



# Guilford County Government

## Budget Performance Report

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### Performance Report at a Glance

The FY2024 Performance Report is an opportunity to highlight spending patterns in areas requiring observation or action throughout the fiscal year. Guilford County's current fiscal year runs from July 1, 2023 through June 30, 2024. This report focuses on performance through the second quarter of the year, which spans July 1, 2023 through December 31, 2023.

#### Major Revenues:



Property tax is expected to exceed the budget due to billed assessed value exceeding budgeted assessed values. The overall collection rate is trending slightly behind the prior year, resulting in some loss of potential revenue.



Sales tax is expected to meet the budget but will continue to be closely monitored. Sales tax is growing at 4% over the prior year, negatively impacted by higher sale tax refunds this fiscal year. Non-profit organizations are eligible to request a refund of paid sales taxes, resulting in a reduction in revenue for the County.



The County is anticipated to fully collect the dedicated property tax (\$0.073) set aside (\$51.1 million) to honor the school capital funding priority in support of the voter approved \$1.7 billion in school bonds.

#### Major Expenses:



Personnel expenses are trending above prior year spending due to a decrease in vacant positions, resulting in a reduction in year-end salary savings. Additional monitoring is occurring around overtime expenses, as these are trending higher than budget and prior year.



Operating expenses are performing in line with historical spending patterns.



The County will fully contribute planned expenses to Guilford County Schools, Guilford Technical Community College, and meet required debt service transfers.

#### Fund Balance Recovery:



At this time, the County is not projected to fully recover appropriated fund balance. In prior years, the County was able to minimize utilization of fund balance due to unprecedented sales tax growth and a high number of vacant positions. Staff will continue to provide monthly updates as projections are refined.



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### Shaping Our Action –

The Board of Commissioner adopted the following vision statements to help shape the County's direction. This vision shapes the County's budget, as the budget is an alignment of financial resources with priorities.

Empowering **Successful People** to thrive in a **Strong Community** supported by **Quality Government**

#### **Successful People**

Guilford County is made up of thriving **Successful People** who have equitable access to a range of coordinated social, physical, and behavioral health services and partnerships that meet them where they are to support their life journeys. Our education and credentialing systems produce graduates with high academic achievement and skill levels that allow them to compete successfully in our thriving job market and support themselves and their families. Our residents are healthy, educated, housed, and employed throughout their lives. Communities within our county are connected and our residents are engaged, supported and fulfilled.

#### **Strong Community**

Guilford County is a **Strong Community** that protects the safety and security of its residents through strategically coordinated and professional public safety services. We have strong and inclusive local and regional economies; a clean environment with quality recreational outlets; and vibrant arts, culture, and entertainment options. Our community has a continuum of safe and affordable housing and a strong safety net for those who are experiencing housing insecurity. We have quality public infrastructure that is accessible to all ages and abilities and is equitably distributed across the county. Guilford County is an attractive, fun, and diverse community that welcomes newcomers and retains our home-grown talent. People readily choose to live and raise families here.

#### **Quality Government**

Guilford County is a fiscally-sound **Quality Government** that promotes transparency, equity, accountability, and efficiency, meaning our government is a trusted and inclusive partner that is genuinely engaged with and reflective of our community. We are a highly sought-after organization that values and supports a high-performing, professional, thoughtful, and innovative workforce where our team members are excited to work. We provide data-informed, high-quality strategic leadership that supports resilient and sustainable services while optimizing and safeguarding the public's assets. Guilford County is a community of firsts and is regularly recognized for its unique and effective programs. Our team members and residents enjoy safe public facilities that meet the service, access, and technological needs of our community.

The funding mentioned throughout this report supports the County's efforts to achieve these vision statements.



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### General Fund Summary

The General Fund is the primary operating fund for Guilford County. The General Fund is supported through collected property tax (\$0.7305 per \$100 of property value), sales tax, intergovernmental (federal or state grants, or state shared revenue), and other revenues.

	Through Quarter 2 Fiscal Year 2024			Year Total Fiscal Year 2023	
	FY2024 Amended Budget	FY2024 YTD Actuals thru Q2	% Collected/Spent YTD	FY2023 Amended Budget	FY2023 Actuals
<b>Sources of Funds</b>					
Property Tax	\$516,976,000	\$406,839,359	79%	\$503,951,435	\$509,209,683
Sales Tax	101,750,000	24,456,570	24%	90,060,000	96,151,439
Federal & State	101,145,992	27,576,439	29%	104,050,729	93,841,515
User Fees & Charges	48,016,615	22,432,358	47%	43,751,107	50,633,247
Other Revenues	24,495,687	11,923,216	64%	22,049,516	26,978,654
Transfer from Other Funds	-	-	-	-	-
<b>Total Revenue</b>	<b>\$792,384,294</b>	<b>\$493,227,942</b>	<b>63%</b>	<b>\$763,862,787</b>	<b>\$776,814,539</b>
Appropriated Fund Balance	\$46,000,847	-	-	\$42,374,389	-
ARPA Enabled Fund Balance	18,997,000	-	-	-	-
<b>Total Sources of Funds</b>	<b>\$857,382,141</b>	<b>\$493,227,942</b>	<b>58%</b>	<b>\$806,237,176</b>	<b>\$776,814,539</b>
<b>Expenses</b>					
Personnel*	\$282,638,454	\$139,361,626	49%	\$251,510,078	\$242,225,647
Operating	125,124,084	46,152,305	37%	121,576,413	94,106,359
Education	278,833,573	139,044,637	50%	262,917,898	262,917,898
Human Services Assistance	23,336,259	8,737,916	37%	18,883,442	15,282,417
Capital	35,206	-	-	99,137	1,713,334
Debt Service	-	-	-	-	2,166,648
Transfers Out & Other Fin.	77,317,565	37,792,751	49%	82,250,208	80,322,766
Honor School Capital	51,100,000	-	-	50,000,000	-
<b>Expenses</b>	<b>\$838,385,141</b>	<b>\$371,089,235</b>	<b>44%</b>	<b>\$787,237,176</b>	<b>\$698,735,070</b>
<b>ARPA Enabled</b>	<b>\$18,997,000</b>	<b>\$3,754,757</b>	<b>20%</b>	<b>\$19,000,000</b>	<b>-</b>
<b>Total Expenses</b>	<b>\$857,382,141</b>	<b>\$374,843,992</b>	<b>44%</b>	<b>\$806,237,176</b>	<b>\$698,735,070</b>

\*In Fiscal Year 2023, \$9,925,839 in personnel budget and expenses was included in part of the \$19 million ARPA swap to support Homelessness, Transportation Taskforce, and Integrated Data.



# Guilford County Government

## Budget Performance Report

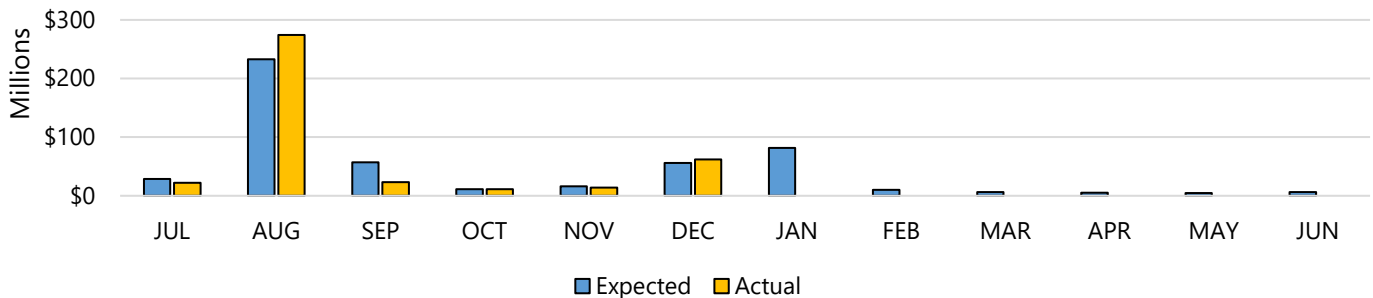
### GENERAL FUND REVENUE

#### How do we receive Property Tax?

The general county Property Tax is the county's largest single source of revenue, making up over 63% of total funds available to support operations. This tax applies to real property (things like land or buildings), personal property (things like business equipment or personal boats), and motor vehicles. The general county property tax rate is \$0.7305 for every \$100 of assessed property value. If you live in a city or town, you may also pay a city or town property tax. If you live in an unincorporated part of the county, you also pay a separate fire tax for fire response.

The County receives most of its property tax revenue by August 31 associated with the County's property tax discount program. This program provides a 1% discount if a property owner pays by August 31. Historically, 78% of property tax is collected through the first half of the fiscal year. Property tax remains on track to exceed budget associated with higher billed assessed value compared to budget.

FY2024 Budget-to-Actual Revenues – Property Tax



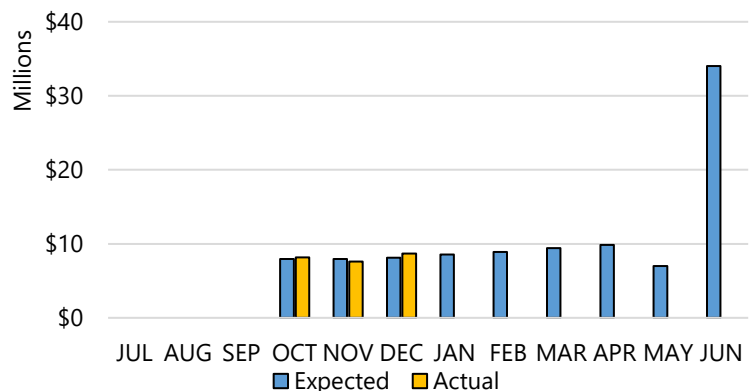
#### How do we receive Sales Tax?

About 13% of general county revenues come from the Sales Tax, used to support general operations. The sales tax rate in Guilford County is 6.75% -- 4.75% of state sales tax and 2% of local sales tax. Some or all this total sales tax is applied to purchases made in Guilford County (not all purchases are subject to the full sales tax rate). Sales tax revenues are shared with Guilford County cities and towns that levy a property tax.

Sales tax revenue received from the state for July, August, and September is accounted for in the prior fiscal year because it is for sales that occurred in April, May, and June. This results in an apparent spike in revenue each June.

The graph to the right shows the amount of sales tax revenue the County expects to receive each month of FY2024, based on historical trends. The County is experiencing higher refunds, or sales tax expenses returned to non-profit or governmental agencies, resulting in a decrease in sales tax revenue to the County.

FY2024 Budget-to-Actual Revenues – Sales Tax





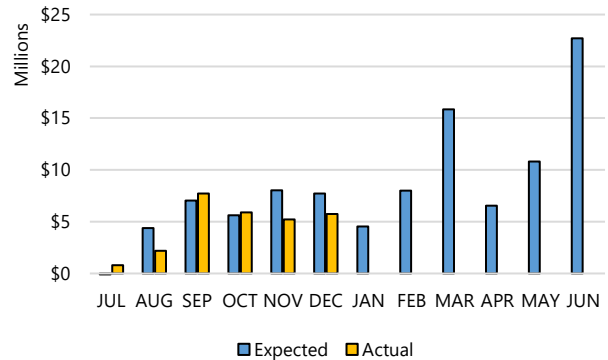
# Guilford County Government

## Budget Performance Report

### When are Federal & State revenues received?

About 12% of general county revenues comes from the federal and state governments through intergovernmental revenue. Most of these revenues are used to support federal and state programs provided administered by the county's Public Health and Social Services programs. The County's share of Lottery Funds, which are used to help pay for new school buildings or renovation to existing ones, is also included in this category.

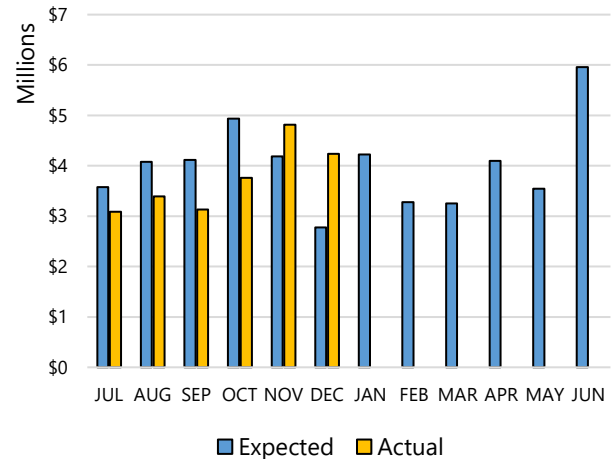
FY2024 Budget-to-Actual Revenues - Federal & State



### When are User Fee revenues received?

About 6% of general county revenues come from user fees. The revenue type includes items such as fees for ambulance transportation and medical visits to the Health Department. Other fees levied include inspections and permitting charges, fees received from the state for housing out-of-county inmates, fees paid to the Register of Deeds for various documents and transactions, and park fees. Most user fees and charges are collected by Public Safety and Human Services departments.

FY2024 Budget-to-Actual Revenues - User Fees

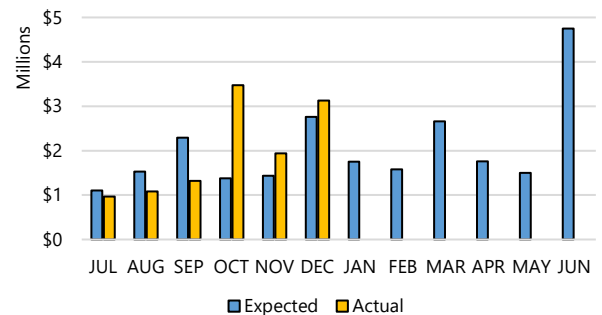


Through December 2023, the County collected \$22.4 million in revenue from these charges for services, equivalent to 47 percent of the FY24 budget target. This amount is \$1.9 million lower than collected through the same period of FY2023, mostly due to the timing upon which payments are expected to be received this year.

### When do we receive Other Revenues?

The Other Revenue category is a "catch all" grouping of miscellaneous revenues. Investment earnings on county investments, facility rental charges, sales of old vehicles and equipment, interest charges on late taxes, and community donations are included in this category.

FY2024 Budget-to-Actual Revenues - Other Revenues



The large increase in October was the posting of interest earnings in the General Fund.



# Guilford County Government

## Budget Performance Report

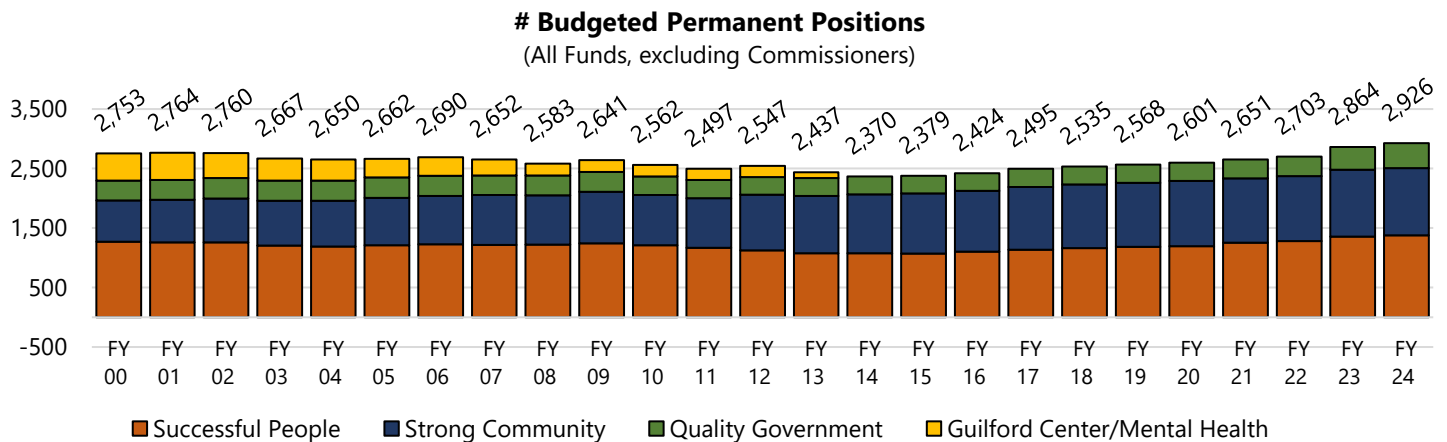
### GENERAL FUND EXPENDITURES

#### How do we spend our Personnel Budget?

Personnel represents 34% of the county's budget. This expense category includes salaries and benefits for the county's 2,930+ employees.

- Our largest area is **Successful People**, with over 1,370 employees, focused on providing human services including Social Services, Public Health, Child Support Enforcement, Family Justice Center, and Veteran's Services.
- Over 1,120 of these employees are dedicated to providing public safety and community-oriented services in our **Strong Community** focus area (Law Enforcement, Emergency Management and Emergency Medical Services, Animal Services, Parks etc.).
- Our **Quality Government** area houses over 410 employees dedicated to providing key internal services (Human Resources, Information Technology, Finance, Administration). Guilford County has one of the lowest ratios in the state of general service positions to residents - at 5.3 employees for every 1,000 county residents.

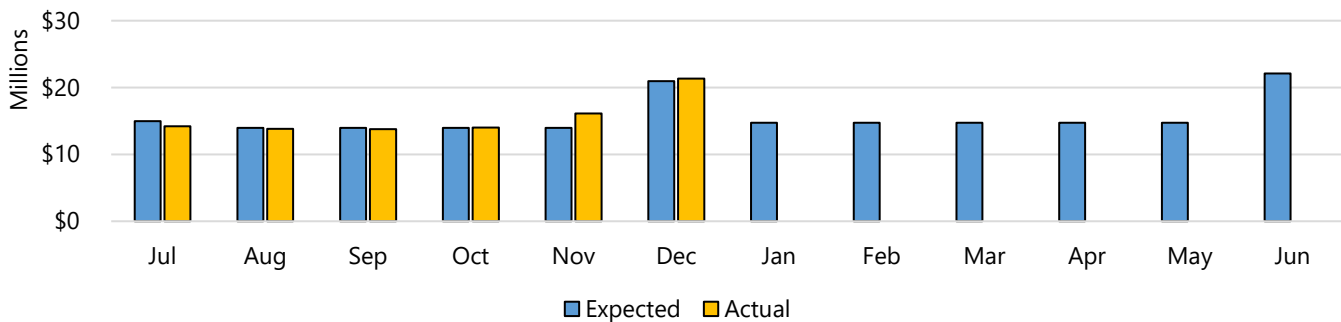
The graph below provides a historical look at the County's total number of full-time equivalent positions budgeted by service area.



As of mid-January, the County had 301.0 vacant full-time equivalent positions, which is equivalent to 10.3 percent of total budgeted positions. Through the first half of the year, monthly personnel expenditures remain in line with expected costs, but with less salary savings than prior years. Staff will continue to monitor impacts of overtime.

Q2 2024  
Vacancy Rate:  
**10%**

#### FY2024 Budget-to-Actual Expenditures - Personnel





# Guilford County Government

## Budget Performance Report

### Operating Expenses

Items included in this category provide funding for most of the day-to-day operating expenses for the county, as well as the county's cash support for other community partners like the Guilford County Schools, Guilford Technical Community College, and Sandhills Center (our mental health, substance abuse, and developmental disabilities service provider). Support for these outside agencies totals about \$292 million annually. Other expenses include drugs and medical supplies for county health clinics and ambulances, property insurances, building and vehicle repairs, technology hardware and software needs, and utilities.

The table below shows the County's spending on these items through the second quarter of FY2024.

### General Fund Operating Expenses\*\*

	FY2024 Amended Budget	FY2024 YTD Actuals	% Spent YTD
Supplies & Materials	\$12,872,968	\$4,615,974	35.9%
Other Services & Charges	90,244,136	35,527,913	39.4%
Non-Discretionary Accounts*	9,325,905	3,971,734	42.6%
Multi-Year Plans	12,681,075	2,036,685	16.1%
<b>Total Operating Expenses**</b>	<b>\$125,124,084</b>	<b>\$46,152,306</b>	<b>36.9%</b>

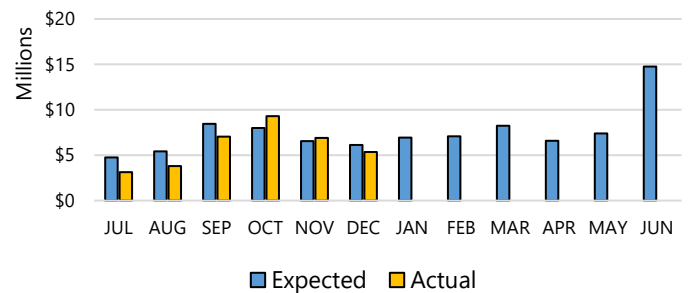
\*Non-discretionary accounts include funds budgeted for general operations such as utilities and centralized telephone and copier rental expenses.

\*\*This category removes funds allocated for ARPA Enabled Projects.

### Other Services & Charges

Other Services and Charges represent 12% of the County's budget for professional services, medical services at county jails, utilities, insurance, routine building maintenance, fuel for Law Enforcement or Emergency Medical Service, and payments to Sandhills Center (our mental health, substance abuse, and developmental disabilities service provider). December spending higher than expected due to the timing of the purchase of software service and maintenance expenses.

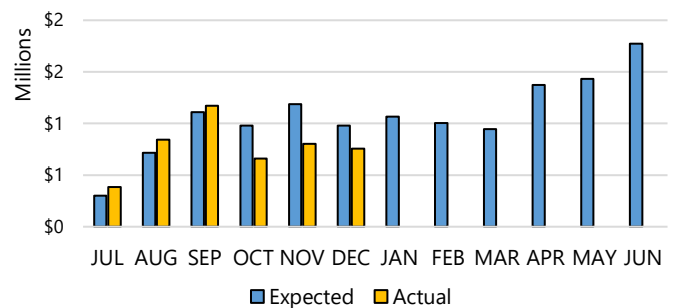
FY2024 Budget-to-Actual Expenditures –  
Other Services & Charges



### How are Supplies & Materials spent?

Supplies & Materials represents 1% of the County's budget for drugs and medical supplies for county health clinics and ambulances, food and provisions for the County's jails, computer equipment, and other supplies utilized to provide county services. Spending through December remained within the amount budgeted for Supplies and Materials expenses for the first half of the year.

FY2024 Budget-to-Actual Expenditures –  
Supplies & Materials





# Guilford County Government

## Budget Performance Report

### How do we spend our multi-year plans?

Operating capital, or the amount allocated for the County's multi-year plans, represents 1% of the FY2024 budget. This includes funding for the purchase of **major equipment, vehicles and technology needs** for County operations. Purchases for these categories vary based on market conditions and availability of vehicles. More information can be found on these plans within the annual budget book.

- **Major Equipment:** Major items within the Equipment Plan include Stryker PowerPro Stretchers within Emergency Services, which transform patient care with advanced mobility and electric functionality, taking the load off paramedics to lift and carry patients. Equipment within Law Enforcement included replacing kitchen equipment within the detention centers. Additional equipment is programed for Parks and Public Health.
- **Major Technology:** Major items within the Technology Plan include an annual computer refresh to replace outdated or unsupported computer equipment, funding for a website overhaul, funding for car and body cameras within the Sheriff's Office, and mission critical equipment within Emergency Services.
- **Vehicle Replacement:** Each year the County works to replace vehicles, generally for vehicles over 10 years old or with mileage above recommended standards. The FY24 budget includes \$3.2 million for the Sheriff's Office and \$1.8 million for Emergency Services. The County's fleet supports departments including Social Services, Public Health, Animal Services, Parks, Inspections, and Facilities. Starting with the January report (M7), FY24 funding for vehicles will be shown in a capital project ordinance for accounting purposes.

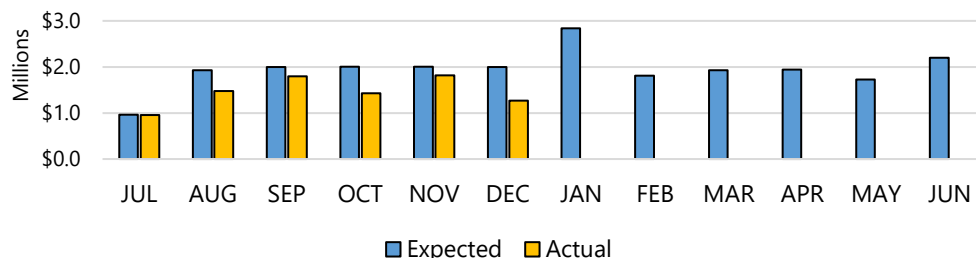
The table below shows the amounts budgeted and spent through January for each plan for fiscal year 2024.

	FY2024 Amended Budget	\$ Spent YTD	% Spent YTD
Major Equipment Plan	\$2,756,505	\$570,722	20.7%
Major Technology Plan	2,417,879	621,888	25.7%
Vehicle Replacement Plan	7,506,691	844,077	11.2%

### How do we spend Human Services Assistance?

Human Services represents 2% of the county's budget. This includes most of the county's service obligations for mandated public assistance programs including adult and child day care, adoption program expenses, room and board expenses for foster children in the county's care, and funding for residents experiencing heating and cooling crises. A significant portion is offset by federal and state revenue support. The Board took action to right-size foster care expenses at the December 21, 2023 agenda.

FY2024 Budget-to-Actual Expenditures – Human Services Assistance







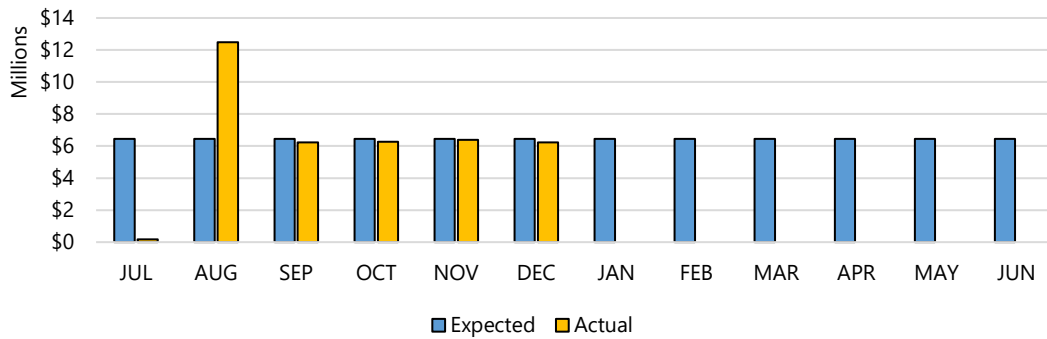
# Guilford County Government

## Budget Performance Report

### How do we spend transfers to other funds?

Transfers represent 9% of the county's budget. This represents the county's debt service obligations and capital transfers for Guilford County Schools, GTCC, and county capital construction. This also includes a transfer to the Tax Revaluation Fund to prepare for the annual five-year revaluation cycle. As shown in the graph below, there was a lag in the transfer of funds from the General Fund in the first month of the fiscal year. The spike shown in the month of August accounts for this correction.

**FY2024 Budget-to-Actual Expenditures – Transfers to Other Funds**





# Guilford County Government

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## Budget Performance Report

### **Fund Balance Recovery**

Guilford County must adopt a balanced budget, which means revenues and other sources of funds must equal expenses. When budgeted revenues do not equal expenses, the county commits to use a certain amount of Fund Balance to make up the difference. Fund Balance is like a savings accounts. During a typical year, the county brings in more revenue and spends less expense than budgeted. When this happens, the county does not have to use all of the Fund Balance it committed to keep the budget balanced. If extra revenue and expense savings are more than the committed Fund Balance, the county must use funds from its savings account to pay for operations.

A fund balance projection will be provided with the Month 7 report to account for the \$28.6 million ARPA swap on the January 18, 2024 Board of Commissioners meeting.



# Guilford County Government

## Budget Performance Report

### How are school bond projects progressing?

The Board of Commissioners took historical action to place \$2.0 billion in school bonds on ballot referendums. Voters approved \$300 million in 2020 and \$1.7 billion in 2022. The County has issued \$120 million of the \$2.0 billion, and plans to issue an additional \$180 million in February 2024. To date, the Board of Commissioners has approved \$558 million in budget ordinances so Guilford County Schools can begin work on projects. The table below shows spending to date on these projects through January 2024. Additional information can be found on the school [bond dashboard](#).

Projects (Actuals as of January 2024)	Project Phase	Project Budget	Actuals
Kiser Middle	Construction	\$81,667,391	26,051,864
Peck K-8 Expeditionary Learning	Construction	78,737,396	41,660,831
Foust Elementary	Construction	59,101,641	18,891,260
Katherine G Johnson K-8 School	Site Acquisition	59,336,545	3,508,909
Claxton Elementary	Construction	50,377,090	28,936,521
Brooks Global Studies	Construction	42,639,190	12,630,002
New Visual Performing Arts	Pre-Construction	69,375,621	6,928,035
Erwin Montessori at former Archer E	Planning/Design	8,372,058	205,879
Allen Jay Elementary	Planning/Design	5,207,070	299,758
Sternberger Elementary	Planning/Design	3,818,849	252,578
Land Acquisition		8,116,900	248,731
Deferred Maintenance	Programming	20,000,000	1,638,482
Safety and Security Enhancements	Programming	20,000,000	149,654
Technology Upgrade	Programming	8,000,000	3,746,925
Lindley K-8 School	Planning/Design	7,500,000	766,846
Northwest Middle School Replacement	Planning/Design	7,500,000	268,794
Swann Center 6-12	Planning/Design	5,000,000	511,231
Bessemer Elementary	Planning/Design	4,500,000	161,163
Joyner Elementary	Planning/Design	4,500,000	161,163
Northwood Elementary	Planning/Design	4,500,000	161,163
Sumner Elementary	Planning/Design	4,500,000	566,368
Vandalia Elementary	Planning/Design	4,500,000	161,163
Shadybrook Elementary	Planning/Design	1,500,000	53,721
<b>Total Spend</b>		<b>\$558,749,751</b>	<b>\$147,961,041</b>



# Guilford County Government

## FY2024 General Fund Expenses by Department

	FY2024 Amended Budget	FY2024 Q2 Actuals	% Budget Utilization	FY2023 Amended Budget	FY2023 Actuals	% Budget Utilization
<b>Successful People</b>						
HHS: DHHS Administration	\$478,453	\$159,375	33.3%	\$289,171	\$227,865	78.8%
HHS: Public Health	56,978,672	24,101,131	42.3%	63,189,401	51,049,364	80.8%
Behavioral Health	10,871,583	5,138,212	47.3%	6,635,531	6,229,216	93.9%
HHS: Social Services	93,421,016	41,659,387	44.6%	79,951,493	75,486,557	94.4%
Child Support Enforcement	8,406,910	4,298,108	51.1%	7,914,912	7,711,803	97.4%
Transportation Service	1,579,436	729,227	46.2%	1,508,193	1,356,553	89.9%
Veteran Services	574,082	266,345	46.4%	551,676	491,891	89.2%
Juvenile Detention	4,185,426	1,745,112	41.7%	3,485,036	2,882,248	82.7%
Family Justice Center	1,448,717	698,964	48.2%	1,351,518	1,249,426	92.4%
Court Services	1,190,431	535,844	45.0%	926,657	746,049	80.5%
<b>Total Successful People</b>	<b>179,134,726</b>	<b>79,331,705</b>	<b>44.3%</b>	<b>165,803,588</b>	<b>147,430,972</b>	<b>88.9%</b>
<b>Strong Community</b>						
Planning and Development	2,510,290	994,097	39.6%	1,986,026	1,375,434	69.3%
Security	4,659,697	2,021,003	43.4%	3,879,305	3,570,988	92.1%
Cooperative Extension Service	1,163,388	389,977	33.5%	933,531	827,727	88.7%
Coordination Services	4,033,097	2,551,408	63.3%	3,892,038	3,726,578	95.7%
Law Enforcement	89,951,640	43,069,952	47.9%	80,918,931	77,278,627	95.5%
Emergency Services	45,199,257	21,081,311	46.6%	43,868,907	41,890,487	95.5%
Inspections	3,444,682	1,532,560	44.5%	2,805,236	2,602,763	92.8%
Animal Services	5,453,807	2,862,708	52.5%	4,519,237	4,108,105	90.9%
Solid Waste	2,277,944	800,956	35.2%	2,492,021	1,833,968	73.6%
Soil & Water Conservation	436,532	197,276	45.2%	488,715	394,173	80.7%
Culture - Libraries	2,372,508	2,317,008	--	111,044	111,000	--
Culture-Recreation (Parks)	6,130,093	2,797,925	45.6%	5,043,111	3,968,452	78.7%
Economic Develop & Assistance	6,632,455	200,000	--	4,943,956	2,453,172	--
<b>Total Strong Community</b>	<b>174,265,390</b>	<b>80,816,181</b>	<b>46.4%</b>	<b>155,882,058</b>	<b>144,141,474</b>	<b>92.5%</b>
<b>Quality Government</b>						
Clerk to the Board	1,523,524	686,679	45.1%	1,479,368	1,194,718	80.8%
County Administration	2,599,576	893,003	34.4%	3,190,354	2,072,018	64.9%
MWBE*	1,774,568	391,936	22.1%	--	--	--
Public Relations	1,362,026	413,342	30.3%	748,526	500,240	66.8%
County Attorney	4,567,244	2,161,172	47.3%	4,119,284	3,643,495	88.4%
Human Resources	11,077,378	5,245,953	47.4%	10,172,336	9,933,725	97.7%
Budget & Management Services	1,373,955	597,079	43.5%	1,113,946	936,774	84.1%
Internal Audit	975,728	392,600	40.2%	913,620	779,438	85.3%
Finance	4,854,866	2,416,802	49.8%	4,589,455	4,289,501	93.5%
Information Technology	17,883,110	8,764,277	49.0%	17,257,558	17,231,282	99.8%
Tax	8,910,541	3,927,666	44.1%	8,975,268	8,277,284	92.2%
Register of Deeds	3,412,476	1,403,863	41.1%	3,378,761	2,864,773	84.8%
Elections	3,641,903	1,240,080	34.1%	3,508,234	3,104,680	88.5%
Facilities	11,336,706	5,066,540	44.7%	10,999,274	10,407,174	94.6%
Fleet Operation	2,467,060	550,330	22.3%	2,283,338	1,105,314	48.4%
<b>Total Quality Government</b>	<b>77,760,661</b>	<b>34,151,322</b>	<b>43.9%</b>	<b>72,729,322</b>	<b>66,340,416</b>	<b>91.2%</b>
<b>Other</b>						
Education	333,983,573	140,069,637	41.9%	324,467,898	272,467,898	84.0%
Debt Service	71,285,139	35,642,568	50.0%	68,354,310	68,354,310	--
General Government	1,955,652	1,077,826	55.1%	--	--	--
	<b>\$838,385,141</b>	<b>\$371,089,239</b>	<b>44.3%</b>	<b>\$787,237,176</b>	<b>\$698,735,070</b>	<b>88.8%</b>

\*Expenses for the County's MWBE department were reported as part of County Administration prior to FY24.