



Guilford County

STATE of NORTH CAROLINA

Budget Performance Report

FY2023 through January 2023

(7 months completed + 5 months remaining)



Executive Summary

Fiscal Year 2023 Overview through January 2023

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 January 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 January 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	475,470,842	95%	505,530,000	402,140,000	379,198,424	94%
Sales Tax*	90,060,000	30,771,959	34%	97,310,000	100,000,000	35,867,233	36%
Other Tax	5,875,000	3,221,638	55%	5,520,000	5,050,000	4,520,404	90%
Intergovernmental	103,449,258	30,995,774	30%	84,090,000	98,218,828	33,460,577	34%
Charges for Service	43,751,107	28,372,453	65%	49,850,000	43,365,418	26,672,630	62%
Miscellaneous Revenues	8,980,815	3,208,425	36%	7,880,000	7,530,405	3,013,319	40%
Licenses & Permits	2,395,380	1,131,441	47%	2,020,000	2,390,050	1,300,929	54%
Debt Issued	4,350,000	-	0%	4,350,000	3,386,000	3,386,114	100%
Penalties, Fines & Forfeitures	1,527,102	1,655,418	108%	2,370,000	1,477,000	1,252,794	85%
Total Revenues	\$762,873,097	\$572,827,950	75%	\$758,920,000	\$663,557,701	\$488,672,424	74%
Fund Balance Appropriated	\$40,181,260				\$49,590,219		
Total Sources of Funds	\$803,054,357				\$713,147,920		

	FY2023 Amended Budget	FY2023 YTD Actuals	% Budget Utilization	FY2023 Year-end Projection	FY2022 Amended Budget	FY2022 YTD Actuals	% Budget Utilization
Expenses by Type							
Salaries	\$173,161,563	88,716,634	51%	165,471,546	154,436,479	80,832,223	52%
Benefits	81,916,997	45,345,442	55%	80,681,233	79,100,257	42,110,347	53%
Supplies & Materials	18,236,440	5,929,128	33%	15,490,151	14,412,166	5,545,760	38%
Other Services & Charges	372,111,169	186,413,352	50%	335,500,110	334,490,924	178,689,999	53%
Human Services Assistance	16,537,562	8,070,354	49%	16,571,132	24,481,055	9,116,447	37%
Capital	59,455,336	4,336,464	7%	56,664,577	7,141,182	1,727,534	24%
Debt Service*	-	-	-	-	1,350	-	0%
Transfers	81,635,290	46,723,908	57%	81,626,191	99,084,507	57,809,674	58%
Total Expenses	\$803,054,357	\$385,535,282	48%	\$752,004,940	\$713,147,920	\$375,831,985	53%

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

General Fund Revenue

(Yearly Comparison Through January)

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

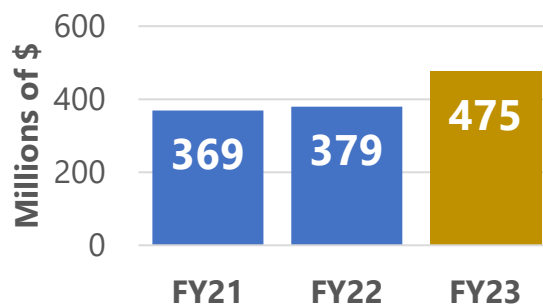
Staff monitor the performance of revenues to identify under or overperformance, review historical trends and projected outlook, and determine if corrective action is needed.

The County collected **\$475 million**, or 95%, of its **property tax** budget through January of FY2023. Collections through December are \$96.2 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 (94.6% FY23 vs. 94.3% in FY22 and 94.8% in FY21). Staff will continue to monitor property tax collections each month.

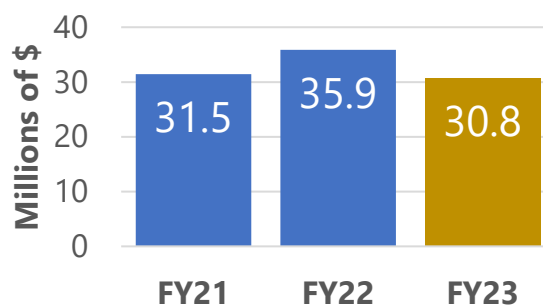
The County collected **\$30.8 million**, or **34%**, of its **sales tax** budget through December of FY2023. This is in line with prior years, including 36% (FY22) and 39% (FY21). Of note, the FY23 budget changed the budgeting practice for sales tax revenue that is restricted for K-12 school capital 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.

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.

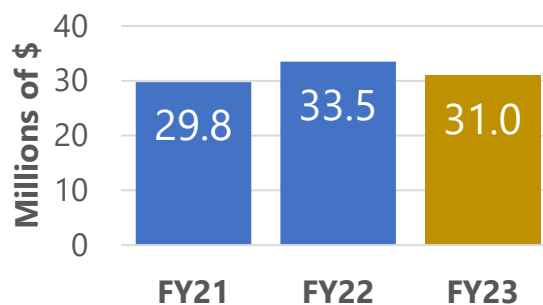
Property Tax Revenue YTD



Sales Tax Revenue YTD



Intergovernmental YTD



General Fund Expenses

(Yearly Comparison Through January)

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

- **Personnel** (salaries and benefits): \$255 million (32%)
- **Operating** (including Guilford County Schools and Guilford Technical Community college education support): \$456 million (57%). Excluding education: \$132 million (16%)
- **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.

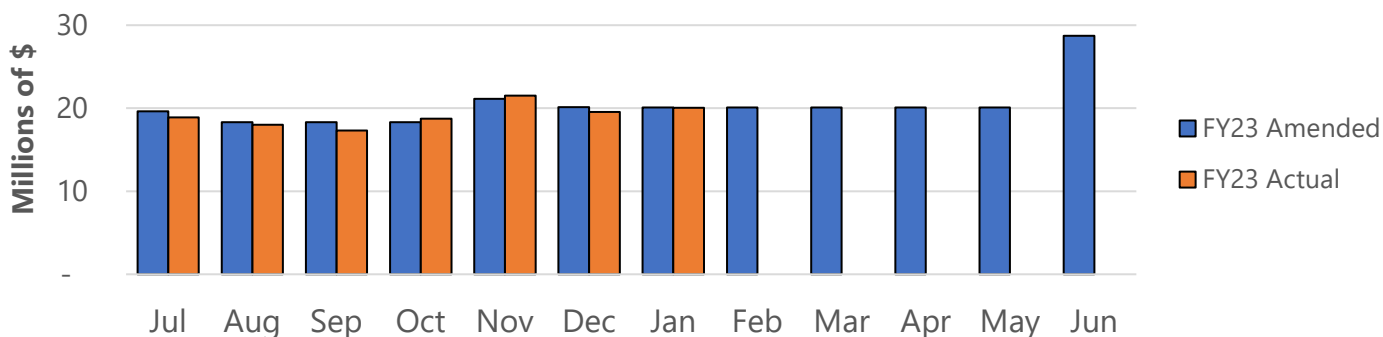
Personnel

To support various county functions, Guilford County has an amended position count of 2,861.75 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, followed by the payment of \$10 million in salary and benefits [from ARPA funds](#). January included two pay periods and actual spending remained within budgeted amounts. In the graph below, December has been updated to reduce the \$10 million in personnel expenses from the General Fund budget:

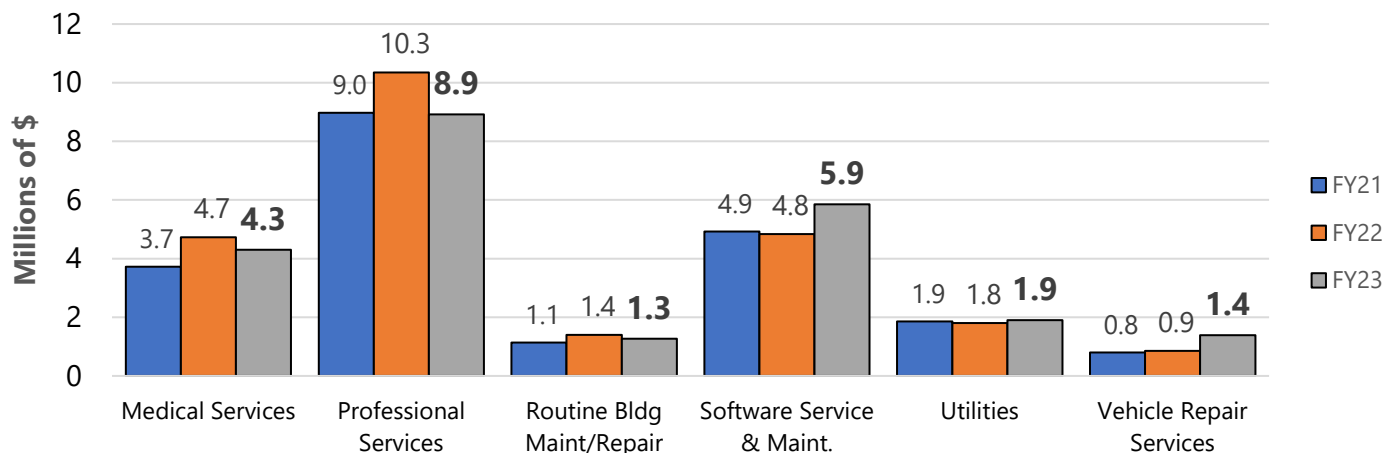
FY23 Monthly Personnel Expense, Budget vs. Actual



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

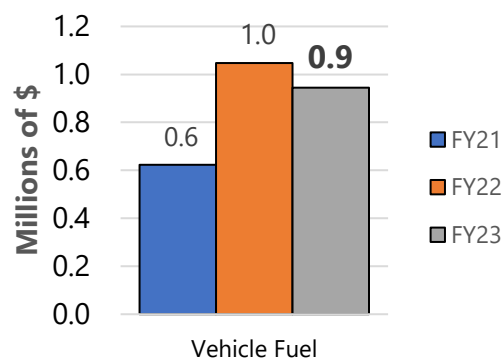


Trends from these accounts include:

- **Medical Services:** 44% of budget expended. Performing within expectations
- **Professional Services:** 16% of budget expended, which includes \$19 million budget in ARPA Enabled Projects. Excluding these funds, Professional Services is 56% expended or encumbered and in line with expectations
- **Routine Building Maintenance & Repair:** 45% of budget expended. Performing within expectations
- **Software Service & Maintenance:** 66% of budget. This is due to the timing of purchases and improvements and performing within expectations
- **Utilities:** 50% of budget. Performing within expectations
- **Vehicle Repair Services:** 48% 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 \$830k 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 48% of budget YTD and are performing within expectations. Comparatively, vehicle fuel expenses were at 42% 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 58% (7 out of 12 months and 15 out of 26 pay periods). 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 seven 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	\$ 531,517	47%	\$ 898,310	\$ 807,244	\$ 189,944	24%
County Administration	3,275,354	1,080,628	33%	2,252,855	2,354,924	1,081,862	46%
County Attorney	4,119,284	1,941,396	47%	3,673,961	3,718,666	1,708,346	46%
County Commissioners & Clerk	1,479,368	681,164	46%	1,261,860	1,149,495	637,970	56%
Elections	3,478,234	2,467,886	71%	3,180,956	3,356,349	792,343	24%
Facilities	10,849,274	5,452,285	50%	10,503,448	9,979,282	4,766,622	48%
Finance	3,334,169	1,801,680	54%	3,334,169	3,208,292	1,533,812	48%
Fleet Operation	2,283,338	625,007	27%	1,161,663	1,452,930	397,649	27%
General Government*	15,000,000	-	-	11,554,068	-	-	-
Human Resources	9,887,336	5,558,386	56%	9,887,336	8,461,185	5,244,598	62%
Information Technology	17,213,558	9,551,144	55%	16,470,964	13,020,898	7,591,992	58%
Internal Audit	833,620	435,253	52%	833,620	750,626	353,780	47%
Planning and Development	1,986,026	314,861	16%	767,458	1,015,832	409,483	40%
Public Relations	792,526	154,666	20%	312,100	595,091	10,903	-
Purchasing	1,020,286	569,025	56%	1,011,158	443,420	241,017	54%
Register of Deeds	3,228,761	1,773,950	55%	2,922,625	2,678,609	1,369,018	51%
Security	3,779,305	1,797,048	48%	3,769,476	2,998,222	1,356,564	45%
Tax	8,472,139	4,756,904	56%	8,472,139	8,782,730	4,358,374	50%
Education							
Guilford County Schools & GTCC	\$274,467,898	\$160,733,877	59%	274,467,898	\$247,667,898	\$145,773,597	59%
Reserve for Education Capital	50,000,000	-	-	50,000,000	-	-	-
Human Services							
ARPA-Enabled Projects	\$ 19,000,000	\$ -	0%	-	\$ -	\$ -	0%
Behavioral Health	6,635,531	152,030	2%	6,135,109	10,828,208	5,165,728	48%
Child Support Enforcement	7,854,912	4,327,244	55%	7,665,120	7,604,295	4,005,644	53%
Cooperative Extension Service	933,531	451,915	48%	886,340	736,861	367,078	50%
Coordination Services	3,873,423	1,586,326	41%	3,859,605	1,974,058	731,872	37%
DHHS Administration	268,371	120,026	45%	200,488	-	-	-
Public Health	62,990,598	22,772,365	36%	43,810,050	59,962,401	22,131,939	37%
Social Service	75,049,133	41,799,682	56%	75,049,133	78,389,693	37,645,431	48%
Transportation Service	1,513,249	797,809	53%	1,472,411	1,398,868	739,953	53%
Veteran Services	531,676	271,472	51%	440,422	351,844	182,714	52%
Public Safety							
Animal Services	\$ 4,519,237	\$ 1,804,095	40%	\$ 3,746,935	\$ 5,150,168	\$ 2,190,768	43%
Court Alternatives	3,485,036	1,492,739	43%	2,871,533	3,215,996	1,410,617	44%
Court Services	926,657	305,654	33%	915,083	1,144,367	494,238	43%
Emergency Services	41,068,907	23,075,014	56%	41,068,907	38,342,825	18,901,919	49%
Family Justice Center	1,201,518	754,003	63%	1,201,518	1,166,199	616,654	53%
Inspections	2,705,236	1,757,771	65%	2,705,236	2,773,390	1,480,711	53%
Law Enforcement	74,999,763	41,172,659	55%	74,999,763	78,013,398	41,791,027	54%
Culture - Recreation							
Culture - Libraries	\$ 111,044	\$ 111,000	100%	\$ 111,044	\$ 2,113,485	\$ 2,057,985	97%
Culture-Recreation (Parks)	4,543,111	1,617,519	36%	3,991,614	5,615,499	2,497,859	44%
Environmental Protection							
Soil & Water Conservation	\$ 413,715	\$ 211,780	51%	\$ 413,715	\$ 390,846	\$ 168,449	43%
Solid Waste	2,492,021	854,151	34%	2,426,584	2,655,859	833,649	31%
Economic Dev and Assistance							
Economic Develop & Assistance	\$ 2,943,956	\$ -	-	\$ 2,943,956	\$ 5,644,025	\$ 231,694	4%
Debt Service							
Debt Service	\$ 68,354,310	\$ 39,873,351	58%	\$ 68,354,310	\$ 93,233,944	\$ 54,368,181	58%
General Fund Expense Total	\$803,054,357	\$385,535,282	48%	\$752,004,940	\$713,147,920	\$375,831,985	53%

- 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.

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 February 2023	
	Count	Percentage	Count	Percentage
Juvenile Counselor Technician	15	54%	9	32%
Building Maintenance Mechanics	7	41%	2	13%
Nurse Specialists	43	35%	39	32%
Security Officers	4	31%	0	0%
Animal Control Specialist	2	29%	0	0%
Detention Services Officers	65	24%	65	21%
Paramedic	14	15%	3.5	4%
Social Workers	37	15%	11	5%
Eligibility Caseworkers	26	9%	8	3%
Child Support Agent	5	9%	0	0%
Deputy Sheriffs	14	8%	8	4%
EMT	0	0%	0	0%



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	% Utilized	FY2022	FY2022	% Utilized
	Amended Budget	Actual YTD		Amended Budget	Actual YTD	
Property Tax	\$ 21,892,689	\$ 21,130,411	97%	\$ 17,836,004	\$ 17,235,389	97%
Sales Tax	4,699,879	1,780,856	38%	4,012,034	1,215,946	30%
Other Revenues	-	38,991	-	-	36,854	-
Total Revenue	\$ 26,592,568	\$ 22,950,258	86%	\$ 21,848,038	\$ 18,488,189	85%

Fund Balance Appropriated \$ 1,351,169 \$ 1,303,475

Total Sources of Funds	\$ 27,943,737	\$ 22,950,258	\$ 23,151,513	\$ 18,488,189
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Expenses	FY2023	FY2023	% Utilized	FY2022	FY2022	% Utilized
	Amended Budget	Actual YTD		Amended Budget	Actual YTD	
Alamance	\$ 2,494,639	\$ 2,331,351	93%	\$ 1,982,080	\$ 1,902,190	96%
Climax	276,313	252,696	91%	215,134	211,033	98%
Colfax	992,891	908,857	92%	933,775	904,559	97%
Fire Prot. District No. 1	56,516	54,252	96%	49,295	48,076	98%
Gibsonville	15,715	15,715	100%	15,394	14,924	97%
Guilford College FPD	604,292	530,321	88%	651,739	579,642	89%
Guilford College FPSD	36,573	36,573	100%	37,246	37,246	100%
GuilRand	283,705	252,437	89%	236,915	217,632	92%
Julian	119,584	104,287	87%	114,214	112,134	98%
Kimesville	149,028	137,227	92%	134,750	132,398	98%
McLeansville	2,100,188	1,964,656	94%	1,543,837	1,504,415	97%
Mt. Hope	1,131,675	1,047,204	93%	887,810	887,810	100%
No. 13 (Rankin)	2,051,878	1,832,683	89%	1,653,257	1,651,400	100%
No. 14 (Franklin)	270,376	252,559	93%	271,073	268,649	99%
No. 18 (Deep River)	382,199	353,380	92%	361,650	329,845	91%
No. 28 (Friedens)	363,607	329,704	91%	292,708	292,708	100%
Northeast	1,879,413	1,794,729	95%	1,630,361	1,621,918	99%
Oak Ridge	2,474,756	2,187,821	88%	2,020,469	2,020,469	100%
PinecroftSedgefield	3,603,051	3,211,676	89%	2,992,918	2,894,704	97%
Pleasant Garden	1,379,457	1,239,354	90%	1,087,166	1,072,795	99%
PTIA	228,348	228,348	100%	250,715	250,715	100%
Southeast	353,374	329,273	93%	270,699	270,699	100%
Stokesdale	1,330,852	1,252,243	94%	1,024,182	1,024,182	100%
Summerfield	4,209,279	3,899,626	93%	3,493,333	3,261,806	93%
Whitsett	1,156,028	1,130,087	98%	1,000,793	1,000,793	100%
Total Fire District Expenses	\$ 27,943,737	\$ 25,677,059	92%	\$ 23,151,513	\$ 22,512,742	97%



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	\$ 29,418,090	49%	\$ 55,937,553	\$ 28,528,554	51%
Expense	59,878,797	28,410,574	47%	55,937,553	28,325,186	51%
4500 - Room Occupancy / Tourism Dev						
Revenue	6,000,000	4,029,909	67%	6,000,000	3,246,733	54%
Expense	6,000,000	4,029,909	67%	6,000,000	3,246,733	54%
4700 - Tax Revaluation						
Revenue	362,500	209,272	58%	276,913	161,532	58%
Expense	362,500	2,192	1%	276,913	19,922	7%
4730 - Fines & Forfeitures						
Revenue	4,000,000	878,982	22%			
Expense	4,000,000	922,147	23%			
4740 - DSS Rep Payee						
Revenue	4,000,000	78,920	2%			
Expense	4,000,000	118,019	3%			
4850 - Opioid Settlement						
Revenue	300,000	2,817,906	939%			
Expense	300,000	3,965	1%			
9100 - Debt Service						
Revenue	104,336,218	50,800,461	49%	93,232,594	54,368,181	58%
Expense	104,336,218	33,572,563	32%	93,232,594	31,753,453	34%

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