



Guilford County

STATE of NORTH CAROLINA

Budget Performance Report

FY2023 through December 2022

(6 months completed + 6 months remaining)



Executive Summary

Fiscal Year 2023 Overview through December 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 December 31, 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 December of FY2022 and FY2023.

	FY2023 Amended Budget	FY2023 YTD Actuals	% Received YTD	FY2023 Year-end Projection	FY2022 Amended Budget	FY2022 YTD Actuals	% Received YTD
Sources of Funds							
Property Tax	\$502,484,435	\$399,549,987	80%	\$505,201,000	402,140,000	317,817,558	79%
Sales Tax*	90,060,000	22,720,020	25%	93,965,000	100,000,000	17,223,222	17%
Other Tax	5,875,000	2,865,018	49%	5,875,000	5,050,000	4,085,881	81%
Intergovernmental	103,387,401	26,897,752	26%	84,672,000	93,161,263	29,686,560	32%
Charges for Service	43,605,107	24,354,727	56%	45,700,000	43,328,818	22,346,210	52%
Miscellaneous Revenues	8,935,815	2,721,337	30%	7,180,000	7,505,708	2,080,100	28%
Licenses & Permits	2,395,380	973,951	41%	2,015,000	2,390,050	1,148,997	48%
Debt Issued	4,350,000	-	0%	4,350,000	3,386,000	3,386,085	100%
Penalties, Fines & Forfeitures	1,527,102	1,250,413	82%	1,847,000	1,477,000	803,082	54%
Total Revenues	\$762,620,240	\$481,333,203	63%	\$750,805,000	\$658,438,839	\$398,577,695	61%
Fund Balance Appropriated	40,327,260				\$49,161,062		
Total Sources of Funds	\$802,947,500				\$707,599,901		

*December Sales Tax in FY2022 was not posted until January. FY2023 sales tax is tracking in line with prior year.

	FY2023 Amended Budget	FY2023 YTD Actuals	% Budget Utilization	FY2023 Year-end Projection	FY2022 Amended Budget	FY2022 YTD Actuals	% Budget Utilization
Expenses by Type							
Salaries	\$180,340,368	\$82,174,797	46%	\$174,825,375	\$153,882,133	\$68,985,567	45%
Benefits	85,013,044	41,876,019	49%	85,025,250	78,975,680	36,237,980	46%
Supplies & Materials	18,028,808	4,790,067	27%	12,438,752	14,243,159	4,541,348	32%
Other Services & Charges	359,817,363	164,132,125	46%	334,559,426	333,856,219	151,652,442	45%
Human Services Assistance	18,734,755	8,182,818	44%	18,610,222	20,524,481	6,758,361	33%
Capital	59,377,872	3,741,063	6%	56,075,602	7,032,372	1,147,772	16%
Debt Service*	-	-	-	-	1,350	-	0%
Transfers	81,635,290	40,106,716	49%	81,626,191	99,084,507	49,551,586	50%
Total Expenses	\$802,947,500	\$345,003,606	43%	\$763,160,818	\$707,599,901	\$318,875,056	45%

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

General Fund Revenue

(Yearly Comparison Through November)

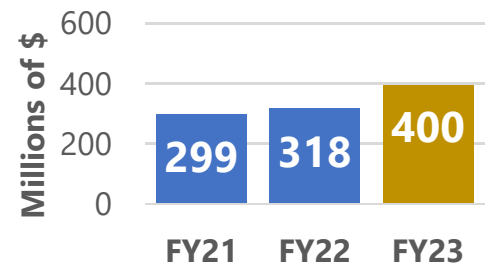
General Fund revenues support the primary functions of Guilford County. Major revenue categories in the FY2023 amended budget include:

- **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.

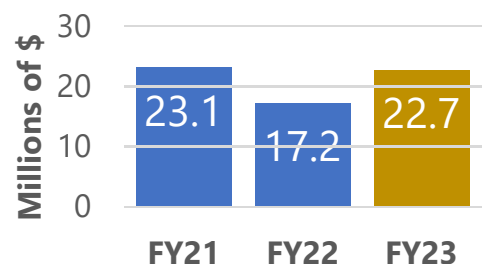
The County collected **\$400 million**, or **79.5%**, of its **property tax** budget through December of FY2023. Collections through December are \$81.7 million more than the amount collected in the same period of the prior year (SPPY), and the percent of budget received remains in line with prior year trends (79.5% FY23 vs. 79.0% in FY22 and 76.8% in FY21). Staff will continue to monitor property tax collections each month.

Property Tax Revenue YTD



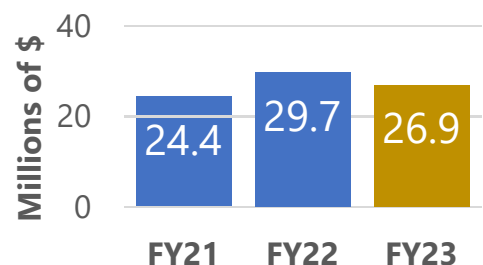
The County collected **\$22.7 million**, or **25%**, of its **sales tax** budget through December of FY2023. This is in line with prior years, including 17% (FY22) and 29% (FY21). Of note, the FY23 budget changed the budgeting practice for sales tax revenue that is restricted for K-12 school capital 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 December)

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: \$151 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.

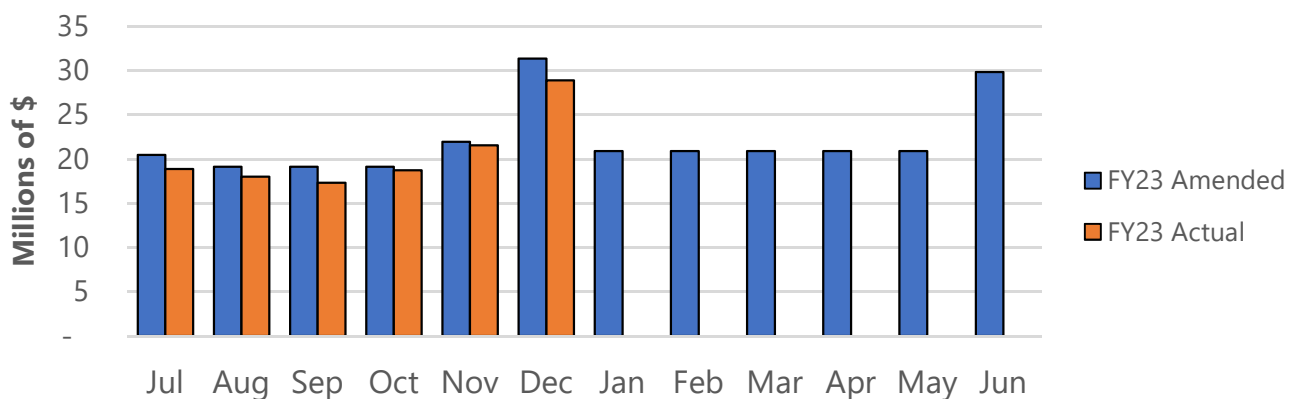
Personnel

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
- Slower 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. December included three full pay periods, each with the full effects of the compensation study included, resulting in higher personnel costs (actual and budget) for the month.

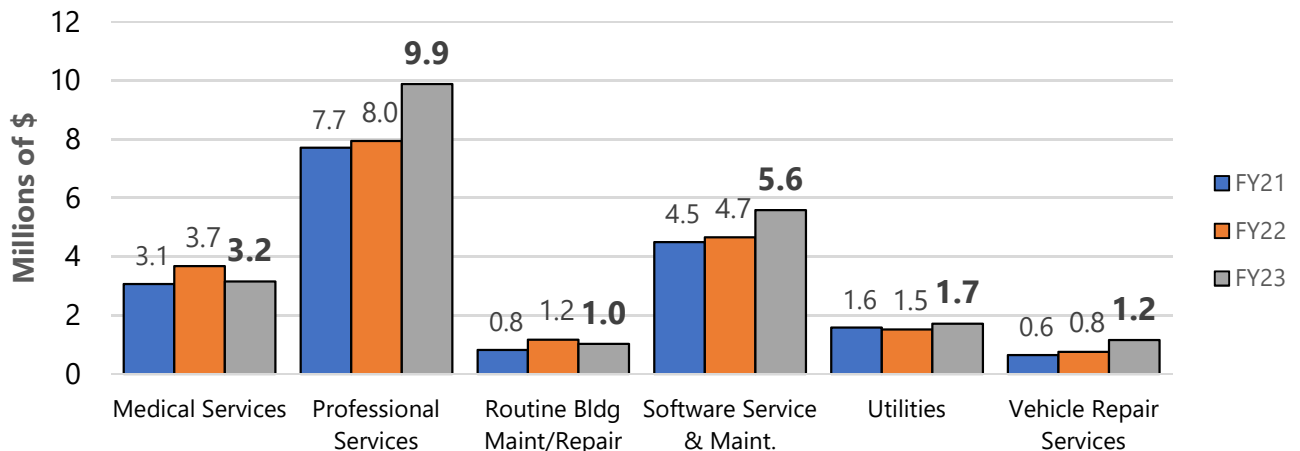
FY23 Monthly Personnel Expense, Budget vs. Actual



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

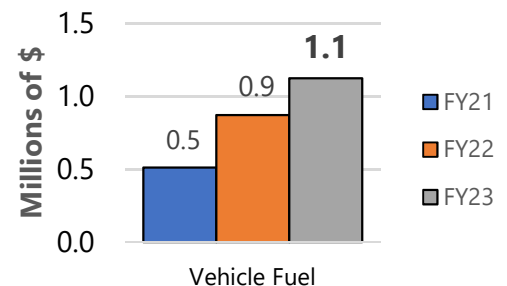


Trends from these accounts include:

- **Medical Services:** 32% of budget expended. Performing within expectations
- **Professional Services:** 26% of budget expended. Performing within expectations, as professional services are 50% expended or encumbered and the spending YTD in the prior year was 24%
- **Routine Building Maintenance & Repair:** 36% of budget expended. Performing within expectations
- **Software Service & Maintenance:** 64% of budget. This is due to the timing of purchases and improvements
- **Utilities:** 43% of budget. Performing within expectations
- **Vehicle Repair Services:** 40% 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 39% of budget YTD and are performing as expected. Comparatively, vehicle fuel expenses were at 52% of budget YTD in the prior year.

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 50% (6 out of 12 months). However, Elections, for example, has an anticipated uneven spending pattern, due to the timing of the November 2022 general election. The table also includes a preliminary projection based on six months of actual spending.

	FY2023 Amended Budget	FY2023 Actual YTD	% Spent	FY2023 Year-end Projection	FY2022 Amended Budget	FY2022 Actual YTD	% Spent
General Government							
Budget & Management Services	\$ 1,138,946	\$ 437,397	38%	\$ 901,895	\$ 807,244	\$ 172,125	21%
County Administration	2,785,354	913,242	33%	1,176,609	2,354,924	953,378	40%
County Attorney	4,119,284	1,656,590	40%	3,580,205	3,718,666	1,428,992	38%
County Commissioners & Clerk	1,479,368	595,948	40%	1,265,296	1,149,495	562,092	49%
Elections	3,478,234	2,348,886	68%	3,174,744	3,356,349	698,822	21%
Facilities	10,949,274	4,628,115	42%	10,122,971	9,979,282	4,054,589	41%
Finance	3,334,169	1,527,477	46%	3,278,074	3,208,292	1,290,271	40%
Fleet Operation	2,283,338	583,616	26%	1,167,162	1,452,930	366,931	25%
General Government*	15,000,000	-	-	1,896,304	-	-	-
Human Resources	9,887,336	4,713,255	48%	9,728,885	8,461,185	4,453,932	53%
Information Technology	17,245,423	8,662,186	50%	16,413,629	13,020,898	6,760,267	52%
Internal Audit	833,620	373,796	45%	833,620	750,626	294,509	39%
Planning and Development	1,349,088	441,605	33%	971,648	1,015,832	354,879	35%
Public Relations	792,526	122,442	15%	242,177	595,091	2,138	-
Purchasing	1,020,286	490,410	48%	1,015,438	443,420	206,830	47%
Register of Deeds	3,228,761	1,582,438	49%	2,940,711	2,678,609	1,180,228	44%
Security	3,779,305	1,428,843	38%	3,309,542	2,998,222	1,207,630	40%
Tax	8,472,139	4,114,906	49%	8,472,139	8,353,573	3,733,519	45%
Education							
Guilford County Schools & GTCC	\$274,467,898	\$136,233,953	50%	274,467,898	\$247,667,898	\$123,833,945	50%
Reserve for Education Capital	50,000,000	-	-	50,000,000	-	-	-
Human Services							
Behavioral Health	10,676,240	4,177,987	39%	10,248,178	10,828,208	5,109,634	47%
Child Support Enforcement	\$ 7,761,190	\$ 3,745,948	48%	7,585,607	\$ 7,604,295	\$ 3,463,737	46%
Cooperative Extension Service	933,531	362,497	39%	793,326	736,861	317,198	43%
Coordination Services	3,873,423	1,274,815	33%	3,678,347	1,974,058	621,513	31%
DHHS Administration*	268,371	105,553	39%	200,799	-	-	-
Public Health	64,348,671	20,514,499	32%	43,804,925	59,947,401	18,818,641	31%
Social Service	77,266,326	36,671,030	47%	77,266,326	73,898,873	31,138,341	42%
Transportation Service	1,513,249	547,260	36%	1,297,988	1,398,868	523,254	37%
Veteran Services	531,676	241,604	45%	531,676	351,844	154,433	44%
Public Safety							
Animal Services	\$ 5,150,357	\$ 2,117,239	41%	\$ 4,485,841	\$ 5,125,471	\$ 1,868,858	36%
Court Alternatives	3,485,036	1,245,043	36%	3,017,147	3,179,396	1,154,624	36%
Court Services	1,191,704	456,119	38%	1,021,221	1,144,367	386,945	34%
Emergency Services	41,218,907	19,497,614	47%	41,218,907	38,342,825	15,942,795	42%
Family Justice Center	1,201,518	684,779	57%	1,201,518	1,166,199	524,982	45%
Inspections	3,588,375	1,550,024	43%	3,259,128	2,773,390	1,271,706	46%
Law Enforcement	81,810,654	41,211,403	50%	87,472,025	77,461,653	34,865,881	45%
Culture - Recreation							
Culture - Libraries	\$ 2,350,160	\$ 2,350,116	100%	\$ 2,350,116	\$ 2,113,485	\$ 1,468,630	69%
Culture-Recreation (Parks)	5,929,761	2,386,678	40%	5,222,821	5,615,499	2,200,158	39%
Environmental Protection							
Soil & Water Conservation	\$ 413,715	\$ 177,681	43%	\$ 402,347	\$ 390,846	\$ 131,340	34%
Solid Waste	2,492,021	653,454	26%	1,845,362	2,655,859	597,263	22%
Economic Dev and Assistance							
Economic Develop & Assistance	\$ 2,943,956	\$ -	-	\$ 2,943,956	\$ 5,644,025	\$ 158,750	3%
Debt Service							
Debt Service	\$ 68,354,310	\$ 34,177,158	50%	\$ 68,354,310	\$ 93,233,944	\$ 46,601,298	50%
General Fund Expense Total	\$802,947,500	\$345,003,606	43%	\$763,160,818	\$707,599,901	\$318,875,056	45%

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.
- 3) The Board of Commissioners established the department "ARPA Enabled Projects" at the December 15, 2022 work session and approved the transfer \$19 million from various departments to the new department. The transfer is in progress and will be reflected in future months' performance report.



Position Summary

In November 2022, the Board of Commissioners approved a Compensation Study to align county pay with market values. The following chart communicates how the number of vacant positions is trending to demonstrate the positive impacts of the compensation study implementation.

Position	Vacant Positions September 2022		Vacant Positions January 2023	
Juvenile Counselor Technician	15	54%	8	29%
Building Maintenance Mechanics	7	41%	5	31%
Nurse Specialists	43	35%	42	34%
Security Officers	4	31%	0	0%
Animal Control Specialist	2	29%	1	14%
Detention Services Officers	65	24%	73	27%
Paramedic	14	15%	9	10%
Social Workers	37	15%	15	6%
Eligibility Caseworkers	26	9%	11	4%
Child Support Agent	5	9%	9	18%
Deputy Sheriffs	14	8%	12	7%
EMT	0	0%	1	2%



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.

	FY2023	FY2023		FY2022	FY2022	
Revenue	Amended	Actual	%	Amended	Actual	%
	Budget	YTD	Utilized	Budget	YTD	Utilized
Property Tax	\$ 21,892,689	\$ 18,283,551	84%	\$ 17,836,004	\$ 14,689,408	82%
Sales Tax	4,699,879	1,300,588	28%	4,012,034	583,890	15%
Other Revenues	-	23,012	-	-	22,747	-
Total Revenue	\$ 26,592,568	\$ 19,607,151	74%	\$ 21,848,038	\$ 15,296,045	70%
<i>Fund Balance Appropriated</i>	\$ 1,351,169			\$ 1,303,475		
Total Sources of Funds	\$ 27,943,737	\$ 19,607,151		\$ 23,151,513	\$ 15,296,045	

	FY2023	FY2023		FY2022	FY2022	
Expenses	Amended	Actual	%	Amended	Actual	%
	Budget	YTD	Utilized	Budget	YTD	Utilized
Alamance	\$ 2,494,639	\$ 2,032,643	81%	\$ 1,982,080	\$ 1,667,156	84%
Climax	276,313	214,128	77%	215,134	175,689	82%
Colfax	992,891	761,175	77%	933,775	805,198	86%
Fire Prot. District No. 1	56,516	42,975	76%	49,295	37,228	76%
Gibsonville	15,715	13,671	87%	15,394	12,855	84%
Guilford College FPD	604,292	367,240	61%	651,739	445,767	68%
Guilford College FPSD	36,573	36,573	100%	37,246	37,246	100%
GuilRand	283,705	197,749	70%	236,915	174,986	74%
Julian	119,584	89,569	75%	114,214	90,621	79%
Kimesville	149,028	113,695	76%	134,750	105,952	79%
McLeansville	2,100,188	1,694,323	81%	1,543,837	1,254,013	81%
Mt. Hope	1,131,675	956,096	84%	887,810	848,737	96%
No. 13 (Rankin)	2,051,878	1,611,780	79%	1,653,257	1,429,147	86%
No. 14 (Franklin)	270,376	227,152	84%	271,073	229,238	85%
No. 18 (Deep River)	382,199	250,832	66%	361,650	282,771	78%
No. 28 (Friedens)	363,607	265,656	73%	292,708	241,938	83%
Northeast	1,879,413	1,535,579	82%	1,630,361	1,414,158	87%
Oak Ridge	2,474,756	1,888,004	76%	2,020,469	1,750,643	87%
PinecroftSedgefield	3,603,051	2,703,797	75%	2,992,918	2,421,252	81%
Pleasant Garden	1,379,457	977,401	71%	1,087,166	862,186	79%
PTIA	228,348	183,470	80%	250,715	208,077	83%
Southeast	353,374	269,693	76%	270,699	241,023	89%
Stokesdale	1,330,852	1,162,558	87%	1,024,182	940,369	92%
Summerfield	4,209,279	3,383,620	80%	3,493,333	2,906,939	83%
Whitsett	1,156,028	941,419	81%	1,000,793	844,855	84%
Total Fire District Expenses	\$ 27,943,737	\$ 21,920,798	78%	\$ 23,151,513	\$ 19,428,044	84%



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	\$ 25,335,303	42%	\$ 55,937,553	\$ 24,703,297	44%
Expense	59,878,797	25,392,618	42%	55,937,553	24,290,872	43%
4500 - Room Occupancy / Tourism Dev						
Revenue	6,000,000	3,552,391	59%	6,000,000	2,819,481	47%
Expense	6,000,000	3,552,391	59%	6,000,000	2,819,481	47%
4700 - Tax Revaluation						
Revenue	362,500	179,376	49%	276,913	138,456	50%
Expense	362,500	2,192	1%	276,913	14,030	5%
4730 - Fines & Forfeitures						
Revenue	4,000,000	799,211	20%			
Expense	4,000,000	802,373	20%			
4740 - DSS Rep Payee						
Revenue	4,000,000	(28,968)	-1%			
Expense	4,000,000	94,982	2%			
4850 - Opioid Settlement						
Revenue	300,000	2,675,246	892%			
Expense	300,000	-	0%			
9100 - Debt Service						
Revenue	104,336,218	42,591,062	41%	93,232,594	46,601,298	50%
Expense	104,336,218	33,572,563	32%	93,232,594	31,751,093	34%

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