



Budget Performance Report

FY2023 through April 2023

(10 months completed + 2 months remaining)

The Performance Report is an opportunity to highlight revenue and spending patterns. Guilford County's current fiscal year (FY2023) runs from July 1, 2022, through June 30, 2023, with this report's actual performance through April 2023.

Executive Summary

- Major revenues continue to trend favorably. Property tax is expected to meet budget while sales tax is expected to exceed budget. Sales tax is beginning to slow some, but remains higher than historical growth.
- Major expenses continue to trend in line with historical patterns; however, due to a decrease in vacant positions, year-end salary savings may be lower than prior fiscal years.
- Year-end projections provide directional headlights based on the best knowledge at the time of publication. The County is anticipated in fulling setting aside \$50m in fund balance for honoring the school capital funding priority and ~\$19m for ARPA enabled projects. After those amounts, at this time, we **project minimal use of fund balance (\$0 - \$5 million)**, depending on the timing of year-end expenses and potential mark-to-market losses associated with year-end investment accounting. In prior years the County was able to minimize utilizing fund balance due to unprecedented sales tax growth.

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.

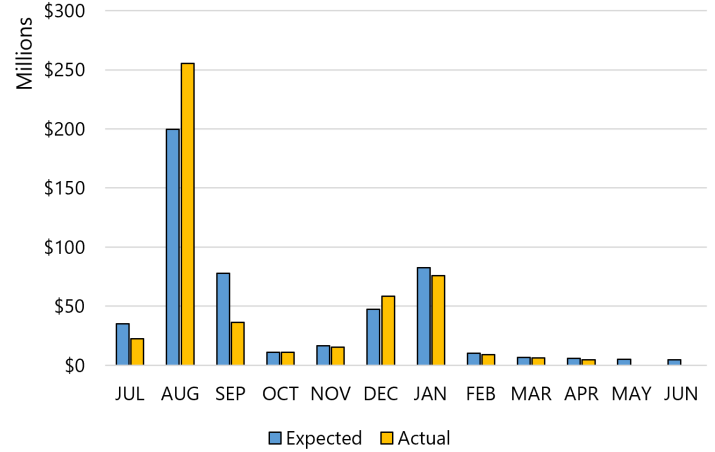
General Fund Summary

	PRIOR YEAR ACTUALS (FY22)	CURRENT YEAR ACTUALS (FY23)	CURRENT YEAR AMENDED BUDGET	
	FY2022	FY2023	FY2023	% of Budget
Revenues				
Taxes	\$469,338,029	\$555,354,312	\$598,419,435	93%
Fines & Forfeitures	\$1,930,613	\$2,683,225	\$1,735,518	155%
Licenses & Permits	\$1,941,838	\$1,822,908	\$2,395,380	76%
Intergovernmental	\$58,439,232	\$58,587,826	\$104,032,114	56%
Charges for Services	\$36,607,014	\$39,417,813	\$43,751,107	90%
Debt Issued	\$3,386,949	\$4,295,000	\$4,350,000	99%
Appropriated FB	–	–	\$42,181,260	0%
Transfers In & Other Financing	\$42,565	\$171,032	\$190,400	90%
Miscellaneous	\$4,498,667	\$9,473,743	\$8,785,218	108%
REVENUES TOTAL	\$576,184,908	\$671,805,858	\$805,840,432	83%
Expenses				
Personnel	\$182,060,533	\$194,297,838	\$252,017,405	77%
Supplies & Materials	\$7,949,905	\$9,589,385	\$17,424,361	55%
Other Services & Charges	\$52,405,550	\$51,150,418	\$113,569,529	45%
Education	\$209,201,493	\$226,275,309	\$312,917,898	72%
Human Services Assistance	\$14,160,413	\$12,338,484	\$18,255,795	68%
Capital Expenditures	\$2,150,470	\$5,097,927	\$10,020,154	51%
Transfers Out & Other Financing	\$82,577,734	\$66,579,719	\$81,635,290	82%

	PRIOR YEAR ACTUALS (FY22)	CURRENT YEAR ACTUALS (FY23)	CURRENT YEAR AMENDED BUDGET	
	FY2022	FY2023	FY2023	% of Budget
EXPENSES TOTAL	\$550,506,097	\$565,329,080	\$805,840,432	70%

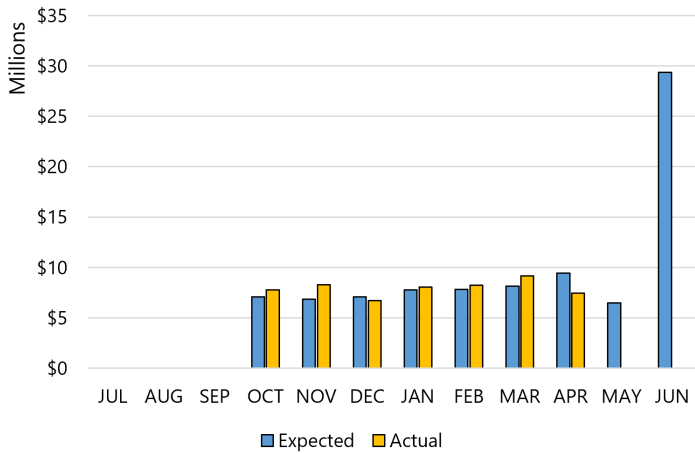
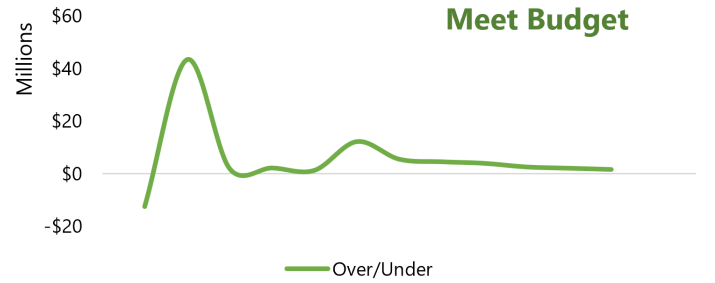
How do we receive Property Tax?

The general county Property Tax is the county's largest single source of revenue, making up over 64% 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.



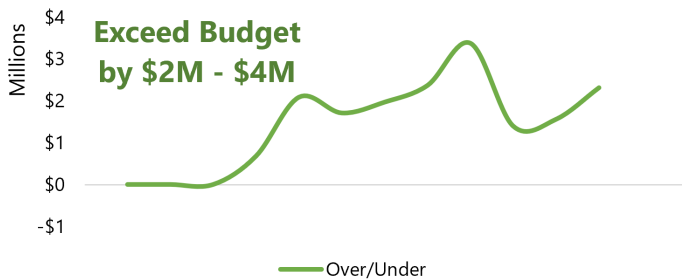
Are we over or under our budget expectations?

The County remains on pace to meet budgeted property tax revenues. Ad valorem property tax is projected to meet or slightly underperform the budget, while motor vehicle revenues continue to exceed budget. Staff continue to monitor property evaluations under appeal through the Property Tax Commission (PTC).



How do we receive Sales Tax?

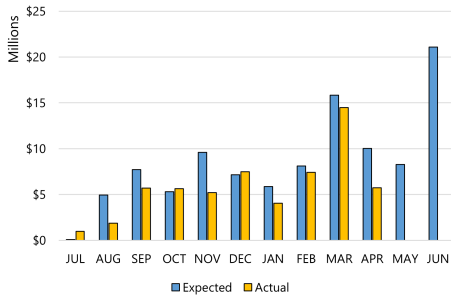
About 12% of general county revenues come from the Sales Tax. The sales tax rate in Guilford County is 6.75% -- 4.75% of state sales tax and 2% of local sales tax. Some or all of this total sales tax is applied to purchases made in Guilford County (not all purchases are subject to the full sales tax rate). Sales tax revenues are shared with Guilford County cities and towns that levy a property tax. The sales tax revenue shown is what the county receives to support general operations. The revenue the county receives from the state in 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 a spike in revenue each June.



Are we over or under our budget expectations?

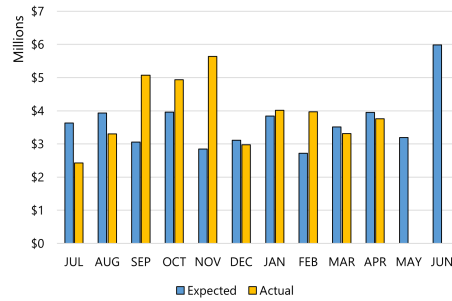
To date, we anticipate exceeding our budgeted sales tax revenues. Gross collections continue to remain 9-10% over prior year. The county continues to experience fluctuations in sales tax refunds, resulting in higher actuals in March, but lower actuals in April. Non-profit entities are eligible to request a refund in what they paid for sales tax.

When are Federal & State revenues received?



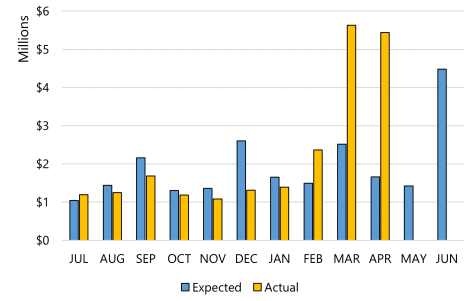
About 12% of general county revenues comes from the federal and state governments. Most of these revenues are used to support federal and state programs provided or administrated by the county's Public Health and Social Services programs. The County's share of Lottery Funds, which are used to help pay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

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. Most user fees and charges are collected by Public Safety and Human Services departments. Other fees 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.

When do we receive Other Revenues?

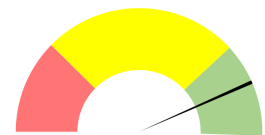


The Other Revenue category is a "catch all" grouping of miscellaneous revenues. Investment earnings on county investments, facility rental charges, sales of old vehicles and equipment, interest charges on late taxes, and community donations are included in this category. The spike in March is associated with the County's investment earnings posting (\$4m), while the spike in April is associated with loan proceeds from the County's \$4.5m bank loan to debt finance vehicle purchases in FY23.

Fund Balance Replacement

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 doesn't 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 has to use funds from its savings account to pay for operations.

Fund Balance Recovered

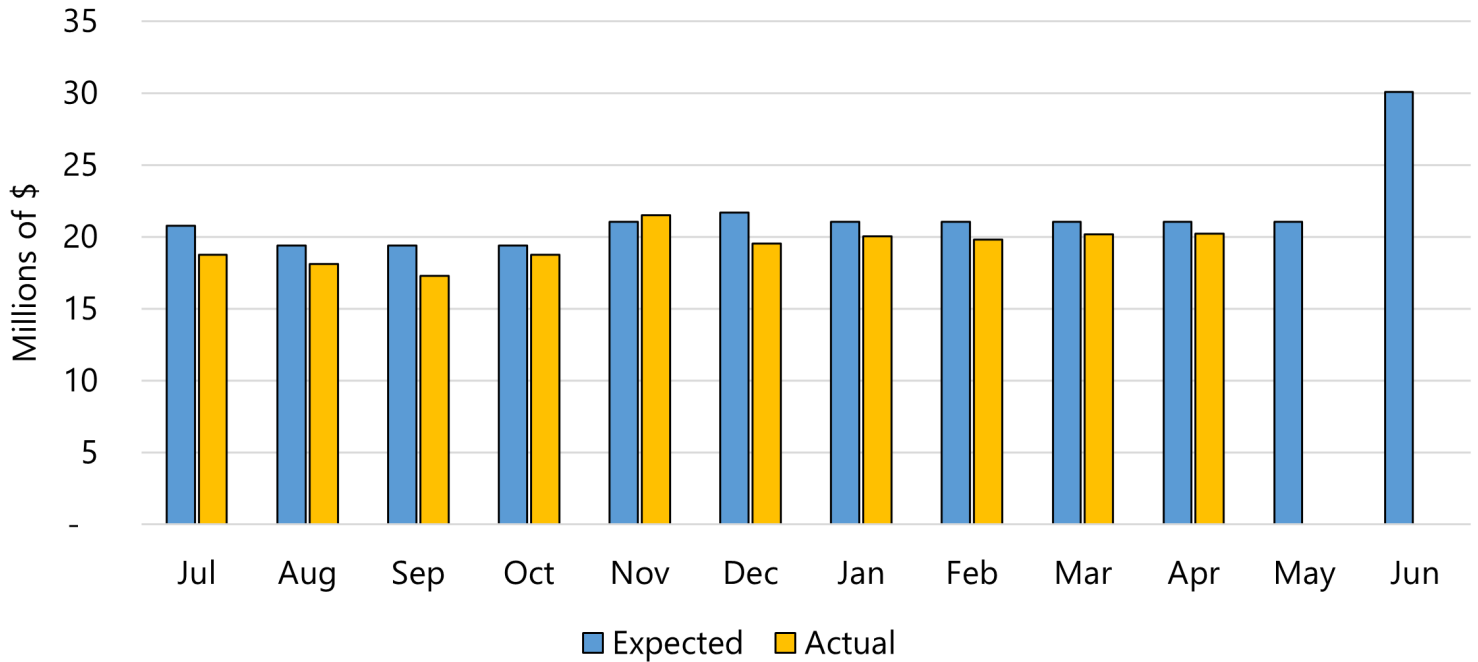


\$0M - \$5M
Remaining to recover

How do we spend our Personnel Budget?

This expense category includes salaries and benefits for the county's 2800+ employees. About 2,300 of these employees are dedicated to providing Public Safety (Law Enforcement, Emergency Management and Emergency Medical Services, etc.) and Human Services (Child and Adult Protective services, Public Health services, Veterans Services, etc.) programs. 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.

Overall, monthly personnel expenditures remain within budgeted amounts. Personnel represents 32% of the county's budget. The County continues on track to spend within budgeted resources for personnel.

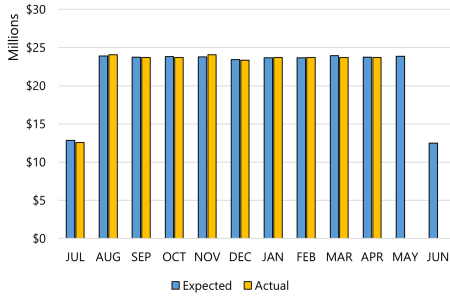


Operating Expenses

These categories (Other Services & Charges and Supplies & Materials) are 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 \$272 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.

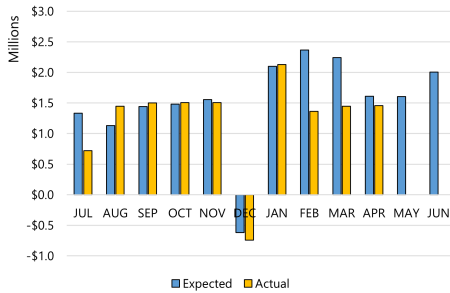
**December is lower associated with a movement of eligible expenses to American Rescue Plan to free up County funding for ARPA enabled projects.*

How are funds for Education spent?



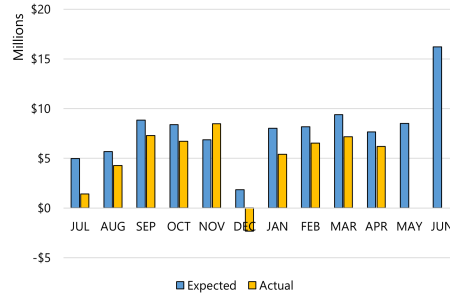
Funding appropriated for Guilford County Schools and Guilford County Technical Community College operating budgets are 100% spent out over the course of a fiscal year and transferred to these organizations on a monthly basis. This does not include \$50 million to honor school capital funding. This represents about 33% of the total General Fund Budget.

How do we spend human services assistance?



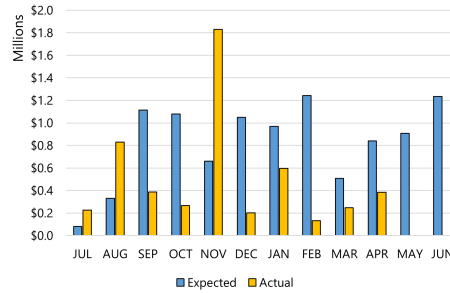
Human Services represents 2% of the county's budget. This includes most of the county's service obligations for mandated public assistance programs including adult and child day care, adoption program expenses, room and board expenses for foster children is the county's care, and funding for residents experiencing heating and cooling crises. A significant portion is offset by federal and state revenue support.

How are Other Services & Charges spent?



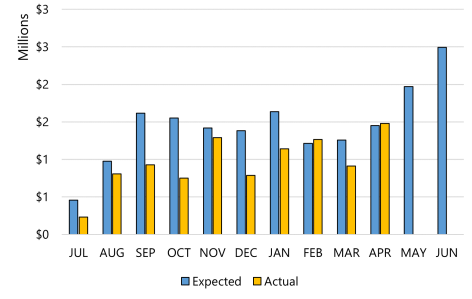
Other Services and Charges represent 11% of the County's budget for professional services, medical services at county jails, utilities, insurance, routine building maintenance, fuel for Law Enforcement or Emergency Medical Service, and payments to Sandhills Center (our mental health, substance abuse, and developmental disabilities service provider).

How do we spend operating capital?



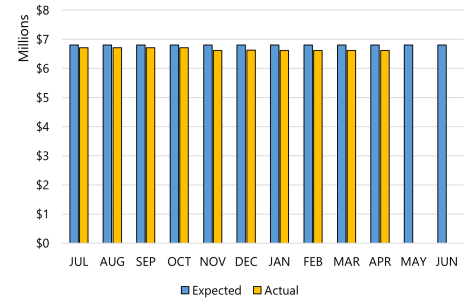
Operating capital represents 1% of the county's budget. This includes vehicle purchases for Law Enforcement, Emergency Medical Services, Animal Services, Inspections, and other county departments. This category also includes major equipment or furniture. Purchases for these categories vary based on market conditions and availability of vehicles.

How are Supplies & Materials spent?



Supplies & Materials represents 2% 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.

How do we spend transfers to other funds?



Transfers represent 10% 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.

Service Inventory

To the right is a copy of Guilford County's service inventory, which outlines the collection of services provided by the County. You can flip through the pages to learn about the various services offered by Guilford County.

[Link to Guilford County Service Inventory.](#)

The inventory also identifies a services':

- **Scope** indicates if the County is the sole provider of a service, if there are services that the County may deliver via third party, or if there are public or private entities beyond the County that offer the same or similar services.
- **Scale** is a measure of demand for or residents served by the service. Scale may be impacted by population growth, resident preference resulting in a change in demand, or regulation changes. Departments identified if and by how much annual demand for a service is changing.
- **Standard** is a law, regulatory standard, or industry benchmark.
- **System** identifies if the service is internally or externally focused, has a direct impact on other County department functions or direct impact on residents, for the purpose of demonstrating how Services are connected and support overall organizational function.



General Fund Expenses by Department

Departments

	PRIOR YEAR ACTUALS (FY22)	CURRENT YEAR ACTUALS (FY23)	CURRENT YEAR AMENDED BUDGET	
	FY2022	FY2023	FY2023	% of Budget
Expenses				
Debt Service	\$77,668,830	\$56,961,930	\$68,354,310	83%
Education	\$212,993,153	\$234,233,649	\$324,467,898	72%
Other				
General Government	–	–	\$15,000,000	0%
ARPA Enabled	–	\$3,000	\$19,000,000	0%
OTHER TOTAL	–	\$3,000	\$34,000,000	0%
Quality Government				
County Commissioners	\$323,399	\$0	\$1,300	0%
Clerk to the Board	\$607,272	\$965,291	\$1,478,068	65%
County Administration	\$1,525,845	\$1,674,013	\$3,190,354	52%
Public Relations	\$29,137	\$353,049	\$748,526	47%
County Attorney	\$2,460,403	\$2,877,263	\$4,119,284	70%
Human Resources	\$7,014,197	\$8,150,473	\$9,947,336	82%
Budget & Management Services	\$340,796	\$749,872	\$1,138,946	66%
Internal Audit	\$574,319	\$615,778	\$833,620	74%
Finance	\$2,191,736	\$2,619,646	\$3,334,169	79%
Purchasing	\$398,338	\$793,312	\$1,020,286	78%
Information Technology	\$9,880,275	\$12,810,112	\$17,257,558	74%
Tax	\$6,522,822	\$6,784,159	\$8,472,139	80%
Register of Deeds	\$1,989,740	\$2,365,183	\$3,228,761	73%
Elections	\$1,353,493	\$2,845,648	\$3,478,234	82%
Facilities	\$6,910,883	\$8,295,887	\$10,849,274	76%
Fleet Operation	\$555,577	\$842,782	\$2,283,338	37%
QUALITY GOVERNMENT TOTAL	\$42,678,230	\$52,742,469	\$71,381,193	74%
Strong Community				
Planning and Development	\$608,771	\$1,039,597	\$1,986,026	52%
Security	\$2,110,888	\$2,765,425	\$3,779,305	73%
Cooperative Extension Service	\$513,776	\$652,416	\$933,531	70%
Coordination Services	\$1,179,100	\$2,842,929	\$3,873,423	73%
Law Enforcement	\$60,665,114	\$60,925,394	\$75,033,931	81%
Emergency Services	\$28,098,789	\$33,389,716	\$41,068,907	81%
Inspections	\$2,196,171	\$2,070,947	\$2,705,236	77%
Animal Services	\$3,202,656	\$3,037,079	\$4,519,237	67%
Solid Waste	\$1,232,168	\$1,279,913	\$2,492,021	51%
Soil & Water Conservation	\$249,838	\$319,742	\$413,715	77%
Culture - Libraries	\$3,113,485	\$111,000	\$111,044	100%
Culture-Recreation (Parks)	\$3,526,615	\$2,677,027	\$4,543,111	59%
Economic Develop & Assistance	\$400,703	–	\$4,943,956	0%
STRONG COMMUNITY TOTAL	\$107,098,075	\$111,111,185	\$146,403,443	76%
Successful People				
DHHS Administration	–	\$164,323	\$269,171	61%
Public Health	\$33,730,282	\$34,429,757	\$63,189,401	54%
Behavioral Health	\$8,595,999	\$3,444,530	\$6,635,531	52%
Social Services	\$56,923,253	\$60,742,512	\$75,626,437	80%
Child Support Enforcement	\$5,860,918	\$6,251,485	\$7,854,912	80%
Transportation Service	\$1,009,086	\$1,108,388	\$1,513,249	73%
Veteran Services	\$282,788	\$388,677	\$531,676	73%
Juvenile Detention	\$2,040,356	\$2,203,752	\$3,485,036	63%
Family Justice Center	\$912,336	\$1,025,537	\$1,201,518	85%
Court Services	\$712,791	\$517,886	\$926,657	56%
SUCCESSFUL PEOPLE TOTAL	\$110,067,810	\$110,276,847	\$161,233,588	68%
EXPENSES TOTAL	\$550,506,097	\$565,329,080	\$805,840,432	70%

Other Funds

Debt Fund Summary

	PRIOR YEAR ACTUALS (FY22)	CURRENT YEAR ACTUALS (FY23)	CURRENT YEAR AMENDED BUDGET	
	FY2022	FY2023	FY2023	% of Budget
Revenues				
2000 - Internal Service Fund	\$40,792,384	\$42,628,427	\$59,878,797	71%
9100 - Debt Service Fund	\$93,089,982	\$75,536,503	\$104,336,218	72%
4500 - Room Occupancy/Tourism Dev Tax	\$4,772,527	\$5,929,033	\$6,000,000	99%
4700 - Tax Revaluation Fund	\$230,760	\$298,960	\$362,500	82%
4730 - Fines & Forfeitures	-	\$1,243,250	\$4,000,000	31%
4740 - DSS Rep Payee	-	\$178,058	\$4,000,000	4%
4850 - Opioid Settlement Fund	-	\$2,817,906	\$300,000	939%
8000 - Rural Fire Districts	\$20,458,794	\$25,339,108	\$27,943,737	91%
REVENUES TOTAL	\$159,344,447	\$153,971,245	\$206,821,252	74%
Expenses				
2000 - Internal Service Fund	\$39,986,776	\$41,360,045	\$59,878,797	69%
9100 - Debt Service Fund	\$79,701,499	\$83,775,953	\$104,336,218	80%
4500 - Room Occupancy/Tourism Dev Tax	\$4,772,527	\$5,929,033	\$6,000,000	99%
4700 - Tax Revaluation Fund	\$75,327	\$135,292	\$362,500	37%
4730 - Fines & Forfeitures	-	\$1,229,472	\$4,000,000	31%
4740 - DSS Rep Payee	\$619	\$185,967	\$4,000,000	5%
4850 - Opioid Settlement Fund	-	\$44,359	\$300,000	15%
8000 - Rural Fire Districts	\$22,945,634	\$27,696,413	\$27,943,737	99%
EXPENSES TOTAL	\$147,482,383	\$160,356,534	\$206,821,252	78%



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Guilford County Budget & Management Services