

Fiscal Year 2018-19 Recommended Budget

Marty K. Lawing, County Manager

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Local, State, and National Economic Statistics

Unemployment

- Guilford County – 4.5% (March)
- North Carolina – 4.3% (March)
- National – 4.1% (March)

Residential & Commercial Building Permits

- Estimated to be up 3.7% over last year

Single Family Home Sales

- 3-bedroom median sale price are up 8.3% vs March 2017

Retail Sales

- Fiscal year-to-date sales increased 2% (through February)

Population Growth

- Increase of 8.0% from 2010-2018 (July estimate)
- Total number of residents
 - 2018 – 527,696 (US Census, July)
 - 2010 – 488,464 (US Census, April 1)

Regular Gasoline Prices

- Currently average \$2.709 per gallon (as of mid-May), up 23.9% from 2017 (AAA, GSO-WS-HP Metro)



Guilford Courthouse Military Park



Board Goals/Focus Areas



Economic Development

Guilford County encourages economic development by working with all stakeholders to create quality jobs, and expand and diversify the local and regional economy.



Education

Guilford County partners with local schools to develop a system that produces graduates with high academic achievement and skill levels to compete successfully in the job market.



Healthy People

Guilford County is a healthy community that strengthens coordination of care through partnerships which ensure the availability of quality social, physical, psychological and behavioral health services.



Board Goals/Focus Areas



Infrastructure

Guilford County provides safe and adequate public facilities that support the service, access, and technological needs of the public while optimizing the utilization of all properties.



Public Safety

Guilford County maintains safe and secure communities through strategically coordinated and professional public safety services.



Organizational Excellence

Guilford County provides the highest possible level of services by being a fiscally sound organization that values a high performing, professional, and innovative workforce.



Recreation & Culture

Guilford County enhances the quality of life in the community by supporting leisure, physical activities, and cultural opportunities.



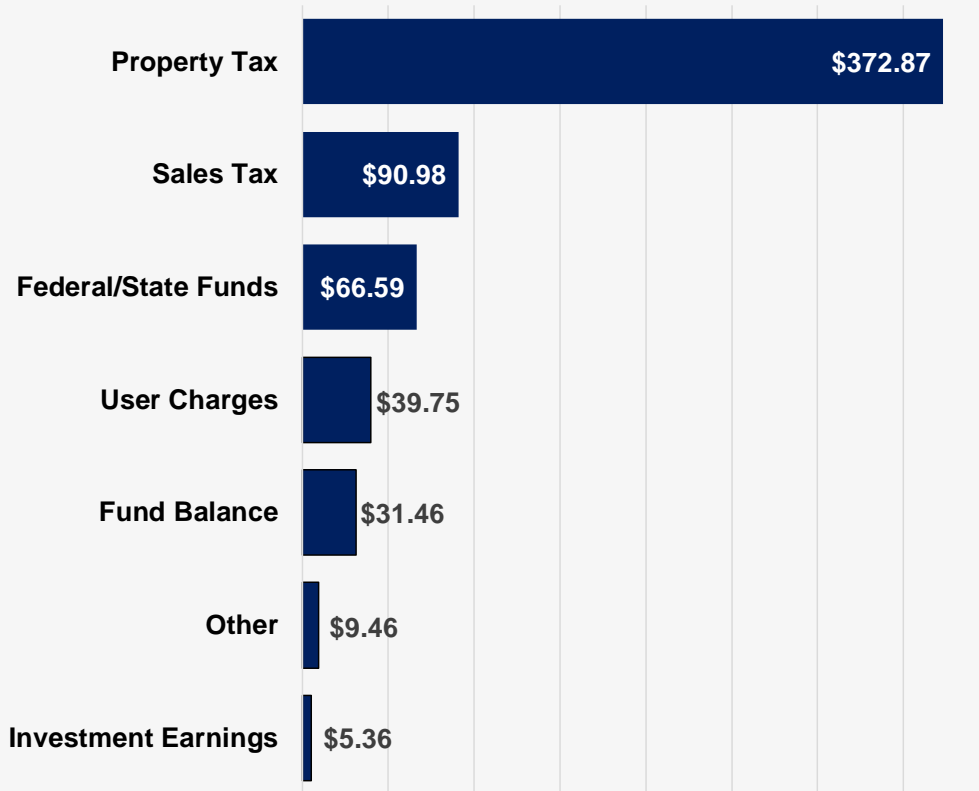
Budget Summary

All Budgeted Funds

Fund	FY2018 Adopted	FY2019 Recomm	Change	
General	\$ 608,414,000	\$ 616,459,260	\$ 8,045,260	1.3%
County Building Construction	\$ 2,000,000	\$ 2,000,000	\$ -	0.0%
Room Occupancy/Tourism	\$ 6,000,000	\$ 6,000,000	\$ -	0.0%
Fire Districts	\$ 18,817,436	\$ 20,510,962	\$ 1,693,526	9.0%
	\$ 635,231,436	\$ 644,970,222	\$ 9,738,786	1.5%
Less Transfers	\$ (2,000,000)	\$ (2,000,000)	\$ -	0.0%
	\$ 633,231,436	\$ 642,970,222	\$ 9,738,786	1.5%
Internal Service Fund Plan				
Risk Management	\$ 3,268,997	\$ 3,291,641	\$ 22,644	0.7%
Health Care	\$ 42,493,002	\$ 42,560,138	\$ 67,136	0.2%
	\$ 45,761,999	\$ 45,851,779	\$ 89,780	0.2%



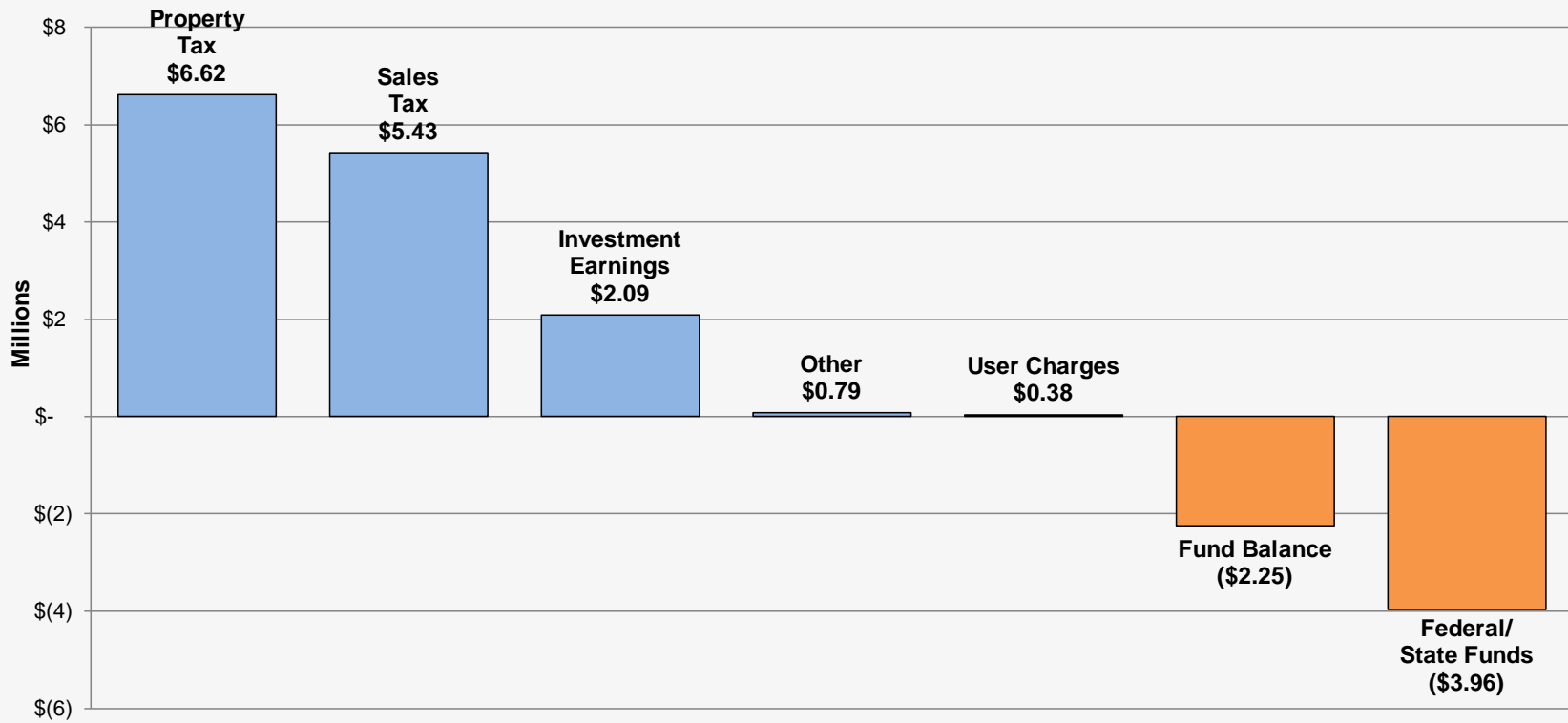
General Fund Revenues



- \$616,459,260
- General tax rate remains same at 73.05 cents.
- Largest sources of funds are:
 - Property Tax (60%),
 - Sales Tax (14%),
 - Federal & State (12%)
- - \$2.25 million total Fund Balance
General Fund Balance decreases by \$3.2 million

FY 2018-19 General Sources of Funds

Change from Prior Year Adopted Budget



General Fund Revenues

Property Tax

- Tax rate = \$0.7305, no change
- +1.8% property base growth vs. budget. Estimated total = \$51.5 billion.

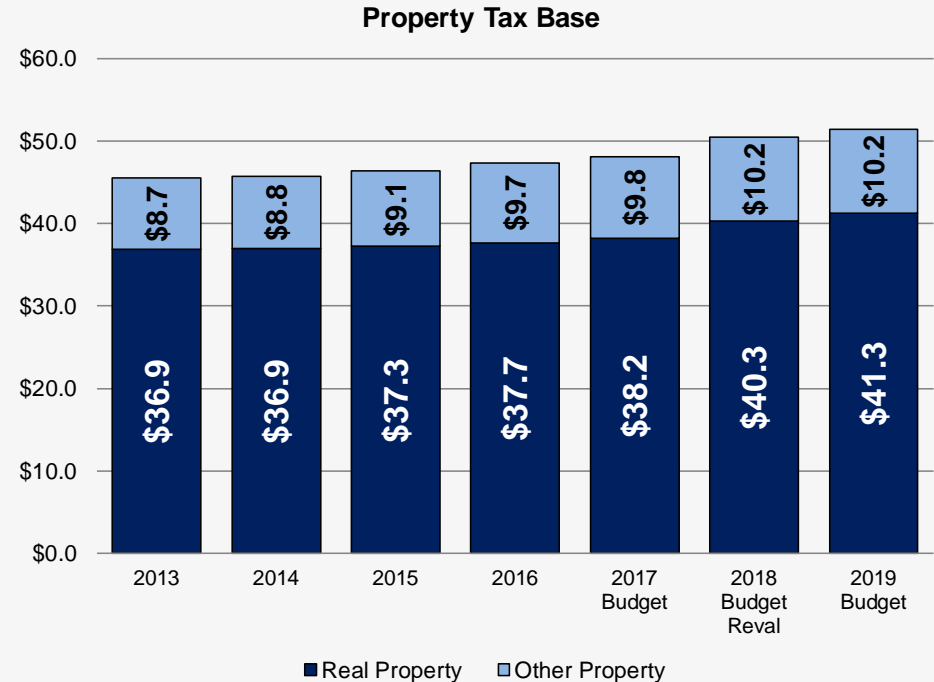
- Property Tax revenue:

Current year = \$370.2 million (+1.8%)

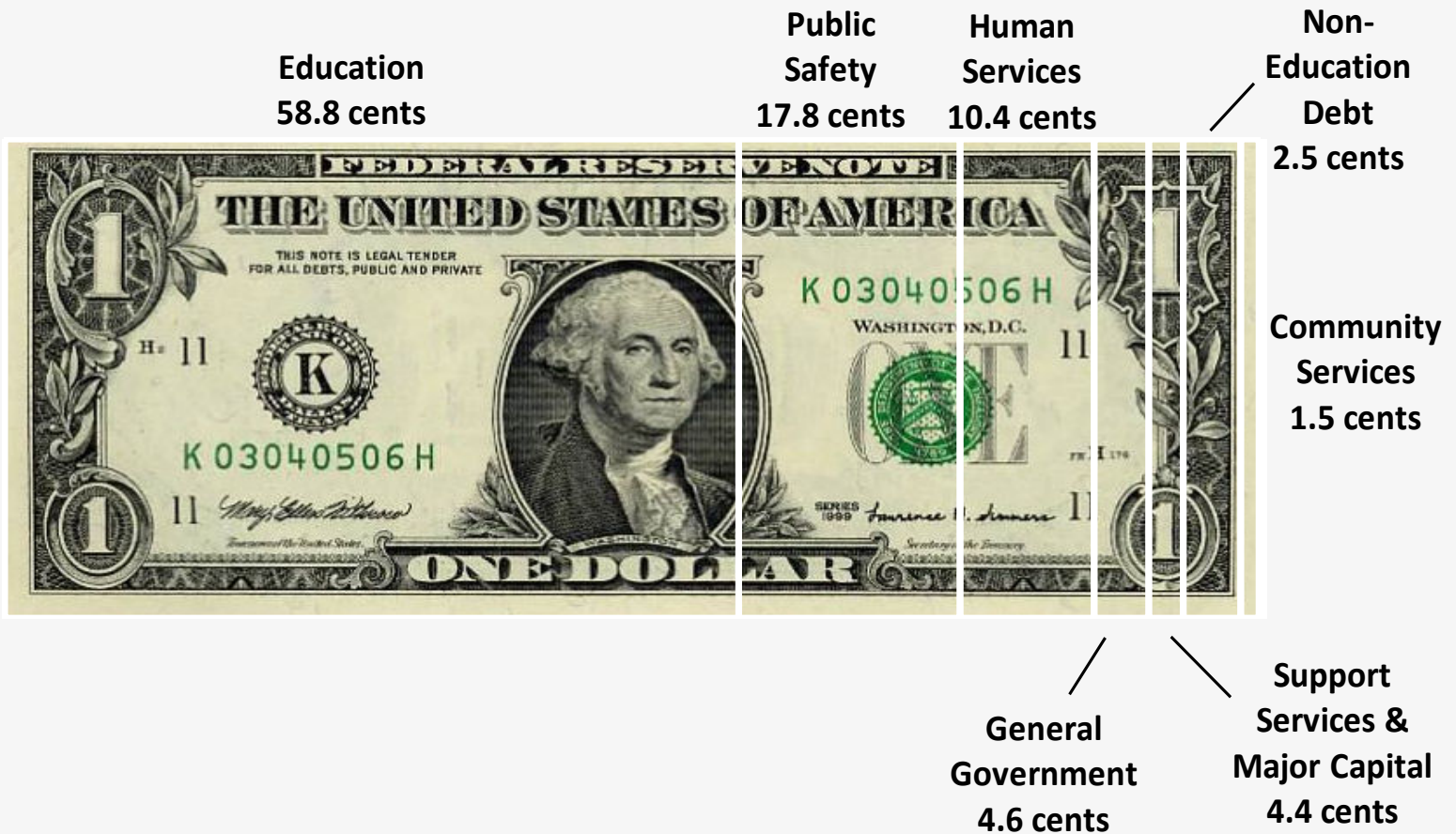
Prior year = \$2.7 million (+3.1%)

Total = \$372.9 million (+1.8%)

- 1 cent = \$5.07 million of tax revenue
- \$730.50 county tax for each \$100,000



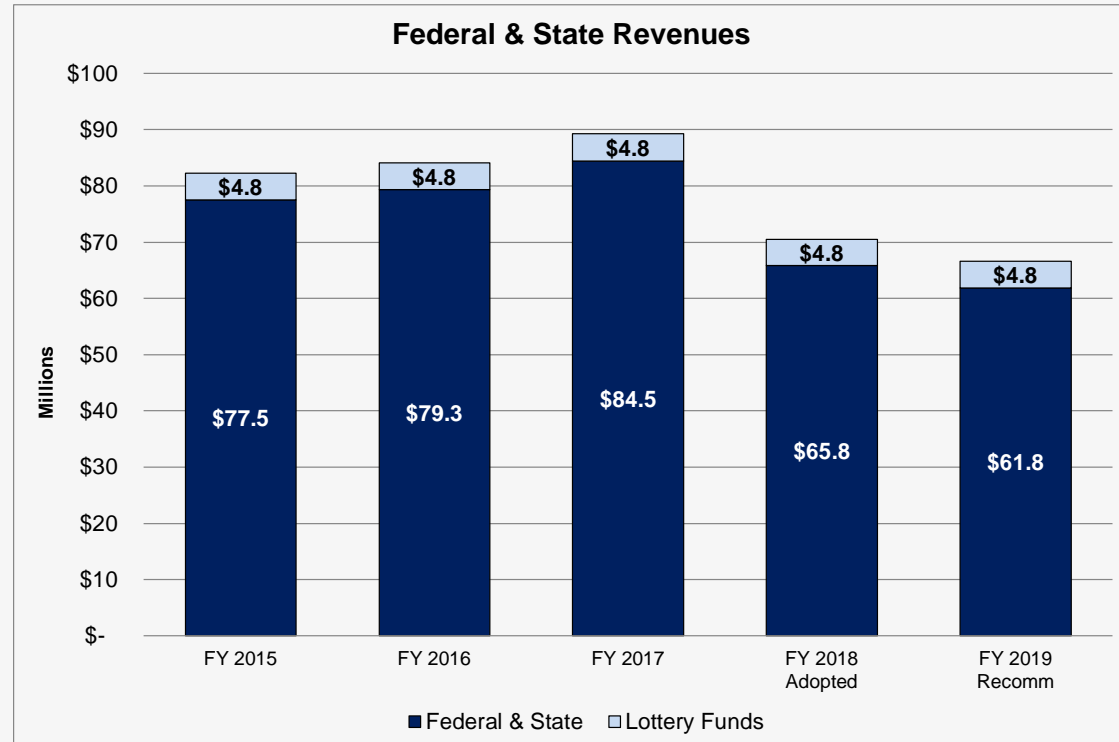
How each \$1 of Property Tax Revenue is used...



General Fund Revenues

Federal & State Funds

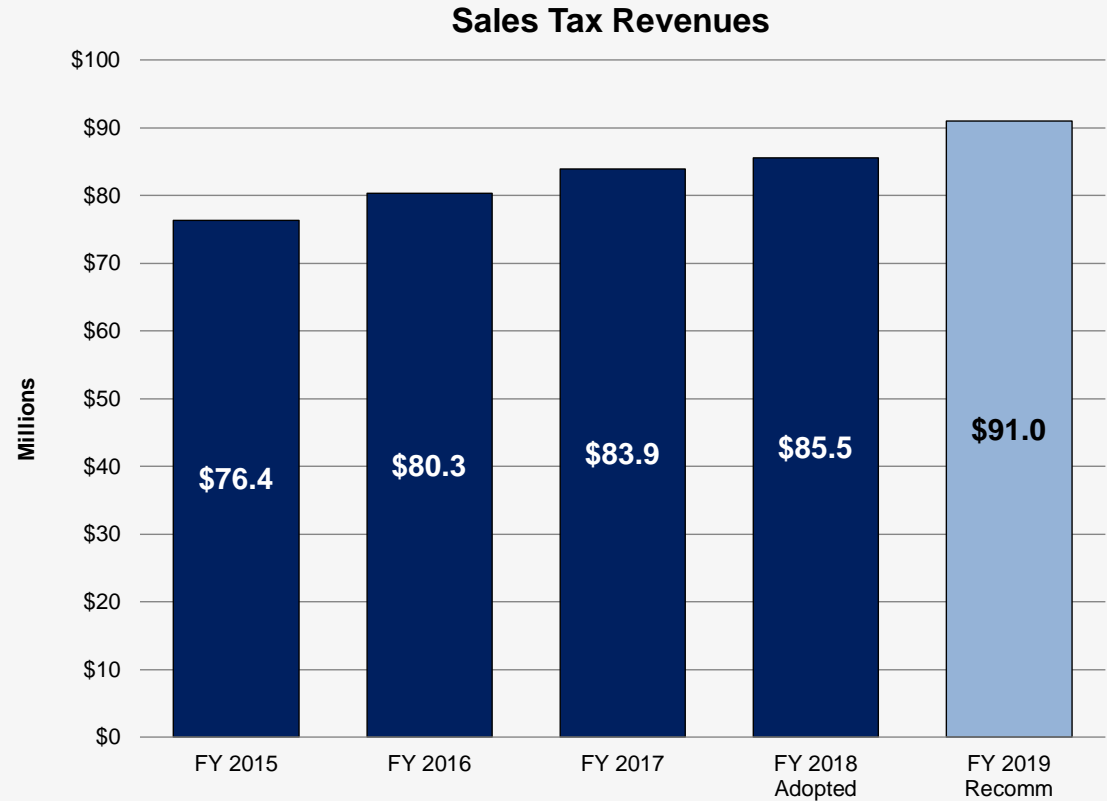
- -\$4 million overall decrease
- State now pays vendors directly for child day care – expense and revenues no longer in budget. Eligibility determination remains with county.
- \$4.8 million in Lottery Funds – used for school debt repayment.



General Fund Revenues

Sales Tax

- \$90.98 million budget, an increase of \$5.4 million over budget.
- Estimated \$7.5 billion in taxable sales
- Non-profit refunds highly variable and impact revenues



General Fund Revenues

Fund Balance

FUND BALANCE COMPONENTS

	Budget		% chg
	FY 2017-18	FY 2018-19	
Total Fund Balance by Source and Planned Use			
General Amounts:			
General County Operations	\$ 23,900,000	\$ 20,706,097	-13.4%
PLUS Amounts Restricted for Specific Uses:			
Debt Repayment - Bond Premium	\$ 8,584,504	\$ 7,019,480	-18.2%
Public Health - Medicaid programs, Hazardous Materials, Other	\$ 479,031	\$ 2,678,199	459.1%
Coordinated Svcs - ABC Bottle Tax Funds - Substance Abuse Research	\$ -	\$ 100,000	---
Law Enforcement - Explorer Post Funds	\$ 5,200	\$ 5,200	---
Law Enforcement - Federal Forfeiture Funds	\$ 230,693	\$ 230,693	---
Law Enforcement - Unauth Substance Tax Funds	\$ 15,000	\$ 15,000	---
Law Enforcement - Inmate Welfare Funds	\$ 155,000	\$ 28,000	-81.9%
Social Services - Adoption Incentive Program Funds	\$ 159,000	\$ 407,000	156.0%
Animal Services - Shelter/Susie's Fund	\$ 150,000	\$ 150,000	---
Family Justice Center - Donations/Grants	\$ 6,200	\$ 20,000	222.6%
Soil & Water Conservation	\$ -	\$ 2,505	---
Register of Deeds - Automation Funds	\$ 24,279	\$ 97,979	303.6%
	\$ 33,708,907	\$ 31,460,153	-6.7%

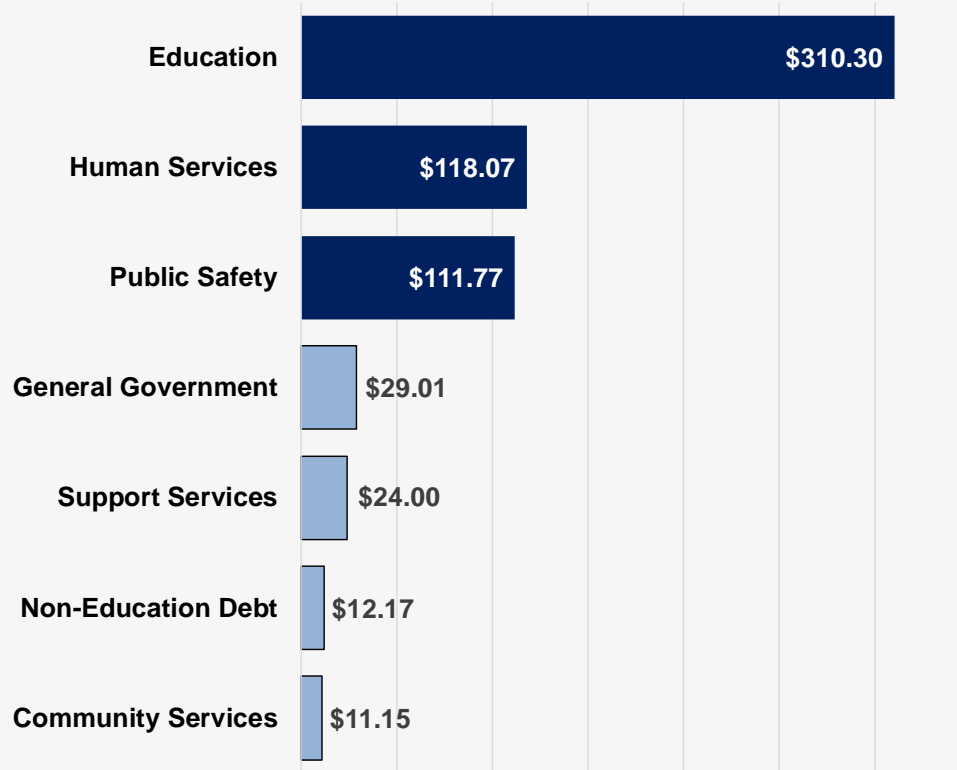


General Fund Expenditures

Type of Expense	<i>(in millions)</i>			
	FY2018 Adopted	FY2019 Recomm	Change	
Personnel	\$ 186.71	\$ 191.12	\$ 4.41	2.4%
Operating	\$ 295.20	\$ 308.37	\$ 13.17	4.5%
Debt Repayment	\$ 99.73	\$ 95.46	\$ (4.27)	-4.3%
Human Svc Assistance	\$ 22.86	\$ 17.02	\$ (5.84)	-25.5%
Capital Outlay	\$ 3.93	\$ 4.50	\$ 0.57	14.5%
	\$ 608.41	\$ 616.46	\$ 8.05	1.3%
Sevice Area				
Education & Education Debt	\$ 303.31	\$ 310.30	\$ 6.98	2.3%
Human Services	\$ 119.82	\$ 118.07	\$ (1.75)	-1.5%
Public Safety	\$ 108.75	\$ 111.77	\$ 3.02	2.8%
Non-Education Debt	\$ 13.92	\$ 12.17	\$ (1.75)	-12.6%
Support Services	\$ 24.37	\$ 24.00	\$ (0.37)	-1.5%
General Government	\$ 27.39	\$ 29.01	\$ 1.62	5.9%
Communtiy Services	\$ 10.85	\$ 11.15	\$ 0.30	2.7%
	\$ 608.41	\$ 616.46	\$ 8.05	1.3%



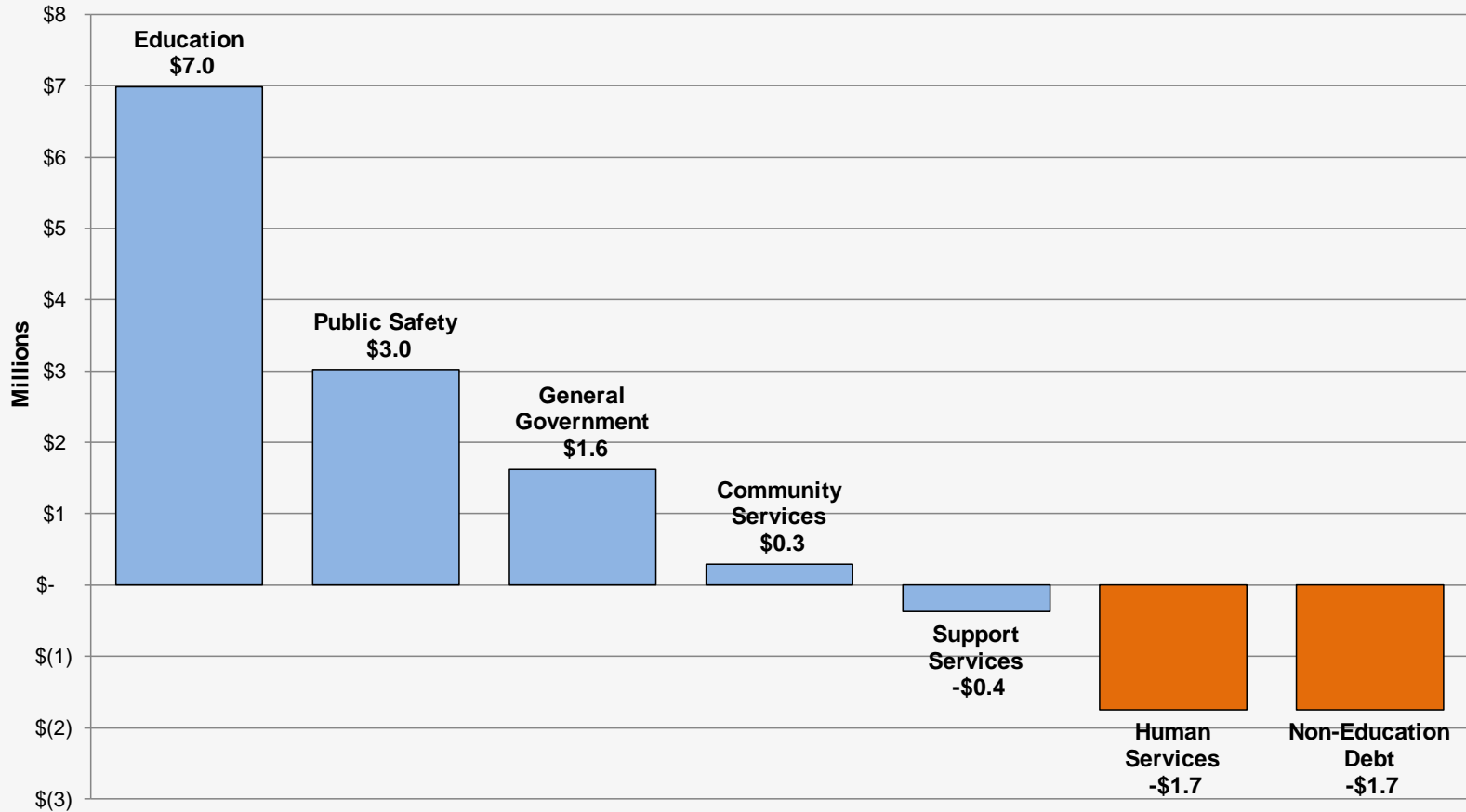
General Fund Expenditures



- \$616,459,260
- \$8 (+1.3%) million increase
- Nearly **\$9 of every \$10** spent is used for core County services – Education, Human Services, Public Safety
- Recommended budget includes 14 new positions (net)



FY 2018-19
General Fund Expenditures
 Change from Prior Year Adopted Budget

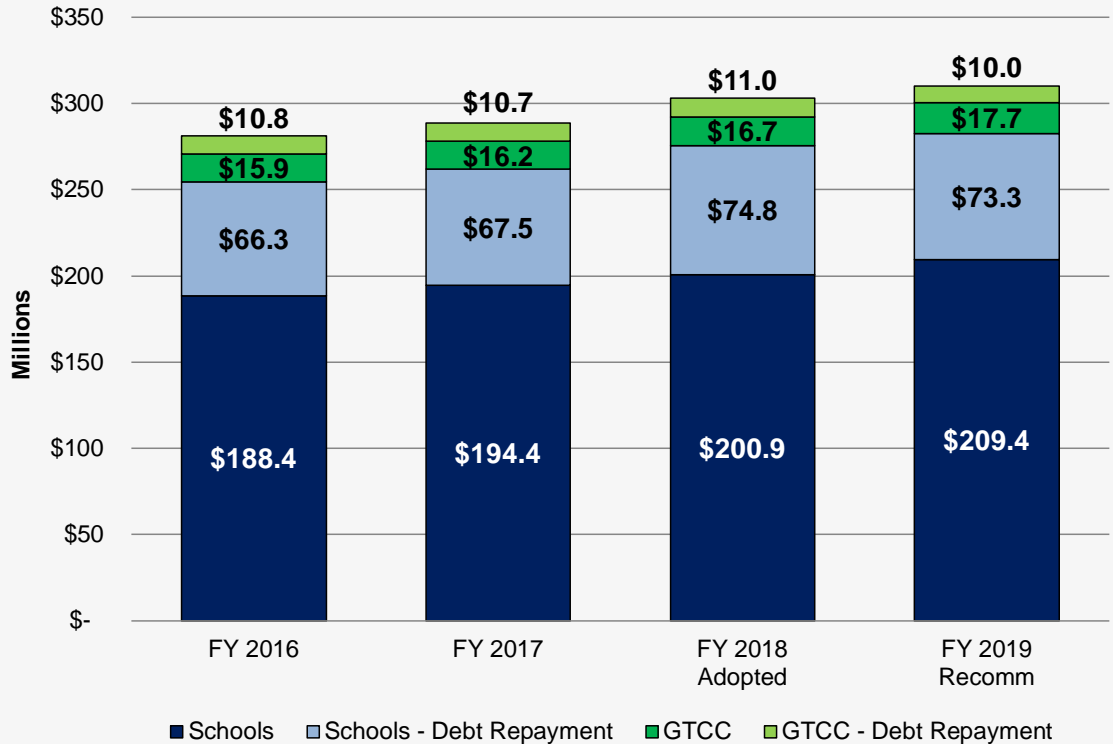




Education

- \$7 million total increase
- GCS and Charter Schools: +\$6 million operating & +\$2.5 million capital
- GTCC: +\$1 million operating and capital at current budget of \$1.5 million
- \$2.5 million decrease for combined GCS and GTCC debt repayment for final bonds from 2008 referenda

Education
Expenditure History



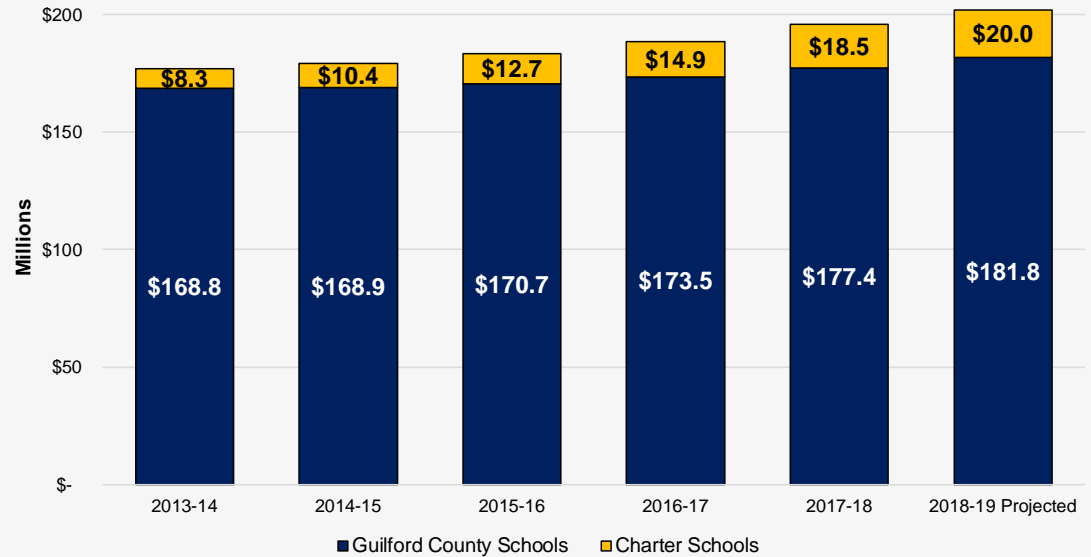


Education

Guilford County Schools

- \$282.7 million in total for GCS including debt service
- \$201.86 million Operating allocation, + \$6 million increase. Increases adopted per pupil funding from \$2,464 to \$2,517.
- GCS allocates part of this increase to charter schools
- Capital maintenance and repair allocation increases by \$2.5 million to \$7.5 million
- Estimated student ADM:
 - GCS 72,259
 - Charter Schools 7,952
 - TOTAL 80,211
- Board of Education requested a total increase of \$19.9 million.

County Appropriation for Public Schools



Estimated charter schools allocation. Actual based on actual students and final county budget.





Education

Guilford Technical Community College

- \$27.6 million in total for GTCC including debt service
- \$16.15 million (+\$1 million) Operating allocation to offset personnel costs, utility and insurance increases, and needs for the Center for Applied Manufacturing
- Capital maintenance and repair allocation remains at \$1.5 million
- Board of Trustees requested a total increase of \$1.86 million.

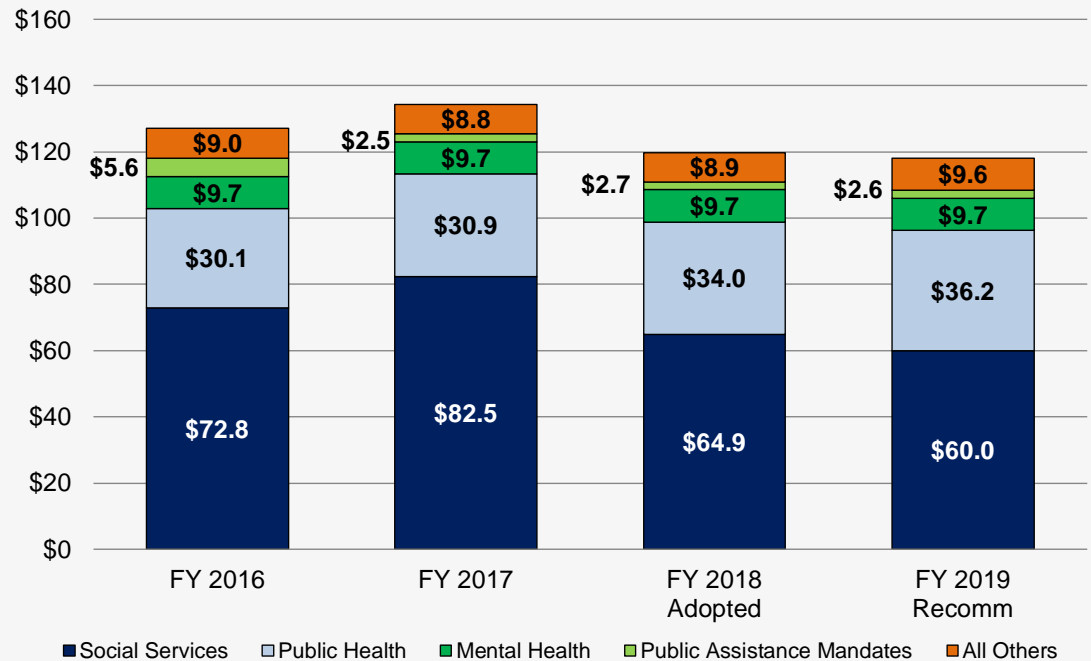




Healthy People

- Overall decrease of \$1.75 million
- State takes over vendor payments for child day care. Eligibility determination remains with county.
- +5 school nurses, +4 Medicaid quality assurance positions (40% - 75% reimbursed), +2 Child Support agents (66% reimbursed)
- Eliminates 2 vacant positions in Public Health – grants expired

Human Services
Expenditure History
(millions)

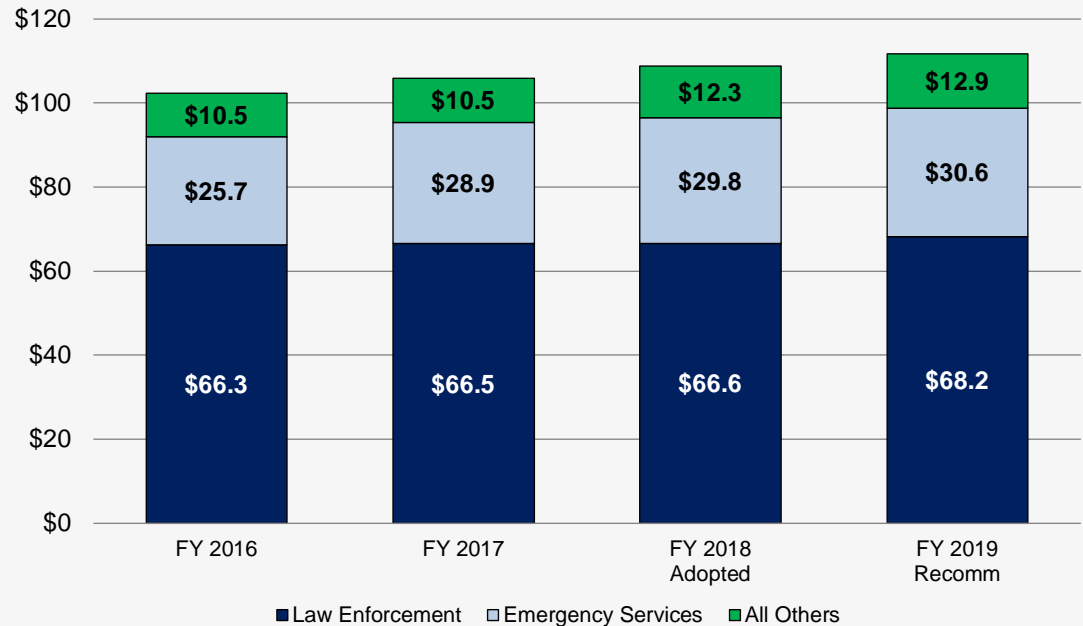




Public Safety

- \$3 million increase, \$2.5 million in county funds
- Recommends 1 new County Security Officer position, partially offset by indirect cost revenues in future years
- Share of GM-911 budget increases from 38% to 39%

Public Safety
Expenditure History
(millions)





Public Safety

Law Enforcement

- Budget includes additional +\$107,000 for inmate health services, +\$125,000 for software, and +\$132,000 for equipment and vehicle repairs
- 39 replacement vehicles – total cost of \$1.36 million



**Guilford County
Detention Center**



Public Safety

Emergency Services

- Budget includes full-year impact of 10 EMT/Paramedic positions added by Board in FY 17-18 budget
- +\$446,000 to replace aging equipment, including training mannequins and rescue tools, as well as additional equipment maintenance needs for other items
- Replaces 7 Emergency Service vehicles for \$1.1 million
- Revenues increase +\$257,000





Public Safety

Other Changes

- \$168,000 increase in County's share of Guilford-Metro 911 budget. County's share of total calls up from 38% to 39%.
- \$190,000 included in Security budget to enhance building security services (1 new position and additional contract security).
- \$250,000 to expand the Family Justice Center to the High Point area.
- \$294,000 in additional funding for the Animal Shelter for operating supplies, Project Bark and SPOT, and maintenance funds to keep shelter operating until new facility is ready.





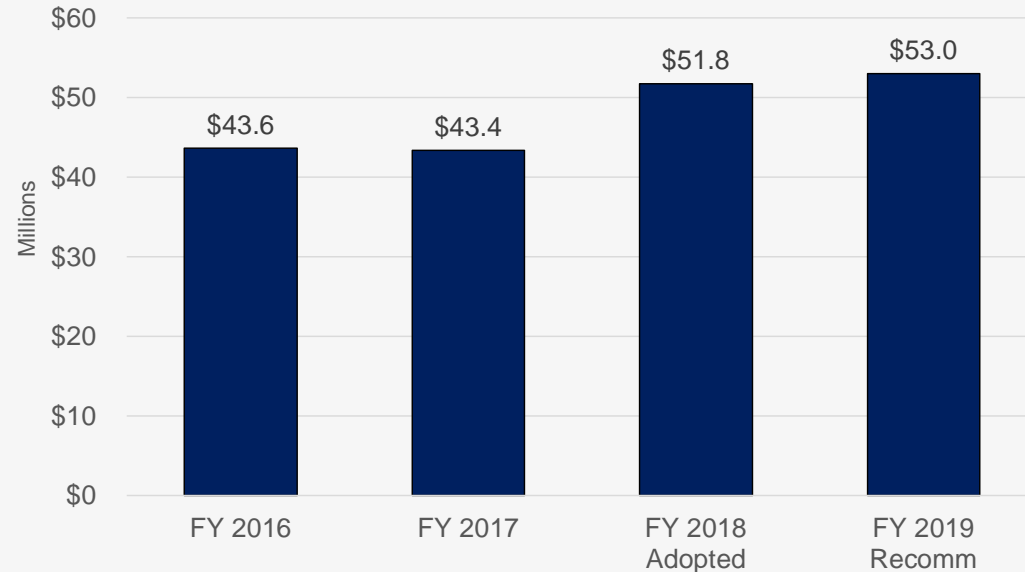
Organizational Excellence

- Overall decrease of \$500,000
- Continues \$2 million transfer to the Capital Investment Plan, non-education debt repayment decreases by \$1.2 million
- Sets aside \$1 million to address compensation issues for hard-to-attract and hard-to-retain positions
- \$350,000 for inspections/permit software upgrade and \$242,000 for updated tax software
- +1 new Analytics and Business Intelligence position in Budget (partially offset by indirect cost revenues in future years) & 1 part-time Deputy Register of Deeds for the Passport Acceptance Facility program (reimbursed with fees)



Infrastructure

Organizational Excellence & Infrastructure
(millions)





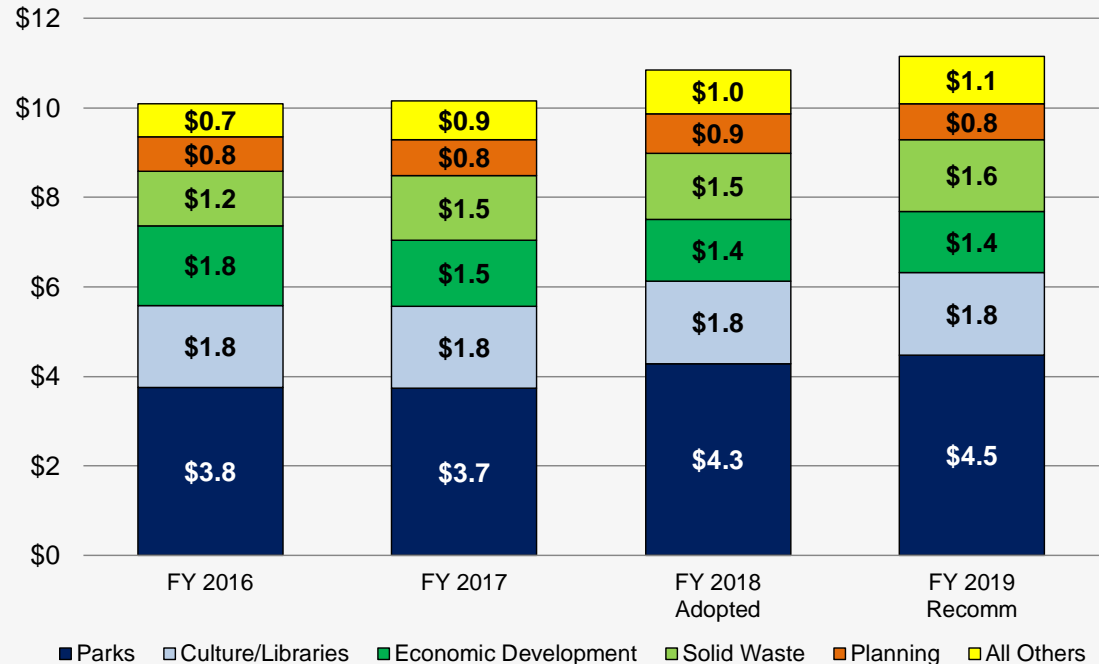
Economic Development

- Overall increase of \$296,000
- No change in libraries funding.
- \$197,000 for park maintenance needs, lifeguards, equipment, and shared expenses at Triad Park
- \$50,000 of additional funds in Solid Waste for electronic waste, scrap tires, and recycling and clean-up events, as well as additional service hours for household hazardous waste drop-off facility.



Recreation & Culture

Community Services
Expenditure History
(millions)

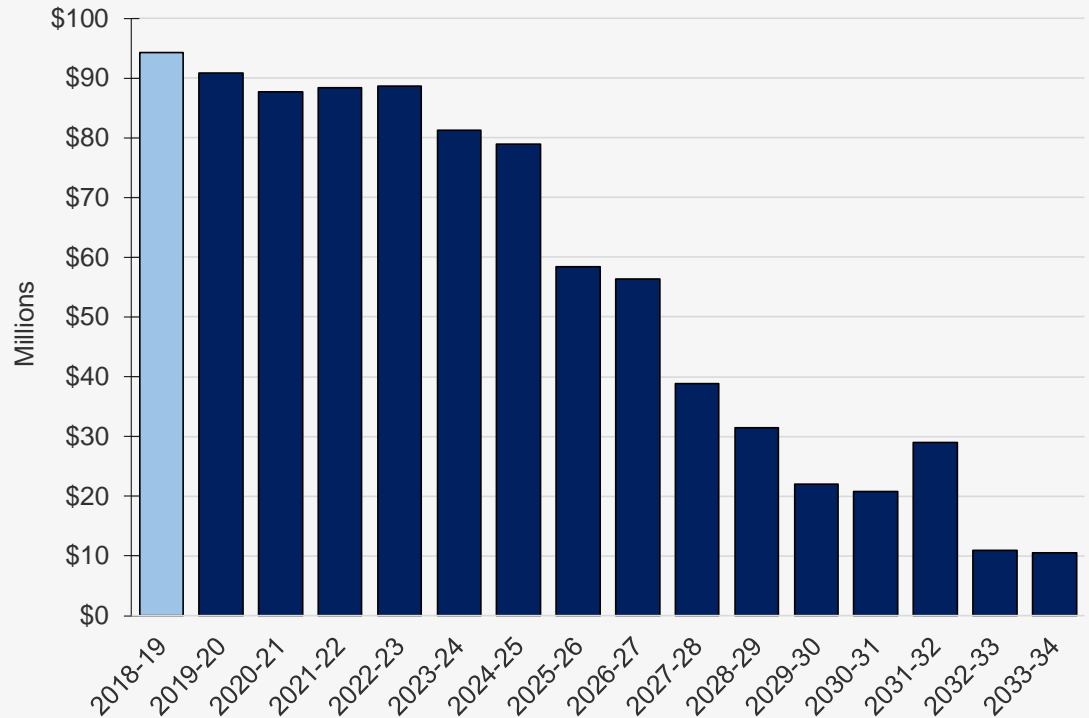


General Fund Expenditures

Debt Repayment

- Total budget of \$95.5 million. This is \$4.3 million less than the FY 2017-18 budget.
- \$7 million Bond premium funds used to help balance budget.
- Education debt repayment decreases by \$2.5 million from \$85.8 million to \$83.3 million.
- Other general county debt repayment decreases by \$1.2 million.

Estimated Debt Repayment Budgets
General Obligation Bond Debt



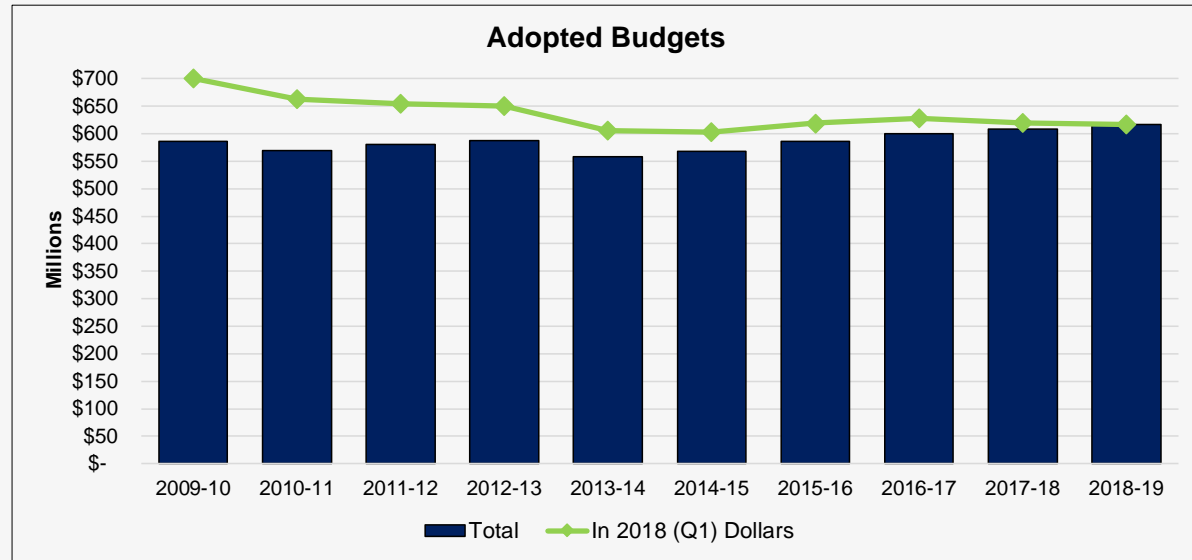
Capital Investment Plan

- Budget includes \$2,000,000 annual cash transfer from the General Fund to the County, no change from FY 2017-18.
- Additional funds will be needed in future years to implement the recommended Capital Investment Plan without additional debt.
- Additional two-thirds bond capacity will be available in FY 2018-19 to help fund projects.

Ten Year General Fund Budget History

Real Budget Change since FY 2009-10

- Inflation-adjusted budget is **\$83.5 million** less (-12%) than FY 2009-10 budget
- Inflation-adjusted budget per capita is **\$283** less (-19.5%) than FY 2009-10 budget



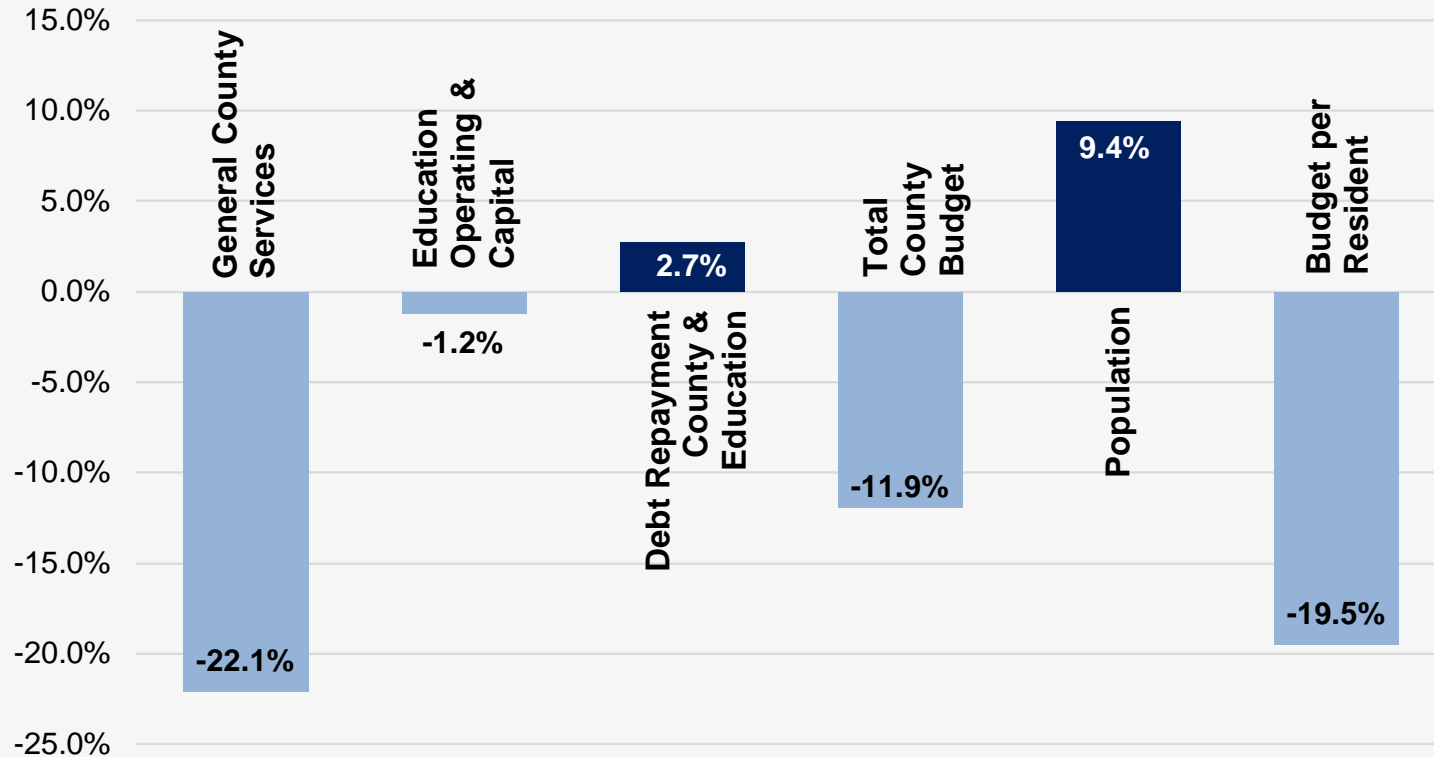
Fiscal Year	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Adopted	\$ 586.1	\$ 569.7	\$ 579.9	\$ 587.5	\$ 558.5	\$ 567.6	\$ 586.4	\$ 600.6	\$ 608.4	\$ 616.5
In 2018 Dollars	\$ 700.0	\$ 662.5	\$ 653.8	\$ 649.8	\$ 606.0	\$ 602.4	\$ 618.8	\$ 628.3	\$ 619.7	\$ 616.5



Ten Year General Fund Budget History

Real Budget Percent Change since FY 2009-10

10-Year Percent Changes
 Budgets adjusted for Inflation - 2018 Dollars



Eliminated positions (-2):

Public Health – Interpreter, Public Health Investigator - expired grant funding

New positions (+16):

Public Health - 5 School Nurses

The following positions will be partially or fully offset with revenues:

Social Services

- 4 Eligibility Caseworkers, 1 Eligibility Supervisor – Medicaid Quality Assurance
- Convert existing grant-funded Foster Care Social Worker to partial county funds

Child Support

- 2 Establishment Agents

Budget

- 1 Analytics & Business Intelligence position

Information Services

- 1 Technical Support Technician

Register of Deeds

- .75 Deputy Register of Deeds and increase by .25 existing Deputy Register of Deeds

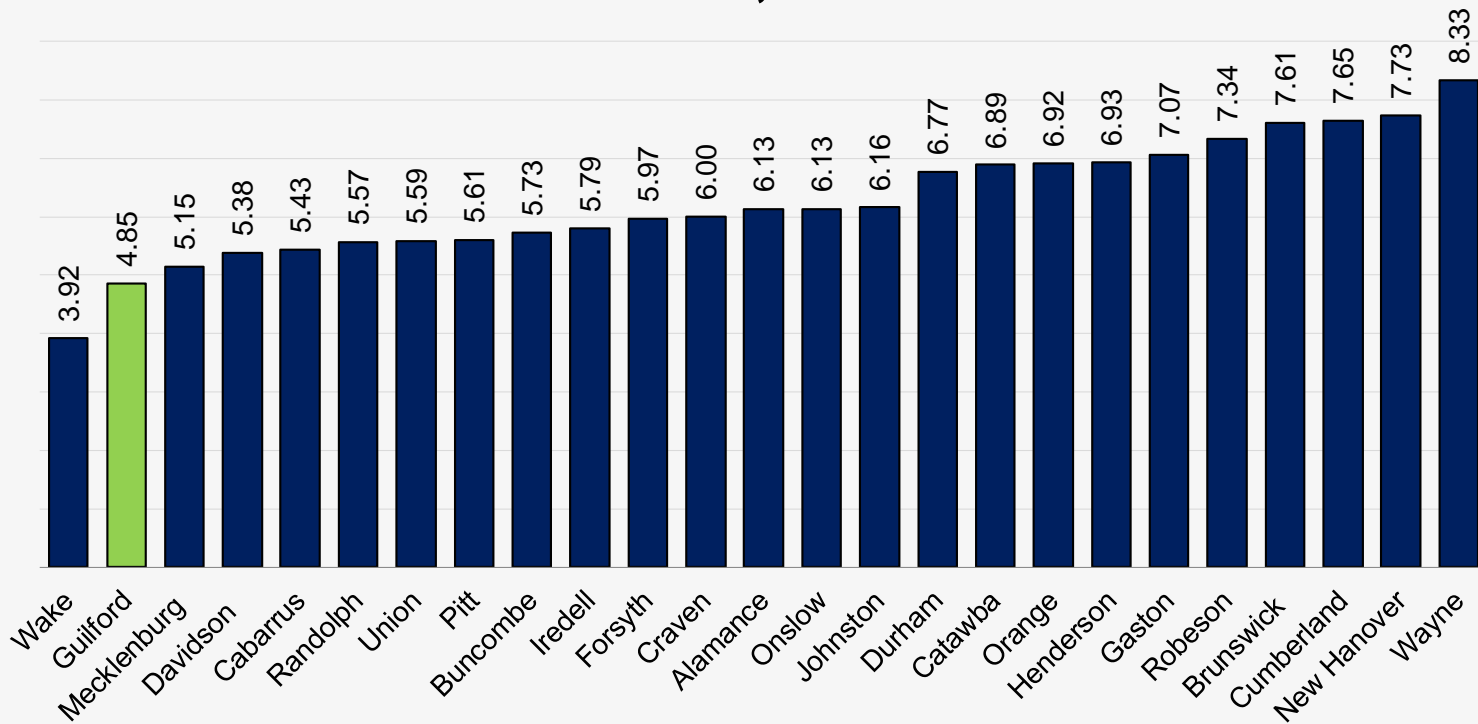
Security

- 1 County Security Officer



Employee Positions

Positions per 1,000 Residents Counties > 100,000 Residents



Source: NC Association of County Commissioners



Employee Compensation

Merit Pool

- Includes Merit Pay Pool equal to 3% of salaries and benefits. Individual employee increase may be more or less than 3%, depending on performance evaluation score. Merits to be applied on same date in January for all employees.
- First year net cost = \$1.6million (\$2.0 million less reimbursements & vacancies).
- Full year net cost = \$3.8 million (\$4.6 million less reimbursements & vacancies).



Fire District Funds

- 4 districts recommended for tax rate increase – Alamance, Guil-Rand, Julian, and Southeast. Increases are needed for personnel, major equipment, and capital.

Fire District	Current Tax Rate	Recomm Tax Rate	Change
Alamance	\$ 0.0998	\$ 0.1179	\$ 0.0181
Guil-Rand	\$ 0.1200	\$ 0.1466	\$ 0.0266
Julian	\$ 0.1354	\$ 0.1454	\$ 0.0100
Southeast	\$ 0.1250	\$ 0.1375	\$ 0.0125

- Total budget for fire districts will increase from \$18.8 million to \$20.5 million:
 - Property Tax = \$15.8 million
 - Sales Tax = \$3.5 million
 - Dept Fund Balance = \$1.3 million
- Projected average call increase of approximately 3% vs. last year



Room Occupancy/Tourism Development Fund

Accounts for the collection and payment of occupancy taxes levied in the county to the Greensboro/Guilford County Tourism Development Authority and the City of High Point. Proceeds of the occupancy taxes are used to promote activities and programs which encourage travel and tourism to the area.

- FY 2018-19 budget = \$6 million – no change from current year

Risk Management/Health Care Internal Service Fund

Accounts for the county's insurance programs, including liability, workers' compensation, and employee health insurance. A financial plan is approved each year

- FY 2018-19 budget = \$45.9 million
- \$90,000 increase
- Modest increases in employee contributions and plan changes



Future Issues – FY 2018-19 and Beyond

- **Growth in major revenue sources?**

*Real property increased, but at rate less than long-term average
Any adjustment to economy will impact sales tax*

- **Education funding**

*GCS requested an increase of nearly \$20 million
GTCC requested an increase of nearly \$1.9 million
County has obligation to support for new facilities*

- **Protect County's positive financial position**

*Maintain healthy fund balance levels
Cash vs. debt for future capital needs*



Recommended budget is available online at:

<http://www.myguilford.com/budget/>

