distance is the newly constructed \$90 million, 3,000 seat Steven Tanger Center for the Performing Arts, which announced its inaugural Broadway season beginning in October 2021. A new Hampton Inn and Suites close to the city's governmental plaza has recently opened, and nearby construction of a 180 room Westin Hotel with an adjacent five story parking deck is slated for completion in 2024.

Long-term financial planning. On May 4, 2017, the Guilford County Board of Commissioners approved guidelines to form a Joint Capital/Facilities Planning Committee with the Guilford County Schools Board of Education for planning and contracting for the construction of school facilities. At a meeting of the Committee on January 31, 2019, the MGT Consulting Group presented their finding that included a comprehensive plan to address school capital and facilities needs totaling \$1.5 billion. A subsequent meeting by Guilford County Schools Board approved a revised construction, renovation and expansion of capital needs in an amount of \$2 billion, of which a \$300 million referendum was on the County ballot in November of 2020, approved by Guilford County voters, and \$120 million of the \$300 million approved bonds were issued in March 2022. School capital and debt service for schools is a significant portion of county budgets in North Carolina.

On October 4, 2022, the Local Government Commission (LGC) approved the Guilford County application to issue the voter approved \$1.7 billion in school bonds to repair, rebuild, and improve

LETTER OF TRANSMITTAL

our schools to handle the safety and technology needs of today. The current plan is to issue these bonds in three installments beginning in 2024 with the timing of issuance to be based on project cash flow requirements. This flexibility will allow for monitoring of the debt markets for the best scenario to issue the debt and align repayment with the county's existing revenue streams.

The Joint Capital/Facilities Committee will continue to meet during the implementation of the program to discuss progress on the district's 2020 and 2022 bond-funded facilities improvements.

The Guilford County Board of Commissioners continued implementation of the County's FY2019-2028 Capital Investment Plan (CIP). The County continued its work of reviewing and planning for its capital needs. Significant steps were taken to move forward with the Law Enforcement Administration Building, as well as a number of projects for Guilford Technical Community College and the Guilford County Schools. The Guilford County Board of Commissioners approved a Comprehensive Facilities Assessment for FY2023.

The General Fund available fund balance of \$276.8 million, including unassigned, assigned, committed, and restricted portions, was 44.3% of FY2022-23 expenditures and other uses of \$624.7 million, and was 32.9% of the FY2023-24 budget of \$840.2 million.

General Fund unassigned fund balance of \$102.1 million was 16.3% of FY2022-23 expenditures and other uses of \$624.7 million, and 12.2% of the FY2023-24 budget of \$840.2 million. Each of these fund balance metrics exceed the minimum 8% policy guideline established by the Board of County Commissioners.

While legally available to be appropriated, 100% of fund balance available may not be available to support all operations of the County, or may have already been committed by the Board of Commissioners.

Cash management policies and practices

Cash temporarily idle during the year was invested in fully insured or collateralized certificates of deposit, obligations of the U.S. Treasury and various Federal Agencies, prime quality commercial paper, and demand deposits in a State-authorized money-market mutual fund whose portfolio consists of the types of instruments noted above. Investment income includes changes in the fair value of investments year-over-year. Changes in fair value during the current year, however, do not necessarily represent trends; nor are such amounts usually realized, especially in the case of temporary changes in the fair value of investments that Guilford County intends to hold to maturity.

Interest earnings on investments for all funds for the fiscal year ended June 30, 2023 were \$6.6 million.

Risk Management

The County protects itself from the potential financial losses from the various risks it is exposed to using a combination of risk financing methods, which are accounted for in an Internal Service Fund. The County's insurance program consists of liability, property, workers' compensation, and employee healthcare coverage. The program consists of a combination of County funding, employee/retiree premiums, and insurance. Effective July 1, 2017, the County no longer participates in the Local Government Excess Liability, Inc. and the Local Government Property Insurance Deductible Fund, Inc., but collects the deposits in the Funds as investments of these Funds become liquid. Additional information on Guilford County's risk management activity can be found in Note IV. E. of the notes to the financial statements.

Award and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Guilford County for its annual comprehensive financial report for the fiscal year ended June 30, 2022. In order to be awarded a Certificate of Achievement a governmental

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unit must publish an easily readable and efficiently organized annual comprehensive financial report.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We express appreciation to all members of the Finance Department who assisted and contributed to the preparation of this report, as well as each County department for their assistance and cooperation. We thank the members of the Board of County Commissioners and County Management for their continued support in planning and conducting the financial operations of the County in a responsible, transparent, and progressive manner.

Respectfully submitted,



Michael Halford County Manager



Donald P. Warn
Chief Financial Officer





Government Finance Officers Association

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**Guilford County
North Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

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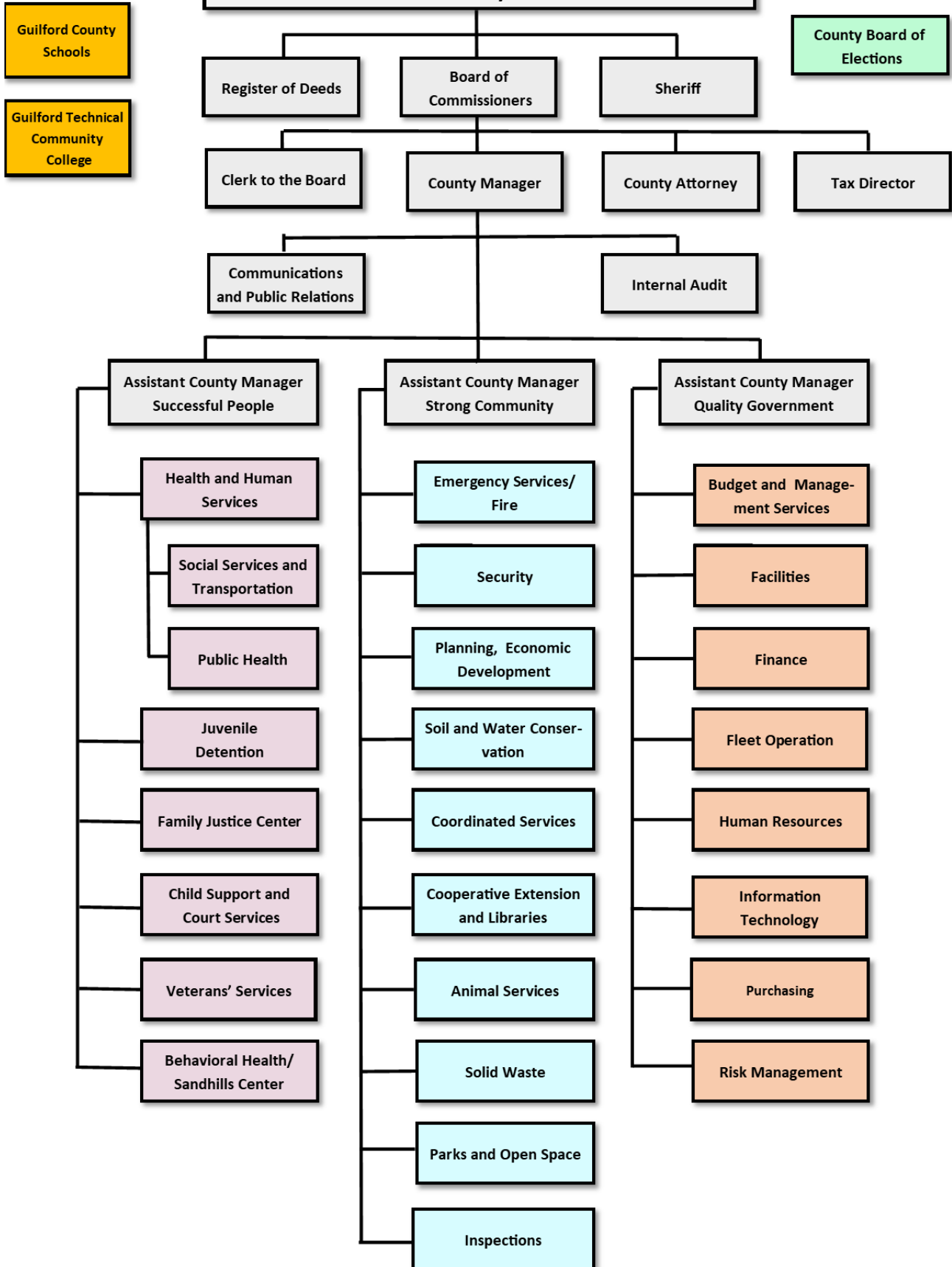
County Manager

Michael Halford

Chief Financial Officer

Donald P. Warn, MPA

Guilford County, North Carolina Organization Chart





Financial Section

Report of Independent Auditor

To the Board of County Commissioners
Guilford County, North Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Guilford County, North Carolina (the "County") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Greensboro Guilford County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The information in the Combining and Individual Fund Financial Statements and Schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and additional financial data are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Raleigh, North Carolina
October 26, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Guilford County, we are presenting to the readers of Guilford County's financial statements this narrative overview and analysis of the financial activities of Guilford County for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the Introductory Section of this report on pages i-ix.

Financial Highlights

Government-Wide

- The liabilities and deferred inflows of Guilford County exceeded its assets and deferred outflows at the close of the most recent fiscal year by \$224.2 million (net position).
- The County's total net position increased by \$118.2 million compared to the prior year. This increase is dampened by spending on education capital projects. The County issues general obligation debt to fund school and community college construction and for which it remains responsible until the bonds are paid. The County School system and community college (separate entities) are the owners of the facilities (assets) that are renovated or constructed from the proceeds. Because the County has no corresponding asset to offset the liability it has incurred, the County's net position is reduced.
- The County's increase in net position of \$118.2 million was reduced by the \$66.2 million spent on Education capital assets net of dedicated revenues, which indicates that the remainder of the County's activities generated offsetting increases in net position of approximately \$184.4 million.
- The County's outstanding debt decreased by \$76 million to \$670.4 million during the fiscal year, while its investment in capital assets increased \$2.0 million to \$270.8 million.

The County's Funds

- At the fiscal year end, Guilford County's governmental funds reported a combined fund balance of \$453.8 million, an increase of \$25.4 million from previous fiscal year. Approximately 54.8% of this combined fund balance, or \$248.6 million, is nonspendable or restricted. Fund balance decreases occurred in the County Building Construction Fund, School Capital Outlay Fund, and Debt Service Fund, with the most significant increase in the General Fund of \$78.1 million.
- The fund balance of the County's General Fund increased \$78.1 million as revenues exceeded expenditures by \$152.1 million, while net other financing sources and uses consumed \$74.1 million.
- The unassigned fund balance for the General Fund (the County's major operating fund) increased by \$5.9 million to \$102.1 million at fiscal year end equaling 16.3% of the total General Fund expenditures and other uses for the year.

Guilford County maintained its AAA, Aaa and AAA ratings assigned to all outstanding general obligation bonded debt issues from Standard & Poor's Corporation, Moody's, and Fitch Ratings, respectively. The County's series of limited obligation bonds are rated AA+ by Standard and Poor's, Aa1 by Moody's, and AA+ by Fitch Ratings.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Overview of the Financial Report

This section, management's discussion and analysis along with the transmittal letter, is intended to serve as an introduction to Guilford County's basic financial statements. Guilford County's basic financial statements contain three parts—two statements that provide two different views of the County, 1) government-wide financial statements and 2) fund financial statements, along with 3) the notes to the financial statements. The report also contains other supplementary information.

Government-wide financial statements. The two *government-wide financial statements* are designed to provide readers with a broad overview of Guilford County's finances as a whole, using accounting methods that are similar to private-sector businesses.

1. The statement of net position presents information on all of Guilford County's assets and deferred outflows as well as liabilities and deferred inflows, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Guilford County is improving or deteriorating.
2. The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. This statement accounts for the year's revenues and expenses without regard as to when cash is received or paid. All changes in net position are reported as soon as the underlying event giving rise to the change occurs. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements are divided into three categories: governmental activities, business-type activities, and component unit.

Governmental activities - Governmental activities are those functions of the County that are principally supported by taxes and intergovernmental revenues. The governmental activities of Guilford County include general government, human services, public safety, environmental protection, culture-recreation, economic development and assistance, education, and interest on long-term debt.

Business-type activities - Business-type activities are intended to recover all or a significant portion of their costs through user fees and charges. Guilford County has no business-type activities to report.

Component Unit - The government-wide financial statements include not only Guilford County (*known as the primary government*), but also Greensboro/Guilford County Tourism Development Authority, a legally separate entity for which Guilford County is financially accountable. Financial information for this *component unit* is reported separately within the government-wide financial statements from the financial information presented for the primary government. The government-wide financial statements can be found on pages 4 and 5 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Guilford County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Guilford County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The fund financial statements provide more detailed information about the County's most significant funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term*

MANAGEMENT'S DISCUSSION AND ANALYSIS

inflows and outflows of spendable resources, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Guilford County maintains 12 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the County Building Construction Fund, the School Capital Outlay Fund, the Community Development Fund, the Grants Projects Fund, and the Debt Service Fund, all as major funds. Information for the other seven governmental funds are combined into a single, aggregated presentation under nonmajor governmental funds. Guilford County adopts an annual appropriated budget for most of its governmental funds. A budgetary comparison statement with expenditures presented at the functional level has been provided for the General Fund on page 10 as part of the basic financial statements.

The basic governmental fund financial statements can be found on pages 6-10 of this report.

Proprietary funds. There are two different types of proprietary funds. *Enterprise funds* are used to report those functions that are presented as business-type activities in the government-wide financial statements. Guilford County has no enterprise funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among Guilford County's various functions. Guilford County uses an internal service fund to account for its risk management services. Because this service only benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

The Internal Service Fund is presented in the proprietary fund financial statements, which can be found on pages 11-13 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Guilford County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Guilford County has two types of fiduciary funds—two pension trust funds and two custodial funds.

The basic fiduciary fund financial statements can be found on pages 14 and 15 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16-67 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information regarding Guilford County's progress in funding its obligations to provide certain pension benefits to its qualified employees, Register of Deeds, and sworn law enforcement officers as well as other postemployment health care benefits to its retirees and their dependents. This supplementary information is required by generally accepted accounting principles and can be found on pages 70-75 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Guilford County, net position is negatively impacted by the fact that the County issues debt to fund the construction of capital assets that become the assets of other governmental entities upon completion. The County issues general obligation debt to fund the majority of the cost of constructing these assets. Liabilities and deferred inflows exceeded assets and deferred outflows by \$224.2 million at the close of the most recent fiscal year (net position). Comparative information for net position for the primary government is shown below in summarized form (see Table A-1).

Table A-1
Guilford County Net Position
(Primary Government)

	Governmental Activities	
	2023	2022
Current and other assets	\$ 620,976,177	\$ 600,711,081
Capital Assets	<u>270,856,458</u>	<u>268,734,911</u>
Total assets	891,832,635	869,445,992
Deferred outflows	75,965,347	62,864,509
Long-term liabilities outstanding	1,020,673,248	1,032,962,918
Other liabilities	<u>133,896,560</u>	<u>143,661,012</u>
Total liabilities	1,154,569,808	1,176,623,930
Deferred inflows	37,421,665	98,031,348
Net position:		
Net investment in capital assets	188,603,753	177,303,005
Restricted	122,110,362	119,387,618
Unrestricted	<u>(534,907,606)</u>	<u>(644,554,730)</u>
Total net position	<u><u>\$ (224,193,491)</u></u>	<u><u>\$ (347,864,107)</u></u>

The largest portion of Guilford County's net position reflects its investment in capital assets (e.g., land, buildings, improvements, machinery and equipment, vehicles, and intangibles), less any related outstanding debt used to acquire those assets. Guilford County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although Guilford County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Guilford County, along with many other counties in North Carolina, issues debt to fund school facilities that become assets of the school district and community college facilities that become property of the community college. In addition, Guilford County has issued debt to fund water and sewer lines that become assets of various municipalities. General obligation bonds have been issued by the County to fund the majority of the cost of these assets. Total governmental activities debt at June 30, 2023 is \$670.5 million, of which the County holds title to an amount of \$143.1 million. Because the County does not retain the related assets, this debt liability (less any unspent proceeds) reduces the County's total net position and presents a less favorable picture as compared to governments that do not extensively fund the capital assets of other governmental entities. Comparative information for changes in net position for the primary government is shown below (see Table A-2).

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table A-2
Changes in Guilford County Net Position
 (Primary Government)

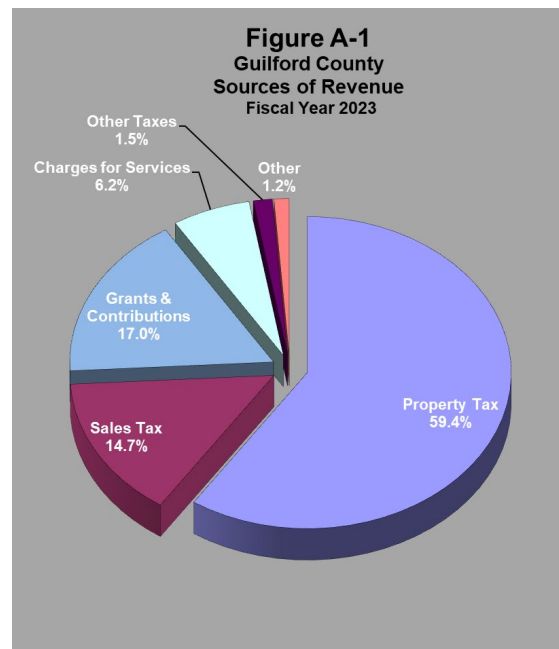
	Governmental Activities	
	2023	2022
Revenues		
Program revenues		
Charges for services	\$ 56,373,691	\$ 50,164,932
Operating grants and contributions	144,490,041	121,820,557
Capital grants and contributions	2,980	509,179
General revenues		
Taxes:		
Property taxes for general purposes	509,567,760	406,921,552
Property taxes for fire districts	22,754,149	18,640,491
Sales taxes for general purposes	96,151,439	88,203,829
Sales taxes for fire districts	5,706,200	4,938,042
Sales taxes for school capital/debt	30,047,531	27,754,146
Occupancy taxes for tourism development	8,313,305	6,892,626
Other taxes	5,170,991	7,465,896
Grants and contributions not restricted	7,795,909	6,602,796
Unrestricted investment earnings	10,009,399	(6,197,029)
Other	348,812	152,806
Total revenues	896,732,207	733,869,823
Expenses		
General government	66,150,952	51,327,864
Human services	165,679,146	168,835,097
Public safety	174,310,803	147,054,576
Environmental protection	2,469,068	2,135,527
Culture and recreation	7,597,604	8,645,338
Economic development/urban redevelopment	12,940,227	8,349,466
Education	330,995,867	258,997,598
Interest on long-term debt	18,437,254	20,551,974
Total expenses	778,580,921	665,897,440
Changes in net position	118,151,286	67,972,383
Net position at beginning of year	(342,344,777)	(410,317,160)
Net position at end of year	\$ (224,193,491)	\$ (342,344,777)

As noted in the highlights, Guilford County's net position increased by \$118.1 million during the current fiscal year. General revenues increased by \$134.5 million, or 24.0%. The County had an increase in property tax revenue of \$106.8 million, or 25.1%. Sales tax revenues increased by \$11.0 million, or 9.1%. There was a increase in operating grants of \$22.7 million, or 18.6%. Investment earnings increased by \$16.2 million due increased interest rates on certain fixed income investments, along with less of a negative mark-to-market impact for fiscal 2022-23, as compared to the prior year. Expenses increased by \$112 million, or 16.9%.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Aspects of the County's financial operations that influenced the change in the County's net position include:

- Guilford County's activities would increase net position even more if the expenses related to capital funding provided to outside entities, debt and restricted revenue supporting these expenses were eliminated.
- Program revenues covered 25.8% of program expenses. Expenses increased 16.9% and program revenues increased 16.4%.
- Program revenues totaled \$200.9 million, increasing by \$28.4 million from the previous year. Charges for services increased from the prior year by \$6.2 million to \$56.4 million, operating grants from the State and Federal government increased \$22.7 million to \$144.5 million while capital grants and contributions decreased by \$0.5 million. Human Services expenses declined by \$3.2 million. Economic development/urban development expenses increased \$4.6 million.
- General revenues totaled \$695.9 million increasing by \$134.5 million over the previous year. Property tax revenue increased \$106.8 million to \$532.3 million as the assessed value increased \$12.0 billion through general growth in property investment. The County- wide tax rate remained steady at \$.7305 per hundred of assessed value. Sales tax revenue increased \$11.0 million to \$131.9 million. Investment earnings increased \$16.2 million to \$10.0 million.
- Overall expenses increased 16.9% or \$112.7 million to \$778.6 million. General government expenses were up \$14.8 million, or 28.9%
- Human services decreased by \$3.2 million, or 1.9%.
- Public safety spending was up \$27.3 million, or 18.5%.
- Economic development/urban redevelopment increased \$4.6 million, or 55.0%.
- Education increased \$72.0 million, or 27.8%, related to increases in operating costs for public schools and community college.
- Net position increased \$118.2 million versus a \$68.0 million increase in the previous year. Overall revenues continue to exceed overall expenses, resulting in increases in net position.



MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the Government's Funds

As noted earlier, Guilford County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of Guilford County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Guilford County's financing requirements. In particular, fund balance available for appropriation may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

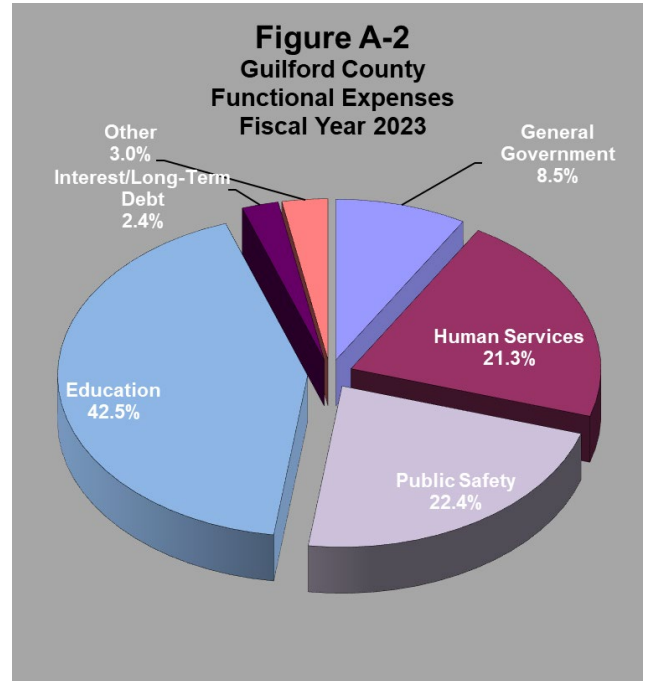
As of the end of the current fiscal year, Guilford County's governmental funds reported combined ending fund balances of \$453.8 million, an increase of \$25.4 million in comparison with the prior year. The fund balance available for appropriation, which is not reserved under North Carolina general statutes, makes up 80% of the total or \$363.2 million. The remainder of fund balance is reserved to indicate that it is not available for general purposes because it is legally restricted or has been contractually committed.

Approximately \$165.9 million of the available fund balance is restricted for a specific purpose, mainly capital related to County construction projects and public school projects. Assigned fund balance of \$56.7 million has for the most part been appropriated in the FY2024 budget or assigned towards capital projects. The unassigned fund balance totals \$80.8 million.

The General Fund is the chief operating fund of Guilford County. At the end of the current fiscal year, fund balance available in the General Fund was \$220.5 million, an increase of \$79.0 million, while total fund balance increased \$78.1 million to \$277.5 million. Fund balance may be available for restricted, committed, assigned, or general purposes. The General Fund available fund balance of \$220.5 million, including unassigned, assigned, committed, and restricted portions, was 44.3% of FY2022-23 expenditures and other uses of \$624.7 million, and was 32.9% of the FY2023-24 budget of \$840.2 million.

General Fund unassigned fund balance of \$102.1 million was 16.3% of FY2022-23 expenditures and other uses of \$624.7 million, and 12.2% of the FY2023-24 budget of \$840.2 million. Each of these fund balance metrics exceed the minimum 8% policy guideline established by the Board of County Commissioners.

The fund balance of Guilford County's General Fund increased \$78.1 million during the current fiscal year. Revenues of \$770.6 million were greater than expenditures by \$152.1 million and other financing sources and uses consumed another \$74.1 million.



MANAGEMENT'S DISCUSSION AND ANALYSIS

Revenue was up 17.1% overall, increasing by \$112.6 million compared to last fiscal year.

General Fund revenue activities are as follows:

- Property tax revenue increased to \$509.4 million, up \$103.2 million or 25.4% due to an increase in collections for current year property taxes and vehicle taxes. Additionally, there was an increase in home purchases and refinancing due to historically low interest rates. This increase can be attributed to the overall assessed value increase from \$55.3 billion to \$67.3 billion while the County-wide tax rate remained the same at \$.7305 per hundred of assessed value.
- Sales tax revenue in the General Fund decreased by \$19.8 million, or 17.1%, due to the recording of \$30 million in the Debt Service Fund, as taxable retail sales increased.
- Excise tax revenue saw a 36.8% decrease to \$4.1 million, a decrease of \$2.4 million as the real estate market activity began to slow.
- Intergovernmental revenue increased \$12.7 million, or 15.7% to \$93.8 million. This net increase was the result of increases in the uses of Social Service and Public Health programs funded by the State and Federal governments.
- Charges for services increased \$6.3 million, by 14.3% to \$50.6 million. The most significant portion of the increase was related to Medicaid patient fees of \$2.7 million and ambulance fees of \$2.1 million.
- Investment income for the General Fund increased by \$11.2 million to \$6.1 million primarily due to increased interest rates on fixed income investments, and a lower negative mark-to-market impact for fiscal year 2022-23 as compared to the prior year.
- Other revenues increased \$1.5 million, or 25.5%.

General Fund expenditures were \$618.5 million, increasing \$51.5 million, or 9.1% from last year. Highlights of significant areas of change include:

- General Government expenditures increased \$13.7 million, or 24.6%.
- Human Services expenditures increased \$12.7 million, an increase of 9.5% from last fiscal year.
- Education expenditures increased \$19.8 million, or 8.1% related to funding for Guilford County Schools and Guilford Technical Community College.

The other major governmental funds are County Building Construction, School Capital Outlay, Community Development, and Debt Service funds. The County Building Construction Fund primarily handles capital projects in which the assets are retained entirely or in part by the County. The School Capital Outlay Fund, funds the construction of school buildings and facilities for the Guilford County Board of Education and Guilford Technical Community College. The Community Development Fund, funds recovery and development with grant dollars. The Debt Service Fund is used to account for the accumulation of resources and payment of long-term debt principle and interest.

The County Building Construction Fund fund balance decreased \$4.8 million to \$71.1 million. During the FY2022-23, investment earnings were \$3.6 million, transfers in were \$1.5 million, with spending of \$9.9 million. Of that amount, \$5.3 million was spent on the Law Enforcement Administration Building.

MANAGEMENT’S DISCUSSION AND ANALYSIS

The School Capital Outlay Fund fund balance decreased by \$52.3 million from \$132.1 million to \$79.8 million due mainly to the current expenditure of previously issued general obligation bonds for both Guilford County Schools and Guilford Technical Community College purposes. Other financing sources includes transfers in of \$9.6 million.

The Community Development Fund includes state and federal grant activity. For fiscal year 2023, \$39.2 million of spending was attributed to Human Services, \$19.8 million to Public Safety, \$13.2 million, and \$2.6 million to General Government. Primary spending activity for the current fiscal year 2023 is related to ARPA Emergency Rental Assistance (ERA) funds from the federal government that were disbursed.

Proprietary funds. Guilford County’s only proprietary fund is its Internal Service Fund. Because the operations of this fund are consolidated with governmental activities, information concerning Guilford County’s proprietary funds is found only in the fund financial statements.

Operating revenues of internal service operations were lower than operating expenses by \$1.1 million. The sole purpose of the fund is the operation of the County’s risk management programs. Net investment gain was \$342.8 thousand. The net position decreased by \$737.7 thousand down to \$23.5 million.

General Fund Budgetary Highlights

The final General Fund budget for fiscal year 2023 was \$756.2 million, an increase of \$37.4 million from the original budget of \$718.8 million, which is a 5.2% increase. Overall assessed value increased from \$55.3 billion to \$67.3 billion, or 21.7%, while the County-wide tax rate remained the same at \$.7305 per hundred of assessed value.

Table A-3
Summary of GUILFORD COUNTY’S Additional Appropriations
(General Fund)

	Sources		Uses
Fund balance	\$ 9,830,156	Public health	8,270,514
Intergovernmental revenue	11,854,479	Social services	4,827,646
Charges for services	146,000	Emergency services	4,483,771
Federal forfeitures	393,416	Economic development	
Other sources	201,125	& assistance	3,240,233
		Other Uses	1,603,012
	\$ 22,425,176		\$ 22,425,176

The County amends its budget each year to carry forward outstanding encumbrances from the prior-year utilizing fund balance. The General Fund carry forward reserve for encumbrances was \$7.5 million for the fiscal year ending June 30, 2023. This accounts for most of the \$9.8 million additional fund balance appropriation, representing 43.8% of the budget increase. Guilford County typically increases its budget appropriation as a result of additional state and federal funding received during the fiscal year. The increase in the Intergovernmental Revenue budget was \$1.9 million, or 1.9% for FY2022-23.

MANAGEMENT’S DISCUSSION AND ANALYSIS

The variance of \$59.1 million in the actual expenditures and other uses versus the final budget compare to a \$51.8 million variance in the prior fiscal year. Variances usually result from conservative budget practices such as, budgeting fully for positions in many departments. There is a need to allow for fluctuations in public assistance, grant programs, and the management of the large number of service contracts in the Human Services area and capital purchases, which may not be completed at year end.

Capital Asset and Debt Administration

Capital assets. Guilford County’s investment in capital assets for its governmental activities as of June 30, 2023, amounts to \$270.8 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, vehicles, intangibles, and construction in progress. Infrastructure capital assets at the County’s park facilities and watershed facilities have been included under improvements since the amounts are relatively insignificant. Guilford County’s net increase in its investment in capital assets was \$2.0 million during the current fiscal year.

Construction in progress increased by \$6.0 million before transfers, mainly for construction projects and renovations and repairs.

Additional information on Guilford County’s capital assets can be found in Note III. C. on pages 33 and 34 of this report.

Table A-4
Guilford County Capital Assets
(Net of Accumulated Depreciation)

	Governmental Activities	
	2023	2022
Land	\$ 53,240,048	\$ 52,621,384
Buildings	179,948,410	185,902,540
Improvements other than buildings	8,202,733	8,906,146
Machinery and equipment	12,814,999	13,183,784
Vehicles	4,724,615	4,766,989
Construction in progress	7,053,630	997,536
Intangibles	1,945,418	2,240,808
Right to use assets	2,926,605	115,725
Total	\$ 270,856,458	\$ 268,734,912

Debt Administration. At the end of the current fiscal year, Guilford County had total bonded debt outstanding of \$603.1 million, \$586.3 million of which were general obligation bonds backed by the full faith and credit of the County and \$16.8 million of which were limited obligation bonds backed by collateral. In addition, there were \$61.5 million in unamortized bond issuance premiums. Guilford County’s debt increased \$4.3 million during the fiscal year. Additionally, the County retired \$70.6 million with scheduled principal payments on general obligation bonds and other debt.

Guilford County maintains its “triple A” rating with all three ratings agencies on all outstanding general obligation bonded debt. The County’s limited obligation bonds are rated AA+ by Standard and Poor’s, Aa1 by Moody’s, and AA+ by Fitch Ratings.

State statutes limit the amount of general obligation debt a governmental entity may issue to eight percent of its total assessed valuation. The legal debt limit is \$5.4 billion compared to \$2.5 billion of net debt applicable to the limit, leaving a debt margin of \$2.9 billion, which is significantly in excess of Guilford County’s outstanding and unissued general obligation debt.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Additional information on Guilford County's long-term debt can be found in Note III. E. on pages 36-39 of this report.

Table A-5
GUILFORD COUNTY'S Outstanding Debt

	Governmental Activities	
	2023	2022
General obligation bonds	\$ 586,255,000	\$ 656,870,000
Plus bond issuance premiums	61,539,457	69,830,921
Less swap termination fees	-	(541,352)
Limited obligation bonds	16,845,000	16,845,000
Installment financing	5,761,500	3,386,000
Total	\$ 670,400,957	\$ 746,390,569

Economic Factors and Next Year's General Fund Budget and Rates

- Funding priorities for the fiscal year 2023-24 budget include core services and modernization of critical software; the County plan for funding compensation study recommendations; contributions to the school bond repayment model; establishment of funding for administrative support of Medicaid Expansion and other mandates; and a continued effort to avoid, or decrease, the use of fund balance in the process of balancing the budget.
- The General Fund budget is balanced, as required by state statute, at \$832.3 million. The General Fund budget includes \$813.3 million for general operations, an increase of \$29.5 million (3.8%), and an additional \$19 million re-appropriation of ARPA-enabled project funds. The general property tax rate is 73.05¢ per \$100 of property valuation, no change from fiscal year 2022-23. Including appropriations in General and Debt Service Funds, the budget allocates \$413.4 million for Education, an increase of \$4.9 million over the total allocation in fiscal year 2022-23 and an increase of more than \$106 million since fiscal year 2020-21. The budget reduces the amount of recurring fund balance or savings used to balance the budget by \$6.2 million, maintaining the County's fiscal resiliency to weather economic uncertainty.
- Voters approved \$300 million of school bonds in November 2020 and an additional \$1.7 billion in school bonds in May 2022. Construction contracts are in place for Claxton Elementary, Kiser Middle, Peck K-8 Expeditionary, Brooks Global, and Foust Elementary. In the fiscal year 2022-23 budget, the Board of Commissioners approved a bond funding plan supported by an allocation of 7.30¢ of the property tax rate in recurring revenue (with the rate adjusted during reappraisal years) to repay the new voter-approved school bonds and build a long-term recurring source of school capital funding. The FY 2024 budget includes an additional \$51.1 million for this purpose. The County plans to issue additional general obligation debt during the second half of fiscal year 2023-24.
- The State of North Carolina recently approved plans for Medicaid Expansion, which is expected to provide health coverage to more than 600,000 people across the state. This expansion will allow low-income individuals and families with incomes up to 138% of the federal poverty level to access Medicaid coverage. As a result, an estimated additional 33,000 county residents will gain coverage, bringing the total number of covered county residents to approximately 200,000. The County will review eligibility applications and provide support through enrollment. In order to administer the Medicaid Expansion, the County will add 54

MANAGEMENT'S DISCUSSION AND ANALYSIS

positions in Social Services and five positions for the Women, Infants, & Children (WIC) program in Public Health. The County's estimated cost of Medicaid Expansion is approximately \$5.0 million. The new positions will be primarily supported by federal/state reimbursements, with \$1.2 million coming from County funds.

Requests for Information

This financial report is designed to provide a general overview of Guilford County's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Donald P. Warn, Chief Financial Officer, Guilford County Finance Department, P.O. Box 3427, Greensboro, NC 27402.



Basic Financial Statements

The Basic Financial Statements consist of the government-wide financial statements which display all the financial activities except fiduciary activities of the County and its discretely presented component units; the fund financial statements which provide information about the County's funds, including its fiduciary funds; and the notes to the financial statements.

GUILFORD COUNTY, NORTH CAROLINA

Statement of Net Position

June 30, 2023

Exhibit 1

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental</u>	<u>Greensboro/Guilford</u>
	<u>Activities</u>	<u>County Tourism</u>
		<u>Development Authority</u>
Assets		
Cash and cash equivalents/investments	\$ 549,505,149	\$ 8,491,400
Receivables:		
Property taxes (net)	6,123,680	-
Accrued interest on property taxes (net)	1,155,944	-
Other taxes	826,495	-
Due from governmental units and agencies	52,722,879	127,869
Due from primary government	-	512,637
Leases	2,349,401	-
Service fees (net)	5,755,117	-
Special assessments	180,263	-
Accrued interest on investments	780,240	13,900
Other	-	2,680
Total receivables	<u>69,894,019</u>	<u>657,086</u>
Deposits and other assets	1,046,285	-
Net pension asset - restricted	530,724	-
Total non-capital assets	<u>620,976,177</u>	<u>9,148,486</u>
Non-depreciable capital assets	60,682,678	-
Depreciable capital assets (net)	210,173,780	265,201
Total capital assets	<u>270,856,458</u>	<u>265,201</u>
Total assets	<u>891,832,635</u>	<u>9,413,687</u>
Deferred Outflows of Resources		
Unamortized bond refunding charges	1,560,424	-
Related to pension plans and other benefits	74,404,923	-
Total deferred outflows of resources	<u>75,965,347</u>	<u>-</u>
Liabilities		
Accounts payable and accrued liabilities	132,592,958	154,563
Due to component unit	512,637	-
Deposits	790,965	-
Current portion of long-term liabilities	83,049,849	194,356
Noncurrent portion of long-term liabilities	937,623,399	4,385
Total liabilities	<u>1,154,569,808</u>	<u>353,304</u>
Deferred Inflows of Resources		
Deferred revenue	7,526,799	-
Related to pension plans and other benefits	29,894,866	-
Total deferred inflows of resources	<u>37,421,665</u>	<u>-</u>
Net Position		
Net investment in capital assets	188,603,753	66,460
Restricted for:		
Stabilization by State statute	90,647,688	892,927
Public Health programs	15,303,819	-
Other purposes	16,158,855	-
Unrestricted (deficit)	<u>(534,907,606)</u>	<u>8,100,996</u>
Total net position (deficit)	<u>\$ (224,193,491)</u>	<u>\$ 9,060,383</u>

The notes to the financial statements are an integral part of this statement.

GUILFORD COUNTY, NORTH CAROLINA
Statement of Activities
For the fiscal year ended June 30, 2023

Exhibit 2

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Unit
					Governmental Activities	Greensboro/Guilford County Tourism Development Authority
Primary Government:						
Governmental activities:						
General government	\$ 66,150,952	\$ 6,527,824	\$ 6,294,690	\$ -	\$ (53,328,438)	\$ -
Human services	165,679,146	13,496,149	100,324,050	-	(51,858,947)	-
Public safety	174,310,803	34,761,511	17,383,997	2,980	(122,162,315)	-
Environmental protection	2,469,068	50,140	1,502,885	-	(916,043)	-
Culture - recreation	7,597,604	1,540,959	3,587,965	-	(2,468,680)	-
Economic development and assistance	12,940,227	(2,892)	2,173,750	-	(10,769,369)	-
Education	330,995,867	-	6,269,397	-	(324,726,470)	-
Interest on long-term debt	18,437,254	-	6,953,307	-	(11,483,947)	-
Total primary government	<u>\$ 778,580,921</u>	<u>\$ 56,373,691</u>	<u>\$ 144,490,041</u>	<u>\$ 2,980</u>	<u>\$ (577,714,209)</u>	<u>\$ -</u>
Component Unit:						
Greensboro/Guilford Co Tourism Dev Authority:						
Tourism promotion and development	\$ 5,154,602	\$ 150	\$ 7,271,418	\$ -	-	2,116,966
General revenues:						
Taxes:						
Property taxes, levied for general purposes					509,567,760	-
Property taxes, levied for fire districts					22,754,149	-
Sales taxes, levied for general purposes					96,151,439	-
Sales taxes, levied for fire districts					5,706,200	-
Sales taxes, levied for school capital and/or debt					30,047,531	-
Occupancy taxes, levied for tourism development					8,313,305	-
Excise tax					4,070,930	-
Local gross receipts taxes					1,100,061	-
Grants and contributions not restricted to specific programs					7,795,909	-
Unrestricted investment earnings net of fair value increase of investment derivatives					10,009,399	92,758
Other					348,812	-
Total general revenues					<u>695,865,495</u>	<u>92,758</u>
Change in net position					118,151,286	2,209,724
Net position (deficit) at beginning of year:					<u>(342,344,777)</u>	<u>6,850,659</u>
Net position (deficit) at end of year					<u>\$ (224,193,491)</u>	<u>\$ 9,060,383</u>

The notes to the financial statements are an integral part of this statement.

GUILFORD COUNTY, NORTH CAROLINA
Balance Sheet
Governmental Funds
June 30, 2023

Exhibit 3

	General	County Building Construction	School Capital Outlay	Community Development	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents/investments	\$ 251,158,100	\$ 73,232,936	\$ 101,283,395	\$ 78,507,112	\$ 6,271,583	\$ 8,088,742	\$ 518,541,868
Receivables:							
Property taxes (net)	5,937,907	-	-	-	-	185,773	6,123,680
Accrued interest on property taxes (net)	1,155,944	-	-	-	-	-	1,155,944
Other taxes	94,156	-	-	-	-	732,339	826,495
Due from governmental units and agencies	42,230,264	-	692,426	-	7,977,939	1,822,250	52,722,879
Leases	2,349,401	-	-	-	-	-	2,349,401
Service fees (net)	5,749,979	-	-	-	-	-	5,749,979
Special assessments (net)	-	180,263	-	-	-	-	180,263
Accrued interest on investments	646,890	87,079	-	-	-	2,688	736,657
Total receivables	58,164,541	267,342	692,426	-	7,977,939	2,743,050	69,845,298
Deposits and other assets	708,760	-	-	-	-	-	708,760
Total assets	<u>\$ 310,031,401</u>	<u>\$ 73,500,278</u>	<u>\$ 101,975,821</u>	<u>\$ 78,507,112</u>	<u>\$ 14,249,522</u>	<u>\$ 10,831,792</u>	<u>\$ 589,095,926</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities:							
Accounts payable and accrued liabilities	\$ 20,204,166	\$ 2,256,887	\$ 22,154,463	\$ 74,100,027	\$ 950	\$ 635,609	\$ 119,352,102
Due to component unit	-	-	-	-	-	512,637	512,637
Deposits	790,965	-	-	-	-	-	790,965
Total liabilities	<u>20,995,131</u>	<u>2,256,887</u>	<u>22,154,463</u>	<u>74,100,027</u>	<u>950</u>	<u>1,148,246</u>	<u>120,655,704</u>
Deferred Inflows of Resources	<u>11,548,135</u>	<u>180,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,886,171</u>	<u>14,614,613</u>
Fund balances:							
Non spendable	708,760	-	-	-	-	-	708,760
Restricted	74,284,837	56,963,751	75,188,752	19,777,033	14,248,572	7,393,127	247,856,072
Committed	50,000,000	7,804,576	5,325,032	4,407,085	-	282,804	67,819,497
Assigned	50,390,715	6,294,757	-	-	-	-	56,685,472
Unassigned	102,103,823	-	(692,426)	(19,777,033)	-	(878,556)	80,755,808
Total fund balances	<u>277,488,135</u>	<u>71,063,084</u>	<u>79,821,358</u>	<u>4,407,085</u>	<u>14,248,572</u>	<u>6,797,375</u>	<u>453,825,609</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 310,031,401</u>	<u>\$ 73,500,278</u>	<u>\$ 101,975,821</u>	<u>\$ 78,507,112</u>	<u>\$ 14,249,522</u>	<u>\$ 10,831,792</u>	<u>\$ 589,095,926</u>

The notes to the financial statements are an integral part of this statement.

GUILFORD COUNTY, NORTH CAROLINA
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2023

Exhibit 4

Total fund balances - total governmental funds (Exhibit 3)	\$ 453,825,609
Amounts reported for governmental activities in the statement of net position are different because (see also Note II.A.):	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	270,856,458
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows of resources in the funds. (Note II.A.1.)	7,459,887
Net pension asset - NC Register of Deeds' Supplemental Pension	530,724
Deferred outflows (asset-like charges) as used in governmental activities are not financial resources and therefore are not reported in the funds. (Note II.A.2.)	75,774,268
The Internal Service Fund is used by management to charge the costs of risk management and insurance to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net position. (See Exhibit 8)	23,496,954
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. (Note II.A.3.)	(1,026,243,970)
Deferred inflows (liability-like credits) as used in governmental activities are not financial uses and therefore are not reported in the funds. (Note II.A.4.)	<u>(29,893,421)</u>
Total net position (deficit) of governmental activities (Exhibit 1)	<u>\$ (224,193,491)</u>

The notes to the financial statements are an integral part of this statement.

GUILFORD COUNTY, NORTH CAROLINA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the fiscal year ended June 30, 2023

Exhibit 5

	General	County Building Construction	School Capital Outlay	Community Development	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Taxes:							
Property taxes	\$ 509,388,160	\$ -	\$ -	\$ -	\$ -	\$ 22,724,951	\$ 532,113,111
Sales tax	96,151,439	-	-	-	30,047,531	5,706,200	131,905,170
Occupancy taxes	-	-	-	-	-	8,313,305	8,313,305
Excise tax	4,070,930	-	-	-	-	-	4,070,930
Local gross receipts tax	1,100,061	-	-	-	-	-	1,100,061
Licenses and permits	2,128,430	-	-	-	-	-	2,128,430
Intergovernmental	93,841,515	-	58,083	39,137,819	2,203,307	3,254,283	138,495,007
Charges for services	50,633,247	38,296	-	-	-	-	50,671,543
Investment earnings	6,050,120	3,576,032	4,362,141	3,717,791	-	6,551	17,712,635
Other	7,282,768	-	-	-	-	2,195,063	9,477,831
Total revenues	<u>770,646,670</u>	<u>3,614,328</u>	<u>4,420,224</u>	<u>42,855,610</u>	<u>32,250,838</u>	<u>42,200,353</u>	<u>895,988,023</u>
Expenditures							
Current:							
General government	69,412,757	-	-	2,551,902	-	139,342	72,104,001
Human services	147,133,158	-	-	19,846,057	-	738,005	167,717,220
Public safety	130,292,475	-	-	13,242,664	-	28,564,097	172,099,236
Environmental protection	2,228,141	-	-	-	-	61,250	2,289,391
Culture - recreation	4,079,452	-	-	3,585,765	-	-	7,665,217
Economic development and assistance	2,453,172	-	-	-	-	10,487,055	12,940,227
Intergovernmental:							
Education	262,917,898	-	66,228,796	-	-	1,849,173	330,995,867
Capital outlay	-	9,935,835	-	-	-	-	9,935,835
Debt service:							
Principal retirement	-	-	-	-	72,534,500	-	72,534,500
Interest and fiscal charges	-	-	-	-	28,521,263	-	28,521,263
Total expenditures	<u>618,517,053</u>	<u>9,935,835</u>	<u>66,228,796</u>	<u>39,226,388</u>	<u>101,055,763</u>	<u>41,838,922</u>	<u>876,802,757</u>
Excess (deficiency) of revenues over expenditures	<u>152,129,617</u>	<u>(6,321,507)</u>	<u>(61,808,572)</u>	<u>3,629,222</u>	<u>(68,804,925)</u>	<u>361,431</u>	<u>19,185,266</u>
Other Financing Sources (Uses)							
SBITA debt issued	1,641,128	-	-	-	-	-	1,641,128
Capital-related debt issued	4,295,000	-	-	-	-	-	4,295,000
Transfers in	-	1,515,000	9,550,000	-	68,354,310	823,980	80,243,290
Transfers out	(80,243,290)	-	-	-	-	-	(80,243,290)
Sale of capital assets	231,742	-	-	-	-	-	231,742
Total other financing sources (uses)	<u>(74,075,420)</u>	<u>1,515,000</u>	<u>9,550,000</u>	<u>-</u>	<u>68,354,310</u>	<u>823,980</u>	<u>6,167,870</u>
Net changes in fund balances	78,054,197	(4,806,507)	(52,258,572)	3,629,222	(450,615)	1,185,411	25,353,136
Fund balances at beginning of year:	199,433,938	75,869,591	132,079,930	777,863	14,699,187	5,611,964	428,472,473
Fund balances at end of year	<u>\$ 277,488,135</u>	<u>\$ 71,063,084</u>	<u>\$ 79,821,358</u>	<u>\$ 4,407,085</u>	<u>\$ 14,248,572</u>	<u>\$ 6,797,375</u>	<u>\$ 453,825,609</u>

The notes to the financial statements are an integral part of this statement.

GUILFORD COUNTY, NORTH CAROLINA
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the fiscal year ended June 30, 2023

Exhibit 6

Net changes in fund balances - total governmental funds (Exhibit 5)	\$	25,353,136
<p>Amounts reported for governmental activities in the statement of activities are different because (see also Note II.B.):</p>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. (Note II.B.1.)		3,196,008
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to decrease net position. (Note II.B.2.)		(1,074,462)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds until they are available. (Note II.B.3.)		167,310
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal consumes the current financial resources. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (Note II.B.4.)		65,550,672
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. Some expenditures reported in the governmental funds do require the use of current financial resources because items are prepaid using the purchases method and, therefore, are not reported as expenses in the statement of activities. (Note II.B.5.)		25,696,324
The Internal Service Fund is used by management to charge the costs of risk management and insurance to individual funds. The net gain (loss) of the Internal Service Fund is reported with governmental activities. (See Exhibit 9)		<u>(737,702)</u>
Change in net position	\$	<u>118,151,286</u>

The notes to the financial statements are an integral part of this statement.

GUILFORD COUNTY, NORTH CAROLINA

General Fund

Exhibit 7

**Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the fiscal year ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary and GAAP Basis</u>	<u>Final Budget Positive (Negative)</u>
Revenues				
Taxes:				
Property taxes	\$ 502,684,435	\$ 502,684,435	\$ 507,906,845	\$ 5,222,410
Interest on delinquent property taxes	1,467,000	1,467,000	1,481,315	14,315
Total property taxes	504,151,435	504,151,435	509,388,160	5,236,725
Sales tax	90,060,000	90,060,000	96,151,439	6,091,439
Excise tax	4,800,000	4,800,000	4,070,930	(729,070)
Local gross receipts tax	875,000	875,000	1,100,061	225,061
Licenses and permits	2,395,380	2,395,380	2,128,430	(266,950)
Intergovernmental	92,196,250	104,050,729	93,841,515	(10,209,214)
Charges for services	43,605,107	43,751,107	50,633,247	6,882,140
Investment earnings	2,346,618	2,346,618	6,050,120	3,703,502
Other	6,297,577	6,892,118	7,282,768	390,650
Total revenues	<u>746,727,367</u>	<u>759,322,387</u>	<u>770,646,670</u>	<u>11,324,283</u>
Expenditures				
Current:				
General government	73,543,087	76,720,903	69,412,757	7,308,146
Human services	155,105,688	183,865,946	147,133,158	36,732,788
Public safety	134,314,842	137,410,292	130,292,475	7,117,817
Environmental protection	2,856,411	2,980,736	2,228,141	752,595
Culture - recreation	8,107,291	5,154,155	4,079,452	1,074,703
Economic development and assistance	1,703,723	4,943,956	2,453,172	2,490,784
Intergovernmental:				
Education	262,917,898	262,917,898	262,917,898	-
Total expenditures	<u>638,548,940</u>	<u>673,993,886</u>	<u>618,517,053</u>	<u>55,476,833</u>
Excess (deficiency) of revenues over expenditures	<u>108,178,427</u>	<u>85,328,501</u>	<u>152,129,617</u>	<u>66,801,116</u>
Other Financing Sources (Uses)				
SBITA debt issued	-	-	1,641,128	1,641,128
Capital-related debt issued	4,350,000	4,350,000	4,295,000	(55,000)
Transfers out	(80,263,060)	(82,243,290)	(80,243,290)	2,000,000
Sale of capital assets	190,400	190,400	231,742	41,342
Total other financing sources (uses)	<u>(75,722,660)</u>	<u>(77,702,890)</u>	<u>(74,075,420)</u>	<u>3,627,470</u>
Net change in fund balances	32,455,767	7,625,611	78,054,197	70,428,586
Fund balances at beginning of year:	199,433,938	199,433,938	199,433,938	-
Fund balances at end of year	<u>\$ 231,889,705</u>	<u>\$ 207,059,549</u>	<u>\$ 277,488,135</u>	<u>\$ 70,428,586</u>

The notes to the financial statements are an integral part of this statement.

GUILFORD COUNTY, NORTH CAROLINA
Statement of Net Position
Proprietary Funds - Internal Service Fund
June 30, 2023

Exhibit 8

	Governmental Activities
Assets	
Current assets:	
Cash and cash equivalents/investments	\$ 30,963,281
Receivables:	
Service fees (net)	5,138
Accrued interest on investments	43,583
Total receivables	48,721
Deposits and other assets	1,011,437
Total assets	32,023,439
 Deferred Outflows of Resources	
Related to pension plans	191,079
 Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	7,370,594
Compensated absences	14,224
Total current liabilities	7,384,818
Noncurrent liabilities:	
Compensated absences	10,064
Net Pension liability	277,592
Total noncurrent liabilities	287,656
Total liabilities	7,672,474
 Deferred Inflows of Resources	
Deferred revenues	1,043,645
Related to pension plans	1,445
Total deferred inflows of resources	1,045,090
 Net Position	
Restricted for self-funded insurance deposits	1,010,224
Unrestricted	22,486,730
Total net position	\$ 23,496,954

The notes to the financial statements are an integral part of this statement.

GUILFORD COUNTY, NORTH CAROLINA
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds - Internal Service Fund
For the fiscal year ended June 30, 2023

Exhibit 9

	Governmental Activities
Operating revenues:	
Charges for services	\$ 50,141,918
Other	118,000
Total operating revenues	50,259,918
Operating expenses:	
Personal services	464,703
Other direct service costs	115,359
Professional services	1,570,422
Claims, premiums and bonding	49,189,933
Total operating expenses	51,340,417
Operating loss	(1,080,499)
Nonoperating revenues:	
Net investment gain (loss)	342,797
Total nonoperating revenues (net)	342,797
Change in net position	(737,702)
Net position at beginning of year	24,234,656
Net position at end of year	\$ 23,496,954

The notes to the financial statements are an integral part of this statement.

GUILFORD COUNTY, NORTH CAROLINA
Statement of Cash Flows
Proprietary Funds - Internal Service Fund
For the fiscal year ended June 30, 2023

Exhibit 10

	Governmental Activities
Increase (decrease) in cash and cash equivalents:	
Cash flows from operating activities:	
Cash received from user departments and participants	\$ 50,867,269
Other operating revenues	
Cash paid to employees for services	(406,766)
Cash paid to suppliers, participants and others	<u>(50,978,317)</u>
Net cash used by operating activities	<u>(517,814)</u>
Cash flows from investing activities:	
Interest and dividends on investments	<u>314,183</u>
Net decrease in cash and cash equivalents	(203,631)
Cash and cash equivalents at beginning of year	<u>31,166,912</u>
Cash and cash equivalents at end of year	<u>\$ 30,963,281</u>
 Reconciliation of operating gain to net cash provided by operating activities:	
Operating loss	<u>\$ (1,080,499)</u>
Adjustments to reconcile operating gain to net cash provided by operating activities:	
Change in assets, deferred outflows, liabilities and deferred inflows:	
Increase in accounts receivable	761,160
Decrease in deposits and other assets	(101,156)
Decrease in deferred outflows of resources - related to pension plans	(120,833)
Decrease in accounts payable	(119,447)
Increase in accrued salaries and benefits payable	3,143
Increase in accrued vacation and compensatory benefits	3,790
Increase in net pension liability	233,588
Decrease in deferred inflows of resources - unearned revenues	(35,809)
Decrease in deferred inflows of resources - related to pension plans	<u>(61,751)</u>
Total fund balances	<u>562,685</u>
Net cash provided by operating activities	<u>\$ (517,814)</u>

The notes to the financial statements are an integral part of this statement.

GUILFORD COUNTY, NORTH CAROLINA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2023

Exhibit 11

	Pension / OPEB Trust Funds	Custodial Funds
Assets		
Cash and cash equivalents/investments	\$ -	\$ 367,700
Guilford County Law Enforcement Officers' Special Separation Allowance (LEOSSA) Accounts:		
Demand deposits	241,117	-
N.C. Capital Management Trust Cash Portfolio	2,297,860	-
State Treasurer's Local Government Law Enforcement Officers' Special Separation Allowance (LEOSSA) Fund:		
Short-Term LEOSSA Fund	1,346,578	-
LEOSSA Equity Fund	708,560	-
State Treasurer's Local Government Other Post Employment Benefits (OPEB) Fund:		
Short-Term OPEB Fund	3,606,874	-
Long-Term OPEB Fund	1,026,161	-
OPEB Equity Fund	15,054,467	-
Cash and cash equivalents/investments	24,281,617	367,700
Receivables:		
Accrued interest on investments	222	-
Total assets	24,281,839	367,700
Liabilities		
Accounts payable and accrued liabilities	45,722	-
Total liabilities	45,722	-
Net Position		
Restricted for:		
Pension	4,548,615	-
Other post employment benefits	19,687,502	-
Individuals and other governments	-	367,700
Total net position	\$ 24,236,117	\$ 367,700

The notes to the financial statements are an integral part of this statement.

GUILFORD COUNTY, NORTH CAROLINA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds - Pension / OPEB Trust Funds
For the fiscal year ended June 30, 2023

Exhibit 12

	Pension / OPEB Trust Funds	Custodial Funds
Additions		
Employer contributions	\$ 10,155,241	\$ -
Retiree contributions	2,751,085	-
Investment income (loss)	2,441,104	-
Investment expenses	(3,116)	-
Tax collections	-	344,948,136
Deposits from inmates	-	2,180,384
Total additions	15,344,314	347,128,520
Deductions		
Benefits	11,723,158	-
Administrative expenses	545,710	-
Payments to taxing units	-	344,940,572
Withdrawals by inmates	-	2,179,910
Total deductions	12,268,868	347,120,482
Change in net position	3,075,446	8,038
Net position at beginning of year:	21,160,671	359,662
Net position at end of year	\$ 24,236,117	\$ 367,700

The notes to the financial statements are an integral part of this statement.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Guilford County and its component units conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

Guilford County, North Carolina (the County) is governed by an elected Board of Commissioners with nine members. The accompanying financial statements present the County and its component unit, a legally separate entity for which the County is considered to be financially accountable. The County has no component units which are required to be blended with data of the primary government. The discretely presented component unit presented below is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County.

Discretely presented component units.

Greensboro/Guilford County Tourism Development Authority

The Greensboro/Guilford County Tourism Development Authority (the Authority) is a public authority under the North Carolina General Statutes, created to promote activities and programs which encourage travel and tourism to the area. The County is financially accountable for the Authority because it levies the occupancy tax which is the major source of the Authority's revenues and has final approval over the annual budget. The Authority has a unique Board and it is legally separate from the County. The Authority, which has a June 30 year end, is presented as a governmental fund type. Of the \$8,313,305 County levied occupancy taxes earned and included as an economic development and assistance expense of the County, \$5,819,314 is reported as part of the Authority's operating grants and contributions program revenue along with \$1,452,104 from a separate City of Greensboro levy. The complete financial statements of the Authority may be obtained from its administrative office at Greensboro/Guilford County Tourism Development Authority, 2411 West Gate City Boulevard, Greensboro, North Carolina 27403.

Guilford County Industrial Facility and Pollution Control Financing Authority

Guilford County Industrial Facility and Pollution Control Financing Authority (the Authority) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority is governed by a seven-member board of commissioners, all of whom are appointed by the county commissioners. The County can remove any commissioner of the Authority with or without cause. The Authority has no financial transactions or account balances; therefore, it is not presented in the government-wide financial statements. The Authority does not issue separate financial statements.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government (the County) and its component unit (the Authority). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements report the County's governmental activities which generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. The County has no business-type activities, financed in whole or in part by fees charged to external parties, to report.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for the Authority. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. No indirect expense allocations have been made in the funds which require reversal for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category—*governmental, proprietary, and fiduciary*—are presented. The emphasis of the County's fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. The County has no enterprise funds on which to report.

Proprietary funds distinguish *operating* from *nonoperating* revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues, mainly charges for services and materials, result from exchange transactions associated with the principal activities of the fund where each party receives and gives up essentially equal values. Operating expenses include professional and other services costs; claims, premiums, and bonding; and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The County reports the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *County Building Construction Fund*, a capital projects fund type, accounts for the financing and construction of various capital assets and improvements thereto of the County. Financing is provided principally by operating transfers from the General Fund, interest on investments, and proceeds of general obligation bonds when issued.

The *School Capital Outlay Fund*, a capital projects fund type, accounts for the County's portion of the financing of school capital assets for the Guilford County Public School System and Guilford Technical Community College. Financing is provided principally by operating transfers from the General Fund, the North Carolina Public School Building Capital Fund (Average Daily Membership and Lottery), and proceeds of general obligation bonds when issued by Guilford County.

The *Community Development Fund*, a special revenue fund type, accounts for projects financed primarily with funds from the State and Federal Government. The projects are primarily used for the County's Covid-19 virus recovery efforts.

The *Debt Service Fund* is used to budget and pay debt service and related expenditures from this fund.

The County also reports *Other Governmental Funds*, which are individually nonmajor, in total. The Rural Fire Districts, Room Occupancy/Tourism Developmental Tax, Tax Revaluation, Fines and Forfeitures, Representative Payee, Grants, and Opioid Settlement Funds are all special revenue fund types. They are used to account for the proceeds of specific revenue sources, other than major capital projects, that are legally restricted to expenditures for specific purposes.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Additionally, the County reports the following fund types:

Proprietary fund:

The *Internal Service Fund* accounts for risk retention services, health care and wellness programs provided to other departments of the County on a cost-reimbursement basis.

Fiduciary funds:

Pension/OPEB Trust Funds are used to account for activities which accumulate resources for post-employment benefits to qualified individuals. The County's pension/OPEB trust funds are the Law Enforcement Officers' Special Separation Allowance (LEOSSA) Fund and the Other Post-Employment Benefits Fund. The LEOSSA Fund accounts for the activities of a single employer, public retirement system, and accumulates resources for pension benefit payments to qualified law enforcement officers. The Other Post-Employment Benefits Fund accounts for the activities of a single employer defined benefit Health Care Plan and provides postemployment healthcare benefits to eligible retirees of the County who participate in the North Carolina Local Government Employees' Retirement System.

Custodial Funds are used to account for assets held by the County on behalf of others. The County maintains the following custodial funds: the Tax Collection Fund, which accounts for property, occupancy, and/or privilege taxes collected by the County Tax Collector in his capacity as agent for various municipalities, a special district, and an authority; and the Inmate Trust Fund, which accounts for funds deposited with the Law Enforcement Department by or for the benefit of inmates incarcerated in the County Detention Centers.

C. Measurement Focus, Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

Government-wide, Proprietary, and Fiduciary Fund Financial Statements. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, except for the custodial funds which use the economic resources measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues, except for property taxes, to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, property taxes receivable are materially past due and are not considered to be

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

an available resource to finance the operations of the current year. See also Note I.E.2 for additional explanation. Those revenues susceptible to accrual are sales taxes, collected and held by the State at year end on behalf of the County, certain intergovernmental revenues and charges for services, and interest on investments. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amount will be reimbursed to the County; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met. Some types of charges for services are susceptible to accrual. Human Services Departments' client and contract fees and Emergency Services Department ambulance fees net of an adjustment for estimated uncollectible fees are recognized when earned because they are considered both measurable and available. All other charges for services as well as licenses and permits and other revenues are not susceptible to accrual because generally, they are not measurable until received in cash.

D. Budgetary Control

In compliance with the North Carolina Local Government Budget and Fiscal Control Act, the County adopts an annual budget ordinance for all funds except certain projects within the County Building Construction and School Capital Outlay Capital Projects Funds authorized by project ordinance; the projects within the Community Development Special Revenue Fund authorized by grant ordinances, the Internal Service Fund and Trust and Custodial Funds. The budget ordinance must be adopted by July 1 of the fiscal year or the Board of County Commissioners must adopt an interim budget that covers that time until the annual ordinance can be adopted.

The appropriations in the General Fund and annually budgeted projects in the Capital Projects Funds are formally budgeted and legally controlled on a departmental basis. Projects in the Capital Projects Funds with project-length budgets are controlled by project. The legal level of control varies for the Special Revenue Funds. Appropriations in the Rural Fire District Fund are by rural fire tax or protection service district while the appropriations in the Room Occupancy/Tourism Development Tax Fund are on a fund basis. Appropriations in the Community Development Fund are controlled by project. The annual budget is prepared on the modified accrual basis of accounting as required by North Carolina law and consistent with generally accepted accounting principles. It is amended for supplemental appropriations during the fiscal year by the Board of County Commissioners. The County Manager is authorized by the budget ordinance to make intrafund transfers of appropriations up to \$30,000 for each transaction, except that funds transferred cannot be used to create unauthorized positions or to raise salaries and that funds appropriated for merit raises can be used solely for that purpose. In addition, the County Manager has the authority to transfer funds budgeted in General Fund insurance, salaries and benefits, energy, technology, and facility expense accounts to the same accounts in other departments within the General Fund to adjust for projected expenditure patterns. Each such transfer must be reported to the Board of Commissioners at its next regular meeting. Any revisions that alter total appropriations of any fund must be approved by the Board. All annual appropriations lapse at each fiscal year end and open encumbrances are reappropriated in the following fiscal year's budget.

Concurrent with the adoption of the annual budget ordinance, the County approves a balanced financial plan for the Internal Service Fund. A financial plan is balanced when estimated expenses do not exceed estimated revenues. Any change in the financial plan during the year must be approved by the Board of County Commissioners.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

E. Assets, Liabilities and Equity

1. Cash and Cash Equivalents/Investments

The County has pooled the cash resources of its funds in order to maximize investment opportunities. Each fund's portion of total cash and investments is reported as cash and cash equivalents/ investments by the County's individual major funds and Internal Service Fund and in the aggregate for non-major, pension/OPEB trust and custodial funds. An account was opened at the North Carolina Capital Management Trust in June 2023 for idle funds belonging to The Greensboro/Guilford County Tourism Development Authority (Authority). For purposes of the statement of cash flows, all cash and investments of the proprietary fund are considered to be cash equivalents, since they are available on demand from the cash and investments pool.

All deposits of the County and Authority are made in board-designated official depositories and are secured as required by General Statute 159-31. The County and Authority may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County and Authority may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

General Statute 159-30.2 allows local governments to establish a Law Enforcement Officers Special Separation Allowance (LEOSSA) Trust Fund managed by the staff of the Department of the State Treasurer and operated in accordance with State laws and regulations. General Statute 159-30(h) allows the County to make contributions to the Fund. The Fund is not registered with the SEC. The State Treasurer in his discretion may invest the proceeds in equities of certain publicly held companies and long or short-term fixed income investments as detailed in General Statutes 147-69.2(b)(1-6) and (8). Funds submitted are held in the State Treasurer's STIF account consisting of short to intermediate treasuries, agencies, and corporate issues authorized by General Statute 147-69.1 and BlackRock's MSCI All Country World Index (ACWI) Equity Index Non-Lendable Class B Fund under General Statute 147-69.2(b)(8). Under the authority of General Statute 147-69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund. In addition to the STIF account, a portion of the Trust assets are invested in the North Carolina Capital Management Trust (NCCMT) Government Portfolio.

General Statute 159-30.1 allows local governments to establish an Other Post-Employment Benefits (OPEB) Trust Fund managed by the staff of the Department of the State Treasurer and operated in accordance with State laws and regulations. General Statute 159-30(g) allows the County to make contributions to the Fund. The Fund is not registered with the SEC. The State Treasurer in his discretion may invest the proceeds in equities of certain publicly held companies and long- or short-term fixed income investments as detailed in General Statutes 147-69.2(b)(1-6) and (8). Funds submitted are managed in three different sub-funds, the State Treasurer's Short Term Investment Fund (STIF) consisting of short to intermediate treasuries, agencies and corporate issues authorized by General Statute 147-69.1; the Bond Index Fund (BIF) consisting of high quality debt securities, eligible under General Statute 147-69.2(b)(1)-(6); and BlackRock's MSCI All Country World Index (ACWI) Equity Index Non-Lendable Class B Fund under General Statute 147-69.2(b)(8). Under the authority of General Statute 147-69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund.

Investments with remaining maturities at the time of purchase of one year or less are stated at amortized cost, which approximates fair value. Investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. The securities of the North Carolina Capital Management Trust (NCCMT) Government Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Government Portfolio maintains a AAAM

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

rating from S&P and AAA-mf by Moody's Investors Service. Funds in the NCCMT Government Portfolio are available for same-day redemption with notice by noon on the day of withdrawal. In accordance with State law, the County has invested in securities which are callable and may provide for periodic interest rate increases in specific increments until maturity; these and all other investments are stated at fair value. As to the LEOSSA Funds, see the above comments regarding the NCCMT Government Portfolio. The STIF securities are reported at fair value. As to the OPEB Trust funds, the STIF and the BIF securities are reported at fair value. The BlackRock MSCI ACWI EQ Index Non-Lendable Class B Fund is valued at net asset value.

2. Property Taxes Receivable

The County's property tax is levied each July 1 on the assessed value as of the prior January 1, for all taxable real and personal property (except registered motor vehicles) located in the County. Property taxes attach as an enforceable lien on real property as of the listing date. Assessed personal property values are established annually at estimated market value. A revaluation of all real property is required to be performed no less than every eight years. On February 6, 2014, the Board of Commissioners approved the policy of conducting future revaluations every five years. The revaluation affecting the fiscal year 2018 levy was completed as of January 1, 2017. North Carolina General Statutes require that property taxes levied as of the beginning of the fiscal year are due September 1. Taxes are collected net of a ½% discount during July and August (the Board voted to increase the discount to 1% on 4/6/23 for FY 2024), in full, from September 1 through January 5, and with additional penalties and interest accrued beginning January 6.

Prior to September 1, 2013, Guilford County was responsible for billing and collecting motor vehicle property taxes on behalf of all municipalities and special tax districts in the County. Vehicles were registered with the State's Division of Motor Vehicles under a staggered system and property taxes were due the first day of the fourth month after registration. In 2005, the N.C. General Assembly adopted House Bill 1779 effective September 1, 2013, which states that the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Any motor vehicle property taxes collected by the State prior to June 30 which are not remitted to the County until after the fiscal year end are reported as collected property taxes at year end by the County. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates when significant are shown as a receivable in these financial statements and are offset by the allowance for doubtful accounts.

Property taxes receivable in the governmental fund financial statements are not recognized as revenue because the amount is not susceptible to accrual. At June 30, 2023, property taxes receivable are materially past due and, consequently, cannot be considered an available resource with which to pay liabilities of the current period, although the amount due is measurable. Therefore, all property taxes receivable are recorded net of an allowance for estimated uncollectible delinquent taxes, with the net receivable recorded as deferred inflows of resources.

3. Leases Receivable

Leases receivable are measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

4. Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. Allowances are based on collection experience and management’s evaluation of the current status of existing receivables.

5. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated life in excess of two years. Intangible assets, which are generally classified as capital assets, have a threshold of \$100,000 and an estimated life in excess of one year. Capital assets are recorded at historical cost or at estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of the donation. Public domain (infrastructure) capital assets consisting of certain improvements, including roads, bridges, curbs and gutters, water and sewer systems, school improvements, streets and sidewalks, drainage systems, and lighting systems, either have not been capitalized because the County does not own them or are included under improvements due to relatively insignificant amounts.

The right to use assets (leases and SBITA’s) are initially measured at amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

Property, plant, equipment, and intangibles of the primary government, as well as the component unit, are depreciated or amortized using the straight-line method over the following estimated useful lives:

Primary Government		Authority	
Buildings	45 years	Furniture and fixtures	7 years
Improvements other than buildings	20 years	Equipment	5 years
Machinery and equipment	10 years	Vehicles	5 years
Intangibles - software	10 years		
Vehicles	3 years		
Leases	Agreement Term		
SBITA's	Agreement Term		

6. Vacation, Compensatory, and Sick Leave Benefits

The County’s vacation policy allows full-time and fractional (but no part-time) employees to accumulate a maximum of 30 days leave which, if not used, will be paid to employees upon separation from County service at the rates of pay then in effect. Any excess over the 30 days is transferred annually to sick leave as of the end of the leave accrual year.

According to the provisions of The Fair Labor Standards Act, nonexempt employees may earn compensatory time at the rate of one and one-half hours for each hour worked in excess of specified limits. However, the Board of County Commissioners approved a revision to the personnel regulations effective August 30, 2009, that provided payment of overtime for nonexempt employees in lieu of compensatory time accrual. Further, the revision requires nonexempt employees to use compensatory balances prior to using other types of leave. The personnel regulations revision also eliminated compensatory time for exempt employees. Accumulated compensatory benefits that have not been used for both exempt and nonexempt employees are payable upon separation from County services at the rate of pay that was in effect on August 30, 2009, the date of the effective revision.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Accumulated vacation and compensatory benefits are accrued when incurred in the government-wide and proprietary fund financial statements. Benefits are considered to be taken on a first in, first out basis for determining the current portion of the liability. A liability for those amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

The County's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the County has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave is made.

7. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of net position will sometimes report a separate section for *Deferred Outflows of Resources*, which represents a consumption of net assets that applies to future periods, and so will not be recognized as an expense or expenditure until then. The County has several items that meet this criterion: prepaid property taxes, grants received in advance of being earned, and pension and post-employment benefits related deferrals of pension and OPEB expense. In addition to the above, the governmental funds also report unavailable revenues receivable from the following sources: property taxes and accrued interest thereon, and special assessments. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The proprietary fund type reports deferred revenues from prepaid healthcare premiums.

8. *Long-term Obligations*

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations, including leases payable and IT Subscription payable, are reported as liabilities in the applicable governmental activities or propriety fund type statement of net position. Bond premiums are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Termination fees for swaps on effective hedges are deferred and amortized over the life of the associated refunding bonds using the effective interest method. Bonds payable are reported net of the applicable bond premiums and swap termination fees. Bond issuance costs are expensed in the reporting period in which they are incurred.

9. *Net Position/Fund Balances*

Net Position

Net position in government-wide and proprietary fund financial statements is classified as net investment in capital assets, restricted, and unrestricted. The restricted component of net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

- Nonspendable Fund Balance – Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

- Restricted Fund Balance - Amounts are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed Fund Balance - Amounts are committed when Guilford County's Board of County Commissioners (the highest level of decision-making authority) formally places a constraint on the use of the County's own resources for a particular purpose. A majority vote is required to set aside fund balance for the specific purpose by adoption of an ordinance, and once adopted, the limitation can only be changed or amended with a similar action by the County's Board of Commissioners.
- Assigned Fund Balance - Amounts are assigned when they are constrained by the County's *intent* to use for specific purposes, but are neither restricted nor committed. Intent relative to assigned fund balances has been established by actions of the Board of County Commissioners. It includes all remaining positive balances not classified as assigned, restricted, or committed and reported in governmental funds other than the General Fund.
- Unassigned Fund Balance - Amounts are unassigned to represent the residual classification for the General Fund as the balance has not been restricted, committed, or assigned to specific purposes. It includes all remaining negative balances not classified as restricted or committed and reported in governmental funds other than the General Fund.

Restricted for Stabilization by State Statute - North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that was designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation.

The amount of fund balance not available for appropriation is what is known as "restricted by State statute." *RSS appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding encumbrances are included within RSS. RSS is included as a component of restricted net position and restricted fund balance on the face of the balance sheet.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources (other than RSS) first, then unrestricted resources as they are needed. The Finance Director may deviate from this policy where it is in the best interest of the County but generally, restricted revenues that must be expended to be received/earned typical of Federal and State grants are expended first followed by bond proceeds, other restricted revenues, local non-County funds and County funds. For purposes of net position/fund balance classification, expenditures are from restricted net position/fund balance first, followed in order by committed, assigned, and unassigned fund balance.

The County has adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the County in such a manner that unassigned fund balance be set and maintained at a minimum of no less than 8% of budgeted expenditures.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

10. Defined Benefit Pension Plans and OPEB Plans

The County participates in two cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees' Retirement System (LGERS) and the Registers of Deeds' Supplemental Pension Fund (RODSPF) (collectively, the "state-administered defined benefit pension plans"). The County also administers a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers, the Law Enforcement Officers' Special Separation Allowance (LEOSSA) and one other post-employment benefit plan (OPEB), a single-employer defined benefit Health Care Plan (the HC Plan). For purposes of measuring the net pension asset/liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions to/ deductions from the state-administered defined benefit pension plans' fiduciary net positions have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the HC Plan and additions to/deductions from the HC Plan's fiduciary net position of the same basis as they are reported by the HC Plan. For this purpose, the HC Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments for all plans are reported at fair value.

11. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

12. Change in Accounting Principle

The County implemented Governmental Accounting Standards Board (GASB) No. 96, Subscription-Based Information Technology Arrangements (SBITA), effective July 1, 2022. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

The implementation of GASB 96 resulted in the recognition of SBITAs, net of amortization, totaling \$2.86 million, and liabilities totaling \$2.69 million.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

II. Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between total *fund balances total governmental funds* and *net position of governmental activities* as reported in the government-wide statement of net position. The details of selected elements of that reconciliation are further explained as follows:

1. "Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows of resources in the funds."	
Property taxes receivable (net)	\$ 6,123,680
Accrued interest on property taxes receivable (net)	1,155,944
Special assessments receivable (net)	<u>180,263</u>
Net adjustment to increase total fund balances - total governmental funds to arrive at net position of governmental activities	<u>\$ 7,459,887</u>
2. "Deferred outflows (asset-like charges) as used in governmental activities are not financial resources and therefore are not reported in the funds."	
Contributions to LEOSSA pension plan in current fiscal year	\$ 953,040
Contributions to NCLGERS pension plan in current fiscal year	20,232,498
Contributions to NCROD pension plan in current fiscal year	36,041
LEOSSA other pension plan related resources	1,927,054
NCLGERS other pension plan related resources	50,998,052
NCROD other pension plan related resources	258,238
Unamortized bond refunding charges	<u>1,560,424</u>
Subtotal	75,965,347
Less: NCLGERS plan contributions and other resources of the Internal Service Fund	<u>(191,079)</u>
Net adjustment to increase total fund balances - total governmental funds to arrive at net position of governmental activities	<u>\$ 75,774,268</u>
3. "Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds."	
General obligation bonds payable	\$ 586,255,000
Plus: Issuance premiums (to be amortized against interest expense)	61,539,457
Accrued interest payable	5,870,264
Limited obligation bonds payable	16,845,000
Installment financings payable	5,761,500
Leases payable	67,196
IT Subscription Liability	2,688,828
Accrued compensated absences payable	13,877,303
Net pension liability - Law Enforcement Officers' Special Separation Allowance	9,209,594
Net pension liability - NC Local Government Employees' Retirement System	103,480,714
Net other postemployment benefits liability - Health Care Benefits Plan	<u>220,948,656</u>
Subtotal	1,026,543,512
Less: accrued compensated absences payable of the Internal Service Fund	(24,288)
Less: NCLGERS net pension liability of the Internal Service Fund	<u>(275,254)</u>
Net adjustment to decrease total fund balances - total governmental funds to arrive at net position of governmental activities	<u>\$ 1,026,243,970</u>
4. "Deferred inflows (liability-like credits) as used in governmental activities are not financial uses and therefore are not reported in the funds."	
LEOSSA pension related resource deferrals	\$ 1,216,317
NCLGERS pension related resource deferrals	538,841
NCROD pension related resource deferrals	14,932
OPEB related resource deferrals	<u>28,124,776</u>
Subtotal	29,894,866
Less: NCLGERS pension resource deferrals of the Internal Service Fund	<u>(1,445)</u>
Net adjustment to decrease total fund balances - total governmental funds to arrive at net position of governmental activities	<u>\$ 29,893,421</u>

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances—total governmental funds* and *change in net position of governmental activities* as reported in the government-wide statement of activities. The details of selected elements of that reconciliation are further explained as follows:

1. "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period."	
Capital outlay (net of Internal Service Fund amount of \$-0-)	\$ 18,119,563
Less: depreciation expense (net of Internal Service Fund amount of \$-0-)	<u>(14,923,555)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at change in net position of governmental activities	<u>\$ 3,196,008</u>
2. "The net effect of various miscellaneous transactions involving capital assets (ie., sales, trade-ins and donations) is to decrease net position."	
In the statement of activities, only the gain or loss on the disposal of capital assets is reported. However, in the governmental funds, only the proceeds from a sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost net of accumulated depreciation of the capital assets disposed.	<u>\$ 1,074,462</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at change in net position of governmental activities	<u>\$ 1,074,462</u>
3. "Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds until they are available."	
Property taxes receivable (net)	\$ 267,058
Accrued interest on property taxes receivable (net)	(58,559)
Special assessments receivable (net)	<u>(41,189)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at change in net position of governmental activities	<u>\$ 167,310</u>
4. "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal consumes the current financial resources. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities."	
Debt issued or incurred:	
Issuance of installment financings	\$ (4,295,000)
Issuance of IT subscriptions	(4,786,481)
Principal repayments:	
General obligation bonds	70,615,000
Installment financing	1,919,500
Software subscription payments	<u>2,097,653</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at change in net position of governmental activities	<u>\$65,550,672</u>
5. "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. Some expenditures reported in the governmental funds do require the use of current financial resources because items are prepaid using the payments method and, therefore, are not reported as expenses in the statement of activities."	
Accrued interest	\$ 2,689,786
Compensated absences	(2,961,957)
Amortization of deferred charge on refunding	(396,843)
Amortization of interest rate swap termination payment	(541,352)
Amortization of bond premiums and premium on put bond	8,291,464
Net other postemployment benefits obligation - Health Care Benefits Plan	28,161,527
Law Enforcement Officers' Special Separation Allowance pension expense	287,467
NC Local Gov't Employees' Ret System pension expense	(9,761,454)
NC Register of Deeds' Supplemental pension expense	<u>(72,314)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at change in net position of governmental activities	<u>\$25,696,324</u>

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

III. DETAILED NOTES ON ALL FUNDS

A. Cash and Cash Equivalents/Investments

As previously discussed, cash for all County funds is pooled for investment purposes. At June 30, 2023, the cash and investments included the following:

Account Balances		Ownership of Funds	
Petty cash / cash on hand	\$ 109,398	Primary Government - Guilford County	
Demand deposits	8,520,418	Governmental Funds	\$ 518,541,868
Pooled investments	<u>549,975,550</u>	Internal Service Fund	<u>30,963,281</u>
Pooled Funds	558,605,366	Total Governmental Activities	549,505,149
Pension Trust Fund investments:		Pension Trust Funds	24,281,617
LEOSSA Trust:			
N.C. Capital Management			
Trust Government Portfolio	2,297,860	Custodial Funds	<u>367,700</u>
State Treasurer's Local			
Government LEOSSA Trust Fund	2,055,139	Primary Government - Guilford County	<u>574,154,466</u>
OPEB Trust - State Treasurer's			
Local Government OPEB Trust Fund	<u>19,687,501</u>	Component Unit - Authority	<u>8,491,400</u>
	<u>\$ 582,645,866</u>		<u>\$ 582,645,866</u>

Deposits

The deposits of the County's pool are governed by North Carolina General Statutes which allow depositories to collateralize excess deposits above Federal depository insurance coverage by one of two methods. Under the Dedicated Method, all deposits exceeding the Federal depository insurance coverage are collateralized with securities held by the County's agent in the County's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, these deposits are considered to be held by the County's agent in the County's name. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under the Pooling Method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the Department of State Treasurer of North Carolina has indicated they enforce strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. In addition, the County monitors the financial soundness of any financial institution holding County deposits. The County does not have a policy regarding custodial risk for deposits.

At year-end, the deposit portion of pooled cash and investments had a carrying amount of \$8,394,455 and a bank balance of \$12,595,483. Of the bank balance, \$500,048 was covered by Federal depository insurance, and \$12,095,435 in non-interest-bearing deposits was covered by collateral held under the Pooling Method.

Deposits of the Authority not included with the pool had a carrying amount of \$125,963 and a bank balance of \$232,702, which was fully covered by Federal depository insurance.

GUILFORD COUNTY, NORTH CAROLINA
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Investments

Pooled Investments

North Carolina General Statute 159-30(c) authorizes the County and Authority to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain nonguaranteed Federal agencies; certain high-quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT).

At June 30, 2023, the County's pooled investments were summarized by type as follows:

<u>Investment Type</u>	Valuation Measurement Method	Fair Value	Maturity Maturity (Months)
U.S. Government Agencies	Fair Value-Level 2	\$ 152,908,665	24.24
N.C. Municipal Bonds	Fair Value-Level 2	1,807,599	9.60
Commercial Paper and Bankers' Acceptances	Amortized Cost	<u>14,914,702</u>	1.44
		<u>169,630,966</u>	22.08
N.C. Capital Management Trust Government Portfolio	Amortized Cost	<u>380,344,584</u>	Demand
Total Pooled Investments		<u>\$ 549,975,550</u>	

Valuation. Investments with less than one year to maturity at time of purchase and with no call features are priced at amortized cost. The level of fair value hierarchy is as follows: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level 2: Valued using metrics that may include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads, and market-corroborated inputs.

Interest Rate Risk. In accordance with its investment policy, the County manages its exposure to declines in fair value by limiting investments with maturities beyond one year to 50% of the portfolio. No investment may be purchased with a maturity greater than five years from date of purchase. The market value of the County's fixed-rate investments declined because of a dramatic rise in interest rates in fiscal year ending June 30, 2022 and June 30, 2023, resulting in an unrealized loss of \$1.8 million in the year-end mark-to-market adjustment.

Credit Risk. The County's investment policy incorporates State laws concerning allowable investments and imposes additional restrictions on concentration in certain types of investments and on allowable maturities. North Carolina General Statutes limits investment in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2023, the County's investments in commercial paper were rated A1 or better by Moody's Investors Service and P1 by Standard and Poors and F1 or better by Fitch Ratings. The County's investments in the NCCMT Government Portfolio were valued at \$1 per share and carried a credit rating of AAAM by Standard & Poor's and AAA-mf by Moodys Investor Services as of June 30, 2023. The County's investments in U.S. Agencies (Federal Home Loan Bank, Federal Farm Credit Bank, Federal National Mortgage Association, and Federal Home Loan Mortgage Corporation) are rated AA+ by Standard & Poor's and Aaa by Moody's.

Custodial Credit Risk. Custodial credit risk is risk that the County will not be able to recover the value of its investments that are in the possession of its safekeeping custodian. To minimize this risk, the County's investment policy requires that all negotiable instruments shall be held in

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

safekeeping in the trust department of a bank. The County's investments are held in the County's name by a safekeeping agent that is independent of all counterparties.

Concentration of Credit Risk. The County's investment policy limits investment in any one commercial paper issuer to no more than 15% of the total portfolio, which is defined by the County's investment policy to include interest-bearing bank deposits. As of June 30, 2023, the following investment categories account for more than 5% of the County's investments as reported herein: Federal Home Loan Bank, 21.36%.

LEOSSA Trust Funds

At June 30, 2023, the Guilford County Law Enforcement Officers' Separation Allowance (LEOSSA) Fund had \$241,120 in pooled demand deposits (checking), \$2,297,857 invested in the N.C. Capital Management Trust (NCCMT) Government Portfolio, and \$2,055,139 invested in the State Treasurer's Local Government Law Enforcement Officers' Special Separation Allowance (LEOSSA) Fund pursuant to General Statute 159-30.2. The State Treasurer's LEOSSA Fund may invest in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year end, 65.52% of the LEOSSA funds in the State Treasurer's (LEOSSA) Fund were invested in the State Treasurer's Short-Term Investment Fund (STIF) and 34.48% were invested in the BlackRock MSCI All Country World Index (ACWI) Equity Index Non-Lendable Class B Fund (the equities were split with 62.20% in domestic securities and 37.80% in international securities).

Level of the fair value hierarchy: The NCCMT Government Portfolio is valued at fair value. Ownership of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. STIF investments are valued by the custodian using Level 2 inputs which in this case involves inputs – other than quoted prices – included in Level 1 that are either directly or indirectly observable for the asset or liability. The STIF is valued at \$1 per share. The STIF is unrated and had a weighted average maturity at June 30, 2023 of .7 years.

The BlackRock MSCI ACWI EQ Index Non-Lendable Class B Fund, authorized under G.S. 147-69.2(b)(8), is a common trust fund considered to be commingled in nature. The Fund's fair value is the number of shares times the net asset value as determined by a third party. At June 30, the fair value of the funds was \$31.82 per share. Fair value for this Blackrock fund is determined using Level 1 inputs which are directly observable, quoted prices (unadjusted) in active markets for identical assets or liabilities.

Valuation Technique: North Carolina Department of State Treasurer LEOSSA investments are measured using the market approach: using prices or other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Interest Rate Risk. The County does not have a formal investment interest rate policy regarding the LEOSSA Fund that manages its exposure to fair value losses arising from increasing interest rates. The NCCMT Cash Portfolio funds are available on demand. The STIF is unrated and had a weighted average maturity of .7 years at June 30, 2023.

Credit Risk. The County does not have a formal investment policy regarding credit risk for the LEOSSA Fund. The County's investments in the NCCMT Cash Portfolio carried a credit rating of AAAM by Standard & Poor's and AAA-mf by Moodys Investor Services as of June 30, 2023. The STIF is unrated and authorized under NC General Statute 147-69.1. The STIF is invested in highly liquid fixed income securities consisting primarily of short to intermediate treasuries, agencies, and money market instruments.

GUILFORD COUNTY, NORTH CAROLINA
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OPEB Trust Funds

At June 30, 2023, the Guilford County Health Care Plan (the HC Plan) Fund had \$19,687,502 invested in the State Treasurer's Local Government Other Post-Employment Benefits (OPEB) Fund pursuant to General Statute 159-30.1. The State Treasurer's OPEB Fund may invest in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year end, 18.32% of the HC Plan funds were invested in the State Treasurer's STIF, 5.21% were invested in the State Treasurer's Bond Index Fund (BIF), and 76.47% were invested in the BlackRock MSCI All Country World Index (ACWI) Equity Index Non-Lendable Class B Fund (the equities were split with 62.20% in domestic securities and 37.80% in international securities).

Level of the fair value hierarchy: Ownership of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. STIF investments are valued by the custodian using Level 2 inputs which in this case involves inputs – other than quoted prices – included in Level 1 that are either directly or indirectly observable for the asset or liability. The STIF is valued at \$1 per share. The STIF is unrated and had a weighted average maturity at June 30, 2023 of .7 years.

Ownership of the BIF is determined monthly at fair value using the same Level 2 hierarchy as the STIF and is based upon units of participation. Units of participation are calculated monthly based upon inflows and outflows as well as allocations of net earnings. At year end the BIF, which does not have a credit rating, was valued at \$1 per unit and had an average maturity of 8.705 years.

The BlackRock MSCI ACWI EQ Index Non-Lendable Class B Fund, authorized under G.S. 147-69.2(b)(8), is a common trust fund considered to be commingled in nature. The Fund's fair value is the number of shares times the net asset value as determined by a third party. At June 30, the fair value of the funds was \$31.82 per share. Fair value for this Blackrock fund is determined using Level 1 inputs which are directly observable, quoted prices (unadjusted) in active markets for identical assets or liabilities.

Valuation Technique: North Carolina Department of State Treasurer OPEB investments are measured using the market approach, using prices or other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Interest Rate Risk. The County does not have a formal investment interest rate policy regarding the HC Plan Fund that manages its exposure to fair value losses arising from increasing interest rates. The STIF is unrated and had a weighted average maturity of .7 years at June 30, 2023. The BIF is unrated and had a weighted average maturity of 8.70 years at June 30, 2023.

Credit Risk. The County does not have a formal investment policy regarding credit risk for the HC Plan Fund. The STIF is unrated and authorized under NC General Statute 147-69.1. The STIF is invested in highly liquid fixed income securities consisting primarily of short to intermediate treasuries, agencies, and money market instruments. The BIF is unrated and authorized under N.C. General Statutes 147-69.1-2 and invests in U.S. Treasuries, agencies, and corporate bonds with longer-term maturities eligible under G.S. 147-69.2(b)(1)-(6).

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B. Receivable

Lease Receivable

The County is lessor on the following leases:

<p>On July 1, 2021, a 143 month lease for the use of a portion of the BB&T building. An initial lease receivable was recorded in the amount of \$1,331,353. The lessee is required to make fixed monthly payments of \$8,909, which escalate annually. The lease has an interest rate of \$1.116%. The value of the deferred inflow of resources at June 30, 2023 was \$1,108,013 and the County recognized lease revenue of \$111,670 during the fiscal year. The lease has two extension options, each for 60 months. The lessee had a termination period of 6 months as of the lease commencement.</p>	<p>\$ 1,141,583</p>
<p>On July 1, 2021, a 24-month lease with USDA for the use of office space at a facility on Burlington Road. An initial lease receivable was recorded in the amount of \$9,811. The lessee is required to make fixed monthly payments of \$280. The lease has an interest rate of 1.868%. The value of the deferred inflow of resources as of June 30, 2023 was \$3,270 and the County recognized lease revenue of \$3,270 during the fiscal year.</p>	<p>3,326</p>
<p>On July 1, 2021 an 81 month lease with Sprint for the use of tower space. An initial lease receivable was recorded in the amount of \$254,933. The lessee is required to make fixed monthly payments of \$2,875. The lease has an interest rate of .751%. The value of the deferred inflow of resources as of June 30, 2023 was \$179,552 and the County recognized lease revenue of \$37,690 during the fiscal year. The lease has one extension option for 60 months.</p>	<p>188,266</p>
<p>On July 1, 2021, a 124 month lease with T-Mobile for the use of tower space. An initial lease receivable was recorded in the amount of \$641,965. The lessee is required to make fixed annual payments of \$58,460. The lease has an interest rate of 1.04%. The value of the deferred inflow of resources as of June 30, 2023 was \$518,179 and the County recognized lease revenue of \$61,893 during the fiscal year. The lease has one extension option for 60 months. The lease had a termination period of six months as of the lease commencement.</p>	<p>532,593</p>
<p>On July 1, 2021, a 94 month lease with Cingular, now AT&T Mobility for the use of tower space. An initial lease receivable was recorded in the amount of \$358,416. The lessee is required to make fixed annual payments of \$46,505. The lease has an interest rate of .869%. The value of the deferred inflow of resources as of June 30, 2023 was \$267,742 and the County recognized lease revenue of \$45,337 during the fiscal year. The lease has one extension option for 60 months.</p>	<p>270,735</p>
<p>On July 1, 2021. a 122 month lease with Sprint for the use of tower space at the County's Meadowood location. An initial lease receivable was recorded in the amount of \$262,269. The lessee is required to make fixed annual payments of \$26,257. The lease has an interest rate of 1.04%. The value of the deferred inflow of resources as of June 30, 2023 was \$210,941 and the County recognized lease revenue of \$25,664 during the fiscal year. The lease has one extension option for 60 months. The lease had a termination period of six months as of the lease commencement.</p>	<p>212,898</p>
	<p><u>\$ 2,349,401</u></p>

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Allowance

Receivables are recorded net of an allowance for estimated uncollectible accounts at June 30, 2023 in the County's individual funds as follows:

	General Fund	County Building Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds	Internal Service Fund
Allowance for uncollectible accounts on:					
Property taxes	\$ 2,228,153	\$ -	\$ 55,876	\$ 2,284,029	\$ -
Accrued interest on property taxes	1,269,101	-	-	1,269,101	-
Service fees	36,279,208	-	-	36,279,208	1,162
Special assessments	-	347,020	-	347,020	-
	<u>\$ 39,776,462</u>	<u>\$ 347,020</u>	<u>\$ 55,876</u>	<u>\$ 40,179,358</u>	<u>\$ 1,162</u>

C. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023 follows:

Primary Government – Governmental Activities

A summary of changes in capital assets, net of accumulated depreciation and amortization, for the fiscal year ended June 30, 2023 follows:

	Balance June 30, 2022	Increases	Decreases	Transfers	Balance June 30, 2023
Non-depreciable capital assets:					
Land	\$ 52,621,384	\$ 618,664	\$ -	\$ -	\$ 53,240,048
Construction in progress	997,536	6,131,675	-	(75,581)	7,053,630
Intangibles - non-depreciable	389,000	-	-	-	389,000
Total non-depreciable capital assets	<u>54,007,920</u>	<u>6,750,339</u>	<u>-</u>	<u>(75,581)</u>	<u>60,682,678</u>
Depreciable capital assets:					
Buildings	290,015,492	-	-	23,726	290,039,218
Improvements other than buildings	28,545,366	142,382	-	51,855	28,739,603
Machinery and equipment	50,600,379	3,232,448	(12,295,772)	-	41,537,055
Vehicles	39,971,925	3,206,413	(1,689,801)	-	41,488,537
Intangibles - depreciable	11,490,406	-	-	-	11,490,406
Right to use assets - leases	163,458	-	-	-	163,458
Right to use assets - software	-	4,787,981	-	-	4,787,981
Total depreciable capital assets	<u>420,787,026</u>	<u>11,369,224</u>	<u>(13,985,573)</u>	<u>75,581</u>	<u>418,246,258</u>
Less accumulated depreciation for:					
Buildings	(104,112,952)	(5,977,856)	-	-	(110,090,808)
Improvements other than buildings	(19,639,220)	(897,650)	-	-	(20,536,870)
Machinery and equipment	(37,416,595)	(2,538,229)	11,232,768	-	(28,722,056)
Vehicles	(35,204,936)	(3,237,329)	1,678,343	-	(36,763,922)
Intangibles	(9,638,598)	(295,390)	-	-	(9,933,988)
Right to use assets - leases	(47,733)	(47,734)	-	-	(95,467)
Right to use assets - software	-	(1,929,367)	-	-	(1,929,367)
Total accumulated depreciation	<u>(206,060,034)</u>	<u>(14,923,555)</u>	<u>12,911,111</u>	<u>-</u>	<u>(208,072,478)</u>
Total depreciable capital assets (net)	<u>214,726,992</u>	<u>(3,554,331)</u>	<u>(1,074,462)</u>	<u>75,581</u>	<u>210,173,780</u>
Governmental activities capital assets (net)	<u>\$ 268,734,912</u>	<u>\$ 3,196,008</u>	<u>\$ (1,074,462)</u>	<u>\$ -</u>	<u>\$ 270,856,458</u>

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Depreciation and amortization expense was charged to the primary government governmental activities as follows:

<u>Function / Program</u>	
General government	\$ 3,907,913
Human services	1,575,293
Public safety	8,360,576
Environmental protection	58,659
Culture - recreation	<u>1,021,114</u>
 Total governmental activities depreciation and amortization expense	 <u><u>\$ 14,923,555</u></u>

Guilford County's construction in progress at June 30, 2023 is composed of the following:

<u>Project Name</u>	<u>Project Authorization⁽¹⁾</u>	<u>Expended to June 30, 2023</u>	<u>Placed in Service to June 30, 2023</u>	<u>Remaining CIP Balance June 30, 2023</u>	<u>Estimated Costs to Complete</u>
Northeast Park	\$ 3,589,009	\$ 3,500,727	\$ 3,500,727	\$ -	\$ 88,282
High Point Courthouse Renovations	968,626	881,094	881,094	-	87,532
Hagan-Stone Park	64,000	35,094	35,094	-	28,906
Law Enforcement Special Op Bld	3,950,000	3,918,573	3,918,573	-	31,427
Hagan-Stone Park Swimming Pool	2,000,000	1,988,548	1,988,548	-	11,452
Bryan Park Phase I	500	-	-	-	500
Bryan Park Expansion	1,100,000	-	-	-	1,100,000
Bur Mil Park Clubhouse Renovation	1,283,000	1,232,698	1,224,269	8,430	50,302
County Animal Shelter Replacement	14,672,717	13,757,605	13,697,605	60,000	915,112
High Point Parking Deck Repairs	2,542,000	2,200,072	2,200,072	-	341,928
Mental Health Facility	17,288,491	17,097,323	17,097,323	-	191,168
Old Courthouse Renovations	4,500,000	3,136,179	3,136,179	-	1,363,821
Bur Mil Park Improvements	137,692	137,692	122,664	15,028	-
Law Enforcement Admin Bld Reno	23,900,000	6,164,969	-	6,164,970	17,735,031
BB&T Parking Garage (Truist Building)	2,000,000	237,148	-	237,148	1,762,852
GSO Governmental Plaza Deck Repairs	8,000,000	405,657	-	405,657	7,594,343
Greensboro Detention Center Renovation	2,000,000	133,442	-	133,442	1,866,558
Greensboro Courthouse Renovation	6,400,000	-	-	-	6,400,000
HP Courthouse Plaza Repairs	2,400,000	-	-	-	2,400,000
HP Courthouse Renovation	3,500,000	-	-	-	3,500,000
Independence Center Renovation	1,000,000	-	-	-	1,000,000
Bellemeade Center Renovations	88,807	-	-	-	88,807
Greensboro Public Health Renovation	1,500,000	-	-	-	1,500,000
DSS Facility Repair & Renovation	417,000	-	-	-	417,000
HP Detention Center Renovation	2,300,000	28,954.89	-	28,955	2,271,045
Detention Center Shower Pods Reno	400,000	-	-	-	400,000
Juvenile Detention Facility Securit	200,000	-	-	-	200,000
Hagan-Stone Park Repairs	1,000,000	-	-	-	1,000,000
BB&T Building	5,194,402	-	-	-	5,194,402
Governmental Plaza Renovations	68,214	-	-	-	68,214
	<u>\$ 112,464,458</u>	<u>\$ 54,855,776</u>	<u>\$ 47,802,148</u>	<u>\$ 7,053,630</u>	<u>\$ 57,608,682</u>

(1) Project Authorization and costs exclude amounts associated with land, land improvements, purchased buildings and non-capital costs.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Discretely Presented Component Unit – Greensboro/Guilford County Tourism Development Authority

A summary of changes in capital assets, net of accumulated depreciation, for the fiscal year ended June 30, 2023 follows:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Depreciable capital assets:				
Furniture, fixtures, and equipment	\$ 282,758	\$ 32,789	\$ (7,560)	\$ 307,987
Vehicles	114,712	-	-	114,712
Right to use assets				
Leased Building	507,067	-	-	507,067
Leased Vehicle	16,635	-	-	16,635
Subscription-Based Information Technology Arrangements	-	48,000	-	48,000
Total depreciable capital assets	<u>921,172</u>	<u>80,789</u>	<u>(7,560)</u>	<u>994,401</u>
Less accumulated depreciation for:				
Furniture, fixtures, equipment and vehicles	(341,773)	(27,138)	7,560	(361,351)
Less accumulated amortization for:				
Leased Building	(168,689)	(168,689)	-	(337,378)
Leased Vehicle	(925)	(5,545)	-	(6,470)
Subscription-Based Information Technology Arrangements	-	(24,001)	-	(24,001)
Total accumulated amortization	<u>(511,387)</u>	<u>(225,373)</u>	<u>7,560</u>	<u>(729,200)</u>
Total depreciable capital assets, net	<u>\$ 409,785</u>	<u>\$ (144,584)</u>	<u>\$ -</u>	<u>\$ 265,201</u>

D. Accounts Payable and Accrued Liabilities

Primary Government – Governmental Activities

Accounts payable and accrued liabilities at June 30, 2023 includes the following balances:

	Vendors	Salaries, Benefits Accrued & Withheld	Accrued Interest	Due to Gov. Units Districts & Agencies	Other	Total
Major Governmental Funds:						
General	\$ 8,750,352	\$ 10,428,949	\$ 30,850	\$ 756,782	\$ 237,233	\$ 20,204,166
County Building Construction	2,256,887	-	-	-	-	2,256,887
Water and Sewer Construction	-	-	-	-	-	-
School Capital Outlay (1)	-	-	-	22,154,463	-	22,154,463
Community Development	550,325	72,072	-	73,477,630	-	74,100,027
Debt Service	950	-	-	-	-	950
Nonmajor Governmental Funds	37,840	-	-	598,563	(794)	635,609
Internal Service Fund (2)	158,820	13,381	-	-	7,198,393	7,370,594
Reconciliation of balances in fund financial statements to government-wide financial statements	-	-	5,870,262	-	-	5,870,262
Total - Governmental Activities	<u>\$ 11,755,174</u>	<u>\$ 10,514,402</u>	<u>\$ 5,901,112</u>	<u>\$ 96,987,438</u>	<u>\$ 7,434,832</u>	<u>\$ 132,592,958</u>

(1) Capital funding due to Guilford Technical Community College and Guilford County Schools.

(2) Other payable is County's insurance claims liability, all due within one year, of \$7,321,712. See Note IV. E. 4.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

E. Long-term Liabilities

Primary Government – Governmental Activities

A summary of changes in long-term liabilities for the fiscal year ended June 30, 2023 follows:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Current Portion of Balance
Bonds payable:					
General obligation bonds	\$ 656,870,000	\$ -	\$ (70,615,000)	\$ 586,255,000	\$ 74,350,000
Plus bond issuance premiums	69,830,921	-	(8,291,464)	61,539,457	-
Less swap termination fees	(541,352)	-	541,352	-	-
Total bonds payable	726,159,569	-	(78,365,112)	647,794,457	74,350,000
Limited obligation bonds	16,845,000	-	-	16,845,000	-
Installment financings	3,386,000	4,295,000	(1,919,500)	5,761,500	1,920,500
Leases payable	115,400	-	(48,204)	67,196	32,181
IT Subscription Liability	-	4,786,481	(2,097,653)	2,688,828	2,220,831
Compensated absences	10,860,713	10,230,452	(7,213,861)	13,877,304	4,526,337
Net pension liability - LGERS	27,362,420	76,118,294	-	103,480,714	-
Net pension liability - LEOSSA	11,119,513	1,399,614	(3,309,533)	9,209,594	-
Net other postemployment benefits liability	237,114,303	12,520,486	(28,686,133)	220,948,656	-
Total	\$ 1,032,962,918	\$ 109,350,327	\$ (121,639,996)	\$ 1,020,673,249	\$ 83,049,849

The County issues general obligation bonds to provide funds for the acquisition, development, and construction of major capital facilities and to provide funding for Guilford County Schools and Guilford Technical Community College facilities. All general obligation bonds are collateralized by the full faith, credit, and taxing power of the County and principal and interest requirements are appropriated in the General Fund when due. The remaining long-term liabilities of the governmental activities are generally liquidated by the General Fund also. The limited obligation bonds are collateralized by school facilities which are not owned by the County. The Internal Service Fund predominantly serves the governmental funds, therefore, any long-term liabilities are included as part of the above totals for governmental activities. At year end this amounted to \$24,288 of the compensated absences balance and \$46,340 of the Local Government Employees' Retirement System net pension liability. Any leases payable that finance equipment used in Internal Service Fund operations are reported as long-term debt in the Fund when issued and are retired by its resources.

Total governmental activities debt at June 30, 2023 is \$670,468,153, of which the County holds title to an amount of \$143,108,505. The unexpended debt proceeds related to the County's held assets is \$60,922,996.

The County is subject to the Local Government Bond Act of North Carolina which limits the amount of net debt, exclusive of funding and refunding bonds, bonds issued for water, gas, or electric power purposes, and bonds issued for certain other specified purposes. The County may have outstanding and unissued, an amount not to exceed 8% of the appraised value of property subject to taxation. At June 30, 2023, such statutory limit for the County was about \$5.4 billion providing a debt margin of approximately \$2.9 billion.

Bonds authorized and unissued at June 30, 2023 are as follow:

For Additions and/or Improvements to	Date Approved	Amount
Public Schools	11/03/2020	\$ 180,000,000
Public Schools	5/17/2022	1,700,000,000
		\$ 1,880,000,000

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Long-term liabilities outstanding as of June 30, 2023 include the following:

General Obligation Bonds:

April 2010 \$82,500,000 taxable Build America Bonds (Public Improvement) due in annual installments of \$8,250,000 from August 2024 through 2030; interest at 4.791% to 5.461%.	\$ 66,000,000
April 2012 \$133,745,000 Public Improvement serial bonds due an annual installment of \$5,075,000 in March 2024; interest at 2.00% .	5,075,000
April 2012 \$17,145,000 Taxable General Obligation Qualified School Construction bonds due March 2032; interest at 3.934%. Sinking fund installments of \$1,408,258 to \$3,900,000 begin March 2028.	17,145,000
April 2016 \$92,930,000 General Obligation Refunding Bonds due in annual installments of \$7,490,000 to \$7,615,000 through February 2028, interest at 3.00% to 5.00%.	45,225,000
April 2017 \$27,195,000 Public Building serial bonds due in annual installments of \$1,360,000 to \$1,455,000 through May 2037, interest at 3.00% to 5.00%.	19,420,000
April 2017 \$160,070,000 Public Improvement serial bonds due in annual installments of \$7,990,000 to \$11,650,000 through May 2037, interest at 3.00% to 5.00%.	126,515,000
November 2017 \$179,785,000 General Obligation Refunding Serial Bonds due in annual installments of \$270,000 to \$35,640,000 through March 2030; interest at 3.00% to 5.00%.	110,325,000
June 2019 \$40,000,000 General Obligation Serial Bonds due in annual installments of \$2,220,000 to \$2,225,000 through May 2039; interest at 3.00% to 5.00%.	35,550,000
April 2022 \$41,000,000 General Obligation Public Improvement Serial Bonds due in annual installments of \$2,155,000 to \$2,160,000 through March 2042; interest at 3.00 to 5.00%.	41,000,000
April 2022 \$120,000,000 General Obligation School Serial Bonds due in annual installments of \$6,000,000 to \$6,355,000 through March 2042; interest at 2.625% to 5.00%.	<u>120,000,000</u>
Total general obligation bonds	<u>\$ 586,255,000</u>

Limited Obligation Bonds:

April 2012 \$16,845,000 Taxable Limited Obligation Qualified School Construction bonds due April 2032; interest at 4.564%. Sinking fund installments of \$100,000 to \$3,875,000 began April 2014.	<u>\$ 16,845,000</u>
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Obligations under Installment Financings:

For \$3,386,000 vehicle financing obligation due in annual installments of \$846,500 plus interest at .95% through September 2025.	\$ 2,539,500
For \$4,295,000 vehicle financing obligation due in annual installments of \$1,074,000 plus interest at 3.70% through April 2026.	<u>3,222,000</u>
Total obligations under Installment Financings	<u>\$ 5,761,500</u>

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Leases Payable:

September 2020 medical equipment lease, \$2,700 monthly for 60 months ending July, 2025, with no variable components of the lease. The initial lease liability of \$131,157 was recorded July 1, 2021 at the present value of the remaining lease payments discounted at .417%, the County's incremental borrowing rate at July 1, 2021. The lease provides a right to use asset with a net book value of \$67,991 at June 30, 2023. \$ 67,196

IT Subscription Payable:

On 07/29/2022, Guilford County, NC entered into a 36 month subscription for the use of Nutanix Software. An initial subscription liability was recorded in the amount of \$581,751.21. As of 06/30/2023, the value of the subscription liability is \$383,909.59. Guilford County, NC is required to make annual fixed payments of \$198,741.62. The subscription has an interest rate of 2.0377%. The value of the right to use asset as of 06/30/2023 of \$581,751.21 with accumulated amortization of \$182,208.87. \$ 383,910

On 09/01/2022, Guilford County, NC entered into a 25 month subscription for the use of Microsoft Software - Enterprise Agreement 20230271. An initial subscription liability was recorded in the amount of \$133,043.54. As of 06/30/2023, the value of the subscription liability is \$87,998.54. Guilford County, NC is required to make annual fixed payments of \$45,045.00. The subscription has an interest rate of 1.5803%. The value of the right to use asset as of 06/30/2023 of \$133,043.54 with accumulated amortization of \$53,217.42. 87,999

On 07/01/2022, Guilford County, NC entered into a 24 month subscription for the use of OnSSI Video Management Software. An initial subscription liability was recorded in the amount of \$785,502.92. As of 06/30/2023, the value of the subscription liability is \$394,872.14. Guilford County, NC is required to make annual fixed payments of \$390,630.78. The subscription has an interest rate of 1.8937%. The value of the right to use asset as of 06/30/2023 of \$785,502.92 with accumulated amortization of \$392,751.46. 394,872

On 07/01/2022, Guilford County, NC entered into a 32 month subscription for the use of Cisco Software. An initial subscription liability was recorded in the amount of \$272,089.93. As of 06/30/2023, the value of the subscription liability is \$136,578.56. Guilford County, NC is required to make annual fixed payments of \$139,361.57. The subscription has an interest rate of 2.0377%. The value of the right to use asset as of 06/30/2023 of \$272,089.93 with accumulated amortization of \$100,981.83. 136,579

On 07/01/2022, Guilford County, NC entered into a 36 month subscription for the use of Real Time Crime Center. An initial subscription liability was recorded in the amount of \$191,131.82. As of 06/30/2023, the value of the subscription liability is \$126,131.82. Guilford County, NC is required to make annual fixed payments of \$65,000.00. The subscription has an interest rate of 2.0377%. The value of the right to use asset as of 06/30/2023 of \$191,131.82 with accumulated amortization of \$63,710.61. 126,132

On 08/01/2022, Guilford County, NC entered into a 24 month subscription for the use of Budget and Planning Application. An initial subscription liability was recorded in the amount of \$246,179.08. As of 06/30/2023, the value of the subscription liability is \$147,179.08. Guilford County, NC is required to make annual fixed payments of \$149,505.00. The subscription has an interest rate of 1.5803%. The value of the right to use asset as of 06/30/2023 of \$246,179.08 with accumulated amortization of \$112,832.08 is included with Software on the Subscription Class activities table found below. Guilford County, NC has 1 extension option(s), each for 12 months. The Vendor has 1 extension option(s), each for 12 months. 147,179

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

On 11/01/2022, Guilford County, NC entered into a 36 month subscription for the use of Fire Records Management System. An initial subscription liability was recorded in the amount of \$498,336.35. As of 06/30/2023, the value of the subscription liability is \$327,093.25. Guilford County, NC is required to make annual fixed payments of \$171,243.10. The subscription has an interest rate of 3.1213%. The value of the right to use asset as of 06/30/2023 of \$499,836.35 with accumulated amortization of \$111,074.74. Guilford County, NC had a termination period of 6 months as of the subscription commencement. 327,093

On 04/01/2023, Guilford County, NC entered into a 24 month subscription for the use of InSight Platform. An initial subscription liability was recorded in the amount of \$181,817.44. As of 06/30/2023, the value of the subscription liability is \$89,817.44. Guilford County, NC is required to make annual fixed payments of \$92,000.00. The subscription has an interest rate of 2.4300%. The value of the right to use asset as of 06/30/2023 of \$181,817.44 with accumulated amortization of \$22,727.18. 89,817

On 07/01/2022, Guilford County, NC entered into a 24 month subscription for the use of Munis. An initial subscription liability was recorded in the amount of \$1,545,921.32. As of 06/30/2023, the value of the subscription liability is \$775,990.38. Guilford County, NC is required to make quarterly fixed payments of \$195,917.50. The subscription has an interest rate of 1.5803%. The value of the right to use asset as of 06/30/2023 of \$1,545,921.32 with accumulated amortization of \$772,960.66. 775,990

On 01/01/2023, Guilford County, NC entered into a 18 month subscription for the use of Tyler - Energov. An initial subscription liability was recorded in the amount of \$350,707.09. As of 06/30/2023, the value of the subscription liability is \$219,256.75. Guilford County, NC is required to make annual fixed payments of \$134,276.67. The subscription has an interest rate of 2.8443%. The value of the right to use asset as of 06/30/2023 of \$350,707.09 with accumulated amortization of \$116,902.36. 219,257

Total IT Subscription Payable \$ 2,688,828

Debt Service Requirements

As of June 30, 2023, aggregate debt service requirements on the County's debt are as follows, including interest payments of \$153,700,300.

Year Ended June 30	General Obligation Bonds		Limited Obligation Bonds and Installment Financings		Leases Payable		IT Subscription Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 74,350,000	\$ 25,168,611	\$ 1,920,500	\$ 912,145	\$ 32,181	\$ 219	\$ 2,220,831	\$ 50,678
2025	74,910,000	21,795,678	1,920,500	864,366	32,316	84	467,997	11,133
2026	57,795,000	18,168,046	1,920,500	816,587	2,699	1	-	-
2027	58,015,000	15,347,088	-	768,806	-	-	-	-
2028	42,775,000	12,583,293	-	768,806	-	-	-	-
2029-2033	151,130,000	37,642,433	16,845,000	3,075,222	-	-	-	-
2034-2038	91,040,000	13,092,698	-	-	-	-	-	-
2039-2042	36,240,000	2,634,406	-	-	-	-	-	-
	<u>\$ 586,255,000</u>	<u>\$ 146,432,253</u>	<u>\$ 22,606,500</u>	<u>\$ 7,205,932</u>	<u>\$ 67,196</u>	<u>\$ 304</u>	<u>\$ 2,688,828</u>	<u>\$ 61,811</u>

Federal legislation currently provides for a rebate of 35% of interest paid on the County's taxable 2010 Build America Bonds and 100% of the interest paid on the 2012 Qualified School Construction Bond (QSCB) issues. If unchanged, this rebate would be \$2,567,466 in fiscal year 2024 and would provide a total rebate of \$17,890,045 over the remaining life of the bonds. Historically, some amounts received through fiscal 2023 have been reduced from 5.7% to 8.7% due to the budget sequestration; future amounts will also be reduced until the federal budget impasse is resolved. The IRS has announced that rebates will be reduced to 5.7% in the Federal budget year beginning October 1, 2023. The rebate is not reflected in the above table.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Discretely Presented Component Unit – Greensboro/Guilford County Tourism Development Authority

A summary of changes in long-term obligations for the fiscal year ended June 30, 2023 follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Current Portion of Balance
Leases payable	\$ 354,088	\$ -	\$ (179,348)	\$ 174,740	\$ 170,355
SBITA's payable	-	48,000	(24,001)	23,999	24,001
Total	<u>\$ 354,088</u>	<u>\$ 48,000</u>	<u>\$ (203,349)</u>	<u>\$ 198,739</u>	<u>\$ 194,356</u>

F. Deferred Outflows and Deferred Inflows of Resources

1. Related to Pension Plans and Other Benefits

At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pension plans and other benefits from the following sources:

	NCLGERS	LEOSSA	RODSPF	OPEB	Total
Deferred Outflows of Resources					
Differences between expected and actual experience	\$ 4,458,890	\$ 678,184	\$ 4,089	\$ -	\$ 5,141,163
Changes of assumptions	10,325,055	873,866	28,100	-	11,227,021
Net difference between projected and actual earnings on plan investments	34,201,459	375,004	220,587	-	34,797,050
Changes in proportion and differences between County contributions and proportionate share of contributions County contributions subsequent to the measurement date	2,012,648	-	5,462	-	2,018,110
	<u>20,232,498</u>	<u>953,040</u>	<u>36,041</u>	<u>-</u>	<u>21,221,579</u>
Total	<u>\$ 71,230,550</u>	<u>2,880,094</u>	<u>294,279</u>	<u>-</u>	<u>74,404,923</u>

Deferred Inflows of Resources					
Differences between expected and actual experience	\$ 437,169	\$ 1,216,317	\$ 9,620	\$ 8,967,136	\$ 10,630,242
Changes of assumptions	-	-	-	-	-
Net difference between projected and actual earnings on plan investments	-	-	-	97,316	97,316
Changes in proportion and differences between County contributions and proportionate share of contributions	101,672	-	5,312	19,060,324	19,060,324
	<u>101,672</u>	<u>-</u>	<u>5,312</u>	<u>19,060,324</u>	<u>106,984</u>
Total	<u>\$ 538,841</u>	<u>\$ 1,216,317</u>	<u>\$ 14,932</u>	<u>\$ 28,124,776</u>	<u>\$ 29,894,866</u>

Benefits:

NCLGERS - North Carolina Local Governmental Employees' Retirement System. See Note IV. A. 1.

LEOSSA - Law Enforcement Officers' Special Separation Allowance. See Note IV. A. 2.

RODSPF - Register of Deeds' Supplemental Pension Fund. See Note IV. A. 4.

OPEB - Other Postemployment Benefit - Guilford County Health Care Plan. See Note IV. C. 1.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

2. Related to Revenues

The Government-wide financial statements, like the Governmental Funds and the Internal Service Fund, deferred revenue recognition in connection with resources that have been received, but not yet earned. Governmental funds also defer revenue recognition in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

Deferred inflows of resources at June 30, 2023 is composed of the following:

	Major Governmental					Government
	General	County	Community	Nonmajor		Wide
	Fund	Building	Development	Governmental	Total	Governmental
		Construction	Fund	and Other		Activities
		Fund		Funds		
Governmental Funds:						
Property tax collections not yet earned	\$ 1,792,288	\$ -	\$ -	\$ 22,023	\$ 1,814,311	\$ 1,814,311
Federal, State and private foundation grants received in advance	374,299	-	-	2,680,759	3,055,058	3,055,058
Leases	2,287,697	-	-	-	2,287,697	2,287,697
Unavailable revenues:						
Property taxes receivable (net)	5,937,907	-	-	183,389	6,121,296	-
Accrued interest on property taxes receivable (net)	1,155,944	-	-	-	1,155,944	-
Occupancy taxes receivable	-	-	-	-	-	-
Special assessments receivable (net)	-	180,307	-	-	180,307	-
Total deferred inflows of resources - Governmental Funds	<u>\$ 11,548,135</u>	<u>\$ 180,307</u>	<u>\$ -</u>	<u>\$ 2,886,171</u>	<u>\$14,614,613</u>	
Internal Service Fund:						
Deferred revenues:						
Service fees collected in advance from external sources				\$ 369,733	\$ 369,733	369,733
Service fees collected in advance from internal sources ¹				673,912	673,912	-
Total Deferred revenues - Internal Service Fund				<u>\$ 1,043,645</u>	<u>\$ 1,043,645</u>	
Total deferred revenues - Governmental Activities						<u>\$ 7,526,799</u>

¹The Internal Service Fund service fees collected in advance from internal sources are eliminated or reclassified when combined with the Governmental Funds to report the Primary Government's Governmental Activities.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

G. Net Position/Fund Balances

The following are summaries of Guilford County's net position restricted for stabilization by State statute, restricted for other purposes, and unrestricted, as of June 30, 2023:

<u>Net position restricted for stabilization by State statute</u>	<u>Amount</u>
Reserved for encumbrances	\$ 29,884,050
Reserved by State statute	60,763,638
Net position restricted for stabilization by State statute	<u>\$ 90,647,688</u>

<u>Net position restricted for other purposes</u>	<u>Amount</u>
Debt Service - premiums on bonds issued (incldd interest FY19)	\$ 6,270,633
Rural Fire Districts	3,878,626
Net pension asset - Register of Deeds Supplemental Pension Fund	530,724
Guilford County Schools capital outlay	1,263,606
Law Enforcement	1,557,031
Register of Deeds automation enhancement	495,944
Self-funded insurance deposits	1,010,224
Other	1,152,067
Net position restricted for other purposes	<u>\$ 16,158,855</u>

<u>Unrestricted net position (liabilities)</u>	<u>Amount</u>
Water and sewer	\$ (324,095)
Guilford County Schools	(388,677,612)
Guilford Technical Community College	(58,782,372)
Other	(87,123,527)
Unrestricted net position	<u>\$ (534,907,606)</u>

Guilford County's unrestricted net position includes several categories which do not create capital assets owned by the County and therefore are individually unrestricted net liabilities as follows:

- The County had contracts with certain municipalities for the joint financing of new water and sewer lines in areas adjacent to the municipalities. All water and sewer line expenses incurred by the County are owned by the participating municipalities upon completion. The related bonds payable are reported as part of unrestricted net position above.
- All Guilford County Schools and Guilford Technical Community College capital projects expenses incurred by the County fund capital assets owned by the respective schools. Their shares of unspent County designated funding as well as remaining County issued debt proceeds net of bonds payable are reported as part of unrestricted net position above.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

The following are details of Guilford County's fund balances as of June 30, 2023:

	General	County Building Construction	School Capital Outlay	Community Development Fund	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Non spendable:							
Prepays reserve (1)	\$ 708,760	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 708,760
Total non spendable	708,760	-	-	-	-	-	708,760
Restricted:							
Total state statute (1)	56,233,719	2,704,370	692,426	19,777,033	7,977,939	2,553,441	89,938,928
Public Health programs	15,303,819	-	-	-	-	-	15,303,819
Representative Payee	-	-	-	-	-	769,781	769,781
Law Enforcement	1,557,961	-	-	-	-	-	1,557,961
Register of Deeds automation enhancement	668,703	-	-	-	-	-	668,703
Debt service	-	-	-	-	6,270,633	-	6,270,633
Public building projects	-	52,006,198	-	-	-	-	52,006,198
Law Enforcement projects	-	350,449	-	-	-	-	350,449
Park projects	-	1,902,734	-	-	-	-	1,902,734
Guilford County Schools projects	-	-	74,496,326	-	-	-	74,496,326
Rural fire districts	-	-	-	-	-	3,692,853	3,692,853
Other	520,635	-	-	-	-	377,052	897,687
Total restricted	74,284,837	56,963,751	75,188,752	19,777,033	14,248,572	7,393,127	247,856,072
Committed:							
County building projects	-	7,804,576	-	-	-	-	7,804,576
Guilford County Schools projects	50,000,000	-	4,516,849	-	-	-	54,516,849
Guilford Technical Community College projects	-	-	808,183	-	-	-	808,183
Rental Assistance	-	-	-	676,694	-	-	676,694
Local Fiscal Recovery	-	-	-	3,730,391	-	-	3,730,391
Tax Revaluation	-	-	-	-	-	282,804	282,804
Total committed	50,000,000	7,804,576	5,325,032	4,407,085	-	282,804	67,819,497
Assigned:							
Animal Shelter - Have A Heart & Maddie's Fund	153,536	-	-	-	-	-	153,536
Social Services - Team HOPE	75,314	-	-	-	-	-	75,314
Law Enforcement	11,553	-	-	-	-	-	11,553
Family Justice Center	164,667	-	-	-	-	-	164,667
Cooperative Extension	86,764	-	-	-	-	-	86,764
Other	106,881	-	-	-	-	-	106,881
Appropriated in subsequent year's budget (2)	49,792,000	-	-	-	-	-	49,792,000
Future Capital Projects	-	6,294,757	-	-	-	-	6,294,757
Total assigned	50,390,715	6,294,757	-	-	-	-	56,685,472
Unassigned	102,103,823	-	(692,426)	(19,777,033)	-	(878,556)	80,755,808
Total fund balance	\$ 277,488,135	\$ 71,063,084	\$ 79,821,358	\$ 4,407,085	\$ 14,248,572	\$ 6,797,375	\$ 453,825,609
Encumbrances included in (1) above	\$ 7,450,726	\$ 2,617,291	\$ -	\$ 19,777,033	\$ -	\$ -	\$ 29,845,050

(1) Reserved fund balances not available for appropriation under North Carolina General Statute 159.8(a).

Reserved fund balance equals total fund balance minus (cash and investments minus the sum of liabilities, encumbrances and deferred revenues arising from cash receipts).

The statute requires this computation at the end of each fiscal year and thus the amount can increase or decrease each year based on the computation.

(2) Excludes appropriated in subsequent year's budget from specific restricted, committed and assigned fund balances.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Computation of fund balance that is available for appropriation as of June 30, 2023 under North Carolina General Statute 159.8(a):

	General
Total fund balance	\$ 277,488,135
Less reserves by State statute:	
Non spendable	(708,760)
Restricted	(56,233,719)
Fund balance available for appropriation	220,545,656
Available for restricted purposes:	
Total restricted sources	18,051,118
Appropriated in subsequent year's budget	(2,775,673)
Available for restricted purposes	15,275,445
Available for committed purposes:	
Total committed sources	50,000,000
Available for committed purposes	50,000,000
Available for assigned purposes:	
Total assigned	50,390,715
Appropriated in subsequent year's budget:	
From Assigned sources	3,178
From unassigned sources	(49,792,000)
Available for assigned purposes	601,893
Available for unassigned purposes:	
Total unassigned	102,103,823
Board minimum - 8% of subsequent year's budget	(67,212,160)
Available for unassigned purposes	34,891,663
Fund balance available for appropriation	220,545,656
Appropriated in subsequent year's budget:	(52,564,495)
Board minimum - 8% of subsequent year's budget	(67,212,160)
Total available for restricted, committed, assigned and unassigned purposes	\$ 100,769,001

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

H. Interfund Transfers

The following is a summary of interfund transfers for Guilford County for the fiscal year ended June 30, 2023:

Transfers In	Transfers Out
	Major Governmental General
Major Governmental Funds:	
County Building Construction	\$ 1,515,000
School Capital Outlay	9,550,000
Debt Service	68,354,310
Nonmajor Governmental Funds:	
Tax Revaluation Fund	358,750
Grants Fund	465,230
Total	\$ 80,243,290

Transfers of \$1.5 million from the General Fund to the County Building Construction Fund are for funding general government construction projects per the Guilford County Capital Improvement Plan.

Transfers from the General Fund to the School Capital Outlay Fund are for funding the Guilford County Schools Capital Maintenance FY2023 project totaling \$8 million and the Guilford Technical Community College Capital Maintenance FY2023 project in the amount of \$1.5 million.

Transfers from the General Fund to the Debt Service Fund are for funding debt service payments of the County totaling \$68.4 million during FY2023.

Transfers of \$.4 million from the General Fund to the Tax Revaluation Fund are for funding the 2027 tax revaluation.

Transfers of \$.5 million from the General Fund to the Grants Fund to move funds into a new grants fund.

There were no interfund receivables or payables at June 30, 2023.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

IV. OTHER INFORMATION

A. Employees Retirement Systems and Plans

Primary Government

1. North Carolina Local Governmental Employees' Retirement System

Plan Description

Guilford County is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of General Statute Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for the LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided

The LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation.

Plan members who are general employees are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. General employee plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Contributions

Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Plan members are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2023 was 12.9% of compensation for law enforcement officers and 12.1% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. The County's contributions to the LGERS for the years ended June 30, 2023, \$20,232,498. The contributions made by the County equaled the required contributions for each year.

Refunds of Contributions

County employees who have terminated service as a contributing member of LGERS may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

LGERS-Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the County reported a liability of \$103,480,714 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022, utilizing update procedures incorporating the actuarial assumptions.

The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2023, the County's proportion was 1.834% (measured as of June 30, 2022), which was an increase of 0.05% from its proportion as of June 30, 2022 (measured as of June 30, 2021).

For the year ended June 30, 2023, the County recognized pension expense of \$30,042,618. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual	\$ 4,458,890	\$ 437,169
Changes of assumptions	10,325,055	-
Net difference between projected and actual earnings on pension plan investments	34,201,459	-
Changes in proportion and differences between County contributions and proportionate share of contributions	2,012,648	101,672
County contributions subsequent to the measurement date	20,232,498	-
Total	\$ 71,230,550	\$ 538,841

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

The \$20,232,498 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2024	\$ 16,023,144
2025	13,920,758
2026	4,221,093
2027	16,294,216
	<u>\$ 50,459,211</u>

Actuarial Assumptions. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.25 percent
Investment rate of return	6.5 percent, net of pension plan investment expense, including inflation

The plan actuary currently uses mortality rates based on the *RP-2019 Total Data Set for Healthy Annuitants Mortality Table* that vary by age, gender, employee group (i.e. general, law enforcement officer), and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements. The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study as of December 31, 2019.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement. The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Fixed Income	29.0%	1.1%
Global Equity	42.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	7.5%
Credit	7.0%	5.0%
Inflation Protection	6.0%	2.7%
Total	<u>100.0%</u>	

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

The information above is based on 30-year expectations developed with an investment consulting firm as part of a study that was completed in early 2022, and is part of the asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.25%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County’s proportionate share of the net pension liability to changes in the discount rate. The following presents the County’s proportionate share of the net pension liability calculated using the discount rate of 6.50% as well as what the County’s proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
County's proportionate share of the net pension liability (asset)	\$ 186,769,361	\$ 103,480,714	\$ 34,846,032

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

2. Law Enforcement Officers’ Special Separation Allowance

Plan Description

Guilford County administers a public employee retirement system, the Law Enforcement Officers’ Special Separation Allowance (LEOSSA), a single-employer defined benefit pension plan that provides retirement benefits to the County’s qualified sworn law enforcement officers. The LEOSSA is a monthly benefit paid to officers retired under the North Carolina Local Government Employees’ Retirement System until age 62. The benefit is equal to .85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of General Statute Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The plan does not issue a separate stand-alone financial report. The Separation Allowance is included in the County’s Annual Comprehensive Financial Report as a pension trust fund.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

All full-time County law enforcement officers are covered by the LEOSSA. At December 31, 2022 the LEOSSA's membership consisted of:

Inactive members/beneficiaries receiving benefits	65
Active plan members	<u>271</u>
Total	<u><u>336</u></u>

Summary of Significant Accounting Policies:

Basis of Accounting – Financial statements for the LEOSSA are prepared using the accrual basis of accounting. Employer contributions to the plan are recognized when due and when the County has made a formal commitment to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments – Investments are reported at fair value.

Contributions

The County is required by Article 12D of General Statute Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned by making contributions based on actuarial valuations. For the current year, the County contributed \$1,906,080 or 9.82% of annual covered payroll. There were no contributions made by employees. There were no contributions made by employees. Contributions equaled the required contributions for each year. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the LEOSSA are financed through investment earnings.

The annual required contribution for the current year was determined as part of the December 31, 2021 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 5.75% investment rate of return and (b) projected salary increases ranging from 3.25% to 7.75% per year. Both (a) and (b) included an inflation component of 2.50%. The assumptions did not include postretirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability was being amortized as a level dollar on a closed basis. The remaining amortization period at December 31, 2021 was 9 years.

LEOSSA - Pension Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions

At June 30, 2023, the County reported a net pension liability of \$9,209,594. The net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022.

For the year ended June 30, 2023, the County recognized pension expense of \$1,618,613. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual	\$ 678,184	\$ 1,216,317
Changes of assumptions	873,866	-
Net difference between projected and actual earnings on pension plan investments	375,004	-
County contributions subsequent to the measurement date	953,040	-
Total	<u><u>\$ 2,880,094</u></u>	<u><u>\$ 1,216,317</u></u>

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

The \$953,040, reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$ 515,654
2025	400,844
2026	(83,549)
2027	<u>(122,212)</u>
	<u>\$ 710,737</u>

Actuarial Assumptions. The entry age normal cost method was used. The total pension liability in the December 31, 2022, actuarial valuation. The total pension liability was determined on December 31, 2022, using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	2.5 percent
Salary increases	3.3 – 7.8 percent
Investment rate of return	5.75 percent, net of pension plan investment expense, including inflation

The rates of mortality for the period after service retirement are according to the Pub-2010 amount-weighted Safety Mortality Table for Retirees, projected from 2010 using generational improvement with Scale MP-2019. Rates for all members are multiplied by 97% and Set Forward by 1 year.

The long-term expected rate of return on pension plan investments is assumed to be 5.75% annually.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset provided by the County are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Short Term Investment	20%	2.12%
Equity Index	65%	7.96%
Bond Index	<u>15%</u>	1.88%
Total	<u>100%</u>	

Discount rate. The discount rate used to measure the total pension liability was 5.75%. The discount rate determination as of the measurement date does not use a municipal bond rate. The projection of cash flows used to determine the discount rate assumed that the County would contribute the actuarially determined contribution in the future. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Sensitivity of the County's net pension liability to changes in the discount rate. The following presents the County's net pension liability calculated using the discount rate of 5.75 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (4.75 percent) or 1 percentage-point higher (6.75 percent) than the current rate:

	1% Decrease (4.75%)	Discount Rate (5.75%)	1% Increase (6.75%)
County's net pension liability	\$ 10,369,882	\$ 9,209,594	\$ 8,138,382

Changes in the net pension liability. The following presents a schedule of the changes in the County's net pension liability:

	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance as of December 31, 2021	\$ 14,872,110	\$ 3,752,597	\$ 11,119,513
Changes for the year:			
Service Cost	353,673	-	353,673
Interest	818,899	-	818,899
Difference between expected and actual	(1,554,183)	-	(1,554,183)
Changes of assumptions or other inputs	-	-	-
Contributions - employer	-	1,667,162	(1,667,162)
Net investment income	-	(134,347)	134,347
Benefit payments	(1,260,760)	(1,260,760)	-
Plan administrative expenses	-	(4,507)	4,507
Net changes	(1,642,371)	267,548	(1,909,919)
Balance as of December 31, 2022	\$ 13,229,739	\$ 4,020,145	\$ 9,209,594

As of December 31, 2022, the most recent actuarial valuation date, the plan was 30.39% funded. As of the December 31, 2022 measurement date, the actuarial accrued liability for benefits was \$13,229,739 and the actuarial value of assets was \$4,020,145, resulting in an unfunded actuarial accrued liability (UAAL) of \$9,209,594. The covered payroll (annual payroll of active employees covered by the plan) was \$17,513,989, and the ratio of the UAAL to the covered payroll was 52.58%.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

The following are financial statements for the Law Enforcement Officers' Special Separation Allowance Pension Trust Fund included as Fiduciary Funds in Exhibits 11 and 12 at June 30, 2023:

Statement of Plan Net Position
June 30, 2023

	<u>Law Enforcement Officers' Special Separation Allowance</u>
Assets	
Current assets:	
Demand deposits	\$ 241,117
N.C. Capital Mangement Trust Cash Portfolio	2,297,860
State Treasurer's Local Government Law Enforcement Officers' Special Separation Allowance (LEOSSA) Fund:	
Short-Term LEOSSA Fund	1,346,578
Long-Term LEOSSA Fund	-
LEOSSA Equity Fund	<u>708,560</u>
Cash and cash equivalents/investments	<u>4,594,115</u>
Receivables:	
Accrued interest on investments	<u>222</u>
Total assets	<u>4,594,337</u>
Liabilities	
Accounts payable and accrued liabilities	<u>45,722</u>
Net Position	
Held in trust for pension benefits	<u>\$ 4,548,615</u>

Statement of Changes in Plan Net Position
For the fiscal year ended June 30, 2023

	<u>Law Enforcement Officers' Special Separation Allowance</u>
Additions	
Employer contributions	\$ 1,906,080
Net investment income	200,663
Investment expenses	(130)
Total additions	<u>2,106,613</u>
Deductions	
Benefits	1,264,256
Administrative expenses	<u>4,367</u>
Total deductions	<u>1,268,623</u>
Change in net position	837,990
Net position at beginning of year	<u>3,710,625</u>
Net position at end of year	<u>\$ 4,548,615</u>

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

3. Supplemental Retirement Income Plan

Plan Description

The County contributes to the Supplemental Retirement Income Plan of North Carolina (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. All law enforcement officers and any other employees, who are currently members of a state-administered retirement plan, are eligible to participate from the date of employment. Article 5 of General Statute 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Plan is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Report includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy

Article 12E of General Statute Chapter 143 requires that the County contribute each month an amount equal to 5% of each law enforcement officer's qualified salary. During the year ended June 30, 2023, the County also elected to contribute 5% of qualified salaries for all other eligible employees. All covered employees may make voluntary contributions to the Plan. All contributions and investment earnings allocated to the employees' accounts are fully vested immediately. County contributions for the year ended June 30, 2023, to law enforcement officers' accounts and other employees' accounts were \$958,034 and \$7,182,938, respectively. Voluntary contributions to the Plan were \$5,720,379.

4. Registers of Deeds' Supplemental Pension Fund

Plan Description

Guilford County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, cost-sharing multiple-employer defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of General Statute Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members—nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Registers of Deeds' Supplemental Pension Fund is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for the RODSPF. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided

An individual's benefits for the year are calculated as a share of accumulated contributions available for benefits for that year, subject to certain statutory limits. An individual's eligibility is based on at least 10 years of service as a register of deeds with the individual's share increasing with years of service. Because of the statutory limits noted above, not all contributions available for benefits are distributed.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Contributions

Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County pursuant to Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution for this fiscal year and the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. For the fiscal year ended June 30, 2023, the County's required and actual contributions to the RODSPF were \$36,041.

ROD-Pension Liabilities, Pension Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the County reported an asset of \$530,724 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2022. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022, utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2022, the County's proportion was 4.01%, which was an increase of 0.04% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the County recognized pension expense of \$108,338. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,089	\$ 9,620
Changes of assumptions	28,100	-
Net difference between projected and actual earnings on pension plan investments	220,587	-
Changes in proportion and differences between County contributions and proportionate share of contributions	5,462	5,312
County contributions subsequent to the measurement date	36,041	-
Total	<u>\$ 294,279</u>	<u>\$ 14,932</u>

The \$36,041, reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$ 68,184
2025	46,207
2026	73,436
2027	55,479
	<u>\$ 243,306</u>

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Actuarial Assumptions. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.25 to 8.25 percent, including 3.25 percent inflation and productivity factor
Investment rate of return	3.00 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer), and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study as of December 31, 2019.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the bond index investment pool. The best estimate of arithmetic real rate of return for the bond index investment pool as of June 30, 2023 is .078%.

The information above is based on 30-year expectations developed with the consulting actuary for the 2023 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 3.00%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will continue to be made at statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.00 percent, as well as what the County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1 percentage-point lower (2.00 percent) or 1 percentage-point higher (4.00 percent) than the current rate:

	1% Decrease (2.00%)	Discount Rate (3.00%)	1% Increase (4.00%)
County's proportionate share of the net pension liability (asset)	\$ (611,736)	\$ (530,724)	\$ (903,273)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

5. Summary of Pension Information

	Deferred Outflows of Resources	Net Pension Liability (Asset)	Deferred Inflows of Resources	Pension Expense
LGERS	\$ 71,230,550	\$ 103,480,714	\$ 538,841	\$ 30,042,618
LEOSSA	2,880,094	9,209,594	1,216,317	1,618,613
ROD	294,279	(530,724)	14,932	108,338
	\$ 74,404,923	\$ 112,159,584	\$ 1,770,090	\$ 31,769,569

B. Deferred Compensation Plans

1. Discretely Presented Component Unit

Greensboro Area Convention and Visitors Bureau Deferred Compensation Plan

The Authority offers its employees a Deferred Compensation Plan (Plan) created in accordance with Internal Revenue Code 457. The Plan, available to all full-time employees who have completed one year of service and are at least 21 years old, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement or death. The Authority has complied with changes in the laws that govern deferred compensation plans, requiring all assets of the plan to be held in trust for the exclusive benefit of the participants and their beneficiaries.

The Authority makes a matching contribution in an amount equal to the employees deferred contribution up to a maximum of 6%. All employees may defer amounts up to the maximum allowed by the Internal Revenue Service each year. Employees' contributions vest immediately. The Authority's contributions are fully vested after five years of continuous service. The employee receives credit for their contribution as well as the Authority's, and benefits are based on the total assets owned in the employee's individual accounts. Authority and employee contributions for the fiscal year ended June 30, 2023 were \$54,247 and \$78,446, respectively.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

C. Other Postemployment Benefits (OPEB)

1. Health Care Benefits

Plan Description

Under the terms of a County resolution, Guilford County administers a single-employer defined benefit Health Care Plan (the HC Plan). This plan provides postemployment healthcare benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System). Employees hired or rehired on or after July 1, 2009 are not eligible for these benefits with limited exceptions. The County's contribution is determined by the number of years of creditable service prior to retirement. Non-Medicare eligible retirees with at least 30 years of creditable service and their dependents may participate with the County contributing the normal employer share of the premium and the retiree paying the normal employee share of the premium. Non-Medicare eligible retirees with at least 25 years of creditable service and their dependents may participate with the County contributing 75 percent of the employer's share and the retiree paying the balance of the employer's share of the premium as well as the normal employee share of the premium. Non-Medicare eligible retirees with at least 20 years of creditable service and

their dependents may participate with the County contributing 50 percent of the employees share and the retiree paying the balance of the employer's share of the premium as well as the normal employee share of the premium. Prior to January 1, 2014, Medicare-eligible retirees who are enrolled in both Medicare Parts A and B are eligible to participate with the County contributing a flat amount for retirees with 30 years of creditable service, 75 percent of that rate for retirees with at least 25 years of creditable service and 50 percent of that rate for retirees with at least 20 years of creditable service. Effective January 1, 2014, all Medicare-eligible participants are covered by a fully insured Medicare Advantage Plan with the County contributing the same percentages of the premium as noted above for retirees with at least 30 years, 25 years, and 20 years of creditable service. Employer and participants' costs for the fiscal year ending June 30, 2023 were \$2,251,395 and \$901,084. Medicare-eligible participants receive secondary coverage. A separate report was not issued for the plan.

Membership of the HC Plan consisted of the following at June 30, 2022, the date of the latest actuarial valuation:

	Total
Inactive Employees or Beneficiaries Currently Receiving Benefits	1,285
Active Employees *	660
Total Membership	1,945

*Excludes 1,921 active members who will not receive benefits due to the July 1, 2009 closure of the plan.

Funding Policy

As noted above, the County pays its share of the cost of coverage (premiums) for the healthcare benefits provided to qualified retirees under a County resolution that can be amended by the Board of County Commissioners. The County's members pay their share of the premiums as noted above. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis with an additional amount to prefund benefits as determined annually by the Board of County Commissioners.

For the current year, the County contributed \$8,251,707 (retiree claims paid, insurance, and other costs less premiums received) or 19.19% of annual covered payroll. The contribution for

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

fiscal year 2023 did not include an additional amount to prefund benefits deposited in the Guilford County Local Government Other Post-Employment Benefit (OPEB) Trust, an irrevocable trust, to meet the requirements of the governmental accounting standards and IRS regulations. The County provides healthcare coverage through self-insurance. The County's required contributions, under a County resolution establishing premium amounts for different coverages, for employees and retirees were 70.4% and 16.2% of covered payroll, respectively. Contributions (premiums) made by employees and retirees were 13.4% and 6.4% of covered payroll, respectively. The County's obligation to contribute to the HC Plan is established and may be amended by the County's Board of County Commissioners.

Summary of Significant Accounting Policies:

Postemployment expenditures for the County's portion of the premiums and the prefunded benefits are made from the General Fund, which is maintained on the modified accrual basis of accounting, to the Internal Service Fund and the Other Post-Employment Benefits Trust Fund, respectively, which are maintained on the full accrual basis of accounting. Funds are appropriated annually for the County's portion of the premiums and the prefunded benefits. The employee, retiree and County premiums are revenues that finance this self-funded HC Plan reported in the Internal Service Fund. Claims benefits and administrative costs are expensed as they are incurred.

Investments

Solely for purposes of investing County contributions in the Guilford County OPEB Trust, the County's investment policy shall allow placement of assets in the OPEB investment fund managed by the State Treasurer's office, as initially authorized by the Board of County Commissioners on November 6, 2008, in addition to investments authorized by NC General Statute 159-30. Placement of County contributions in the State Treasurer's OPEB investment fund shall be at the discretion of the Board of Trustees, as shall be the allocation of assets within that fund. The Board may at its discretion hold contributions in cash or cash equivalents accounts for a time prior to investing the funds as authorized above. The target allocations are based on the initial allocation approved and made during our recent re-enrollment in the fund.

<u>Asset Class (Fund)</u>	<u>Target Allocation</u>	<u>10 Year Expected Arithmetic Real Rate of Return</u>
Short term investment	20%	2.12%
Equity index	65%	7.96%
Bond index	15%	1.88%
Total	100%	

Rate of Return. For the year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 12.82 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability

The components of the net OPEB liability at June 30, 2023, the measurement date, is presented in the table below:

Total OPEB liability	\$ 240,636,158
Plan fiduciary net position	<u>19,687,502</u>
Net OPEB liability	<u>\$ 220,948,656</u>
Ratio of fiduciary net position to total OPEB liability	8.18%

GUILFORD COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

Actuarial Methods and Assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions and other inputs:

Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases, including wage inflation	
General Employees	3.25% - 8.415%
Law Enforcement Officers	3.25% - 7.90%
Long-term Investment Rate of Return, net of OPEB plan investment expense, including price inflation	5.75%
Municipal Bond Index Rate	
Prior Measurement Date	3.54%
Measurement Date	3.65%
Year FNP is projected to be depleted	
Prior Measurement Date	2026
Measurement Date	2028
Single Equivalent Interest Rate, net of OPEB plan investment expense, including price inflation	
Prior Measurement Date	3.59%
Measurement Date	3.74%
Health Care Cost Trends	
Pre-Medicare	7.00% for 2022 decreasing to an ultimate rate of 4.50% by 2032
Medicare	5.125% for 2022 decreasing to an ultimate rate of 4.50% by 2025
Dental	3.50%

The total OPEB liability was rolled forward to June 30, 2023, utilizing update procedures incorporating the actuarial assumptions. The discount rate used to measure the total OPEB liability was based upon the Single Equivalent Interest Rate.

Mortality rates were based on the Pub-2010 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2019. The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015 - December 31, 2019, adopted by the LGERS Board.

Several factors were considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense, and inflation) are developed by the investment consultant for each major asset class. These ranges should be combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

- *Discount Rate (Single Equivalent Interest Rate).* The discount rate used to measure the total OPEB liability as of the Measurement Date was 3.74%. The projection of cash flows used to determine the discount rate was based on an actuarial valuation performed as of June 30, 2022. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 74. The actuarial methods and assumptions used in the projection of cash flows were (1) those of the June 30, 2022 actuarial valuation, total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date, in subsequent projection years, total payroll was assumed to increase annually using payroll growth assumptions, (3) active employees do not explicitly contribute to the Plan, (4) benefit payments are assumed to

GUILFORD COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

be paid out of the trust until the trust is depleted, (5) projected assets do not include employer contributions that fund the estimated service costs of future employees, and (6) cash flows occur mid-year.

Based on these assumptions, the Plan’s fiduciary net position was projected to be depleted in 2028 and, as a result, the Municipal Bond Index Rate was used in the determination of the Single Equivalent Interest Rate. Here, the long-term expected rate of return of 5.75% on Plan investments was applied to periods through 2028 and the Municipal Bond Index Rate at the Measurement Date (3.65%) was applied to periods on and after 2028, resulting in a Single Equivalent Interest Rate at the Measurement Date (3.74%). As a result of the change to the Municipal Bond Index Rate, there was a change in the discount rate from 3.57% at the Prior Measurement Date to 3.74% at the Measurement Date.

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following exhibit presents the net OPEB liability of the Plan, calculated using healthcare cost trend rates, as well as what the Plan’s net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1%		1%
	Decrease	Current	Increase
	_____	_____	_____
Net OPEB Liability	\$ 188,838,312	\$ 220,948,656	\$ 260,945,604

Sensitivity of the net OPEB liability to changes in the discount rate. The following exhibit presents the net OPEB liability of the Plan, calculated using the discount rate of 3.74%, as well as what the Plan’s net OPEB liability would be if it were calculated using a Discount Rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate

	1%		1%
	Decrease	Current	Increase
	(2.74%)	Discount Rate	(4.74%)
	_____	_____	_____
Net OPEB Liability	\$ 257,356,865	\$ 220,948,656	\$ 191,684,022

Changes in Net OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2023, the County reported a net OPEB liability of \$220,948,656. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. Actuarial gains and losses arising from the change in the SEIR from 3.59% on the Prior Measurement Date to 3.74% on the Measurement Date are accounted for as changes of assumptions or other inputs.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

At June 30, 2023, the components of the net OPEB liability of the County, measured as of June 30, 2023 were as follows:

	Total OPEB Liability		
	Total OPEB Liability	Plan Net Position	Net OPEB Liability
Balance as of June 30, 2022	\$ 254,564,349	\$ 17,450,046	\$ 237,114,303
Changes for the year:			
Service Cost at the end of the year*	3,525,686	-	3,525,686
Interest on TOL and Cash Flows	8,992,048	-	8,992,048
Difference between expected and actual	(16,169,229)	-	(16,169,229)
Changes of assumptions or other inputs	(2,024,989)	-	(2,024,989)
Contributions - employer	-	8,251,707	(8,251,707)
Net investment income (loss)	-	2,240,208	(2,240,208)
Benefit payments	(8,251,707)	(8,251,707)	-
Plan administrative expenses	-	(2,752)	2,752
Net changes	<u>(13,928,191)</u>	<u>2,237,456</u>	<u>(16,165,647)</u>
Balance as of June 30, 2023	<u>\$ 240,636,158</u>	<u>\$ 19,687,502</u>	<u>\$ 220,948,656</u>

*Service cost includes interest for the year.

For the year ended June 30, 2023, the County recognized OPEB income of \$19,892,160. At June 30, 2023, the County reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources
Differences between expected and actual	\$ 8,967,136
Changes of assumptions or other inputs	19,060,324
Net difference between projected and actual earnings on plan investments	<u>97,316</u>
Total	<u>\$ 28,124,776</u>

Amounts reported as Deferred Inflows of Resources related to OPEB benefits will be recognized in OPEB Expense as follows:

Year ended June 30:	
2024	\$ (26,416,799)
2025	(1,938,461)
2026	477,864
2027	<u>(247,380)</u>
	<u>\$ (28,124,776)</u>

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

The following are financial statements for the Other Post-Employment Benefits Pension Trust Fund included as Fiduciary Funds in Exhibits 11 and 12 at June 30, 2023:

Statement of Plan Net Position
June 30, 2023

	Other Post Employment Benefits
Assets	
Current assets:	
State Treasurer's Local Government Other Post Employment Benefits (OPEB) Fund:	
Short-Term OPEB Fund	\$ 3,606,874
Long-Term OPEB Fund	1,026,161
OPEB Equity Fund	15,054,467
Cash and cash equivalents/investments	\$ 19,687,502
 Net Position	
Held in trust for OPEB benefits	\$ 19,687,502

Statement of Changes in Plan Net Position
For the fiscal year ended June 30, 2023

	Other Post Employment Benefits
Additions	
Employer contributions	\$ 8,249,161
Retiree contributions	2,751,085
Net Investment income	2,240,441
Investment expenses	(2,986)
Total additions	13,237,701
 Deductions	
Benefits	10,458,902
Administrative expenses	541,343
Total deductions	11,000,245
Change in net position	2,237,456
Net position at beginning of year	17,450,046
Net position at end of year	\$ 19,687,502

2. Medicare Supplement Plan

Eligible retirees after age 65 who do not opt to participate in the HC Plan may participate in a Medicare supplement plan. The service requirements are the same for the Medicare supplement plan as noted above for the healthcare benefit. The County contributes up to \$40 per month for each retiree with at least 30 years of creditable service and 75 percent of that amount for each retiree with at least 25 years of creditable service. The cost of retiree Medicare supplement benefits is recognized as an expenditure when the premiums are paid. As of June 30, 2023, one Medicare-eligible retiree who did not opt to participate in the HC Plan, participated in the Medicare supplement benefit. For the fiscal year ended June 30, 2023, the County paid \$264 for Medicare supplement coverage.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

D. Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for Members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer State-administered cost-sharing plan funded on a one-year term cost basis. Lump sum death benefits are provided to beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death. Because the benefit payments are made by the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants. The benefit payment is equal to the employee's 12 highest months' salary in a row during the 24 months prior to his/her death, but the benefit must be between \$25,000 and \$50,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. For the fiscal year ended June 30, 2023, the County made contributions to the State for death benefits of \$100,495. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented .04% and .14% of covered payroll, respectively. The contributions to the LGERS Death Benefit Plan are not separated between the postemployment benefit amount and the other benefit amount, as the amount cannot be reasonably estimated.

E. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County protects itself from potential loss using a combination of risk financing methods, which are accounted for in the Internal Service Fund. The County's insurance programs consist of liability, property, workers' compensation, automobile, and employee healthcare insurance.

All operating funds of the County participate in the risk management program and make payments to the program based on the insured departments' exposure factors. Payments are for prior and current year claims and to establish adequate reserves for catastrophic losses. Amounts are recorded as interfund services provided and used.

Claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but are not reported (IBNRs), based on actuarial computations. Settled claims have not exceeded self-retained or purchased insurance coverage in any of the past five fiscal years.

1. Liability and Property Insurance

The liability program is totally self-funded. The County retains the right to plead, assert, and interpose governmental immunity on unique claims and cases of first impression, in which there may appear to be no clearly established precedent. If, in the opinion of the County Attorney but for the defense of governmental immunity, the County would be liable for property damage, personal injury damages, or wrongful death to a claimant, the governmental immunity defense may be waived.

The property insurance program is financed using a combination of self-funding and purchased insurance, subject to limitations in the policy. A purchased insurance policy provides excess coverage above \$50,000 up to 100% replacement cost, only if the building is being replaced or if not replaced face value of the property will be paid limited to \$400 million per occurrence. The County covers all claims up to \$50,000 per occurrence out of its available Internal Service Fund reserves.

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

The County has one location designated as an “A” or “B” area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency. This location is covered by the County’s property insurance program.

In accordance with North Carolina General Statute 159-29, the Director of Finance and Tax Collector are individually bonded for \$100,000 each; register of Deeds \$50,000; and Sheriff \$ 25,000. The remaining employees are covered under the Employee Practices Insurance Policy, which provides coverage in excess of \$300,000 retention, with a maximum coverage limit of \$1,000,000. . Effective January 1, 2023, with the passage of Session Law 2022-53, the General Assembly amended North Carolina General Statute 159-29, increasing the required minimum bonded coverage amount for the Director of Finance to \$1,000,000.

2. Workers’ Compensation Insurance

The workers’ compensation program is financed using a combination of self-funding and purchased insurance. The County is self-insured for the first \$750,000 per occurrence from the County’s available Internal Service Fund reserves. Claims above \$750,000 are covered by a purchased insurance policy with a \$2,000,000 indemnity for employers’ liability, and Workers Compensation under the NC Statutory Benefit Limits.

3. Employee Healthcare Insurance

The employee healthcare program is financed using a combination of self-funding supplemented by employee/retiree contributions and purchased insurance. Effective January 1, 2014, Guilford County made significant changes to its healthcare program. Medicare-eligible retirees were transitioned from the self-funded health insurance plan to a fully insured Medicare Advantage plan, resulting in a significant reduction in per-retiree costs. Also, one of two previously available healthcare plan options was eliminated. The remaining plan is available to employees, non-Medicare eligible retirees generally hired before July 1, 2009, covered dependents and eligible former employees. The County administers the plan through a self-funded program, supplemented by employee/retiree contributions, to pay claims administration and medical claims of the employees, eligible retirees, and their covered dependents. Specific stop-loss insurance with a deductible level of \$425,000 per member for all occurrences is purchased to limit the County’s losses for the overall program. The County provides a basic and an enhanced dental plan for employees, retirees, and covered dependents, supplemented by employee/retiree contributions, which are also accounted for in the self-funded program.

In addition to reserves that are maintained and accounted for in all of the above programs in the Internal Service Fund, the County has established and contributed funds to the Other Post-Employment Benefits (OPEB) Pension Trust Fund that are available to provide postemployment health care benefits to eligible retirees. These additional contributions and earnings thereon continue to accumulate for financing future needs as all current healthcare claims are paid directly from the self-supporting Internal Service Fund.

4. Reconciliation of Claims Liability

Changes in the County’s claims liability balance are as follows:

	Fiscal Year 2022-23					Fiscal Year
	Liability	Property	Workers' Compensation	Employee Healthcare	Total	2021-22 Total
Balance beginning of year	\$ 1,135,857	\$ 62,629	\$ 2,471,332	\$ 3,765,744	\$ 7,435,562	\$ 6,814,264
Incurring Claims (Including IBNRs)						
and Changes in Estimates	379,756	1,304,049	2,071,892	39,254,366	43,010,063	41,094,441
Less Claims Payments	900,660	1,324,865	1,753,514	39,144,874	43,123,913	40,473,143
Balance end of year	<u>\$ 614,953</u>	<u>\$ 41,813</u>	<u>\$ 2,789,710</u>	<u>\$ 3,875,236</u>	<u>\$ 7,321,712</u>	<u>\$ 7,435,562</u>

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

F. Commitments and Contingencies

Expenditures incurred for improvements to property of the Guilford County Board of Education and Guilford Technical Community College are reimbursed upon request. Because Guilford County is not a party to the contracts for school improvements, the unexecuted balances of such contracts are considered obligations of the applicable school systems. Further, additional payments, if any, to be made by Guilford County will be from future appropriations. For these reasons, the unexecuted balances of such contracts, aggregating approximately \$210.6 million at June 30, 2023, represent commitments.

The County participates in a number of Federal and State of North Carolina financial assistance programs. For the fiscal year ended June 30, 2023, these programs were subject to audit in accordance with generally accepted auditing standards, Government Auditing Standards, the provisions of the Office of Management and Budget Uniform Guidance, and the State Single Audit Implementation Act. The amount, if any, of expenditures which may be disallowed by the granting agencies resulting from this and other audits cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

The County is involved in several pending lawsuits and claims, which it intends to defend vigorously. In the opinion of the County's attorney and management, the disposition of these matters is not expected to have a material effect on the County's financial position.

G. Conduit Debt Obligations

The Guilford County Industrial Facilities and Pollution Control Financing Authority (the Authority) has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2023, there were four series of industrial revenue bonds outstanding with an aggregate principal amount payable of \$18,986,459.

H. Joint Venture

Guilford Technical Community College

The County, in conjunction with the State of North Carolina and Guilford County Board of Education, participates in a joint venture to operate the Guilford Technical Community College. Each of the three participants appoints four members of the thirteen-member board of trustees of the community college. The president of the community college's student government serves as an ex officio nonvoting member. The community college is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the community college's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds to provide financing for new and restructured facilities. Of the general obligation bond issues for this purpose, \$54,575,140 in debt is still outstanding. The County has an ongoing financial responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed \$18,107,500 for operating purposes during the fiscal year ended June 30, 2023. In addition, the County made debt service payments of \$8,618,934, net of applicable rebates, during the fiscal year on general obligation bonds issued for community college capital facilities. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest

GUILFORD COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS

has been reflected in the County's financial statements at June 30, 2023. Complete financial statements for the community college may be obtained from the community college's administrative offices at 601 High Point Road, Jamestown, North Carolina 27282.

I. Jointly Governed Organizations

Piedmont Triad Airport Authority

The County, in conjunction with four other governmental entities, created the Piedmont Triad Airport Authority (the Authority) to establish policy for the development, operation, and maintenance of the Piedmont Triad International Airport. The County appoints three members of the seven-member governing board of the Authority.

High Point Convention and Visitors Bureau

The City of High Point created a High Point Convention and Visitors Bureau (the Bureau) to promote tourism and to solicit and encourage convention business in High Point. The County appoints five of the eleven voting members of the Bureau.

Piedmont Authority for Regional Transportation

The County participates with nine other counties in the Piedmont Authority for Regional Transportation (the Authority) as established by the Cities of Burlington, Greensboro, High Point and Winston-Salem for the purpose of coordinating regional transportation services, facilities and programs for the entire Piedmont Triad area. The County appoints one of the twenty voting members of the Authority.

***Sandhills Center for Mental Health, Developmental Disabilities
and Substance Abuse Services***

The County participates with eight other counties in the Sandhills Center for Mental Health, Developmental Disabilities and Substance Abuse Services (Center). The Center is governed by a 23 member Area Board. A County Commissioner from each participating government sits on the Board. The remaining 14 members are allocated based on population in each county. The County Commissioners in each county then appoint these remaining members that are allotted to their county. None of the participating governments have an equity interest in the Center, so no equity interest has been reflected in the County's financial statements at June 30, 2023. During the fiscal year ended June 30, 2023, the County paid \$9,697,701 to the Center to supplement its activities. Complete financial statements for the Center may be obtained from the Center's offices at 1120 Seven Lakes Drive, PO Box 9, West End, NC 27376.

Piedmont Triad Regional Council

The County participates with eleven other counties and sixty-two municipalities in the Piedmont Triad Regional Council (PTRC). The PTRC was established to promote regional issues and cooperation among its members and to coordinate various funding received from Federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership dues of \$113,673 to the PTRC during the fiscal year ended June 30, 2023.

J. Subsequent Events

The County has evaluated subsequent events through October 26, 2023, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.



Required Supplementary Information

The Required Supplementary Information schedules and notes contain additional information required by generally accepted accounting principles as follows:

Local Government Employees' Retirement System (LGERS):

Schedule of Proportionate Share of Net Pension Liability (Asset)

Schedule of County Contributions

Register of Deeds' Supplemental Pension Fund (RODSPF):

Schedule of Proportionate Share of Net Pension Liability (Asset)

Schedule of County Contributions

Law Enforcement Officers' Special Separation Allowance:

Schedule of Changes in Net Pension Liability and Related Ratios

Schedule of County Contributions

Notes to the Required Schedules

The Health Care Plan of Guilford County:

Schedule of Changes in Net OPEB Liability, Related Ratios, and Investment Returns

Schedules of County Contributions

Notes to the Required Schedules

GUILFORD COUNTY, NORTH CAROLINA
Local Government Employees' Retirement System (LGERS)
Required Supplementary Information

Schedule of Proportionate Share of Net Pension Liability (Asset) ⁽¹⁾

Fiscal Year	Proportion of the Net Pension Liability (Asset)	Proportion of the Net Pension Liability (Asset) NPL(A) (a)	Covered Payroll (b)	Proportionate Share of NPL(A) as a % of Covered Payroll (a / b)	Plan Fiduciary Net Position as a % of the Total Pension Liability (Asset) ⁽²⁾
2023	1.83430%	\$ 103,480,714	\$ 143,895,218	71.91%	84.14%
2022	1.78420	27,362,420	134,034,660	20.41	95.51
2021	1.72629	61,887,696	126,533,167	48.91	88.61
2020	1.77507	48,475,777	122,801,048	39.48	92.00
2019	1.81372	43,027,641	119,990,864	35.86	94.18
2018	1.83218	27,990,635	116,340,359	24.06	91.47
2017	1.85028	39,269,140	112,487,082	34.91	98.09
2016	1.94646	8,735,596	109,247,583	8.00	98.79
2015	1.84431	(10,876,744)	104,985,908	(10.36)	102.64
2014	0.01967	23,708,704	109,811,167	21.59	94.35

⁽¹⁾ The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

⁽²⁾ This will be the same percentage for all participant employers in the LGERS plan.

Schedule of County Contributions

Fiscal Year	Contractually Required Contribution (a)	Contributions in Relation to the Contractually Required Contribution (b)	Contribution Deficiency (Excess) (b - a)	Covered Payroll (c)	Contributions as a % of Covered Payroll (b / c)
2023	\$ 20,232,498	\$ 20,232,498	\$ -	\$ 166,048,313	12.18%
2022	16,426,398	16,426,398	-	143,895,218	11.42
2021	13,691,926	13,691,926	-	134,034,660	10.22
2020	11,417,323	11,417,323	-	126,533,167	9.02
2019	9,610,528	9,610,528	-	122,801,048	7.83
2018	9,092,962	9,092,962	-	119,990,864	7.58
2017	8,527,761	8,527,761	-	116,340,359	7.33
2016	7,554,059	7,554,059	-	112,487,082	6.72
2015	7,772,719	7,772,719	-	109,247,583	7.11
2014	7,451,417	7,451,417	-	104,985,908	7.10

GUILFORD COUNTY, NORTH CAROLINA
Register of Deeds' Supplemental Pension Fund (RODSPF)
Required Supplementary Information

Schedule of Proportionate Share of Net Pension Liability (Asset) ⁽¹⁾

Fiscal Year	Proportion of the Net Pension Liability (Asset)	Proportion of the Net Pension Liability (Asset) NPL(A) (a)	Covered Payroll (b)	Proportionate Share of NPL(A) as a % of Covered Payroll (a / b)	Plan Fiduciary Net Position as a % of the Total Pension Liability (Asset) ⁽²⁾
2023	4.00849%	\$ (530,724)	\$ 139,223	(381.20)	139.04%
2022	3.96968	(762,695)	132,921	(573.80)	156.53
2021	4.04964	(928,096)	128,993	(719.49)	173.62
2020	4.12011	(813,392)	125,177	(649.79)	164.11
2019	4.24793	(703,585)	121,469	(579.23)	153.31
2018	4.39079	(749,464)	118,321	(633.42)	153.77
2017	4.39733	(822,125)	115,792	(710.00)	160.17
2016	4.36596	(1,011,768)	112,895	(896.20)	197.29
2015	4.30446	(975,649)	111,018	(878.82)	193.88
2014	4.29451	(917,307)	109,792	(8.36)	190.50

⁽¹⁾ The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

⁽²⁾ This will be the same percentage for all participant employers in the ROSPF plan.

Schedule of County Contributions

Fiscal Year	Contractually Required Contribution (a)	Contributions in Relation to the Contractually Required Contribution (b)	Contribution Deficiency (Excess) (b - a)	Covered Payroll (c)	Contributions as a % of Covered Payroll (b / c)
2023	\$ 36,040	\$ 36,040	\$ -	\$ 149,589	24.09%
2022	45,953	45,953	-	139,223	33.01
2021	47,641	47,641	-	132,921	35.84
2020	38,776	38,776	-	128,993	30.06
2019	35,305	35,305	-	125,177	28.20
2018	36,353	36,353	-	121,469	29.93
2017	38,150	38,150	-	118,321	32.24
2016	35,923	35,923	-	115,792	31.02
2015	34,936	34,936	-	112,895	30.95
2014	35,145	35,145	-	111,018	31.66

GUILFORD COUNTY, NORTH CAROLINA
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios ⁽¹⁾

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability:									
Service cost	\$ 353,673	\$ 342,540	\$ 274,839	\$ 283,018	\$ 278,928	\$ 278,631	\$ 420,359	\$ 410,014	
Interest	818,899	775,790	652,640	629,806	601,487	577,272	422,913	431,513	
Difference between expected and actual experience	(1,554,183)	825,441	196,758	519,507	584,658	473,989	-	-	
Changes of assumptions & other inputs	-	-	2,125,934	-	-	-	(1,823,831)	119,089	
Benefit payments	(1,260,760)	(1,127,323)	(1,089,535)	(980,902)	(964,241)	(853,275)	(799,210)	(754,406)	
Net change in total pension liability	(1,642,371)	816,448	2,160,636	451,429	500,832	476,617	(1,779,769)	206,210	
Total pension liability - beginning	14,872,110	14,055,662	11,895,026	11,443,597	10,942,765	10,466,148	12,245,917	12,039,707	
Total pension liability - ending	\$ 13,229,739	\$ 14,872,110	\$ 14,055,662	\$ 11,895,026	\$ 11,443,597	\$ 10,942,765	\$ 10,466,148	\$ 12,245,917	\$ 12,039,707
Plan net position:									
Contributions - County	\$ 1,667,162	\$ 1,424,951	\$ 1,332,969	\$ 1,218,487	\$ 1,433,864	\$ 1,409,832	\$ 1,185,121	\$ 954,345	
Net investment income	(134,347)	121,650	105,292	113,946	32,977	16,615	6,899	3,665	
Benefit payments	(1,260,760)	(1,127,323)	(1,089,535)	(980,902)	(964,241)	(853,275)	(799,210)	(754,406)	
Administrative expense	(4,507)	(4,267)	(4,254)	(3,216)	(2,115)	(2,082)	(1,381)	(696)	
Net change in plan net position	267,548	415,011	344,472	348,315	500,485	571,090	391,429	202,908	
Plan net position - beginning	3,752,597	3,337,586	2,993,114	2,644,799	2,144,314	1,573,224	1,181,795	978,887	
Plan net position - ending	\$ 4,020,145	\$ 3,752,597	\$ 3,337,586	\$ 2,993,114	\$ 2,644,799	\$ 2,144,314	\$ 1,573,224	\$ 1,181,795	\$ 978,887
Net pension liability - ending	\$ 9,209,594	\$ 11,119,513	\$ 10,718,076	\$ 8,901,912	\$ 8,798,798	\$ 8,798,451	\$ 8,892,924	\$ 11,064,122	\$ 11,060,820
Ratio of plan net position to total pension liability	30.39%	25.23%	23.75%	25.16%	23.11%	19.60%	15.03%	9.65%	8.13%
Covered payroll	\$ 17,513,989	\$ 16,123,191	\$ 15,442,593	\$ 16,029,530	\$ 15,869,582	\$ 15,663,490	\$ 15,110,053	\$ 15,110,053	\$ 14,480,738
Net pension liability as a percentage of covered payroll	52.58%	68.97%	69.41%	55.53%	55.44%	56.17%	58.85%	73.22%	76.38%
Annual money-weighted rate of return, net of investment expenses	-3.40%	3.20%	3.20%	3.80%	1.20%	0.80%	0.40%	0.30%	

⁽¹⁾ Ten-year trend information is being developed in this table.

Data is presented since implementation of Governmental Accounting Standards Board Statement No. 68.

GUILFORD COUNTY, NORTH CAROLINA
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information

Schedule of County Contributions

Year Ended June 30	Actuarially Determined Employer Contribution (a)	Contributions in Relation to the Actuarially Determined Contribution (b)	Contribution Deficiency (Excess) (b - a)	Covered Payroll (c)	Contributions as a % of Covered Payroll (b / c)
2023	\$ 1,906,080	\$ 1,906,080	\$ -	\$ 19,412,379	9.82%
2022	1,428,245	1,428,245	-	17,269,345	8.27
2021	1,392,245	1,392,245	-	15,892,655	8.76
2020	1,335,920	1,335,920	-	15,180,285	8.80
2019	1,284,119	1,284,119	-	15,318,896	8.38
2018	1,400,798	1,400,798	-	15,414,016	9.09
2017	1,385,791	1,385,791	-	15,258,827	9.08
2016	984,456	984,456	-	15,052,196	6.54
2015	924,237	924,237	-	13,812,657	6.69
2014	757,628	757,628	-	14,249,536	5.32

Notes to the Required Schedules

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	12/31/2022
Actuarial cost method	Entry age normal
Amortization method	Level dollar closed
Remaining amortization period	9 years
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate of return*	5.75%
Projected salary increases*	From 3.25% to 7.75% per year
*Includes inflation at	2.50%
Cost of living adjustments	N/A

GUILFORD COUNTY, NORTH CAROLINA

The Health Care Plan of Guilford County Required Supplementary Information

Schedule of Changes in Net OPEB Liability, Related Ratios and Investment Returns ⁽¹⁾

	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB liability:								
Service cost	\$ 3,525,686	\$ 5,128,384	\$ 7,703,720	\$ 5,075,513	\$ 5,396,338	\$ 5,778,816	\$ 6,570,738	-
Interest	8,992,048	6,829,452	7,851,768	9,765,513	10,110,618	9,482,747	8,544,228	-
Difference between expected & actual experience	(16,169,229)	(365,510)	(36,040,695)	(216,370)	(8,199,833)	(713,685)	-	-
Changes of assumptions	(2,024,989)	(57,405,730)	(15,027,895)	65,255,455	19,844,455	(14,740,056)	(25,530,915)	-
Benefit payments	(8,251,707)	(8,967,322)	(8,173,128)	(8,482,956)	(8,124,130)	(7,078,957)	(7,135,245)	-
Net change in total OPEB liability	(13,928,191)	(54,780,726)	(43,686,230)	71,397,155	19,027,448	(7,271,135)	(17,551,194)	-
Total OPEB liability - beginning	254,564,349	309,345,075	353,031,305	281,634,150	262,606,702	269,877,837	287,429,031	-
Total OPEB liability - ending	<u>\$ 240,636,158</u>	<u>\$ 254,564,349</u>	<u>\$ 309,345,075</u>	<u>\$ 353,031,305</u>	<u>\$ 281,634,150</u>	<u>\$ 262,606,702</u>	<u>\$ 269,877,837</u>	<u>\$ 287,429,031</u>
Plan fiduciary net position:								
Contributions - County	\$ 8,251,707	\$ 8,967,322	\$ 8,173,128	\$ 8,482,956	\$ 8,141,413	\$ 7,093,802	\$ 7,135,245	\$ -
Net investment income	2,240,208	(2,480,231)	4,334,154	416,013	742,403	1,026,993	1,497,947	-
Benefit payments	(8,251,707)	(8,967,322)	(8,173,128)	(8,482,956)	(8,124,130)	(7,078,957)	(7,135,245)	-
Administrative expense	(2,752)	-	(2,208)	(1,323)	(18,796)	(17,511)	-	-
Net change in plan fiduciary net position	2,237,456	(2,480,231)	4,331,946	414,690	740,890	1,024,327	1,497,947	-
Plan fiduciary net position - beginning	17,450,046	19,930,277	15,598,331	15,183,641	14,442,751	13,418,424	11,920,477	-
Plan fiduciary net position - ending	<u>\$ 19,687,502</u>	<u>\$ 17,450,046</u>	<u>\$ 19,930,277</u>	<u>\$ 15,598,331</u>	<u>\$ 15,183,641</u>	<u>\$ 14,442,751</u>	<u>\$ 13,418,424</u>	<u>\$ 11,920,477</u>
Net OPEB liability - ending	<u>\$ 220,948,656</u>	<u>\$ 237,114,303</u>	<u>\$ 289,414,798</u>	<u>\$ 337,432,974</u>	<u>\$ 266,450,509</u>	<u>\$ 248,163,951</u>	<u>\$ 256,459,413</u>	<u>\$ 275,508,554</u>
Ratio of plan fiduciary net position to total OPEB liability	8.18%	6.85%	6.44%	4.42%	5.39%	5.50%	4.97%	4.15%
Covered employee payroll	\$ 43,006,182	\$ 49,519,580	\$ 49,519,580	\$ 58,483,119	\$ 58,483,119	\$ 65,979,137	\$ 65,979,137	\$ 65,979,137
Net OPEB liability as a percentage of covered employee payroll	513.76%	478.83%	584.45%	576.97%	455.60%	376.12%	388.70%	417.57%
Annual money-weighted rate of return, net of investment expenses	12.82%	-12.44%	27.77%	2.73%	5.13%	7.63%	12.57%	-1.28%

⁽¹⁾ Ten-year trend information is being developed in this table.

Data is presented since implementation of Governmental Accounting Standards Board Statement No. 74.

GUILFORD COUNTY, NORTH CAROLINA

The Health Care Plan of Guilford County Required Supplementary Information

Schedule of County Contributions ⁽¹⁾

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 13,766,798	\$ 13,766,798	\$ 15,216,749	\$ 15,216,749	\$ 14,672,141	\$ 14,686,986	\$ 15,296,839	\$ 13,040,988
Contributions in relation to the actuarially determined contribution	<u>8,251,707</u>	<u>8,967,322</u>	<u>8,173,128</u>	<u>8,482,956</u>	<u>8,141,413</u>	<u>7,093,802</u>	<u>7,135,245</u>	<u>6,518,203</u>
Contribution deficiency	<u>\$ 5,515,091</u>	<u>\$ 4,799,476</u>	<u>\$ 7,043,621</u>	<u>\$ 6,733,793</u>	<u>\$ 6,530,728</u>	<u>\$ 7,593,184</u>	<u>\$ 8,161,594</u>	<u>\$ 6,522,785</u>
Covered employee payroll ⁽²⁾	\$ 43,006,182	\$ 49,519,580	\$ 49,519,580	\$ 58,483,119	\$ 58,483,119	\$ 65,979,137	\$ 65,979,137	\$ 65,979,137
Actual contributions as a percentage of covered employee payroll	19.19%	18.11%	16.50%	14.50%	13.92%	10.75%	10.81%	9.88%

⁽¹⁾ Ten-year trend information is being developed in this table.

Data is presented since implementation of Governmental Accounting Standards Board Statement No. 74.

⁽²⁾ For years following the valuation date (when no new valuation is performed), covered payroll has been set equal to the covered payroll from the most recent valuation. Covered payroll does not include pay for active members who are ineligible for benefits.

Notes to the Required Schedules

Actuarially Determined Contribution rates, as a percentage of payroll, used to determine the Actuarially Determined Contribution amounts in the Schedule of Employer Contributions are calculated with each biennial actuarial valuation. The following actuarial methods and assumptions (from the June 30, 2022 actuarial valuation) were used to determine contribution rates reported in that schedule for the year ending June 30, 2023:

Actuarial cost method	Entry age normal
Amortization method	Level dollar
Amortization period	30 years, closed
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation	2.50%
Real wage growth	0.75%
Wage inflation	3.25%
Salary increases, including wage inflation	
6tni8i	3.25% - 8.41%
Law enforcement officers	3.25% - 7.90%
Long-term investment rate of return, net of OPEB	
plan investment expense, including price inflation	5.75%
Discount rate	3.74% (increased from 3.59% in prior year)
Health care cost trends:	
Pre-Medicare	7.00% for 2022 decreasing to an ultimate rate of 4.50% by 2032
Medicare	5.125% for 2022 decreasing to an ultimate rate of 4.50% by 2025
Dental	3.50%



Major Governmental Funds

- **General Fund** - Accounts for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.
- **County Building Construction Fund** - Accounts for the financing and construction of various capital assets and improvements thereto of the County. Financing is provided principally by operating transfers from the General Fund, interest on investments and proceeds of general obligation bonds when issued.
- **School Capital Outlay Fund** - Accounts for the County's portion of the financing of school capital assets for the Guilford County Public School System as well as Guilford Technical Community College. Financing may be provided from three principal sources: (1) County-wide funds, primarily operating transfers from the General Fund; (2) Revenue from the North Carolina Public School Building Capital Fund (Average Daily Membership and Lottery); and (3) Proceeds of general obligation bonds issued by Guilford County. Under North Carolina law, such bonds cannot be issued by the respective school.
- **Community Development Fund** - Accounts for projects financed primarily with grant funds for recovery and development purposes. Guilford County received an appropriation from the North Carolina General Assembly to fund a water and sewer study for the northwest section of the County. The County also received a distribution from the CARES Act from the Federal Government.
- **Debt Service Fund** – Accounts for the payment of and accumulation of resources for the County's debt service and related expenses. Debt service used to provide for the capital needs of the County and its schools.

GUILFORD COUNTY, NORTH CAROLINA

General Fund

A-1

Schedule of Expenditures - Budget and Actual

For the fiscal year ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary and GAAP Basis	Final Budget Positive (Negative)
Current:				
General government:				
County commissioners & Clerk	\$ 1,475,158	\$ 1,479,368	1,194,718	\$ 284,650
County administration	2,708,229	3,190,354	2,072,018	1,118,336
Public Relations	677,526	748,526	500,240	248,286
County attorney	4,119,234	4,119,284	3,643,495	475,789
Human resources	9,839,730	10,172,336	9,933,725	238,611
Budget and management	1,132,881	1,113,946	936,774	177,172
Internal audit	810,457	913,620	779,438	134,182
Finance	3,234,738	3,569,169	3,336,727	232,442
Purchasing	989,079	1,020,286	952,443	67,843
Information services	16,834,092	17,257,558	17,231,282	26,276
Tax	8,082,739	8,616,518	7,918,534	697,984
Register of deeds	3,103,863	3,378,761	2,864,773	513,988
Elections	3,452,940	3,508,234	3,104,680	403,554
Planning and development	1,349,088	1,986,026	1,375,434	610,592
Facilities	10,776,887	9,484,274	8,892,174	592,100
Security	3,374,224	3,879,305	3,570,988	308,317
Fleet operation	1,582,222	2,283,338	1,105,314	1,178,024
Total general government	73,543,087	76,720,903	69,412,757	7,308,146
Human services:				
Health and Human Services:				
HHS Administration	268,371	289,171	227,865	61,306
Public health	54,918,887	63,189,401	51,049,364	12,140,037
Social services	75,123,847	79,951,493	75,486,557	4,464,936
Mental health	11,078,588	6,635,531	6,229,216	406,315
Child support enforcement	7,760,368	7,914,912	7,711,803	203,109
Cooperative extension service	933,271	933,531	827,727	105,804
Coordinated services	2,985,854	3,892,038	3,726,578	165,460
Veteran services	527,901	551,676	491,891	59,785
Transportation	1,508,601	1,508,193	1,356,553	151,640
ARPA Enabled Projects	-	19,000,000	25,604	18,974,396
Total human services	155,105,688	183,865,946	147,133,158	36,732,788
Public safety:				
Law enforcement	80,624,096	80,453,701	76,813,397	3,640,304
Emergency services	39,385,136	43,868,907	41,890,487	1,978,420
Inspections	3,588,375	2,805,236	2,602,763	202,473
Court alternatives	3,485,036	3,485,036	2,882,248	602,788
Family Justice Center	1,069,353	1,351,518	1,249,426	102,092
Animal services	4,971,447	4,519,237	4,108,105	411,132
Other protection	1,191,399	926,657	746,049	180,608
Total public safety	134,314,842	137,410,292	130,292,475	7,117,817
Environmental protection:				
Sanitation	2,469,671	2,492,021	1,833,968	658,053
Soil and water conservation	386,740	488,715	394,173	94,542
Total environmental protection	2,856,411	2,980,736	2,228,141	752,595
Culture - recreation:				
Culture & libraries	2,350,160	111,044	111,000	44
Recreation - parks	5,757,131	5,043,111	3,968,452	1,074,659
Total culture - recreation	8,107,291	5,154,155	4,079,452	1,074,703
Economic development and assistance	1,703,723	4,943,956	2,453,172	2,490,784
Intergovernmental:				
Education - current appropriation:				
Guilford Technical Community College	18,107,500	18,107,500	18,107,500	-
Guilford County Board of Education	244,810,398	244,810,398	244,810,398	-
Capital Appropriation	-	-	-	-
Total education	262,917,898	262,917,898	262,917,898	-
Total expenditures	\$ 638,548,940	\$ 673,993,886	618,517,053	\$ 55,476,833

GUILFORD COUNTY, NORTH CAROLINA
County Building Construction Capital Projects Fund
Combining Schedule of Revenues and Expenditures
For the fiscal year ended June 30, 2023

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	Annually Budgeted Projects	Project- Length Budgets	Total
Revenues			
Charges for services	\$ 38,296	\$ -	\$ 38,296
Investment earnings	<u>838,286</u>	<u>2,737,746</u>	<u>3,576,032</u>
Total revenues	876,582	2,737,746	3,614,328
Expenditures			
Capital outlay	<u>-</u>	<u>9,935,835</u>	<u>9,935,835</u>
Excess (deficiency) of revenues over expenditures	<u>876,582</u>	<u>(7,198,089)</u>	<u>(6,321,507)</u>
Other Financing Sources (Uses)			
Transfers in	<u>-</u>	<u>1,515,000</u>	<u>1,515,000</u>
Excess (deficiency) of revenues and other sources over expenditures	<u>\$ 876,582</u>	<u>\$ (5,683,089)</u>	<u>\$ (4,806,507)</u>

GUILFORD COUNTY, NORTH CAROLINA
County Building Construction Capital Projects Fund
Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis - Annually Budgeted Projects)
For the fiscal year ended June 30, 2023

A-2a

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary and</u> <u>GAAP Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues				
Charges for services	\$ -	\$ -	\$ 38,296	\$ 38,296
Investment earnings	-	-	838,286	838,286
Total revenues	<u>-</u>	<u>-</u>	<u>876,582</u>	<u>876,582</u>
Expenditures				
Capital outlay:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>876,582</u>	<u>876,582</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 876,582</u>	<u>\$ 876,582</u>

GUILFORD COUNTY, NORTH CAROLINA
County Building Construction Capital Projects Fund
Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis - Project-Length Budgets)
From inception and for the fiscal year ended June 30, 2023

A-2b

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
Revenues				
Intergovernmental	\$ 1,681,074	\$ 1,656,073	-	\$ 1,656,073
Investment earnings	-	1,893,298	2,737,746	4,631,044
Other	170,443	170,443	-	170,443
Total revenues	<u>1,851,517</u>	<u>3,719,814</u>	<u>2,737,746</u>	<u>6,457,560</u>
Expenditures				
Capital outlay:				
General Government Projects:				
Old Courthouse Renovation	4,500,000	3,251,135	-	3,251,135
High Point Parking Deck Repairs	2,667,000	2,148,217	51,855	2,200,072
Voting Machines Replacement	2,000,000	1,779,669	3,793	1,783,462
HP Courthouse AV Infrastruc Upgrade	200,000	162,119	37,851	199,970
Gso Courthouse AV Infrastru Upgrade	389,623	201,378	173,204	374,582
Property Acquisition	620,000	-	616,664	616,664
BB&T Parking Deck Repairs	2,000,000	-	233,679	233,679
Greensboro Courthouse Renovation	6,400,000	-	-	-
Gso Governmental Plaza Deck Repairs	8,000,000	-	405,657	405,657
HP Courthouse Plaza Repairs	2,400,000	-	-	-
HP Courthouse Renovation	3,500,000	-	-	-
Independence Center Renovation	1,000,000	-	-	-
Old Animal Shelter Demolition	250,000	-	6,090	6,090
Comprehensive Facilities Master Plan	1,124,931	-	630,396	630,396
FY 2020 County Maintenance	2,275,887	2,195,110	80,777	2,275,887
FY 2021 County Maintenance	1,500,000	561,035	883,654	1,444,689
FY 2022 County Maintenance	1,425,000	284,007	593,400	877,407
FY 2023 County Maintenance	1,515,000	-	369,015	369,015
Human Services Projects:				
Mental Health Facility Replacement	19,133,491	19,091,494	23,726	19,115,220
Greensboro Public Health Renovation	1,500,000	-	-	-
DSS Facility Repair & Renovation	417,000	-	29,050	29,050
Public Safety Projects:				
Law Enforcement Admin Building Renovation	23,900,000	997,400	5,266,408	6,263,808
800 MHz Infrastructure Upgrade	11,964,274	9,911,762	-	9,911,762
Greensboro Detention Center Renovation	2,000,000	-	375,942	375,942
HP Detention Center Renovation	2,300,000	-	28,955	28,955
Detention Center Shower Pods Renovation	400,000	-	-	-
Fire Station 63 EMS Colocation	511,248	485,808	-	485,808
EMS Base 1 Co-Location/Fire 7	1,815,347	1,815,347	-	1,815,347
County Animal Shelter Replacement	15,350,717	14,532,764	111,920	14,644,684
Juvenile Justice Projects	1,800,000	4,692	-	4,692
Juvenile Detention Facility Security Enhancements	200,000	-	-	-
Culture-Recreation Projects:				
Bryan Park - Phase I	100,000	58,973	10,159	69,132
Bryan Park Expansion	1,100,000	16,440	-	16,440
Bur Mil Park Improvements	3,065,352	2,972,942	2,742	2,975,684
Bur Mil Park Clubhouse Renovation	1,283,000	1,231,800	898	1,232,698
Northeast Park	9,242,725	9,039,208	-	9,039,208
Open Space Acquisition	10,248,246	10,004,802	-	10,004,802
Hagan-Stone Park Swimming Pool	2,000,000	1,988,547	-	1,988,547
Hagan-Stone Park	1,384,499	1,381,080	-	1,381,080
Hagan-Stone Park Repairs	1,000,000	-	-	-
Trails Development	363,938	98,380	-	98,380
Atlantic & Yadkin Greenway-Stimulus	664,549	279,964	-	279,964
Parks & Recreation Master Plan	250,000	-	-	-
Total expenditures	<u>153,761,827</u>	<u>84,494,073</u>	<u>9,935,835</u>	<u>94,429,908</u>
Deficiency of revenues over expenditures	<u>(151,910,310)</u>	<u>(80,774,259)</u>	<u>(7,198,089)</u>	<u>(87,972,348)</u>
Other Financing Sources				
General obligation bonds issued	102,788,565	105,328,851	-	105,328,851
Premiums on general obligation bonds issued	4,123,271	4,126,271	-	4,126,271
Transfers in	8,715,887	7,200,887	1,515,000	8,715,887
Sale of capital assets	1,800,000	-	-	-
Appropriated fund balance	34,482,587	-	-	-
Total other financing sources	<u>151,910,310</u>	<u>116,656,009</u>	<u>1,515,000</u>	<u>118,171,009</u>
Excess (deficiency) of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ 35,881,750</u>	<u>(5,683,089)</u>	<u>\$ 30,198,661</u>

GUILFORD COUNTY, NORTH CAROLINA
School Capital Outlay Capital Projects Fund
Schedule of Revenues and Expenditures -
Budget and Actual (Budgetary Basis - Project-Length Budgets)
From inception and for the fiscal year ended June 30, 2023

A-3

	<u>Project Authorization</u>	<u>Actual</u>		
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues				
Intergovernmental:				
State Lottery Funds	\$ 1,647,220	\$ 1,647,219	\$ 58,083	\$ 1,705,302
Public School Building Capital Fund	2,619,301	2,602,563	-	2,602,563
Guilford County Schools	9,318,264	9,318,265	-	9,318,265
Investment earnings	-	337	4,362,141	4,362,478
Total revenues	<u>13,584,785</u>	<u>13,568,384</u>	<u>4,420,224</u>	<u>17,988,608</u>
Expenditures				
Intergovernmental:				
Education:				
Guilford Technical				
Community College	10,476,356	7,834,486	1,833,686	9,668,172
Guilford County Board of Education	614,655,164	70,825,154	64,395,110	135,220,264
Total expenditures	<u>625,131,520</u>	<u>78,659,640</u>	<u>66,228,796</u>	<u>144,888,436</u>
Deficiency of revenues over expenditures	<u>(611,546,735)</u>	<u>(65,091,256)</u>	<u>(61,808,572)</u>	<u>(126,899,828)</u>
Other Financing Sources				
General obligation bonds issued	590,145,352	180,970,473	-	180,970,473
Bond anticipation notes issued	-	6,295,494	-	6,295,494
Transfers in	21,401,383	9,818,529	9,550,000	19,368,529
Appropriated fund balance	-	25,595	-	25,595
Total other financing sources	<u>611,546,735</u>	<u>197,110,091</u>	<u>9,550,000</u>	<u>206,660,091</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ 132,018,835</u>	<u>\$ (52,258,572)</u>	<u>\$ 79,760,263</u>

GUILFORD COUNTY, NORTH CAROLINA
School Capital Outlay Capital Projects Fund
Schedule of Expenditures - Guilford Technical Community College
Budget and Actual (Budgetary Basis - Project-Length Budgets)
From inception and for the fiscal year ended June 30, 2023

A-3a

<u>Project Name</u>	<u>Project Authorization</u>	<u>Actual</u>		
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
HVAC and Renovations	\$ 7,826,356	\$ 7,824,450	\$ 1,906	\$ 7,826,356
Capital Maintenance FY2021	550,000	10,036	539,964	550,000
Capital Maintenance FY2022	550,000	-	550,000	550,000
Capital Maintenance FY2023	<u>1,550,000</u>	<u>-</u>	<u>741,816</u>	<u>741,816</u>
Total expenditures	<u>\$ 10,476,356</u>	<u>\$ 7,834,486</u>	<u>\$ 1,833,686</u>	<u>\$ 9,668,172</u>

GUILFORD COUNTY, NORTH CAROLINA
School Capital Outlay Capital Projects Fund
Schedule of Expenditures - Guilford County Board of Education
Budget and Actual (Budgetary Basis - Project-Length Budgets)
From inception and for the fiscal year ended June 30, 2023

A-3b

Project Name	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
System-Wide Renovations/Various Sch Sites	\$ 5,686,786	\$ 5,080,531	\$ 18,049	\$ 5,098,580
HVAC	19,853,259	19,849,258	-	19,849,258
System-Wide Renovation FY2012	4,511,990	4,511,990	-	4,511,990
Roofing System-Wide	7,662,900	5,806,543	610,110	6,416,653
High Point Central - Add/Renovation	16,714,060	16,684,060	-	16,684,060
System-Wide Safety & Security	1,491,703	1,417,211	-	1,417,211
Career & Technical Edu Cap Improvements	3,223,803	2,690,240	(2,050)	2,688,190
School Safety & Security Improvements	7,000,000	63,250	2,224,729	2,287,979
Schools Capital Maint & Reopen	4,927,651	3,779,341	456,397	4,235,738
Allen Jay Elementary	5,207,070	86,924	3,504	90,428
Brooks Global Studies	42,639,190	699,917	2,893,476	3,593,393
Claxton Elementary	50,377,090	1,271,943	13,465,562	14,737,505
Erwin Montessori - Former Arch	8,372,058	85,506	5,138	90,644
Foust Elementary	59,101,641	998,905	4,998,584	5,997,489
Hampton/Peeler K-5 VPA	33,505,256	1,625,841	3,440,168	5,066,009
Kiser Middle	81,667,391	2,103,779	8,888,148	10,991,927
Land Acquisition	10,660,500	-	107,756	107,756
Peck K-8 Expeditionary Learning	78,737,396	1,651,665	16,359,550	18,011,215
Southwest Area K-8 School	56,792,945	377,786	331,644	709,430
Sternberger Elementary	3,818,849	72,995	1,870	74,865
Bessemer Elementary	3,587,098	-	1,272,560	1,272,560
Joyner Elementary	4,500,000	-	-	-
Lindley K-8 School	4,500,000	-	-	-
Northwest Middle School Replacement	7,500,000	-	320,836	320,836
Northwood Elementary	7,500,000	-	189	189
Shadybrook Elementary	4,500,000	-	-	-
Sumner Elementary	1,500,000	-	-	-
Swann Center 6-12	4,500,000	-	192,502	192,502
Vandalia Elementary	5,000,000	-	213,891	213,891
Deferred Maintenance	4,500,000	-	-	-
Safety and Security Enhancements	20,000,000	-	697,622	697,622
Technology Upgrade	20,000,000	-	7,753	7,753
High Point Newcomers School	8,000,000	-	-	-
Capital Maintenance FY2021	3,116,528	1,967,469	1,149,059	3,116,528
Capital Maintenance FY2022	4,000,000	-	4,000,000	4,000,000
Capital Maintenance FY2023	8,000,000	-	2,679,980	2,679,980
Capital Maintenance FY2023 Lottery	2,000,000	-	58,083	58,083
Total expenditures	\$ 614,655,164	\$ 70,825,154	\$ 64,395,110	\$ 135,220,264

GUILFORD COUNTY, NORTH CAROLINA
Community Development Special Revenue Fund

A-4

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
(Budgetary Basis - Project-Length Budgets)
From inception and through the year ended June 30, 2023

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
Revenues				
Intergovernmental	\$ 155,434,504	\$ 42,777,872	\$ 39,137,819	\$ 81,915,691
Investment earnings	59,322	125,138	3,717,791	3,842,929
Other	50,000	25,000	-	25,000
Total revenues	<u>155,543,826</u>	<u>42,928,010</u>	<u>42,855,610</u>	<u>85,783,620</u>
Expenditures				
Current:				
General Government Projects:				
Local Fiscal Recovery Funds	46,606,876	1,097,490	2,551,902	3,649,392
Human Services Projects:				
Emergency Rental Assistance Federal 1	8,447,168	7,067,602	1,190,970	8,258,572
Emergency Rental Assistance State 1	20,642,141	19,934,379	661,666	20,596,045
Emergency Rental Assistance Federal 2	5,738,739	5,581,885	156,854	5,738,739
Emergency Rental Assistance State 2	16,230,885	7,118,852	9,168,019	16,286,871
Local Fiscal Recovery Funds	986,000	468,000	8,668,548	9,136,548
Public Safety Projects:				
LE Justice Assistance Grant 2019	250,102	50,000	-	50,000
LE Violence Against Women Grant	140,000	2,012	-	2,012
LE NCDPS Reentry Grant	50,000	-	10,058	10,058
FY 2022 JAG-Governor's Crime Commission	24,500	-	11,547	11,547
FJC Child & Elder Justice Grant	142,506	130,561	1,299	131,860
FJC Crisis Assessment Grant	175,990	159,455	16,535	175,990
FY 2022 Camp HOPE-Weaver Foundation	50,000	-	-	-
Local Fiscal Recovery Funds	4,577,000	1,287,191	13,203,225	14,490,416
Culture-Recreation Projects:				
Local Fiscal Recovery Funds	-	-	3,585,765	3,585,765
Total expenditures	<u>104,061,907</u>	<u>42,897,427</u>	<u>39,226,388</u>	<u>82,123,815</u>
Excess (deficiency) of revenues over expenditures	<u>51,481,919</u>	<u>30,583</u>	<u>3,629,222</u>	<u>3,659,805</u>
Other Financing Sources (Uses)				
Transfers in	<u>747,279</u>	<u>747,279</u>	-	<u>747,279</u>
Net change in fund balance	<u>\$ 52,229,198</u>	<u>\$ 777,862</u>	3,629,222	<u>\$ 4,407,084</u>
Fund balance at beginning of year			<u>777,863</u>	
Fund balance at end of year			<u>\$ 4,407,085</u>	

GUILFORD COUNTY, NORTH CAROLINA

Debt Service Fund

A-5

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the fiscal year ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary and GAAP Basis</u>	<u>Final Budget Positive (Negative)</u>
Revenues				
Taxes:				
Sales tax	\$ 27,700,000	\$ 27,700,000	\$ 30,047,531	\$ (2,347,531)
Intergovernmental	2,510,798	2,510,798	2,203,307	307,491
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	30,210,798	30,210,798	32,250,838	(2,040,040)
Expenditures				
Current:				
Debt Service:				
Principal retirement	71,561,500	72,634,500	72,534,500	100,000
Interest and fiscal charges	29,052,785	29,097,811	28,521,263	576,548
Total expenditures	100,614,285	101,732,311	101,055,763	676,548
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	(70,403,487)	(71,521,513)	(68,804,925)	(2,716,588)
Other Financing Sources				
Transfers in	68,354,310	68,354,310	68,354,310	-
Total other financing sources (uses)	68,354,310	68,354,310	68,354,310	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balance	(2,049,177)	(3,167,203)	(450,615)	(2,716,588)
Fund balance at beginning of year	14,699,187	14,699,187	14,699,187	-
Fund balance at end of year	<u>\$ 12,650,010</u>	<u>\$ 11,531,984</u>	<u>\$ 14,248,572</u>	<u>\$ (2,716,588)</u>

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for specified purposes.

- **Rural Fire Districts Fund** - Accounts for voter-approved property taxes levied to provide fire protection services. In accordance with North Carolina General Statute Section 159-26(b)(2), separate accounts have been established for accounting purposes within the Rural Fire Districts Fund for each of the fire tax or protection districts.
- **Room Occupancy/Tourism Development Tax Fund** - Accounts for occupancy taxes collected from various hotels, motels and similar establishments in Guilford County. Under North Carolina General Statutes, Chapter 988, Guilford County levies a three percent occupancy tax. In accordance with Section 6 of the statute, the County remits 70 percent of the net proceeds to the Greensboro/Guilford County Tourism Development Authority (a component unit) and the remaining 30 percent to the City of High Point.
- **Tax Revaluation Fund** - Accounts for the costs associated with the quinquennial tax revaluation for properties in Guilford County.
- **Fines and Forfeitures Fund** - Accounts for fines and forfeitures collected by the County that are required to be remitted to the Guilford County Board of Education.
- **Opioid Settlement Fund** - Accounts for opioid settlement funds received by Guilford County annually from the State of North Carolina as the result of national opioid epidemic lawsuits and settlement agreements.
- **Representative Payee Fund** - Accounts for funds collected under the Social Security Administration's Representative Payee Program for the benefit of specified clients being served by the County.
- **Grants Fund** - Accounts for projects financed primarily with grant funds that extend beyond one fiscal year.

GUILFORD COUNTY, NORTH CAROLINA

B-1

Combining Balance Sheet
 Nonmajor Governmental Funds -
 Special Revenue Funds
 June 30, 2023

	<u>Rural Fire Districts</u>	<u>Room Occupancy/ Tourism Development Tax</u>	<u>Tax Revaluation</u>	<u>Fines and Forfeitures</u>	<u>Opioid Settlement</u>	<u>Rep Payee</u>	<u>Grants</u>	<u>Total Nonmajor Governmental Funds</u>
Assets								
Cash and cash equivalents/ investments	\$ 3,713,053	\$ -	\$ 321,804	\$ 271,606	\$ 2,698,688	\$ 768,987	\$ 314,604	\$ 8,088,742
Receivables:								
Property taxes (net of allowance for estimated uncollectible delinquent taxes of \$52,955)	185,773	-	-	-	-	-	-	185,773
Other taxes	-	732,339	-	-	-	-	-	732,339
Due from governmental units and agencies	1,779,414	-	-	-	-	-	42,836	1,822,250
Accrued interest on investments	2,688	-	-	-	-	-	-	2,688
Total receivables	<u>1,967,875</u>	<u>732,339</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,836</u>	<u>2,743,050</u>
Total assets	<u>\$ 5,680,928</u>	<u>\$ 732,339</u>	<u>\$ 321,804</u>	<u>\$ 271,606</u>	<u>\$ 2,698,688</u>	<u>\$ 768,987</u>	<u>\$ 357,440</u>	<u>\$ 10,831,792</u>
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities:								
Accounts payable and accrued liabilities	\$ 560	\$ 219,702	\$ -	\$ 271,606	\$ 17,930	\$ (794)	\$ 126,605	\$ 635,609
Due to component unit	-	512,637	-	-	-	-	-	512,637
Total liabilities	<u>560</u>	<u>732,339</u>	<u>-</u>	<u>271,606</u>	<u>17,930</u>	<u>(794)</u>	<u>126,605</u>	<u>1,148,246</u>
Deferred inflows of resources	<u>205,413</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,680,758</u>	<u>-</u>	<u>-</u>	<u>2,886,171</u>
Fund balances:								
Restricted	5,474,955	732,339	39,000	-	-	769,781	377,052	7,393,127
Committed	-	-	282,804	-	-	-	-	282,804
Unassigned	-	(732,339)	-	-	-	-	(146,217)	(878,556)
Total fund balances	<u>5,474,955</u>	<u>-</u>	<u>321,804</u>	<u>-</u>	<u>-</u>	<u>769,781</u>	<u>230,835</u>	<u>6,797,375</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,680,928</u>	<u>\$ 732,339</u>	<u>\$ 321,804</u>	<u>\$ 271,606</u>	<u>\$ 2,698,688</u>	<u>\$ 768,987</u>	<u>\$ 357,440</u>	<u>\$ 10,831,792</u>

GUILFORD COUNTY, NORTH CAROLINA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds -
Special Revenue Funds
For the fiscal year ended June 30, 2023

B-2

	Rural Fire Districts	Room Occupancy/ Tourism Development Tax	Tax Revaluation	Fines and Forfeitures	Opioid Settlement	Rep Payee	Grants	Total Nonmajor Governmental Funds
Revenues								
Taxes:								
Property taxes	\$ 22,724,951	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,724,951
Sales tax	5,706,200	-	-	-	-	-	-	5,706,200
Occupancy taxes	-	8,313,305	-	-	-	-	-	8,313,305
Intergovernmental	-	-	-	-	137,148	357,585	2,759,550	3,254,283
Investment earnings	5,387	-	-	-	-	1,164	-	6,551
Other	-	-	-	1,849,173	-	-	345,890	2,195,063
Total revenues	<u>28,436,538</u>	<u>8,313,305</u>	<u>-</u>	<u>1,849,173</u>	<u>137,148</u>	<u>358,749</u>	<u>3,105,440</u>	<u>42,200,353</u>
Expenditures								
Current:								
General government	-	-	139,342	-	-	-	-	139,342
Human services	-	-	-	-	137,148	234,372	366,485	738,005
Public safety	27,825,747	-	-	-	-	-	738,350	28,564,097
Environmental Protection	-	-	-	-	-	-	61,250	61,250
Culture - recreation	-	-	-	-	-	-	-	-
Economic development and assistance	-	8,313,305	-	-	-	-	2,173,750	10,487,055
Education	-	-	-	1,849,173	-	-	-	1,849,173
Total expenditures	<u>27,825,747</u>	<u>8,313,305</u>	<u>139,342</u>	<u>1,849,173</u>	<u>137,148</u>	<u>234,372</u>	<u>3,339,835</u>	<u>41,838,922</u>
Excess (deficiency) of revenues over expenditures	<u>610,791</u>	<u>-</u>	<u>(139,342)</u>	<u>-</u>	<u>-</u>	<u>124,377</u>	<u>(234,395)</u>	<u>361,431</u>
Other Financing Sources								
Transfers in	-	-	358,750	-	-	-	465,230	823,980
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>358,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>465,230</u>	<u>823,980</u>
Net changes in fund balances	610,791	-	219,408	-	-	124,377	230,835	1,185,411
Fund balances at beginning of year	<u>4,864,164</u>	<u>-</u>	<u>102,396</u>	<u>-</u>	<u>-</u>	<u>645,404</u>	<u>-</u>	<u>5,611,964</u>
Fund balances at end of year	<u>\$ 5,474,955</u>	<u>\$ -</u>	<u>\$ 321,804</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 769,781</u>	<u>\$ 230,835</u>	<u>\$ 6,797,375</u>

GUILFORD COUNTY, NORTH CAROLINA

Rural Fire Districts Special Revenue Fund

B-3

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary and GAAP Basis	Final Budget Positive (Negative)
Revenues				
Taxes:				
Property taxes	\$ 21,892,689	\$ 21,892,689	\$ 22,664,108	\$ 771,419
Interest on delinquent taxes	-	-	60,843	60,843
Total property taxes	21,892,689	21,892,689	22,724,951	832,262
Sales tax	4,699,879	4,699,879	5,706,200	1,006,321
Investment earnings	-	-	5,387	5,387
Total revenues	26,592,568	26,592,568	28,436,538	1,843,970
Expenditures				
Current - Public safety:				
Alamance Community Fire District	335,967	335,967	335,967	-
Alamance Community FPSD	2,158,672	2,158,672	2,158,672	-
Climax Fire District (FD)	23,741	36,845	36,845	-
Climax Fire Protection Service District	239,468	239,468	239,468	-
Colfax FD	40,181	40,181	40,181	-
Colfax Fire Protection Service District	952,710	952,710	952,710	-
Deep River FPSD	382,199	382,199	382,199	-
Friedens Community FD	44,943	69,010	69,010	-
Friedens Community FPSD	294,597	294,597	294,597	-
Gibsonville FD	15,715	15,715	15,715	-
Guilford College Community FD	604,292	604,292	604,292	-
Guilford College Community FPSD	36,573	36,573	36,573	-
Guil-Rand FD	32,778	48,311	48,311	-
Guil-Rand FPSD	235,394	235,394	235,394	-
Fire Protection Service District No. 1	56,516	56,516	56,516	-
Julian FD	24,437	32,083	32,083	-
Julian FPSD	87,501	87,501	87,501	-
Kimesville FD	137,227	149,028	149,028	-
McLeansville FD	214,833	214,833	214,833	-
McLeansville FPSD	1,885,355	1,885,355	1,795,536	89,819
Mount Hope Community FD	181,685	244,685	244,685	-
Mount Hope Community FPSD	886,990	886,990	886,990	-
Northeast FD	254,911	254,911	254,911	-
Northeast FPSD	1,624,502	1,624,502	1,624,502	-
Oak Ridge FD	425,487	565,093	565,093	-
Oak Ridge FPSD	1,909,663	1,909,663	1,881,492	28,171
Pinecroft-Sedgefield FD	435,050	630,739	630,739	-
Pinecroft-Sedgefield FPSD	2,972,312	2,972,312	2,972,312	-
Pleasant Garden FD	141,777	216,777	216,777	-
Pleasant Garden FPSD	1,162,680	1,162,680	1,162,680	-
PTIA Fire Protection Service District	228,348	228,348	228,348	-
Rankin FD (No. 13)	274,090	392,090	392,090	-
Rankin FPSD (No. 13)	1,659,788	1,659,788	1,659,788	-
Southeast FD	86,008	86,008	86,008	-
Southeast FPSD	267,366	267,366	267,366	-
Stokesdale FD	1,252,243	1,330,852	1,330,852	-
Summerfield FD	511,686	688,525	688,525	-
Summerfield FPSD	3,520,754	3,520,754	3,520,754	-
Whitsett FD	221,665	221,665	221,665	-
Whitsett FPSD	934,363	934,363	934,363	-
No. 14 FD	46,836	46,836	46,836	-
Fire Protection Service District No. 14	223,540	223,540	223,540	-
Total expenditures	27,024,843	27,943,737	27,825,747	117,990
Net change in fund balance	(432,275)	(1,351,169)	610,791	1,961,960
Fund balance at beginning of year	4,864,164	4,864,164	4,864,164	-
Fund balance at end of year	\$ 4,431,889	\$ 3,512,995	\$ 5,474,955	\$ 1,961,960

GUILFORD COUNTY, NORTH CAROLINA
Room Occupancy/Tourism Development Tax Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the fiscal year ended June 30, 2023

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary and</u> <u>GAAP Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues				
Taxes:				
Occupancy	\$ 6,000,000	\$ 9,000,000	\$ 8,313,305	\$ (686,695)
Expenditures				
Current:				
Economic development and assistance	<u>6,000,000</u>	<u>9,000,000</u>	<u>8,313,305</u>	<u>686,695</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Tax Revaluation Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the fiscal year ended June 30, 2023

B-5

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary and</u> <u>GAAP Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Expenditures				
Current:				
General Government	<u>\$ 362,500</u>	<u>\$ 362,500</u>	<u>\$ 139,342</u>	<u>\$ 223,158</u>
Excess (deficiency) of revenues over expenditures	(362,500)	(362,500)	(139,342)	(223,158)
Other Financing Sources				
Transfers In	<u>362,500</u>	<u>362,500</u>	<u>358,750</u>	<u>3,750</u>
Net change in fund balance	-	-	219,408	(219,408)
Fund balance at beginning of year	<u>102,396</u>	<u>102,396</u>	<u>102,396</u>	<u>-</u>
Fund balance at end of year	<u>\$ 102,396</u>	<u>\$ 102,396</u>	<u>\$ 321,804</u>	<u>\$ (219,408)</u>

GUILFORD COUNTY, NORTH CAROLINA
Fines and Forfeitures Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the fiscal year ended June 30, 2023

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary and</u> <u>GAAP Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues				
Other:				
Fines and Forfeitures	\$ 4,000,000	\$ 4,000,000	\$ 1,849,173	\$ (2,150,827)
Expenditures				
Current - Intergovernmental:				
Education	4,000,000	4,000,000	1,849,173	2,150,827
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Opioid Settlement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the fiscal year ended June 30, 2023

B-7

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary and</u> <u>GAAP Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues				
Intergovernmental:	\$ 300,000	\$ 300,000	\$ 137,148	\$ (162,852)
Expenditures				
Human Services:	300,000	300,000	137,148	(162,852)
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GUILFORD COUNTY, NORTH CAROLINA

Representative Payee

B-8

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the fiscal year ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary and GAAP Basis</u>	<u>Final Budget Positive (Negative)</u>
Revenues				
Intergovernmental:	\$ 4,000,000	\$ 4,000,000	\$ 357,585	\$ 3,642,415
Investment Earnings	-	-	1,164	(1,164)
Total revenues	<u>4,000,000</u>	<u>4,000,000</u>	<u>358,749</u>	<u>3,641,251</u>
Expenditures				
Current:				
Human Services:	<u>4,000,000</u>	<u>4,000,000</u>	<u>234,372</u>	<u>3,765,628</u>
Total expenditures	<u>4,000,000</u>	<u>4,000,000</u>	<u>234,372</u>	<u>3,765,628</u>
Net change in fund balance	-	-	124,377	(124,377)
Fund balance at beginning of year	<u>645,404</u>	<u>645,404</u>	<u>645,404</u>	<u>-</u>
Fund balance at end of year	<u>\$ 645,404</u>	<u>\$ 645,404</u>	<u>\$ 769,781</u>	<u>\$ (124,377)</u>

GUILFORD COUNTY, NORTH CAROLINA

Grants Fund

B-9

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

(Budgetary Basis - Project-Length Budgets)

From inception and through the year ended June 30, 2023

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
Revenues				
Intergovernmental	\$ 4,220,083	\$ -	\$ 2,759,550	\$ 2,759,550
Other	648,890	-	345,890	345,890
Total revenues	<u>4,868,973</u>	<u>-</u>	<u>3,105,440</u>	<u>3,105,440</u>
Expenditures				
Current:				
Human Services Projects:				
FY'23 Med-South Study Grant	14,000	-	811	811
FY'23 Cone YA Clinic Grant	211,890	-	146,618	146,618
FY'23 PH Pharmacy Grant	143,080	-	20,756	20,756
FY'23 PH Dental Clinic Grant	20,000	-	-	-
FY'23 NCDPS Youth Focus Grant	198,300	-	198,300	198,300
LATCF Award	100,000	-	-	-
Public Safety Projects:				
FY 2023 HIDTA Grant	173,016	-	140,944	140,944
FY 2023 GHSP LE Liaison Grant	25,000	-	675	675
FY '23 DWI Taskforce & DWI Educator	682,014	-	144,138	144,138
FY '23 DWI Taskforce Additional Off	189,440	-	81,935	81,935
FY'23 LE NCDHHS Correct Grant	111,538	-	-	-
FY23 GCC LLEBG Grant	24,500	-	-	-
FY23 GCC CALEA NCLEA	62,608	-	21,729	21,729
FY23 GCC LE/FJC GRANT	177,002	-	117,254	117,254
FY'23 JAG GSO PROGRAM AWARD	74,814	-	38,288	38,288
FY'23 FJC Pilot Navigator	144,000	-	25,026	25,026
FY'23 FJC Enhanced Coordination	316,205	-	131,814	131,814
FY'23 FJC CFGG Donation	60,000	-	36,547	36,547
Environmental Protection Projects:				
Lake Townsend NC StRAP Grant FY'23	150,600	-	61,250	61,250
Economic Development and Assistance Projects:				
Eastern Triad Workforce Initiative	2,250,000	-	2,173,750	2,173,750
Dept of Commerce Building Reuse Gra	300,000	-	-	-
Total expenditures	<u>5,428,007</u>	<u>-</u>	<u>3,339,835</u>	<u>3,339,835</u>
Excess (deficiency) of revenues over expenditures	<u>(559,034)</u>	<u>-</u>	<u>(234,395)</u>	<u>(234,395)</u>
Other Financing Sources (Uses)				
Transfers in	559,034	-	465,230	465,230
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>230,835</u>	<u>\$ 230,835</u>
Fund balance at beginning of year			-	
Fund balance at end of year			<u>\$ 230,835</u>	

Proprietary Fund

Internal Service Funds are used to accumulate and allocate costs internally among Guilford County's various functions. The County has one Internal Service Fund to account for risk retention services provided to the departments of the County on a cost reimbursement basis.

GUILFORD COUNTY, NORTH CAROLINA

Internal Service Fund

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Schedule of Revenues and Expenditures - Financial Plan and Actual (Non - GAAP)

For the fiscal year ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary and GAAP Basis	Final Budget Positive (Negative)
Revenues				
Operating revenues:				
Charges for services	\$ 57,391,756	\$ 57,391,756	\$ 50,141,918	\$ (7,249,838)
Other	5,000	5,000	118,000	113,000
Total operating revenues	<u>57,396,756</u>	<u>57,396,756</u>	50,259,918	(7,136,838)
Nonoperating revenues:				
Net investment gain (loss)	<u>30,000</u>	<u>30,000</u>	342,797	312,797
Total revenues	<u>57,426,756</u>	<u>57,426,756</u>	50,602,715	<u>(6,824,041)</u>
Expenditures				
Risk Retention-Liability/Property/WC:				
Personnel services			438,893	
Other direct service costs			112,174	
Professional services			98,138	
Claims, premiums and bonding			4,435,782	
Total Risk Retention	<u>4,605,530</u>	<u>5,643,454</u>	<u>5,084,987</u>	<u>558,467</u>
Health Care & Wellness:				
Other direct service costs			83,789	
Professional services			1,472,284	
Claims, premiums and bonding			44,754,151	
Total Health Care & Wellness	<u>54,197,385</u>	<u>54,235,343</u>	<u>46,310,224</u>	<u>7,925,119</u>
Total expenditures	<u>58,802,915</u>	<u>59,878,797</u>	<u>51,395,211</u>	<u>8,483,586</u>
Excess (deficiency) of revenues over expenditures	(1,376,159)	(2,452,041)	(792,496)	1,659,545
Other financing sources:				
Appropriated fund balance	<u>1,376,159</u>	<u>2,452,041</u>	-	<u>(2,452,041)</u>
Excess (deficiency) of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	(792,496)	<u>\$ (792,496)</u>
Reconciliation from financial plan basis (modified accrual) to full accrual:				
Increase in deferred outflows of resources - related to pension plans			(120,833)	
Increase in accrued vacation pay			3,790	
Decrease in net pension liability			233,588	
Increase in deferred inflows of resources - related to pension plans			<u>(61,751)</u>	
Total			<u>54,794</u>	
Change in net position			<u>\$ (737,702)</u>	

Fiduciary Funds

Pension/OPEB Trust Funds are used to account for activities which accumulate resources for post employment benefits to qualified individuals.

- **Law Enforcement Officers' Special Separation Allowance Fund** - Accounts for the activities of a single employer, public retirement system, which accumulates resources for pension benefit payments to qualified law enforcement officers.
- **Other Post Employment Benefits Fund** - Accounts for health care benefits of a single employer defined benefit Health Care Plan which provides postemployment health care benefits to eligible retirees of the County who participate in the North Carolina Local Government Employees' Retirement System.

Custodial Funds are used to account for assets held by the County on behalf of individuals, private organizations, other governments and/or other funds.

- **Tax Collection Fund** - Accounts for occupancy and/or ad valorem property taxes collected by the County tax collector in his capacity as agent for the Cities of Archdale, Burlington, Greensboro, and High Point, the Towns of Gibsonville, Jamestown, Kernersville, Oak Ridge, Pleasant Garden, Sedalia, Summerfield, and Whitsett and the Sedgefield Sanitary District. Also accounts for privilege taxes on the short-term lease or rental of vehicles which are collected by the County tax collector in his capacity as agent for the Piedmont Authority for Regional Transportation.
- **Inmate Trust Fund** - Accounts for funds deposited with the Law Enforcement Department by or for the benefit of inmates incarcerated in the County Detention Centers.

GUILFORD COUNTY, NORTH CAROLINA
Pension / OPEB Trust Funds
Combining Statement of Plan Net Position
June 30, 2023

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	Pension / OPEB Trust Funds		
	Law Enforcement Officers' Special Separation Allowance	Other Post Employment Benefits	Total
Assets			
Current assets:			
Guilford County Law Enforcement Officers' Special Separation Allowance (LEOSSA) Accounts:			
Demand deposits	\$ 241,117	\$ -	\$ 241,117
N.C. Capital Management Trust Cash Portfolio	2,297,860	-	2,297,860
State Treasurer's Local Government Law Enforcement Officers' Special Separation Allowance (LEOSSA) Fund:			
Short-Term LEOSSA Fund	1,346,578	-	1,346,578
LEOSSA Equity Fund	708,560	-	708,560
State Treasurer's Local Government Other Post Employment Benefits (OPEB) Fund:			
Short-Term OPEB Fund	-	3,606,874	3,606,874
Long-Term OPEB Fund	-	1,026,161	1,026,161
OPEB Equity Fund	-	15,054,467	15,054,467
Cash and cash equivalents/investments	4,594,115	19,687,502	24,281,617
Receivables:			
Accrued interest on investments	222	-	222
Total assets	4,594,337	19,687,502	24,281,839
Liabilities			
Accounts payable and accrued liabilities	45,722	-	45,722
Net Position			
Held in trust for pension / OPEB benefits	\$ 4,548,615	\$ 19,687,502	\$ 24,236,117

GUILFORD COUNTY, NORTH CAROLINA
Pension / OPEB Trust Funds
Combining Statement of Changes in Plan Net Position
For the fiscal year ended June 30, 2023

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	Pension / OPEB Trust Funds		
	Law Enforcement Officers' Special Separation Allowance	Other Post Employment Benefits	Total
Additions			
Employer contributions	\$ 1,906,080	\$ 8,249,161	\$ 10,155,241
Retiree contributions	-	2,751,085	2,751,085
Investment income (loss)	200,663	2,240,441	2,441,104
Investment expenses	(130)	(2,986)	(3,116)
Total additions	<u>2,106,613</u>	<u>13,237,701</u>	<u>15,344,314</u>
Deductions			
Benefits	1,264,256	10,458,902	11,723,158
Administrative expenses	4,367	541,343	545,710
Total deductions	<u>1,268,623</u>	<u>11,000,245</u>	<u>12,268,868</u>
Change in net position	837,990	2,237,456	3,075,446
Net position at beginning of year	<u>3,710,625</u>	<u>17,450,046</u>	<u>21,160,671</u>
Net position at end of year	<u>\$ 4,548,615</u>	<u>\$ 19,687,502</u>	<u>\$ 24,236,117</u>

GUILFORD COUNTY, NORTH CAROLINA
Custodial Funds
Combining Statement of Fiduciary Net Position
June 30, 2023

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	Custodial Funds		
	Tax Collection	Inmate Trust	Total
Assets			
Cash and cash equivalents/investments	\$ 194,717	\$ 172,983	\$ 367,700
Total assets	<u>194,717</u>	<u>172,983</u>	<u>367,700</u>
Net Position			
Total net position restricted for individuals and other governments	<u>\$ 194,717</u>	<u>\$ 172,983</u>	<u>\$ 367,700</u>

GUILFORD COUNTY, NORTH CAROLINA
Custodial Funds
Combining Statement of Changes in Fiduciary Net Position
For the fiscal year ended June 30, 2023

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	Custodial Funds		
	Tax Collection	Inmate Trust	Total
Additions			
Tax collections	\$ 344,948,136	\$ -	\$ 344,948,136
Collections from inmates	-	2,180,384	2,180,384
Total additions	<u>344,948,136</u>	<u>2,180,384</u>	<u>347,128,520</u>
Deductions			
Payments to taxing units	344,940,572	-	344,940,572
Return of inmate funds	-	2,179,910	2,179,910
Total deductions	<u>344,940,572</u>	<u>2,179,910</u>	<u>347,120,482</u>
Net increase (decrease) in fiduciary net position	7,564	474	8,038
Net position at beginning of year:	<u>187,153</u>	<u>172,509</u>	<u>359,662</u>
Net position at end of year	<u>\$ 194,717</u>	<u>\$ 172,983</u>	<u>\$ 367,700</u>



Additional Financial Data

The Additional Financial Data schedules contain additional information on property taxes as follows:

Analysis of Current Tax Levy

Schedule of Property Taxes Receivable

Analysis of Current Tax Levy - County-Wide Levy

Analysis of Current Tax Levy - County-Wide Levy - General Information

Bonded Debt Service Requirements and Maturity Schedule

GUILFORD COUNTY, NORTH CAROLINA

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**Analysis of Current Tax Levy
For the fiscal year ended June 30, 2023**

	<u>Assessed Value</u>	<u>Rate (1)</u>	<u>Total Adjusted Tax Levy (2)</u>	<u>Current Tax Collections</u>	<u>Uncollected at June 30, 2023</u>
County-wide	\$ 67,321,551,650	0.7305	\$ 509,568,847	\$ 506,590,657	\$ 2,978,190
Rural fire / service districts:					
Alamance Community FD	1,319,720,242	0.0000	51,928	51,658	270
Alamance Community FPSD	1,319,720,242	0.1555	2,061,188	2,047,088	14,100
Climax FD	129,923,139	0.0000	6,284	6,284	-
Climax FPSD	129,923,139	0.1763	230,018	227,811	2,207
Colfax FD	603,259,922	0.0000	1,467	1,467	-
Colfax FPSD	603,259,922	0.1190	762,914	760,744	2,170
Deep River FD	264,035,877	0.0000	1,028	1,028	-
Deep River FPSD	264,035,877	0.1241	335,801	332,685	3,116
FPSD No. 1 (Hometown)	29,327,867	0.1500	44,694	44,439	255
Friedens Community FD	202,546,833	0.0000	8,776	8,776	-
Friedens Community FPSD	202,363,072	0.1390	286,279	285,188	1,091
Gibsonville FD	15,945,412	0.0774	13,125	13,082	43
Guilford College Community FD	424,201,894	0.1000	431,062	430,630	432
Guilford College FPSD	65,028,576	0.0500	32,790	32,736	54
Guil-Rand FD	153,741,604	0.0000	6,572	6,572	-
Guil-Rand FPSD	153,741,604	0.1466	230,295	226,666	3,629
Julian FD	73,481,592	0.0000	3,841	3,841	-
Kimesville FD	126,256,671	0.0890	116,115	114,449	1,666
McLeansville FD	1,104,983,938	0.0000	38,053	38,053	-
McLeansville FPSD	1,104,983,938	0.1481	1,656,768	1,642,412	14,356
Mount Hope Community FD	938,303,543	0.0000	20,666	20,632	34
No. 14 FD (Franklin Blvd.)	217,635,333	0.0000	7,939	7,939	-
No. 14 FPSD	217,635,333	0.0982	213,686	209,731	3,955
Northeast FD	1,109,239,558	0.0000	42,530	42,052	478
Northeast FPSD	1,109,246,075	0.1399	1,554,088	1,543,640	10,448
Oak Ridge FD	1,972,293,505	0.0000	58,675	58,675	-
Pinecroft-Sedgefield FD	2,053,053,295	0.0000	70,769	70,593	176
Pinecroft-Sedgefield FPSD	2,049,859,324	0.1372	2,821,184	2,802,603	18,581
Pleasant Garden FD	823,990,409	0.0000	28,917	28,720	197
Pleasant Garden FPSD	823,990,409	0.1388	1,152,442	1,139,201	13,241
PTIA FPSD	357,674,718	0.0495	180,119	179,958	161
Rankin FD	1,273,508,445	0.0000	42,580	42,580	-
Rankin FPSD	1,273,507,169	0.1252	1,590,908	1,580,018	10,890
Southeast FD	200,332,451	0.0000	11,351	11,351	-
Stokesdale FD	1,065,743,844	0.1000	1,084,515	1,080,881	3,634
Summerfield FD	2,590,592,773	0.0000	82,531	82,531	-
Summerfield FPSD	2,590,592,773	0.1310	3,358,936	3,351,713	7,223
Whitsett FD	915,896,880	0.0000	24,372	24,372	-
Whitsett FPSD	915,896,880	0.0927	893,578	879,448	14,130
Total rural fire districts			<u>22,743,274</u>	<u>22,598,617</u>	<u>144,657</u>
Total entity-wide			\$ <u>532,312,121</u>	\$ <u>529,189,274</u>	\$ <u>3,122,847</u>

Percent of current year adjusted tax levy collected:

County-wide	<u>99.42</u> %
Rural fire districts	<u>99.36</u>
Entity-wide	<u>99.41</u>

Notes:

- (1) Per \$100 of assessed value.
- (2) Assessed value times rate will not equal total adjusted tax levy due to rounding differences, preferential rate treatments to certain properties, discoveries and releases at prior years' rates, current year discounts which are not rate related and motor vehicle taxes that have been prorated less than twelve months.

GUILFORD COUNTY, NORTH CAROLINA
Schedule of Property Taxes Receivable
June 30, 2023

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Fiscal Year	Uncollected Balance June 30, 2022	Total Adjusted Tax Levy	Collections and Credits	Uncollected Balance June 30, 2023
2022-2023	\$ -	\$ 532,312,121	\$ 529,189,274	\$ 3,122,847
2021-2022	2,560,621	-	1,192,832	1,367,789
2020-2021	900,419	-	225,134	675,285
2019-2020	758,536	-	131,689	626,847
2018-2019	736,553	-	96,472	640,081
2017-2018	448,230	-	60,045	388,185
2016-2017	387,129	-	42,448	344,681
2015-2016	345,432	-	34,271	311,161
2014-2015	317,415	-	30,413	287,002
2013-2014	678,683	-	34,851	643,832
2012-2013	979,698	-	979,698	-
	<u>\$ 8,112,716</u>	<u>\$ 532,312,121</u>	<u>\$ 532,017,127</u>	<u>8,407,710</u>
Less allowance for estimated uncollectible delinquent taxes:				
General Fund			\$ (2,228,153)	
Rural Fire Districts Fund			<u>(59,226)</u>	<u>(2,287,379)</u>
Property taxes receivable (net)				<u>\$ 6,120,331</u>
Reconciliation with revenues:				
General Fund:				
Ad valorem taxes			\$ 507,906,845	
Interest on delinquent taxes			<u>1,481,315</u>	\$ 509,388,160
Rural Fire Districts Fund:				
Ad valorem taxes			22,664,108	
Interest on delinquent taxes			<u>60,843</u>	22,724,951
Plus collections and credits not included in revenues:				
Releases net of refunds on prior fiscal years			338,402	
Penalties on delinquent taxes			412,165	
Amounts written off for year 2011 - 2012 per statute of limitations			<u>979,698</u>	<u>1,730,265</u>
Subtotal				533,843,376
Less revenues not included in collections and credits:				
Collections on years prior to 2012 - 2013			(105,615)	
Payments in lieu of taxes			(178,476)	
Interest collected			<u>(1,542,158)</u>	<u>(1,826,249)</u>
Total collections and credits				<u>\$ 532,017,127</u>

GUILFORD COUNTY, NORTH CAROLINA
Analysis of Current Tax Levy
County-Wide Levy
For the fiscal year ended June 30, 2023

	County-Wide		Total Levy		
	Assessed Value	Rate (1)	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Adjusted levy before penalties:					
Property taxed at current year's rate (2)	\$ 67,321,551,650	0.7305	\$ 509,097,411	\$ 465,482,631	\$ 43,614,780
Penalties			<u>471,436</u>	<u>471,436</u>	<u>-</u>
Total adjusted tax levy			509,568,847	465,954,067	43,614,780
Uncollected taxes at June 30, 2023			<u>(2,978,190)</u>	<u>(2,978,190)</u>	<u>-</u>
Current year's taxes collected			<u>\$ 506,590,657</u>	<u>\$ 462,975,877</u>	<u>\$ 43,614,780</u>
Current adjusted tax levy collection percentage			<u>99.42%</u>	<u>99.36%</u>	<u>100.00%</u>

Notes:

- (1) Per \$100 of assessed value.
- (2) Assessed value times rate will not equal amount of levy due to rounding differences, preferential rate treatments to certain properties, discoveries and releases at prior years' rates, current year discounts which are not rate related and motor vehicle taxes that have been prorated less than twelve months.

GUILFORD COUNTY, NORTH CAROLINA
Analysis of Current Tax Levy
County-Wide Levy - General Information
For the fiscal year ended June 30, 2023

Secondary Market Disclosures:

Assessed Valuation:	
Assessment Ratio (1)	100%
Real Property (2)	\$ 54,452,050,792
Personal Property	11,221,660,592
Public Service Companies (3)	<u>1,647,840,266</u>
Total Assessed Valuation	<u>\$ 67,321,551,650</u>
Tax Rate per \$100 (4)	<u>0.7305</u>
Adjusted Levy (5)	<u>\$ 531,823,342</u>

Notes:

- (1) Percentage of appraised value has been established by State Statute.
- (2) Real property assessment is based on 2022 market values as established by the last revaluation. This was done after 4 years to be compliant with the sales ratio requirements per NC Statute. Pursuant to State law, revaluation is required to take place not less frequently than every eight years. On February 6, 2014 the Board of County Commissioners approved a policy of conducting future revaluations every five years.
- (3) Valuation of railroads, telephone companies, and other utilities as determined by the North Carolina Property Tax Commission.
- (4) In addition to the County-wide rates shown, most property in the unincorporated areas was also subject to a special fire district tax.
- (5) Total adjusted tax levy including County-wide and special districts:

County-wide	\$ 509,097,411
Special Fire Districts	<u>22,725,931</u>
Total Levy	<u>\$ 531,823,342</u>

The total adjusted tax levy includes the original levy, discoveries and penalties, net of discounts and releases.

GUILFORD COUNTY, NORTH CAROLINA
Bonded Debt Service Requirements
and Maturity Schedule
As of June 30, 2023

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	<u>UTILITY</u>		<u>OTHER</u>		<u>TOTAL</u>	
	Existing Debt		Existing Debt		Existing Debt	
General Obligation						
Fiscal Year	Principal	Principal & Interest	Principal	Principal & Interest	Principal	Principal & Interest
2023-24	\$ 59,068	\$ 75,055	\$ 74,290,932	\$ 99,443,556	\$ 74,350,000	\$ 99,518,611
2024-25	59,383	72,468	74,850,617	96,633,210	74,910,000	96,705,678
2025-26	59,738	69,854	57,735,262	75,893,192	57,795,000	75,963,046
2026-27	60,053	67,183	57,954,947	73,294,905	58,015,000	73,362,088
2027-28	59,107	64,435	42,715,893	55,293,858	42,775,000	55,358,293
2028-29	59,304	61,676	36,810,696	47,379,509	36,870,000	47,441,185
2029-30	-	-	28,610,000	37,392,578	28,610,000	37,392,578
2030-31	-	-	28,335,000	35,690,246	28,335,000	35,690,246
2031-32	-	-	37,230,000	43,471,429	37,230,000	43,471,429
2032-33	-	-	20,085,000	24,776,995	20,085,000	24,776,995
2033-34	-	-	20,085,000	23,923,645	20,085,000	23,923,645
2034-35	-	-	20,080,000	23,296,126	20,080,000	23,296,126
2035-36	-	-	20,075,000	22,692,926	20,075,000	22,692,926
2036-37	-	-	20,075,000	22,093,844	20,075,000	22,093,844
2037-38	-	-	10,725,000	12,126,156	10,725,000	12,126,156
2038-39	-	-	10,725,000	11,812,344	10,725,000	11,812,344
2039-40	-	-	8,505,000	9,278,531	8,505,000	9,278,531
2040-41	-	-	8,505,000	9,020,688	8,505,000	9,020,688
2041-42	-	-	8,505,000	8,762,844	8,505,000	8,762,844
	<u>\$ 356,653</u>	<u>\$ 410,671</u>	<u>\$ 585,898,347</u>	<u>\$ 732,276,582</u>	<u>\$ 586,255,000</u>	<u>\$ 732,687,253</u>

Limited Obligation Bonds and Installment Financings

2023-24	\$ 1,920,500	\$ 2,832,645	\$ 1,920,500	\$ 2,832,645
2024-25	1,920,500	2,784,866	1,920,500	2,784,866
2025-26	1,920,500	2,737,087	1,920,500	2,737,087
2026-27	-	768,806	-	768,806
2027-28	-	768,806	-	768,806
2028-29	-	768,806	-	768,806
2029-30	-	768,805	-	768,805
2030-31	-	768,805	-	768,805
2031-32	16,845,000	17,613,806	16,845,000	17,613,806
	<u>\$ 22,606,500</u>	<u>\$ 29,812,432</u>	<u>\$ 22,606,500</u>	<u>\$ 29,812,432</u>

Leases Payable

2023-24	\$ 32,181	\$ 32,400	\$ 32,181	\$ 32,400
2024-25	32,316	32,400	32,316	32,400
2025-26	2,699	2,700	2,699	2,700
	<u>\$ 67,196</u>	<u>\$ 67,500</u>	<u>\$ 67,196</u>	<u>\$ 67,500</u>

Statistical Section

Statistical Section

This part of Guilford County’s Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County’s overall financial health.

Contents	Tables
Financial Trends These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.	1 - 2
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the County’s ability to generate its property taxes.	3 - 6
Debt Capacity These schedules present information to help the reader assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future.	7 - 9
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place and to help make comparisons over time and with other governments.	10 - 11
Operating Information These schedules contain information about the County’s operations and resources to help the reader understand how the County’s financial information relates to the services the County provides and the activities it performs.	12 - 14

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

Guilford County, North Carolina
Schedule of Changes in Net Position / Net Position by Component
Last Ten Fiscal Years
(full accrual basis of accounting)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses										
Governmental activities:										
General government	\$ 66,150,952	\$ 51,327,864	\$ 55,417,806	\$ 53,316,245	\$ 45,193,085	\$ 45,157,062	\$ 45,807,940	\$ 43,825,380	\$ 40,163,299	\$ 40,117,035
Human services	165,679,146	168,835,097	141,137,385	134,486,189	119,369,932	113,292,511	142,424,262	132,372,286	126,324,488	124,275,553
Public safety	174,310,803	147,054,576	153,303,763	152,797,248	139,126,261	134,222,836	130,189,605	124,934,944	119,621,993	115,011,980
Environmental protection	2,469,068	2,135,527	2,101,911	2,160,087	1,959,082	1,920,573	1,730,646	1,528,622	1,422,030	1,372,025
Culture - recreation	7,597,604	8,645,338	7,057,923	7,805,624	7,364,358	7,349,892	6,946,253	6,920,020	6,209,636	6,191,194
Economic development and assistance	12,940,227	8,349,466	30,451,782	10,995,715	7,491,888	7,228,783	7,198,235	7,619,844	9,526,319	9,802,441
Education	330,995,867	258,997,598	248,477,570	235,599,627	231,624,769	251,422,951	287,534,526	223,217,110	227,558,717	275,978,578
Interest on long-term debt	18,437,254	20,551,974	19,998,100	21,595,194	22,463,821	23,866,360	20,624,742	20,181,287	23,819,755	26,275,019
Total primary government expenses	778,580,921	665,897,440	657,946,240	618,755,929	574,593,196	584,460,968	642,456,209	560,599,493	554,646,237	599,023,825
Program Revenues										
Governmental activities:										
Charges for services:										
General government	6,527,824	6,595,195	6,447,471	6,258,608	6,122,263	6,450,137	6,238,894	6,243,911	6,219,877	6,225,569
Human services	13,496,149	12,148,104	9,753,831	11,515,764	8,290,517	10,938,503	13,503,023	10,155,401	7,967,733	9,034,653
Public safety	34,761,511	30,231,935	29,225,255	29,341,119	28,630,222	26,799,597	26,212,518	25,065,405	23,211,790	23,355,125
Economic development and assistance	(2,892)	12,081	10,855	14,277	18,949	46,499	1,275,983	-	526,389	15,137
Other activities	1,591,099	1,177,617	734,512	839,201	1,161,462	1,120,910	1,105,239	1,053,028	943,127	1,013,099
Operating grants and contributions:										
Human services	100,324,050	101,155,399	79,680,472	61,287,644	51,999,561	51,360,824	78,051,911	73,068,045	71,149,616	65,324,711
Public safety	17,383,997	14,914,290	11,280,302	12,061,374	1,785,538	1,346,383	1,383,597	1,425,469	1,940,793	1,012,073
Education	6,269,397	1,510,818	11,982,435	1,526	-	173,426	5,813,014	3,194	(52,592)	27,643
Interest on long-term debt	6,953,307	7,424,542	7,483,464	7,476,209	7,466,053	7,455,897	7,502,495	7,496,692	7,490,888	7,470,576
Other activities	13,559,290	(3,184,492)	35,883,094	7,333,920	960,638	1,353,529	1,275,306	1,291,351	1,496,283	1,379,655
Capital grants and contributions:										
General government	-	3,377	1,103,005	103,837	250,000	250,000	-	34,074	-	-
Human services	-	419,927	767,752	44,300	368,779	573,590	269,932	137,801	27,628	97,554
Public safety	2,980	85,875	2,788,308	399,170	58,497	40,010	24,500	84,236	111,945	201,543
Culture - recreation	-	-	-	-	-	-	-	-	-	160,955
Total primary government program revenues	200,866,712	172,494,668	197,140,756	136,676,949	107,112,479	107,909,305	142,656,412	126,058,607	121,033,477	115,318,293
Total primary government net expenses	(577,714,209)	(493,402,772)	(460,805,484)	(482,078,980)	(467,480,717)	(476,551,663)	(499,799,797)	(434,540,886)	(433,612,760)	(483,705,532)

Guilford County, North Carolina
Schedule of Changes in Net Position / Net Position by Component
Last Ten Fiscal Years
(full accrual basis of accounting)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Revenues and Other										
Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	532,321,909	425,562,043	414,059,327	403,071,398	394,794,606	387,498,373	379,543,647	375,975,863	372,062,971	372,179,237
Sales taxes	131,905,170	120,896,017	106,432,109	94,095,006	93,149,671	89,330,783	87,177,424	83,280,909	78,921,056	72,383,124
Occupancy taxes	8,313,305	6,892,626	4,189,165	5,096,688	6,533,545	5,983,575	5,724,845	5,462,046	5,371,235	4,909,445
Excise taxes	4,070,930	6,442,761	4,635,701	3,992,234	3,156,667	2,872,476	2,868,222	2,606,515	2,434,052	2,019,417
Local gross receipts taxes	1,100,061	1,023,135	854,060	774,140	934,145	840,943	831,792	815,038	790,938	721,066
Unrestricted grants and contributions	7,795,909	6,602,796	7,580,598	1,808,038	1,563,491	1,538,348	1,572,186	1,516,823	1,540,704	1,985,093
Unrestricted investment earnings	10,009,399	(6,197,029)	343,071	6,253,767	7,922,271	5,190,563	2,773,338	1,372,279	983,438	983,218
Other	348,812	152,806	306,248	290,217	2,706,594	338,138	295,608	1,541,560	499,868	203,773
Total primary government general revenues and other changes in net position	<u>695,865,495</u>	<u>561,375,155</u>	<u>538,400,279</u>	<u>515,381,488</u>	<u>510,760,990</u>	<u>493,593,199</u>	<u>480,787,062</u>	<u>472,571,033</u>	<u>462,604,262</u>	<u>455,384,373</u>
Changes in Net Position										
Governmental activities / primary government	<u>\$ 118,151,286</u>	<u>\$ 67,972,383</u>	<u>\$ 77,594,795</u>	<u>\$ 33,302,508</u>	<u>\$ 43,280,273</u>	<u>\$ 17,041,536</u>	<u>\$ (19,012,735)</u>	<u>\$ 38,030,147</u>	<u>\$ 28,991,502</u>	<u>\$ (28,321,159)</u>
Net Position by Component										
Governmental activities:			(Restated) (4)			(Restated) (3)		(Restated) (2)	(Restated) (1)	
Net investment in capital assets	188,603,753	177,303,005	182,282,283	170,516,251	163,905,230	161,980,529	153,117,332	146,623,320	142,750,411	140,904,947
Restricted	122,110,362	119,387,618	88,653,255	95,390,222	81,021,480	76,345,568	83,218,317	72,078,926	74,322,854	68,114,126
Unrestricted	<u>(534,907,606)</u>	<u>(639,035,400)</u>	<u>(681,252,698)</u>	<u>(754,388,312)</u>	<u>(766,711,057)</u>	<u>(803,390,717)</u>	<u>(673,447,187)</u>	<u>(636,801,049)</u>	<u>(662,296,728)</u>	<u>(667,929,177)</u>
Governmental activities / primary government	<u>\$ (224,193,491)</u>	<u>\$ (342,344,777)</u>	<u>\$ (410,317,160)</u>	<u>\$ (488,481,839)</u>	<u>\$ (521,784,347)</u>	<u>\$ (565,064,620)</u>	<u>\$ (437,111,538)</u>	<u>\$ (418,098,803)</u>	<u>\$ (445,223,463)</u>	<u>\$ (458,910,104)</u>

Notes:

- (1) Beginning July 1, 2014 unrestricted net position has been reduced by \$15,304,861 to reflect the restatement of beginning net position required by the 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*, and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.
- (2) Beginning July 1, 2015 unrestricted net position has been reduced by \$10,905,487 to reflect the restatement of beginning net position required by the 2016 implementation of Governmental Accounting Standards Board Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*.
- (3) Beginning July 1, 2017 unrestricted net position has been reduced by \$144,994,618 to reflect the restatement of beginning net position required by the 2018 implementation of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.
- (4) Beginning July 1, 2020 restricted net position has been increased by \$569,884 to reflect the restatement of beginning net position required by the 2021 implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*.

Guilford County, North Carolina
Schedule of Changes in Fund Balances / Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues										
Taxes:										
Property taxes	\$ 532,113,111	\$ 424,768,795	\$ 414,671,131	\$ 403,122,768	\$ 394,289,824	\$ 387,459,033	\$ 379,169,473	\$ 375,810,512	\$ 374,106,409	\$ 374,929,286
Sales taxes	131,905,170	120,896,018	106,432,110	94,095,007	93,149,671	89,330,783	87,177,424	83,280,909	78,921,056	72,383,124
Occupancy taxes	8,313,305	6,892,626	4,189,165	5,096,688	6,533,545	5,983,575	5,724,845	5,462,046	5,447,955	4,929,357
Excise taxes	4,070,930	6,442,761	4,635,701	3,992,234	3,156,667	2,872,476	2,868,222	2,606,515	2,434,052	2,019,417
Local gross receipts taxes	1,100,061	1,023,135	854,060	774,140	934,145	840,943	831,792	815,038	790,938	721,066
Total taxes	677,502,577	560,023,335	530,782,167	507,080,837	498,063,852	486,486,810	475,771,756	467,975,020	461,700,410	454,982,250
Licenses and permits	2,128,430	2,330,178	2,901,979	2,394,101	2,156,449	1,994,084	2,214,696	1,720,368	1,872,630	1,599,130
Intergovernmental	138,495,007	124,438,664	155,071,087	88,804,234	62,816,310	62,669,334	95,078,003	84,119,841	82,353,630	76,942,485
Charges for services	50,671,543	44,472,146	39,838,587	42,336,475	38,659,331	39,907,519	41,556,517	37,093,169	32,556,009	34,300,511
Investment earnings	17,712,635	(5,706,936)	328,194	5,793,172	6,894,460	4,208,440	1,908,670	1,093,684	547,533	628,946
Other	9,477,831	8,022,370	7,155,205	5,253,708	5,287,230	5,290,939	4,664,494	4,792,823	5,469,194	4,544,614
Total revenues	895,988,023	733,579,757	736,077,219	651,662,527	613,877,632	600,557,126	621,194,136	596,794,905	584,499,406	572,997,936
Expenditures										
General government	72,104,001	57,001,055	58,758,646	52,677,927	47,988,036	46,281,130	45,241,253	44,202,895	41,862,561	41,705,096
Human services	167,717,220	175,198,504	131,579,084	116,923,777	111,103,757	109,377,917	134,950,019	127,650,833	123,157,149	120,065,222
Public safety	172,099,236	146,987,277	141,360,800	131,167,721	128,522,111	125,977,700	121,601,799	117,120,545	112,511,576	108,271,215
Environmental protection	2,289,391	2,191,178	2,058,581	1,911,241	1,868,297	1,805,243	1,718,259	1,489,132	1,368,887	1,306,171
Culture - recreation	7,665,217	7,855,298	5,802,179	5,877,968	6,722,677	6,355,035	5,563,011	5,587,918	5,031,761	4,959,362
Economic development & assistance	12,940,227	8,349,466	30,451,782	10,995,715	7,491,888	7,228,783	7,197,883	7,239,747	6,885,909	6,724,093
Education	264,767,071	245,303,600	238,017,611	224,060,398	218,760,398	211,010,398	203,010,398	197,710,398	192,658,088	189,528,088
Capital outlay - Education	66,228,796	13,693,998	10,459,959	11,539,229	12,864,371	40,412,553	84,524,128	25,506,712	34,900,629	86,450,490
Capital outlay - Other	9,935,835	5,348,738	26,813,566	20,421,029	5,398,174	8,206,891	3,764,585	6,499,460	7,071,597	7,732,346
Debt service:										
Principal (3)	72,534,500	67,085,000	61,500,000	61,885,000	62,395,000	62,445,585	58,135,585	56,945,585	53,270,585	51,210,585
Interest	28,521,263	26,869,559	28,670,985	31,186,066	32,657,510	32,279,923	23,974,107	26,657,964	28,839,478	30,972,615
Other fiscal charges	-	-	69,577	8,870	9,370	265,757	776,914	760,512	878,905	1,052,028
Bond issuance / put bond costs	-	-	-	-	340,951	969,842	1,364,306	621,582	-	-
Total expenditures	876,802,757	755,883,673	735,542,770	668,654,941	636,122,540	652,616,757	691,822,247	617,993,283	608,437,125	649,977,311
Excess (deficiency) of revenues over expenditures	19,185,266	(22,303,916)	534,449	(16,992,414)	(22,244,908)	(52,059,631)	(70,628,111)	(21,198,378)	(23,937,719)	(76,979,375)

Guilford County, North Carolina
Schedule of Changes in Fund Balances / Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Other Financing Sources (Uses) & Other Changes in Fund Balances										
Refunding bonds issued	1,641,128	-	-	-	-	179,785,000	-	92,930,000	-	-
General obligation bonds issued	-	161,000,000	-	-	40,000,000	-	187,265,000	-	-	-
Bond anticipation notes issued	-	-	-	-	-	-	-	22,000,000	2,300,000	50,000
Capital-related debt issued	4,295,000	3,549,458	-	-	-	-	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-	-	(208,024,114)	(24,350,000)	(111,191,212)	-	-
Premiums on bonds/put bonds/refunding bonds issued	-	15,421,152	-	-	5,813,243	29,635,953	24,564,701	18,891,592	-	-
Payment to terminate interest rate swaps	-	-	-	-	-	(420,000)	-	-	-	-
Transfers in	80,243,290	100,173,378	5,913,807	10,983,415	9,500,000	8,712,149	8,250,000	8,355,029	6,752,898	5,500,000
Transfers out	(80,243,290)	(100,173,378)	(5,913,807)	(10,983,415)	(9,500,000)	(8,712,149)	(8,250,000)	(8,355,029)	(6,752,898)	(5,500,000)
Sale of capital assets	231,742	42,565	207,511	267,554	5,823,678	245,998	85,893	1,898,186	437,320	127,435
Total other financing sources (uses) and other changes in fund balances	6,167,870	180,013,175	207,511	267,554	51,636,921	1,222,837	187,565,594	24,528,566	2,737,320	177,435
Changes in Fund Balances										
Governmental funds	\$ 25,353,136	\$ 157,709,259	\$ 741,960	\$ (16,724,860)	\$ 29,392,013	\$ (50,836,794)	\$ 116,937,483	\$ 3,330,188	\$ (21,200,399)	\$ (76,801,940)
Debt service as a percentage of noncapital expenditures (1)	11.77%	12.55%	12.87%	14.53%	15.25%	14.84%	12.03%	13.74%	13.65%	12.81%
Fund Balances										
General fund:										
Non spendable	708,760	750,953	865,653	821,835	968,077	1,097,850	1,209,173	1,172,718	1,268,584	1,293,053
Restricted	74,284,837	71,064,210	72,791,045	59,208,111	69,711,905	74,331,512	78,012,866	51,937,573	49,782,226	46,166,524
Committed	50,000,000	-	-	-	2,539	2,539	16,630	16,630	16,630	16,630
Assigned	50,390,715	31,385,839	33,262,763	33,877,584	21,514,258	21,202,603	24,827,400	26,979,256	27,036,247	24,180,984
Unassigned	102,103,823	96,232,936	98,040,878	80,141,120	78,240,395	82,892,048	87,378,403	85,287,999	84,929,054	79,472,632
Total general fund	277,488,135	199,433,938	204,960,339	174,048,650	170,437,174	179,526,552	191,444,472	165,394,176	163,032,741	151,129,823
All other governmental funds: (Restated) (2)										
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Non spendable	-	-	-	-	30,000	-	16,980	-	-	-
Restricted	173,571,235	224,994,449	52,681,176	82,760,471	86,729,308	56,637,188	97,634,341	12,662,980	18,048,999	36,393,081
Committed	17,819,497	12,979,532	7,480,944	7,766,040	12,935,599	13,186,880	13,704,347	18,241,070	17,145,558	20,985,641
Assigned	6,294,757	5,308,383	6,809,390	8,831,880	17,214,336	9,099,718	7,008,885	7,613,894	5,540,252	4,651,608
Unassigned	(21,348,015)	(14,243,829)	(1,168,635)	(3,955,671)	(1,170,187)	(1,666,121)	(2,188,014)	(13,228,592)	(16,414,210)	(4,606,414)
Total all other governmental funds	176,337,474	229,038,535	65,802,875	95,402,720	115,739,056	77,257,665	116,176,539	25,289,352	24,320,599	57,423,916
Total fund balances	\$ 453,825,609	\$ 428,472,473	\$ 270,763,214	\$ 269,451,370	\$ 286,176,230	\$ 256,784,217	\$ 307,621,011	\$ 190,683,528	\$ 187,353,340	\$ 208,553,739

- Note:
- (1) Debt service as a percentage of noncapital expenditures reflects principal and interest only divided by the sum of total expenditures less capital expenditures in all functional categories but only to the extent capitalized as an asset by the County. Water and sewer and school capital expenditures in the Capital Projects Funds which are assets of the municipalities, Guilford County Schools and Guilford Technical Community College are included in noncapital expenditures for the purposes of this calculation.
 - (2) Beginning July 1, 2020 restricted fund balance has been increased by \$569,884 to reflect the restatement of beginning fund balance required by the 2021 implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*.
 - (3) Beginning July 1, 2021 debt service payments were made from the Debt Service fund instead of the General Fund.

**Guilford County, North Carolina
Assessed and Estimated Actual Value
of Taxable Property
Last Ten Fiscal Years**

Fiscal Year	Total Real Property (1)		Personal Property (2)	Public Service Companies' Property (2)	Total		Ratio of Total Assessed To Total Estimated Actual Taxable Value	Total Direct Tax Rate (4)
	Assessed Taxable Value	Estimated Actual Taxable Value	Assessed Taxable Value	Assessed Taxable Value	Assessed Taxable Value	Estimated Actual Taxable Value		
2023	\$ 54,452,050,792	\$ 55,275,658,098	\$ 11,221,660,592	\$ 1,647,840,266	\$ 67,321,551,650	\$ 68,145,158,956	98.8	0.7624
2022	43,345,500,019	52,578,238,742	10,610,140,198	1,372,088,107	55,327,728,324	64,560,467,047	85.7	0.7640
2021	42,661,267,250	48,996,516,883	10,414,087,347	1,472,135,885	54,547,490,482	60,882,740,115	89.6	0.7629
2020	41,848,205,664	45,780,774,165	9,572,297,856	1,387,279,848	52,807,783,368	56,740,351,869	93.1	0.7622
2019	40,883,802,365	43,153,686,262	9,135,848,611	1,325,606,744	51,345,257,720	53,615,141,617	95.8	0.7620
2018 ⁽³⁾	40,538,463,183	40,640,063,341	8,873,395,357	1,318,902,194	50,730,760,734	50,832,360,892	99.8	0.7608
2017	38,131,768,965	39,001,502,470	8,823,734,260	1,251,027,428	48,206,530,653	49,076,264,158	98.2	0.7847
2016	37,661,151,234	39,365,685,412	8,497,141,229	1,226,988,869	47,385,281,332	49,089,815,510	96.5	0.7896
2015	37,288,572,740	38,185,942,386	8,207,816,947	1,103,440,544	46,599,830,231	47,497,199,877	98.1	0.7981
2014	36,986,215,133	37,224,451,623	8,246,115,049	1,065,598,325	46,297,928,507	46,536,164,997	99.5 %	0.7938

Notes:

- (1) Estimated actual taxable value of real property is calculated by dividing taxable assessed value by a real estate assessment sales ratio study percentage by county obtained from the North Carolina Department of Revenue Tax Research Division.
- (2) Personal property is appraised each year and assessed at 100% of appraised value. Public service companies' property includes real and personal property of utilities, railroads and airlines, etc. These assessments are made by the North Carolina Department of Revenue with no distinction between real and personal property.
- (3) A revaluation of real property is required by the North Carolina General Statutes at least every eight years. The Guilford County Board of Commissioners has adopted a policy to revalue property every five years. The most recent revaluation in 2018 is reflected in the increased real property values. The previous revaluation is reflected in the decreased real property values in fiscal year 2013 from a down market.
- (4) Per \$100 of assessed value. See Table 4 for details of the County's total direct rate, a weighted average rate.

Guilford County, North Carolina
Property Tax Rates - Direct and Overlapping Governments
(Per \$100 of Assessed Value)
Last Ten Fiscal Years

	Fiscal Year Taxes Are Payable									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
County Direct Rates:										
General Levy (1):										
Property taxed at current year's rate	\$ 0.7305	\$ 0.7305	\$ 0.7305	\$ 0.7305	\$ 0.7305	\$ 0.7305	\$ 0.7550	\$ 0.7600	\$ 0.7700	\$ 0.7471
Registered motor vehicles at prior rate	-	-	-	-	-	-	-	-	-	0.0229
Total general direct rate	0.7305	0.7305	0.7305	0.7305	0.7305	0.7305	0.7550	0.7600	0.7700	0.7700
Fire Protection Districts (2)	0.0319	0.0335	0.0324	0.0317	0.0315	0.0303	0.0297	0.0296	0.0281	0.0238
Total direct rate	<u>\$ 0.7624</u>	<u>\$ 0.7640</u>	<u>\$ 0.7629</u>	<u>\$ 0.7622</u>	<u>\$ 0.7620</u>	<u>\$ 0.7608</u>	<u>\$ 0.7847</u>	<u>\$ 0.7896</u>	<u>\$ 0.7981</u>	<u>\$ 0.7938</u>
City Rates:										
Burlington (3)	\$ 0.5973	\$ 0.5973	\$ 0.5973	\$ 0.5973	\$ 0.5973	\$ 0.5973	\$ 0.5800	\$ 0.5800	\$ 0.5800	\$ 0.5800
Greensboro	0.6358	0.6659	0.6654	0.6654	0.6352	0.6353	0.6352	0.6350	0.6350	0.6350
High Point	0.6175	0.6475	0.6475	0.6475	0.6475	0.6475	0.6475	0.6500	0.6646	0.6750
Kernersville (3)	0.5590	0.5590	0.5700	0.5700	0.5700	0.5545	0.5700	0.5425	0.5424	0.5273
Town Rates:										
Archdale (4)	\$ 0.3100	\$ 0.3100	\$ 0.2900	\$ 0.2900	\$ 0.2900	\$ 0.2900	\$ 0.2900	\$ 0.2900	\$ 0.2900	\$ 0.2900
Gibsonville (4)	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.5100	0.5100	0.5100	0.5100
Jamestown	0.4850	0.4850	0.4850	0.4680	0.4680	0.4680	0.4550	0.4550	0.4544	0.4434
Oak Ridge	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0863	0.0863	0.0863	0.0863
Pleasant Garden	0.0800	0.0800	0.0800	0.0500	0.0500	0.0500	0.0250	0.0250	0.0250	0.0250
Sedalia	0.2750	0.2750	0.2750	0.2750	0.2750	0.2750	0.2750	0.2750	0.2750	0.2750
Summerfield	0.0275	0.0275	0.0275	0.0275	0.0275	0.0275	0.0275	0.0275	0.0279	0.0350
Whitsett	0.1500	0.1500	0.1500	0.1500	0.1500	0.1500	0.1500	0.1500	0.1438	0.0500
Sedgefield Sanitary District	\$ 0.0377	\$ 0.0377	\$ 0.0360	\$ 0.0360	\$ 0.0360	\$ 0.0360	\$ 0.0360	\$ 0.0360	\$ 0.0360	\$ 0.0360

Notes:

- (1) All taxable property is subject to a county-wide tax. The general County direct rate differs from the county-wide rate approved by the Board of Commissioners each fiscal year because direct rates are a weighted average rate. The most significant differences are from certain registered motor vehicles levied at prior year tax rates in accordance with North Carolina General Statutes.
- (2) Most property in unincorporated areas is subject to one of thirty-six special fire district taxes. The fire protection districts' direct rate is a combined rate as the impact of each individual fire district is considered insignificant. The direct rate is much lower than the individual rates approved by the Board of Commissioners each fiscal year because direct rates are a weighted average rate and are impacted by assessed taxable values outside the fire protection districts' boundaries.
- (3) Burlington's and Kernersville's total direct rates are computed only with regard to assessed taxable value in Guilford County.
- (4) The difference between the Archdale and Gibsonville total direct rates and the reported city-wide rates is considered insignificant.

Table 5

**Guilford County, North Carolina
Principal Taxpayers
Current Year and Nine Years Ago**

Taxpayer	Fiscal Year 2023			Fiscal Year 2014		
	Assessed Value	Rank	Percentage of Total Assessed Value	Assessed Value	Rank	Percentage of Total Assessed Value
Duke Energy Carolinas LLC	\$ 708,835,105	1	1.05	\$ 383,697,007	1	0.83
Lincoln National Life Insurance (formerly Jefferson-Pilot)	413,977,304	2	0.61	145,968,433	10	0.32
Koury SFS LLC (formerly Koury Corporation)	367,260,606	3	0.55	234,509,185	3	0.51
American Express Travel Related Services Inc.	345,382,304	4	0.51	219,923,030	4	0.48
Procter & Gamble Manufacturing Company	319,054,882	5	0.47	177,375,604	6	0.38
ITG Brands LLC (formerly Lorillard Tobacco Company)	299,979,340	6	0.45	342,995,136	2	0.74
Publix North Carolina LP	202,617,904	7	0.30	-		-
Piedmont Natural Gas Company, Inc.	195,190,950	8	0.29	-		-
CBL-Friendly Center CMBS LLC	190,618,900	9	0.28	191,907,100	5	0.41
International Home Furnishings Center	171,458,892	10	0.25	147,559,315	9	0.32
TYCO Electronics	-		-	172,761,531	7	0.37
Highwoods/Forsyth Limited Partnership	-		-	153,805,701	8	0.33
Total Top Ten Principal Taxpayers	<u>\$ 3,214,376,187</u>		<u>4.76</u>	<u>\$ 2,170,502,042</u>		<u>4.69</u>

Source: Guilford County Tax Department.

**Guilford County, North Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	(1) Taxes Levied for the Fiscal Year	Subsequent Years' Adjustments	Total Adjusted Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	Amount			Percent of Original Levy	Amount		Percent of Adjusted Tax Levy	
2023 ⁽²⁾	\$ 532,312,121	\$ -	\$ 532,312,121	\$ 529,189,274	99.41	\$ -	\$ 529,189,274	99.41
2022	424,088,735	(150,124)	423,938,611	421,528,114	99.40	1,042,709	422,570,823	99.68
2021	412,554,705	(305,129)	412,249,576	410,479,267	99.50	1,095,024	411,574,291	99.84
2020	402,575,842	(430,146)	402,145,696	399,679,565	99.28	1,839,285	401,518,850	99.84
2019	393,496,631	(275,714)	393,220,917	390,470,048	99.23	2,101,130	392,571,178	99.83
2018 ⁽²⁾	386,072,554	(481,521)	385,591,033	383,244,006	99.27	1,958,841	385,202,847	99.90
2017	377,874,202	(189,385)	377,684,817	374,837,826	99.20	2,502,311	377,340,137	99.91
2016	373,904,683	(146,243)	373,758,440	370,755,116	99.16	2,692,163	373,447,279	99.92
2015	371,794,827	(739,133)	371,055,694	368,321,489	99.07	2,447,202	370,768,691	99.92
2014	372,017,706	(910,906)	371,106,800	366,529,630	98.52	3,933,338	370,462,968	99.83

Note:

- (1) Original levy adjusted for discoveries, penalties, discounts allowed and releases as of fiscal year end of the levy.
- (2) A revaluation of real property is required by the North Carolina General Statutes at least every eight years. The Guilford County Board of Commissioners has adopted a policy to revalue property every five years. The most recent revaluation in 2023 is reflected in the increased real property values. The previous revaluation is reflected in the increased real property values in fiscal year 2018.

**Guilford County, North Carolina
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	<u>General Bonded Debt Outstanding</u>		<u>Other Governmental Activities Debt</u>				
	General Obligation Bonds (1)	Percentage of Estimated Actual Taxable Value of Property (2)	Per Capita	Limited Obligation Bonds, Leases, IT Subscription Liabilities and Installment Financings (1)	Total Primary Government (1)	Percentage of Personal Income (3)	Per Capita (3)
2023	\$ 647,794,457	1.39	\$ 1,176.50	\$ 25,362,524	\$ 673,156,981	2.07	\$ 1,222.57
2022	726,159,569	1.53	1,326.98	20,346,400	746,505,969	2.42	1,364.16
2021	624,108,737	1.27	1,150.62	16,845,000	640,953,737	2.16	1,181.68
2020	693,762,639	1.41	1,281.55	16,845,000	710,607,639	2.60	1,312.67
2019	764,997,176	1.50	1,420.51	16,845,000	781,842,176	3.07	1,451.79
2018	791,334,576	1.48	1,482.20	16,845,000	808,179,576	3.35	1,513.75
2017	861,133,538	1.52	1,627.15	19,396,169	880,529,707	3.79	1,663.80
2016	736,321,847	1.21	1,402.30	20,671,754	756,993,601	3.38	1,441.67
2015	769,783,196	1.19	1,486.69	21,947,338	791,730,534	3.57	1,529.07
2014	824,376,111	1.21	1,607.45	23,222,923	847,599,034	4.06	1,652.73

Notes:

- (1) Details regarding the County's outstanding debt can be found in the notes to the financial statements and includes unamortized bond issuance premiums less unamortized swap termination fees.
- (2) See Table 3 for estimated actual taxable value of property data.
- (3) See Table 10 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

**Guilford County, North Carolina
Direct and Overlapping Governmental Activities Debt
June 30, 2023**

<u>Jurisdiction</u>	<u>Debt Outstanding (1)</u>	<u>Estimated Percentage Applicable (1),(2)</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Guilford County	\$ 673,156,981	100.00	\$ 673,156,981
City of Greensboro	373,295,000	100.00	373,295,000
City of High Point	120,138,324	94.37	113,374,536
Town of Kernersville	39,669,128	11.27	4,470,711
Town of Gibsonville	2,279,604	57.73	1,316,015
Town of Jamestown	391,691	100.00	391,691
City of Archdale	341,835	3.57	12,204
City of Burlington	9,985,659	3.86	385,446
Town of Oak Ridge	2,983,333	100.00	<u>2,983,333</u>
Total overlapping debt			<u>496,228,936</u>
Total direct and overlapping debt			<u>\$ 1,169,385,917</u>

Notes:

- (1) Debt and assessed valuation information were obtained from each municipality.
- (2) The percentage of overlap is based on assessed property values.

**Guilford County, North Carolina
Legal Debt Margin Information - Preliminary
Last Ten Fiscal Years (in thousands)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt limit	\$ 5,385,724	\$ 4,426,218	\$ 4,363,799	\$ 4,224,623	\$ 4,107,621	\$ 4,058,461	\$ 3,856,522	\$ 3,790,823	\$ 3,727,986	\$ 3,703,834
Total net debt applicable to limit	<u>2,488,715</u>	<u>2,556,911</u>	<u>879,567</u>	<u>641,024</u>	<u>702,774</u>	<u>725,055</u>	<u>811,332</u>	<u>916,159</u>	<u>979,518</u>	<u>1,068,470</u>
Legal debt margin	<u>\$ 2,897,009</u>	<u>\$ 1,869,307</u>	<u>\$ 3,484,232</u>	<u>\$ 3,583,599</u>	<u>\$ 3,404,847</u>	<u>\$ 3,333,406</u>	<u>\$ 3,045,190</u>	<u>\$ 2,874,664</u>	<u>\$ 2,748,468</u>	<u>\$ 2,635,364</u>
Total net debt applicable to limit as a percentage of debt limit	46.21%	57.77%	20.16%	15.17%	17.11%	17.87%	21.04%	24.17%	26.27%	28.85%

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed value of taxable property	<u>\$ 67,321,551,650</u>
Debt limit (8% of total assessed value)	<u>5,385,724,132</u>
Debt applicable to limit:	
General obligation bonded debt	586,255,000
Bonds authorized, unissued	1,880,000,000
Limited obligation bonds and obligations under purchase money installment contracts	<u>22,606,500</u>
Gross debt	2,488,861,500
Less statutory deductions:	
Bonds issued and outstanding for water purposes	<u>146,737</u>
Net amount of debt applicable to debt limit	<u>2,488,714,763</u>
Legal debt margin	<u>\$ 2,897,009,369</u>

**Guilford County, North Carolina
Demographic and Economic Statistics
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (2) (in thousands)</u>	<u>Per Capita Income (3)</u>	<u>Median Age (4)</u>	<u>Public School Enrollment (5)</u>	<u>Unemployment Rate (6)</u>
2023	550,610	\$ 32,478,281	\$ 58,986	37.60	66,817	4.2
2022	547,228	30,817,692	56,316	37.75	67,038	4.6
2021	542,410	29,643,249	54,651	37.84	66,420	5.8
2020	541,347	27,293,633	50,418	37.37	70,903	8.6
2019	538,536	25,494,294	47,340	37.30	71,029	4.1
2018	533,891	24,142,017	45,219	37.19	71,304	3.9
2017	529,228	23,233,109	43,900	37.07	71,396	4.8
2016	525,080	22,429,317	42,716	36.89	71,429	5.2
2015	517,785	22,201,585	42,878	36.86	71,502	5.9
2014	512,847	20,852,359	40,660	36.75	71,787	6.6

Sources:

- (1) Calendar years 2014 through 2023 Piedmont Triad Regional Council
- (2) Computed as a factor of population times per capita income.
- (3) Calendar years 2014 through 2023 Piedmont Triad Regional Council
- (4) Fiscal years 2014 through 2022 State Demographer's Office at the NC Office of Budget & Management
Fiscal year 2023 Federal Reserve Economic Federal Reserve Economic Data (FRED)
- (5) Average daily membership of Guilford County Schools as compiled by North Carolina Department of Public Instruction.
- (6) North Carolina Employment Security Commission - Calendar year annual average except for 2022 which is the average adjusted monthly rate for January through June. FY2023 is preliminary June from NC Department of Commerce.

**Guilford County, North Carolina
Principal Employers
Current Year and Nine Years Ago**

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Cone Health	12,849	1	5.15	8,281	2	3.54
Guilford County School System	9,534	2	3.82	10,408	1	4.45
United States Postal Service	4,700	3	1.88	2,868	4	1.23
City of Greensboro	3,622	4	1.45	2,982	3	1.27
The Volvo Group	3,200	5	1.28	2,100	9	0.90
University of North Carolina at Greensboro	3,200	5	1.28	2,473	5	1.06
United Parcel Service (UPS)	2,878	7	1.15	1,803	11	0.77
Guilford County Government	2,770	8	1.11	2,418	6	1.03
Ralph Lauren Corporation	2,681	9	1.07	2,369	7	1.01
High Point University	2,285	10	0.92			
North Carolina A&T State University	1,923	11	0.77	1,910	10	0.82
High Point Regional Health System				2,200	8	0.94
Total County Employment	249,479			233,995		

Sources:

Principal employer data is from the Triad Business Journal and the individual employers. Total County employment is for calendar year 2022 is from FRED Data. The 2014 information is from the 2014 ACFR.

**Guilford County, North Carolina
Total County Government Employees by Function
Last Ten Fiscal Years**

<u>Function/Program</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General government (1)	425	376	346	339	333	323	314	325	306	312
Human services	1,216	1,113	1,116	1,112	1,068	1,078	1,087	1,077	995	973
Public safety	1,169	1,081	1,109	1,101	1,079	1,122	1,089	1,086	1,031	1,031
Environmental protection	11	9	9	9	9	9	7	8	8	7
Culture-recreation	215	191	117	80	120	120	111	107	103	95
Total	<u>3,036</u>	<u>2,770</u>	<u>2,697</u>	<u>2,641</u>	<u>2,609</u>	<u>2,652</u>	<u>2,608</u>	<u>2,603</u>	<u>2,443</u>	<u>2,418</u>

Note: (1) General government employee numbers fluctuate due to election workers being included.

Source: Guilford County Payroll System

Table 13

**Guilford County, North Carolina
Operating Indicators by Function
Last Ten Fiscal Years**

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General government:										
Real estate documents processed (8)	335,517	494,468	542,733	400,122	327,833	351,856	374,744	349,976	329,352	337,840
Vital records recorded and issued (8)	69,019	72,273	62,013	67,120	71,875	78,770	75,083	76,100	77,532	73,434
Building permits issued (2)	5,297	6,405	5,846	5,660	4,992	4,315	4,248	4,040	4,091	3,804
Bldg.plumb,mech & elec insp completed (2)	34,000	47,263	42,604	39,530	35,498	34,398	34,179	34,548	32,351	27,000
Human Services:										
Laboratory tests performed (10)	134,782	124,225	126,203	163,357	198,155	212,292	196,604	200,096	188,086	187,677
Number of prescriptions filled (10)	40,488	44,156	42,681	49,158	61,755	62,518	59,113	48,444	43,637	44,346
Adoption assistance cases (4)	879	964	962	956	956	945	959	928	902	950
Children in Social Services custody (4)	507	461	437	452	469	539	539	449	552	386
Public Safety:										
911 calls received (1),(3)	168,807	170,686	169,122	163,793	172,191	166,270	164,177	157,564	153,459	150,968
Average daily population juvenile detention (12)	27	30	23	29	30	31	35	38	28	24
Average daily population adult jail (6)	797	831	696	964	926	906	881	811	932	932
Number of animals received (2),(11)	7,502	3,398	4,569	6,066	6,968	9,458	10,129	12,176	11,487	13,933
Number of spay/neuter surgeries performed (2),(11)	4,291	1,267	1,603	1,181	3,099	2,790	3,621	2,040	1,460	5,525
Environmental protection: (9)										
Number of scrap tires processed	640,099	679,621	625,474	615,388	611,600	585,000	577,500	517,000	465,000	540,000
Number of white goods disposed of (tons)	238	194	244	263	208	197	205	150	125	85
Education:										
Average daily membership (5)	66,817	67,038	66,420	70,903	71,029	71,304	71,396	71,429	71,502	71,787
County appropriation per pupil (7)	\$ 3,663.89	\$ 3,365.41	\$ 3,155.83	\$ 2,925.27	\$ 2,852.50	\$ 2,746.84	\$ 2,638.25	\$ 2,567.03	\$ 2,508.47	\$ 2,467.44

Note:

(1) Effective 2007, Guilford County and the City of Greensboro formed the combined Guilford-Metro 911 Emergency Communications Center.

Sources:

- (2) Guilford County Annual Budget
- (3) Guilford-Metro 911 Emergency Communications Center
- (4) Guilford County Department of Social Services
- (5) North Carolina Department of Public Instruction
- (6) Guilford County Law Enforcement
- (7) Guilford County Current Appropriations per average daily membership
- (8) Guilford County Register of Deeds
- (9) Guilford County Planning and Development
- (10) Guilford County Public Health
- (11) Guilford County Animal Shelter 2014-2020
- (12) Guilford County Juvenile Detention

Table 14

**Guilford County, North Carolina
Capital Asset Statistics by Function
Last Ten Fiscal Years**

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Human Services: (2),(5)										
Public health occupied square footage	101,098	101,098	101,098	101,098	101,098	101,098	101,098	101,098	101,098	101,098
Social services occupied square footage	164,320	164,320	164,320	164,320	164,320	164,320	164,320	164,320	155,860	155,860
Cooperative extension occupied square footage	47,022	47,022	47,022	47,022	47,022	47,022	47,022	47,022	47,022	47,022
Child support occupied square footage	15,101	15,101	15,101	15,101	15,101	15,101	15,101	15,101	15,101	15,101
Public Safety:										
Number of law enforcement vehicles (4),(5)	466	453	430	414	421	394	442	398	405	438
Number of law enforcement centers (5)	2	2	2	2	2	2	2	2	2	2
Number of emergency medical vehicles (4),(6)	120	119	115	109	101	106	97	87	89	82
Number of emergency medical stations (6)	17	17	17	17	17	16	16	16	16	15
Number of fire marshal vehicles (4),(6)	26	25	25	24	24	24	26	22	22	24
Number of volunteer fire stations (3),(6)	37	37	37	37	40	40	39	39	39	38
Number of volunteer firefighters (6)	416	436	441	488	482	542	571	603	621	621
Number of animal control vehicles (4),(5)	17	19	19	18	17	20	22	21	20	19
Culture-recreation:										
Parks (9)	294	294	294	294	294	294	294	275	275	275
Libraries (7)	11	11	11	11	11	11	11	11	11	11
Education: (1)										
Number of schools (8)	125	125	125	125	125	126	126	126	126	126

Notes:

- (1) Includes Guilford County Schools only.
- (2) Human service square footage is based on occupancy of County owned properties only and does not include data related to services moving to non-County owned properties.
- (3) Includes any volunteer fire station which serves Guilford County regardless of location.

Sources:

- (4) Guilford County Risk Management
- (5) Guilford County Fixed Assets System
- (6) Guilford County Emergency Medical Services Department
- (7) Cities of Greensboro, High Point, Gibsonville and Jamestown
- (8) Guilford County Schools - Years 2013-2018 were changed to the number of actual physical schools versus the number of programs.
- (9) Guilford County Planning and Development