



Budget Performance Report

FY2023 through November 2022

(5 months completed + 7 months remaining)



Executive Summary

Fiscal Year 2023 Overview through November 2022

The FY2023 Performance Report is an opportunity to highlight spending patterns in areas requiring additional observation or action throughout the fiscal year. Guilford County's current fiscal year (FY2023) runs from July 1, 2022 through June 30, 2023, with this report's actual performance through November 30, 2022.

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. These revenues support service delivery for county departments, including departments in Human Services, Public Safety, the Guilford County School System, Community Services, and General Government operations, among others.

The table below shows revenues and expenditure actuals through November of FY2022 and FY2023.

	FY2023 Amended Budget	FY2023 YTD Actuals	% Collected YTD	FY2022 Amended Budget	FY2022 YTD Actuals	% Collected
Sources of Funds						
Property Tax	\$502,484,435	\$341,043,777	68%	402,140,000	279,747,613	70%
Sales Tax	90,060,000	16,021,569	18%	100,000,000	17,223,222	17%
Other Tax	5,875,000	2,418,605	41%	5,050,000	3,141,397	62%
Intergovernmental	103,317,357	19,420,554	19%	91,886,219	23,819,310	26%
Charges for Service	43,605,107	21,380,769	49%	43,328,818	19,845,508	46%
Miscellaneous Revenues	8,935,815	2,244,538	25%	7,471,109	1,781,126	24%
Licenses & Permits	2,395,380	840,810	35%	2,390,050	949,538	40%
Debt Issued	4,350,000	-	0%	3,386,000	3,386,057	100%
Penalties, Fines & Forfeitures	1,527,102	994,967	65%	1,477,000	692,001	47%
Total Revenues	\$762,550,196	\$404,365,589	53%	\$657,129,196	\$350,585,772	53%
Fund Balance Appropriated	40,327,260			\$47,023,037		
Total Sources of Funds	\$802,877,456			\$704,152,233		
	FY2023 Amended Budget	FY2023 YTD Actuals	% Budget Utilization	FY2022 Amended Budget	FY2022 YTD Actuals	% Budget Utilization
Expenses by Type						
Salaries	\$180,413,324	\$61,962,915	34%	\$153,655,216	\$57,351,147	37%
Benefits	85,013,044	32,487,125	38%	78,941,337	30,505,300	39%
Supplies & Materials	18,048,265	4,004,404	22%	14,213,079	3,692,576	26%
Other Services & Charges	359,674,106	136,250,071	38%	331,718,002	125,369,754	38%
Human Services Assistance	18,734,555	6,679,868	36%	19,506,370	5,381,363	28%
Capital	59,358,872	3,539,948	6%	7,032,372	985,751	14%
Debt Service*	-	-	-	1,350	-	0%
Transfers	81,635,290	33,513,114	41%	99,084,507	41,292,274	42%
Total Expenses	\$802,877,456	\$278,437,444	35%	\$704,152,233	\$264,578,165	38%

*Debt service is shown in the transfer line starting in FY2022.



General Fund Revenue

(Yearly Comparison Through November)

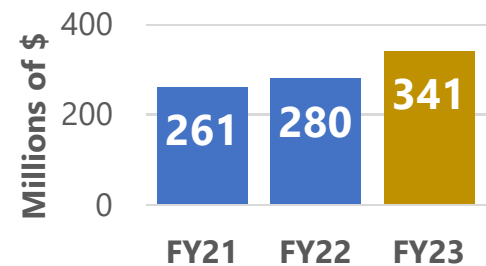
General Fund revenues support the primary functions of Guilford County. Major revenue categories in the FY2023 amended budget include:

- **Property tax:** \$502 million (63%)
- **Intergovernmental** (federal, state, or state shared revenue): \$103 million (13%)
- **Sales tax:** \$90.6 million (11%)
- **All other revenue:** \$107 million (13%). These include revenue generated from the issuance of permits, licenses, penalties and other fees charged for County services

Staff monitor the performance of revenues to identify under or overperformance, review historical trends and projected outlook, and determine if corrective action is needed.

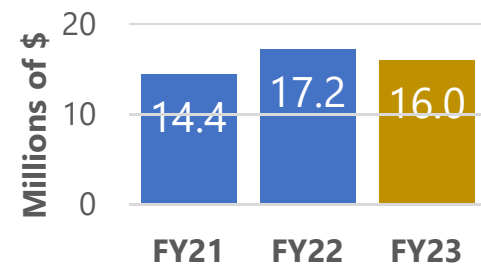
The County collected **\$341 million**, or **67.9%**, of its **property tax** budget through November of FY2023. While collections through November are \$61.3 million more than the amount collected in the same period of the prior year (SPPY), the collection rate remains in line with prior year trends (67.9% FY23 vs. 69.6% in FY22 and 67.1% in FY21). Staff will continue to monitor property tax collections each month.

Property Tax Revenue YTD



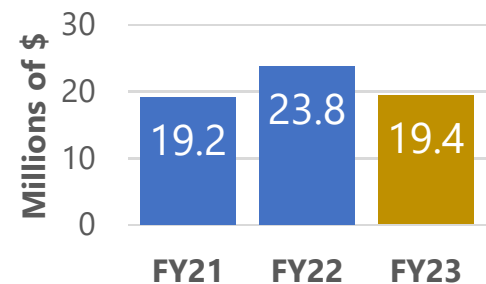
The County collected **\$16 million**, or **17.8%**, of its **sales tax** budget through November of FY2023. This is in line with prior years, including 17.2% (FY22) and 18.0% (FY21). The FY23 budget changed the budgeting practice for sales tax revenue that is restricted for K-12 school capital construction. The restricted revenue is now booked directly in the Debt Service fund. This artificially lowers the reported General Fund sales tax revenue YTD, as it transferred \$27.7 million in budget to the Debt Service fund. Overall, collection trends exceed prior year trends. Staff will continue to monitor sales tax trends and refunds. Refunds are submitted by governmental agencies or not-for-profit agencies, so a major construction projects or significant purchases eligible for refunds may impact future collections based on when the State processes an organization's refund request.

Sales Tax Revenue YTD



Intergovernmental revenues are lower than the same period of the prior year. Grant funds and other intergovernmental revenues are often disbursed to the County throughout the year, and the year-to-year variance may be due to the timing of when the County receives funds from other government agencies, in addition to the influx of one-time federal funds in recent years.

Intergovernmental YTD





General Fund Expenses

(Yearly Comparison Through November)

The General Fund operating budget is comprised of three major categories:

- **Personnel** (salaries and benefits): \$265 million (33%)
- **Operating** (including K-12 education support): \$456 million (57%). Excluding K-12 education: \$142.9 million
- **Transfers** (capital or debt): \$81.6 million (10%)

Staff monitor the performance of expenses to identify under or overperformance, detect savings to support additional County priorities, and to ensure estimated expenses are supported by estimated revenues.

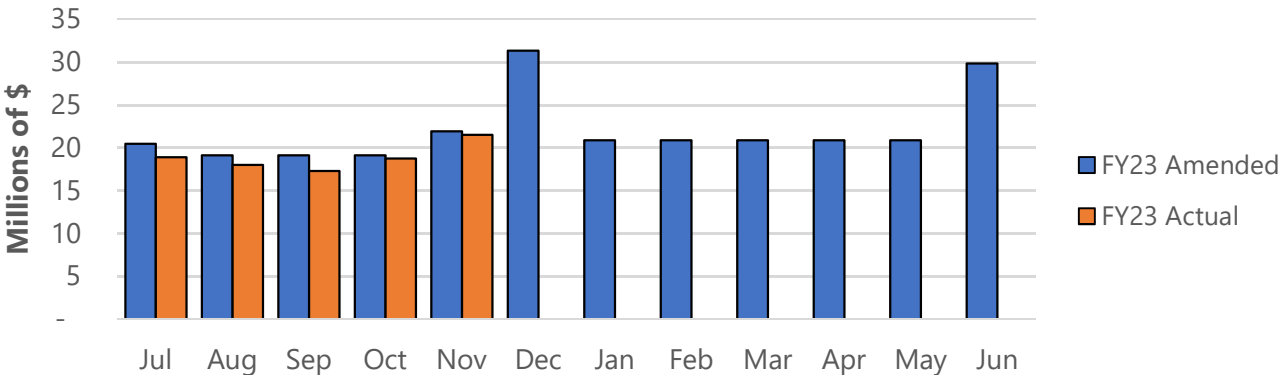
Personnel

To support various county functions, Guilford County has an amended position count of 2,856.75 positions in the FY2023 General Fund budget. Personnel expense trends include:

- Spending on **regular salaries** is in line with prior years
- **Overtime** costs are greater as staff in various departments work additional hours associated with market challenges filling vacant positions. Staff expect this trend to change as the effects of the compensation study begin to affect anticipated vacancy rates
- Decreased spending on **group insurance** was offset by increased spending on **retirement** costs in comparison to the prior year. State mandated retirement costs continue to increase associated with a 12.10% mandated County contribution to the retirement plan for non-sworn positions, and 13.1% for sworn. This is a 0.75 percentage point increase over the prior year.
- Spending on **Employer 401(k)** contribution is higher than prior years due to the implementation of a 5% **contribution** aligned with FY23 budget adoption, compared to the prior 5% **match**

Overall, monthly personnel expenditures remain within budgeted amounts. November experienced an uptick in personnel costs (actual and budget) due to the implementation of the compensation study (one full pay period in November) and the annual payment of longevity pay to eligible employees. Of note, December and June show a higher monthly budget due to three pay periods falling in those months.

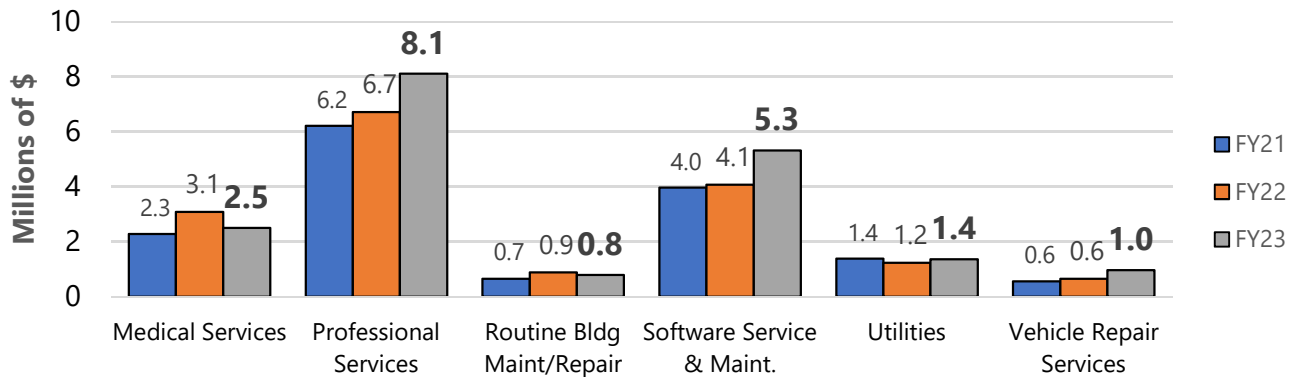
FY23 Monthly Personnel Expense, Budget vs. Actual



Operating

The operating budget includes funding for K-12 education, human services assistance, and funding for general expenses that support day-to-day County operations. Key operating accounts for routine operations include:

Key Operating Accounts, YTD Expense

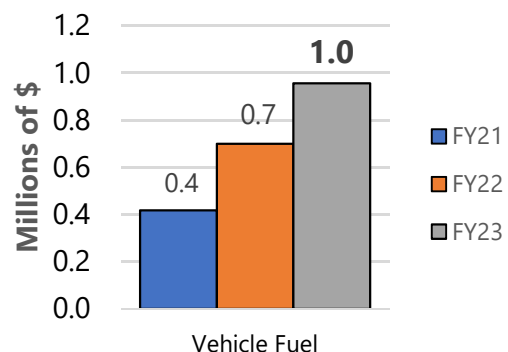


Trends from these accounts include:

- **Medical Services:** 31% of budget expended. Performing within expectations
- **Professional Services:** 23% of budget expended. Performing within expectations
- **Routine Building Maintenance & Repair:** 30% of budget expended. Performing within expectations
- **Software Service & Maintenance:** 62% of budget. This is due to the timing of purchases and improvements
- **Utilities:** 37% of budget. Performing within expectations
- **Vehicle Repair Services:** 35% of budget. Performing within expectations

The County is not immune to inflationary pressures and fuel prices. County staff continue to monitor inflationary trends, such as fuel prices. The FY23 budget for **vehicle fuel** is \$1.1 million higher than the prior fiscal year, given the fluctuation in fuel prices and anticipated price pressures. Vehicle fuel expenses, while higher than prior years, are 34% of budget YTD and are performing as expected.

Vehicle Fuel, YTD Actual





General Fund Expenditures Summary by Department

The table below provides an overview of departmental spending patterns by comparing the current budget and prior year spending. In general, departments are performing as expected if budget utilization is around 42% (5 out of 12 months). However, Elections, for example, has an anticipated uneven spending pattern, due to the timing of the November 2022 general election.

	FY2023 Amended Budget	FY2023 Actual YTD	% Spent	FY2022 Amended Budget	FY2022 Actual YTD	% Spent
General Government						
Budget & Management Services	\$ 1,138,946	\$ 338,283	30%	\$ 807,244	\$ 152,631	19%
County Administration	2,785,354	727,121	26%	2,354,924	787,883	33%
County Attorney	4,119,284	1,263,119	31%	3,580,641	1,194,685	33%
County Commissioners & Clerk	1,479,368	480,207	32%	1,149,495	470,950	41%
Elections	3,478,234	2,139,642	62%	3,302,459	617,755	19%
Facilities	10,949,274	3,672,270	34%	9,979,282	3,328,349	33%
Finance	3,334,169	1,146,749	34%	3,208,292	1,099,127	34%
Fleet Operation	2,283,338	502,555	22%	1,452,930	326,346	22%
General Government*	15,000,000	-	-	-	-	-
Human Resources	9,887,336	3,813,125	39%	8,461,185	3,711,160	44%
Information Technology	17,245,423	7,675,030	45%	13,020,898	5,875,950	45%
Internal Audit	833,620	287,350	34%	750,626	238,046	32%
Planning and Development	1,349,088	340,524	25%	1,015,832	302,888	30%
Public Relations	792,526	92,750	12%	595,091	2,138	-
Purchasing	1,020,286	376,947	37%	443,420	171,196	39%
Register of Deeds	3,228,761	1,305,388	40%	2,678,609	1,008,711	38%
Security	3,376,957	995,992	29%	2,998,222	1,023,289	34%
Tax	8,472,139	3,155,124	37%	8,353,573	3,129,642	37%
Education						
Guilford County Schools & GTCC	\$ 274,467,898	\$ 112,096,179	41%	\$ 247,667,898	\$ 101,894,293	41%
Reserve for Education Capital	50,000,000	-	-	-	-	-
Human Services						
Child Support Enforcement	\$ 7,761,190	\$ 2,888,267	37%	\$ 7,604,295	\$ 2,903,706	38%
Cooperative Extension Service	933,531	304,018	33%	736,861	266,694	36%
Coordination Services	3,873,423	1,185,679	31%	1,974,058	439,595	22%
DHHS Administration*	268,371	83,143	31%	-	-	-
Mental Health	11,078,588	4,156,442	38%	10,828,208	4,253,621	39%
Public Health	64,348,671	15,609,614	24%	59,937,401	15,646,726	26%
Social Service	77,196,282	28,420,759	37%	72,653,120	25,645,381	35%
Transportation Service	1,513,249	447,188	30%	1,398,868	442,114	32%
Veteran Services	531,676	175,990	33%	351,844	125,839	36%
Public Safety						
Animal Services	\$ 5,150,357	\$ 1,577,437	31%	\$ 5,125,471	\$ 1,534,799	30%
Court Alternatives	3,485,036	848,282	24%	3,179,396	931,580	29%
Court Services	1,191,704	360,778	30%	1,144,367	324,547	28%
Emergency Services	41,218,907	14,562,042	35%	38,342,825	13,325,606	35%
Family Justice Center	1,201,518	544,783	45%	1,166,199	436,267	37%
Inspections	3,588,375	1,196,031	33%	2,773,390	1,067,396	38%
Law Enforcement	81,810,654	32,333,849	40%	77,461,653	28,967,007	37%
Culture - Recreation						
Culture - Libraries	\$ 2,350,160	\$ 2,239,116	95%	\$ 2,113,485	\$ 1,468,630	69%
Culture-Recreation (Parks)	5,929,761	1,924,807	32%	5,615,499	1,857,782	33%
Environmental Protection						
Soil & Water Conservation	\$ 413,715	\$ 127,936	31%	\$ 390,846	\$ 106,679	27%
Solid Waste	2,492,021	561,961	23%	2,655,859	515,992	19%
Economic Dev and Assistance						
Economic Develop & Assistance	\$ 2,943,956	\$ -	-	\$ 3,644,025	\$ 148,750	4%
Debt Service						
Debt Service	\$ 68,354,310	\$ 28,480,965	42%	\$ 93,233,944	\$ 38,834,415	42%
General Fund Expense Total	\$ 802,877,456	\$ 278,437,444	35%	\$ 704,152,233	\$ 264,578,165	38%

Notes:

- 1) General Government line shown here is for the \$15.0 million allocated for employee salaries/compensation in the FY2023 budget
- 2) Health & Human Services Administration Division was created as a part of the FY2023 budget.



Fire District Summary

The County has 24 special fire protection / service districts providing fire response in areas of the county not serviced by a municipal fire department. Nineteen of these districts also have fire protection service overlay districts—funding mechanisms used to generate funds for fire protection services once the district tax rates reach the caps established when the districts were first established. The primary funding for each district comes from property tax revenue generated by a special district tax. The tax, which is in addition to the County's general property tax, is levied on the property in each district. The revenues generated are dedicated for use in the district where they are raised. The districts also receive funding from their share of the local option sales taxes levied by the County.

Revenue	FY2023	FY2023	%	FY2022	FY2022	%
	Amended Budget	Actual YTD		Utilized	Amended Budget	
Property Tax	\$ 21,892,689	\$ 15,949,217	73%	\$ 17,836,004	\$ 13,156,593	74%
Sales Tax	4,699,879	888,171	19%	4,012,034	583,890	15%
Other Revenues	-	19,005	-	-	18,365	-
Total Revenue	\$ 26,592,568	\$ 16,856,392	63%	\$ 21,848,038	\$ 13,758,848	63%
<i>Fund Balance Appropriated</i>	\$ 1,351,169			\$ 1,303,475		
Total Sources of Funds	\$ 27,943,737	\$ 16,856,392		\$ 23,151,513	\$ 13,758,848	

Expenses	FY2023	FY2023	%	FY2022	FY2022	%
	Amended Budget	Actual YTD		Utilized	Amended Budget	
Alamance	\$ 2,494,639	\$ 1,892,425	76%	\$ 1,982,080	\$ 1,533,246	77%
Climax	276,313	193,895	70%	215,134	162,235	75%
Colfax	992,891	710,327	72%	933,775	745,673	80%
Fire Prot. District No. 1	56,516	39,231	69%	49,295	33,813	69%
Gibsonville	15,715	12,023	77%	15,394	11,745	76%
Guilford College FPD	604,292	312,677	52%	651,739	445,767	68%
Guilford College FPSD	36,573	36,573	100%	37,246	26,485	71%
GuilRand	283,705	177,859	63%	236,915	156,079	66%
Julian	119,584	80,412	67%	114,214	81,732	72%
Kimesville	149,028	107,549	72%	134,750	96,747	72%
McLeansville	2,100,188	1,570,594	75%	1,543,837	1,145,514	74%
Mt. Hope	1,131,675	925,404	82%	887,810	675,785	76%
No. 13 (Rankin)	2,051,878	1,508,502	74%	1,653,257	1,329,401	80%
No. 14 (Franklin)	270,376	199,354	74%	271,073	214,123	79%
No. 18 (Deep River)	382,199	218,958	57%	361,650	228,350	63%
No. 28 (Friedens)	363,607	242,924	67%	292,708	220,951	75%
Northeast	1,879,413	1,429,348	76%	1,630,361	1,283,807	79%
Oak Ridge	2,474,756	1,758,119	71%	2,020,469	1,603,862	79%
PinecroftSedgefield	3,603,051	2,438,400	68%	2,992,918	2,190,013	73%
Pleasant Garden	1,379,457	897,832	65%	1,087,166	780,290	72%
PTIA	228,348	165,331	72%	250,715	201,906	81%
Southeast	353,374	249,054	70%	270,699	223,722	83%
Stokesdale	1,330,852	1,101,761	83%	1,024,182	881,693	86%
Summerfield	4,209,279	3,110,203	74%	3,493,333	2,696,345	77%
Whitsett	1,156,028	885,870	77%	1,000,793	742,078	74%
Total Fire District Expenses	\$ 27,943,737	\$ 20,264,625	73%	\$ 23,151,513	\$ 17,711,362	77%



Other Annual Funds

In addition to the General and Rural Fire District funds, the County maintains additional annual funds. The table below shows revenue and expenditure actuals through November for these funds:

Fund	FY2023 Amended Budget	FY2023 Actual YTD	% Utilized	FY2022 Amended Budget	FY2022 Actual YTD	% Utilized
2000 - Internal Service						
Revenue	\$ 59,878,797	\$ 20,240,563	34%	\$ 55,937,553	\$ 20,871,232	37%
Expense	59,878,797	21,346,706	36%	55,937,553	20,973,661	37%
4500 - Room Occupancy / Tourism Dev						
Revenue	6,000,000	3,004,870	50%	6,000,000	2,297,316	38%
Expense	6,000,000	3,004,870	50%	6,000,000	2,297,316	38%
4700 - Tax Revaluation						
Revenue	362,500	149,480	41%	276,913	115,380	42%
Expense	362,500	2,192	1%	276,913	8,065	3%
4730 - Fines & Forfeitures						
Revenue	4,000,000	679,437	17%			
Expense	4,000,000	704,183	18%			
4740 - DSS Rep Payee						
Revenue	4,000,000	67,380	2%			
Expense	4,000,000	75,130	2%			
4850 - Opioid Settlement						
Revenue	300,000	1,779,825	593%			
Expense	300,000	-	0%			
9100 - Debt Service						
Revenue	104,336,218	34,520,789	33%	93,232,594	38,834,415	42%
Expense	104,336,218	33,572,563	32%	93,232,594	31,749,943	34%

*The Fines and Forfeitures Fund, DSS Representative Payee Fund and Opioid Settlement Fund were each established in FY2022.