

COUNTY OF CUYAHOGA, OHIO

2021

**ANNUAL INFORMATIONAL STATEMENT IN
CONNECTION WITH OBLIGATIONS OF THE COUNTY**

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Questions regarding information contained in this Annual Informational Statement should be directed to Walter Parfejewiec, Office of Budget and Management, 2079 East 9th Street, Cleveland, Ohio 44115.

The date of this Annual Informational Statement is September 27, 2021.



REGARDING THIS ANNUAL INFORMATIONAL STATEMENT

The information and expressions of opinion in this Annual Informational Statement are subject to change without notice, and the delivery of this Annual Informational Statement shall not, under any circumstances, give rise to any implication that there has been no change in the affairs of the County since its date.

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INTRODUCTORY STATEMENT

This “**Annual Informational Statement in Connection with Obligations of the County**” (the “Annual Statement”) has been prepared by the County of Cuyahoga, Ohio (the “County”), to provide, as of its date, financial and other information and operating data relating to the County. The County may use this Annual Statement in conjunction with specific offering information to be provided by the County in connection with its original offering and issuance of specific issues of bonds or notes. If used in conjunction with an original offering and issuance of a specific issue of bonds or notes, the County will distribute or make available the specific offering information relating to that issue along with information updating or revising information contained in this Annual Statement. **Unless otherwise noted, information of contained herein is as of December 31, 2020.**

All financial and other information in this Annual Statement has been provided by the County from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of the County. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or be repeated in the future.

This Annual Statement should be considered in its entirety and no one subject considered less important than another by reason of location in the text. Reference should be made to laws, reports or documents referred to for more complete information regarding their contents.

As used in this Annual Informational Statement,

- “Charter” means the Charter of Cuyahoga County
- “City” means the City of Cleveland (the largest municipality in the County).
- “Council” means the Council of the County.
- “Debt charges” means principal (including any mandatory redemption payments) of and interest and any redemption premium on the obligations referred to; debt charges may also be referred to as “debt service.”
- “Fiscal Officer” means the Fiscal Officer of the County, or, as applicable, the County Auditor, the County Recorder, and Clerk of Courts (non-judicial functions) under the County’s governmental structure prior to January 1, 2011.
- “Fiscal Year” means the 12-month period ending December 31, and reference to a particular Fiscal Year (such as “Fiscal Year 2017”) means the Fiscal Year ending on December 31 in that year.
- “Revised Code” means the Ohio Revised Code.
- “State” or “Ohio” means the State of Ohio.

THE COUNTY

General Information

The County is an independent political subdivision of the State and operates subject to the provisions of the Ohio Constitution, the Revised Code, the Charter (defined below), the County Code, and other applicable regulations. The County is located on the southern shore of Lake Erie in northeastern Ohio. The County covers an area of 458.3 square miles and contains two townships and 57 cities and villages, the largest of which is the City of Cleveland (the “City”): the County seat. The State established the County on February 8, 1808, and the first meeting of the Cuyahoga County Board of County Commissioners was held in June 1810. The County is substantially fully developed and, according to the 2020 census had a population of 1,264,817. Cuyahoga County is the second most populous county in the State, and the 36th most populous county in the United States.

For more detailed information concerning the economic and demographic characteristics of the County see “COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION.”

As described below, cities, villages, and townships in the County, together with the various special districts and other governmental entities operating in the County, are responsible for many local governmental services and make significant expenditures to provide such services to County residents. The County, nonetheless, has significant responsibilities in the areas of general government, administration of justice, road and bridge maintenance, health care, sanitation, public assistance, and social services. The County also operates wastewater collection and treatment facilities, water lines, parking facilities, a hospital system (through an appointed Board of Hospital Trustees), an airport and a computer information system for law enforcement agencies in the County. See “THE COUNTY – County Services and Responsibilities” and “-- County Facilities, Utility and Other Enterprises.”

Cities and villages in the County provide various services pursuant to statutory authorizations and to the constitutional “home rule” grant of “all powers of local self-government.” Among the services provided and powers generally exercised by cities and villages within the State are the following: public safety, including police and fire functions; construction, maintenance and repair of streets and sidewalks; certain sanitation and health activities; recreation, including parks, playgrounds and swimming pools; certain public enterprises such as collection, recycling and disposal of solid wastes and operation of sewer and water systems, airports and hospitals; and certain planning and zoning functions.

The County is served by 31 school districts, including the Cleveland Metropolitan School District, which educates 38,949 students within the County.

There are other special districts and governmental entities currently performing various public service functions in the County, including the Cleveland Metropolitan Park District (park and recreation facilities and programs), the Greater Cleveland Regional Transit Authority (mass transit), the Cleveland-Cuyahoga County Port Authority (lake port facilities and economic development activities), the Cuyahoga Community College District (two-year community

college), the Cuyahoga County Library District (library facilities), the Cuyahoga County Solid Waste Management District (solid waste management), the Cuyahoga Metropolitan Housing Authority (low-income housing), the Northeast Ohio Regional Sewer District (wastewater collection and treatment) and Cuyahoga Arts & Culture (support for the arts).

Organization and Major Offices

Government Structure

Under the State Constitution, the electors of a county have authority to adopt a charter that provides an organization for their county government that differs from that under State statutes and, under certain circumstances, for the county government to exercise powers in addition to those vested in counties by statute.

On November 6, 2009, the voters of the County adopted a County Charter (the “Charter”) that changed the form of the County’s government. The Charter was effective January 1, 2010, with 2010 being a year of transition to the new form of government.

The Charter eliminated the elected positions of County Commissioners, County Auditor, County Treasurer, County Recorder, Clerk of Courts, County Coroner, County Engineer and Sheriff. In place of the previously elected officers, the Charter provides for an elected County Executive, an elected 11-member County Council (the “Council”) and an elected Prosecuting Attorney. The County Executive and the Prosecuting Attorney are elected by all the voters of the County, and each member of Council is elected by voters in one of 11 districts established by the Charter. Consistent with the authority and requirements provided in the State Constitution for charter counties, the Charter provides for the County to exercise all powers vested in and perform all duties imposed upon counties and county officers from time to time by the Constitution and laws of the State, but also powers specifically conferred by the Charter or incidental to those specific powers and all other powers that counties are not prohibited to exercise by the Constitution or laws, including powers that may be concurrently exercised by the County and municipalities.

At an election in November 2010, Edward FitzGerald was elected as the first County Executive for a four-year term commencing January 1, 2011. At that same election, 11 members of the new Council were elected, six members to serve four-year terms and five members to serve two-year terms, all also commencing on January 1, 2011. Commencing January 1, 2013, all members were and will be elected to four-year terms as their terms expire. On November 4, 2014, Armond Budish was elected as County Executive for a four-year term commencing January 1, 2015 and on November 6, 2018 Armond Budish was re-elected to a four-year term commencing January 1, 2019.

County Executive

The County Executive, with the approval of the Council, appoints the following: (i) a Fiscal Officer who has the duties of an elected county auditor, an elected county recorder and an elected clerk of courts (other than those related to the operations of the County Courts) under State law; (ii) a Medical Examiner who performs the duties of an elected county coroner under

State law; (iii) a Clerk of Courts to carry out the duties of an elected clerk of courts related to the operations of the Courts under State law; (iv) a Director of Public Works who performs the duties of an elected county engineer and a sanitary engineer under State law; (v) a Director of Law who serves as the legal advisor and representative to the County Executive and Council; (vi) a Treasurer who performs the duties of an elected county treasurer under State law; (vii) a Sheriff who performs the duties of an elected county sheriff under State law; and (viii) a Director of Health and Human Services who manages the administration of the County's various human service agencies, programs and activities.

The County Executive has powers and duties of an administrative nature, including, but not limited to, overseeing most personnel and collective bargaining matters, executing contracts, conveyances and indebtedness on behalf of the County, introducing ordinances and resolutions for Council's consideration and submitting tax and operating budgets, capital improvement plans, a five-year financial forecast for County operating funds and a related written message annually. The County Executive also has veto power over Council's actions.

County Council

The Council holds the legislative power and is the taxing authority of the County. The Council elects a President, has a Clerk and other assistants, and has authority to establish procedures governing the making and administration of County contracts and public improvements. Council also has authority to adopt the annual tax budget and the County's operating and capital budgets, to make appropriations to provide for the acquisition, construction and maintenance of property, and to establish a procedure for the levying of special assessments. The Council may override a veto of the County Executive if at least eight members of Council vote to approve the vetoed measure. The Council may investigate any financial transaction relating to any matter upon which it is authorized to act and has investigative as well as legislative powers.

County Budget Commission

The County Budget Commission, consisting of the County Executive, the Fiscal Officer and the Prosecuting Attorney, exercises all powers and performs all duties performed by a county budget commission under State law.

County Audit Committee

The County Audit Committee oversees the Office of Internal Audit. The Office provides internal auditing to assist the County Executive, Fiscal Officer, the Council, and other county officers and departments, institutions, boards, commissions, authorities, organizations, and agencies of the County government funded in whole or in part by County funds in providing taxpayers of the County with efficient and effective services.

County Department of Development

A County Department of Development oversees economic development in the County with a Director of Development appointed by the County Executive, subject to confirmation by

Council. An appointed Economic Development Commission is required to present a five-year economic development plan in June of each year.

County Personnel Review Commission

County employment practices and the classification of employee positions are monitored by an appointed County Personnel Review Commission.

Financial Management

The County Executive is responsible for managing the funds used to support various County activities. The Council exercises its legislative powers in budgeting, appropriating money, levying taxes, issuing securities and letting contracts for public works and services. The County's Fiscal Officer acts as the County's chief financial officer. The County's Office of Budget and Management performs financial analysis and administrative functions for the County Executive, Fiscal Officer and County Council. That Office's staff assists the County Executive and Fiscal Officer in the budget process and monitors the operations of the County departments and independent boards and agencies. Its responsibilities include revenue and expenditure forecasting, operating budget development and review, policy and legislative analysis, fiscal transaction processing, capital budgeting, systems analysis, federal programs review, cost effectiveness studies, process improvement, and debt management.

Management of County Facilities

The County Executive has responsibility for the management of most County facilities, overseen by the Department of Public Works.

Boards and Commissions

Independent boards and commissions administer a large variety of services within the County. Those boards and commissions include, among others, the Alcohol, Drug Addiction and Mental Health Services Board, the Veterans Service Commission, the Board of Developmental Disabilities, the County Planning Commission, the Office of the Inspector General, and the Public Defender.

Some of these boards and commissions are appointed entirely by the County Executive and are subject to complete fiscal control by the County Executive and, through the appropriations process, the Council. Others have no members appointed by the County Executive and may, to varying extents, be independent of fiscal control by the County Executive and the Council. There are also others for which the County Executive does not have appointment powers but does have extensive fiscal responsibilities. For example, the County Executive has extensive financing, funding, budgeting and accounting responsibilities for the Board of Elections and for various courts but does not appoint the members of the Board of Elections or the judges or employees of the courts.

The County Executive appoints three of ten members of the Board of Trustees of the Greater Cleveland Regional Transit Authority, three of nine members of the Board of Directors of

the Cleveland-Cuyahoga County Port Authority, six of nine members of the Board of Trustees of the Cuyahoga Community College District, one of seven members of the Board of Trustees of the Northeast Ohio Regional Sewer District and all three members of the Board of Trustees of Cuyahoga Arts & Culture. Those entities are separate political subdivisions for which the County has no fiscal or administrative responsibilities other than to collect taxes on their behalf. The County Executive also appoints two of five members, and shares with the City of Cleveland one joint appointment, to the Board of the Gateway Economic Development Corporation of Greater Cleveland, a nonprofit corporation organized for the purpose of developing and maintaining the Gateway Project, which consists of an approximately 35,000-seat outdoor baseball stadium (Progressive Field), an approximately 20,500-seat multipurpose arena (Rocket Mortgage FieldHouse) and related common areas in downtown Cleveland.

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Certain County Officials

Certain of the current elected County officials and some of the major officials who are appointed by and serve at the pleasure of the County Executive are listed below.

Name	Office	Term Expires	Date Tenure Began
Pernel Jones, Jr.	Council President	12/31/2022	1/01/2015
Cheryl L. Stephens	Council Vice President	12/31/2024	1/01/2015
Yvonne M. Conwell	Council Member	12/31/2022	1/01/2015
Michael J. Gallagher	Council Member	12/31/2022	1/01/2015
Scott Tuma	Council Member	12/31/2024	1/01/2017
Nan Baker	Council Member	12/31/2022	1/01/2017
Martin J. Sweeney	Council Member	12/31/2022	1/17/2021
Shontel Brown	Council Member	12/31/2022	1/01/2015
Dale Miller	Council Member	12/31/2024	1/01/2017
Jack Schron	Council Member	12/31/2024	1/01/2017
Sunny M. Simon	Council Member	12/31/2022	1/01/2015
Armond Budish	County Executive	12/31/2022	1/01/2015
Michael C. O'Malley	Prosecuting Attorney	1/6/2025	1/01/2017
Michael Chambers, CPA	Fiscal Officer	Appointed	2/11/2020
W. Christopher Murray II	County Treasurer	Appointed	4/28/2015
Andria Richardson	Clerk of Council	Appointed	10/13/2020
Nailah K. Byrd	Clerk of Courts	Appointed	1/08/2015
Christopher P. Viland	Sheriff	Appointed	3/09/2021
Gregory G. Huth	Director of Law	Appointed	5/14/2019
Mark Griffin, J.D.	Inspector General	Appointed	3/03/2015
Thomas P. Gilson, M.D.	Medical Examiner	Appointed	5/31/2011
Bill Mason	Chief of Staff	Appointed	7/15/2019
Monica Houston	Director of Internal Audit	Appointed	11/25/2019
Michael W. Dever, M.P.A.	Director of Public Works	Appointed	3/03/2015
Jesse Drucker	Chief Human Resource Officer	Appointed	5/26/2020
David Merriman	Director of Health and Human Services	Appointed	5/26/2020
Paul Herdeg	Director of Development	Appointed	8/03/2021
Michele Pomerantz	Director of Regional Cooperation	Appointed	7/10/2018
Mary Louise Madigan	Director of Communications	Appointed	9/23/2015
Vacant	Chief Communications Officer	Appointed	

Fiscal Officer

The Fiscal Officer has assumed the duties performed by elected county auditors and county recorders under the statutory form of county government, as well as certain duties performed by an elected clerk of courts.

The Fiscal Officer has the responsibility of assessing real property for taxing purposes. Under State law, a complete reappraisal must be conducted every six years (the most recent was completed in 2018) and updated every three years. The Fiscal Officer is the fiscal officer of the County and, in general, no County contract or obligation (other than contracts and obligations entered into in connection with the operation of The MetroHealth System, the County's public hospital system) may be made without the Fiscal Officer's certification that funds for payment are available or are in the process of collection. In addition, no account may be paid except by the Fiscal Officer's warrant drawn upon the County Treasury. The Fiscal Officer is responsible for preparation and disbursement of the County payroll and has statutory accounting responsibilities. The Fiscal Officer is a member, and the Secretary, of the County Board of Revision and the County Budget Commission and serves as the Non-Voting Member of the County Audit Committee.

Treasurer

The Treasurer is appointed by the County Executive and reports to the Fiscal Officer and performs the duties of an elected county treasurer under the statutory form of county government. The Treasurer collects certain taxes to distribute to various governmental units. The Treasurer prepares and mails tax bills to real property owners in the County and is the disbursing agent for expenditures authorized by the County Executive and Council. The Treasurer makes daily reports showing receipts, payments and balances to the Fiscal Officer. The Treasurer is also charged with the responsibility of investing County funds.

County Personnel

As of December 31, 2020, the County had 7,240 full-time equivalent employees (excluding employees of The MetroHealth System) in various job classifications who were employed by the County Executive, other elected County officials, and boards and commissions that receive annual appropriation from County Council.

A statewide public employee collective bargaining law applies to public employee relations and collective bargaining. Countywide there are 35 collective bargaining agreements ending 2020.

As of December 31, 2020, 3,311 County employees under the County Executive were members of and represented by one of 35 individual bargaining units. The balance of full-time County employees are not members of a bargaining unit.

Generally, the terms of the salaries, wages and other economic benefits have been the products of negotiations with representatives of the employees or bargaining units. The County's most recent contracts with the collective bargaining units for its employees have provided for annual wage and salary increases of approximately 2% and the terms under which the employees participate in the County's health care plans.

The County's non-bargaining unit employees received a 2% cost of living increase in 2020 and repeated for 2021.

In the County's judgment, relations with the County's various bargaining units and employees have been and are currently considered good.

Pension Obligations

Employees, present and retired, of the County are covered under a statewide public retirement (including disability retirement) system, the Ohio Public Employees Retirement System ("OPERS"). Teachers employed by the school for Board of Developmental Disabilities ("BODD") are covered under a statewide public retirement system, State Teachers Retirement System of Ohio ("STRS Ohio"). Both plans are cost sharing, multiple-employer plans, created by and operated pursuant to Ohio law. The General Assembly could amend the format of the funds, and revise contribution rates to be made by the County, and revise benefits or benefit levels. Health care coverage is not statutorily guaranteed.

Currently, all of the employees of the County, other than those employed by BODD, are covered by OPERS. These employees contribute at a rate of 10.00% of earnable salary or compensation, and the County contributes 14.00% of the same base, except for uniformed employees of the Sheriff's Department who currently contribute at a rate of 12.10% of earnable salary or compensation, and for whom the County contributes at a rate of 18.1%.

The current employer contributions to OPERS have been and are presently treated as current expenses of the County and included in its operating expenditures. OPERS issues a stand-alone financial report that may be obtained at www.opers.org or in at the OPERS offices, 277 East Town Street, Columbus, Ohio 43215 or by calling (800) 222-7377.

Currently, 24 County employees are covered by STRS Ohio and are all employed with the Department of Developmental Disabilities. The employee contribution rate is 10.00% of earnable salary or compensation, and the County contributes 14.00% of the same base.

The current employer contributions to STRS Ohio have been and are presently treated as current expenses of the County and included in its operating expenditures. STRS Ohio issues a stand-alone financial report that may be obtained at www.strsoh.org or at the STRS Ohio offices, 275 East Broad Street, Columbus, Ohio 43215.

Under the Consolidated Omnibus Reconciliation Act of 1985 (P.L. 99-272), public employers including the County are subject to mandatory Medicare (hospital insurance tax or FICA tax) contributions of 1.45% of each covered employee's wage base. Covered employees include all employees (with limited exceptions) hired after March 31, 1986.

During 2015, the County adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. The net pension liability reported on the statement of net position represents a liability to employees for pensions. The net pension liability represents the County's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-

term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

The County recorded a net pension liability of \$6,333,000 and \$451,348,708 for the STRS and OPERS retirement systems, respectively, as of December 31, 2019. In addition, the County recorded a net pension asset of \$3,341,000 for the OPERS (Combined Plan) retirement system as of December 31, 2019.

During 2018, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. GASB 75 established standards for measuring and recognizing postemployment benefit liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure.

The County recorded a net OPEB asset of \$474,000 for the STRS retirement system as of December 31, 2019. The County recorded a net OPEB liability of \$374,575,000 for the OPERS retirement system as of December 31, 2019.

County Services and Responsibilities

The following are descriptions of selected County services and responsibilities.

Social Services

The County's responsibilities in the area of social services are carried out through a number of agencies and departments. Social Services programming is predominantly administered through the Department of Health and Human Services, which includes the Divisions of Job and Family Services, Child Support Services, Children and Family Services, and Senior and Adult Services, as well as the smaller Office of Homeless Services, Office of Early Childhood, and the Family and Children First Council. Each division has its own administrator who reports to the Director of Health and Human Services, who serves as the statutorily mandated County Director of Job and Family Services. The Director of Health and Human Services is appointed by the County Executive and confirmed by the County Council.

Job and Family Services

Job and Family Services ("JFS") administers a variety of programs and services providing assistance to working families, older adults, children, and disabled persons to ensure basic needs such as food and health care and promotes self-sufficiency. Those programs and services, which include Healthy Start and other Medicaid health insurance programs, child-care assistance, the Ohio Works First ("OWF") program, food benefits, PRC emergency financial help and financial and medical assistance services for the disabled, are primarily funded from federal and State sources, but are subsidized by the County's two Health and Human Services levies. In 2020, JFS operating expenditures totaled approximately \$74 million. As of December 2020, Full-time equivalents (FTEs) totaled

795. Approximately 90% of JFS expenditures are reimbursed through federal and State sources.

Child Support Services

Within JFS, the Office of Child Support Services establishes paternity, locates absent parents, works with parents in completing requirements for support orders, and collects and distributes child support as well as spousal support funds from divorced parents. Child Support Services also has a robust Fatherhood program to provide support to fathers and children. The Child Support Enforcement Agency is supervised under Jobs and Family Services. In 2020 operating expenditures totaled \$36 million. As of December 2020, CSS FTEs totaled 288. Approximately 66% of all costs are reimbursed through Title IV-D of the Social Security Act.

Children and Family Services

Children and Family Services provides child protection activities and support services to strengthen families by investigating allegations of child abuse, neglect and dependency, coordinating child protective services and resources, utilizing foster and adoptive homes or residential treatment facilities as needed, and providing services designed to promote family reunification and, when necessary, permanent adoption. The number of children in out of home placement increased throughout 2020.

In 2020 DCFS operating expenditures totaled \$152 million and FTEs totaled 844 as of December 2020. Approximately 66% of these expenditures are reimbursed through federal and State sources, most notably Title IV-E of the Social Security Act.

Senior and Adult Services

Senior and Adult Services provides protective and supportive services to elderly and disabled adults to protect them from abuse, neglect or exploitation. These services are designed to keep individuals in their homes or in the least restrictive environment possible. In 2020, Senior and Adult Services had operating expenditures totaling \$19 million. FTEs as of December 2020 totaled 164.

The County's local share of expenditures for the activities and programs of these divisions is currently funded with proceeds from two voted health and human services property tax levies of 4.7 mills and 4.8 mills, both levies expire on December 31, 2028 and 2024, respectively. Combined, these two levies generate approximately \$270 million each year. The HHS levies represent about 50% of total funding for health and human services in the County.

The Veterans Service Commission (the "Veterans Commission") and the Board of Developmental Disabilities also operate within the area of social services but independent of the Department of Health and Human Services.

The Veterans Commission assists veterans and their dependents by providing emergency assistance and securing the materials and information needed to apply for and receive assistance under the various programs administered by the United States Department of Veterans Affairs.

The five members of the Veterans Commission are appointed by the Judges of the Common Pleas Court and serve five-year terms. The activities of the Veterans Commission are financed from the County's General Fund. The Veterans Commission spent \$6 million from the General Fund for those activities in 2020.

The County's programs for developmentally disabled persons, operated through the Board of Developmental Disabilities, provides various services to developmentally disabled children and adults including training classes, workshops, and home services. Of the seven members of the Board of Developmental Disabilities, five are appointed by the County Executive and two by the Judges of the Probate Court. In addition to receiving State reimbursement and tuition reimbursement from the boards of education in the County, the Board of Developmental Disabilities is funded by a 3.9-mill voted property tax levy which was renewed for a continuing period of time in November 2005. That levy generated \$107 million in 2020 to help pay for Board operations. In 2020, the Board operated with 917 FTEs and operating expenditures totaled approximately \$115 million. The Board is transitioning from providing direct services to contracting for the provision of services, as mandated by the federal government. This transition has resulted in a consistent decrease in staffing levels at the Board over the last several years; this trend is projected to continue for the next two to three years. The Board is making every effort to assist its direct service employees in obtaining jobs with contract providers to promote continuity of care.

Workforce Development administers the federal Workforce Investment Act program that provides education services and training programs to prepare adults and youth for the workforce and to assist in meeting the community's workforce needs. Workforce Development expenditures, which do not include support from the two voted levies, totaled \$13 million in 2020.

Health and Safety

The County subsidizes the operation of The MetroHealth System ("MetroHealth"), the public health care system for the County that includes a general, acute-care hospital, outpatient centers, a skilled and intermediate care nursing facility, a rehabilitation facility and a family health center. MetroHealth is governed by a Board of County Hospital Trustees that is appointed by the County Executive and the senior judges of the County's Probate and Common Pleas Courts. In Fiscal Year 2020 operating expenditures of MetroHealth totaled \$1.3 billion. The County spent \$32.5 million of the two voted Health and Human Services tax levies, referred to above under "Public Assistance and Social Services" to subsidize System expenditures in Fiscal Year 2020. Requests from the County Hospital Trustees for levy fund subsidies are considered by the County each year and allocations of levy funds for operating expenditures of MetroHealth are made based on System needs and County resources available for this purpose. The County will continue to consider the provision of funds to MetroHealth in subsequent years.

The Alcohol, Drug Addiction and Mental Health Services Board of Cuyahoga County (the "ADAMHS Board") is responsible for the planning, funding and monitoring of public mental health, and alcohol and other drug addiction treatment services delivered to the residents of the County. The ADAMHS Board does not provide services directly to consumers but coordinates and evaluates activities at mental health centers and provides counseling and education services for

children and adults. Other services for diagnosis, treatment and counseling for substance abuse are contracted out to provider agencies. In Fiscal Year 2020, the County provided approximately \$39 million of funding to the ADAMHS Board. The County's sources of that funding are the two voted health and human services tax levies referred to above under "Public Assistance and Social Services". ADAMHS' expenditures totaled \$53 million in 2020.

The County Health District (the "CHD") is a separate political subdivision which is not coterminous with the County. The CHD Board of Health performs various services for villages, cities, townships and school districts contracting with it. Some of the services provided are immunizations, home nursing visits and sanitary inspections. The County provides office space for the CHD Board of Health but has no authority to control the activities of the CHD Board of Health and Council does not appropriate any significant amount of funds for its operations. The CHD Board of Health is supported primarily by the charges it receives from contracting subdivisions and grants.

Public Safety and Justice Services

As a part of the administration of the justice system in the County, the County maintains facilities for the Common Pleas Court (the court of general jurisdiction), including the Juvenile Division, the Domestic Relations Division and the Probate Division, and the Eighth District Court of Appeals. The Prosecuting Attorney's office, the Juvenile Justice Center and County Jail facilities are also maintained by the County.

In addition to his responsibilities as a prosecutor of criminal cases, the Prosecuting Attorney is designated by Ohio law as the chief legal counsel for some boards and agencies (including the Board of Elections), townships, local school districts and tax-supported public libraries. In 2020, operating expenditures totaled \$35 million. The Prosecutor's Office had 339 FTEs as of December 2020.

The Department of Law provides legal counsel to the County Executive, the County Council, and all agencies and departments under the County Executive. In 2020, the Law Department's operating expenditures totaled \$10 million. FTEs totaled 18 as of December 2020.

The Clerk of Courts keeps all official records of the Common Pleas Court – General and Domestic Relations Divisions – and serves as Clerk of Court of the 8th District State Court of Appeals. By statute, both Probate and Juvenile Courts serve as their own clerk. In 2020, the Clerk of Courts had 88 FTEs and operating expenditures totaled \$7 million.

The County Sheriff, the chief law enforcement officer of the County, provides certain specialized services, which include maintaining a special staff of deputies whose duties are to assist local law enforcement officers upon their request and to enforce the law in unincorporated areas of the County. The Sheriff also operates and maintains the County Jails and is responsible for the County Jails' inmates, including persons detained for trial or transfer to other institutions. By way of Agreement, the County Sheriff is responsible for prisoners under the authority of various municipalities throughout the County, including the City of Cleveland, and the Federal Marshalls. As an officer of the County Courts, the Sheriff is in charge of the service of court documents. The

Sheriff also oversees security of all County-owned and certain County-operated buildings. In 2020, the County Sheriff's operating expenditures totaled \$51 million. As of December 2020, FTEs totaled 1,292. For additional information regarding the County Jails, see "LITIGATION".

The Cuyahoga County Juvenile Justice Center ("CCJJC") which was completed in 2011, features a 630,000 square foot facility providing for the safety and security of all juveniles housed there and manages their care while awaiting disposition in the Cuyahoga County Juvenile Court for charged criminal violations. Following disposition, the juvenile may be committed to a State Training School, sentenced to the Juvenile Detention Center, placed in a residential treatment center, placed on probation, or released to parents or guardians. Residents continue their education through the Cleveland Metropolitan School District via on-site classrooms and teachers. The CCJJC facility consolidates all court-related and detention activities and replaces the former Cuyahoga County Detention Center. The nine-story tower accommodates the Juvenile Court system for the County. Secured parking is provided for Judges, staff, other employees of the Center, as well as the public.

The County's Community Based Correctional Facility, a residential sanctioned facility that provide County Courts of Common Pleas a sentencing alternative to prison, is operated by way of Agreement by an outside entity, with the Ohio Department of Rehabilitation and Corrections providing an annual operating subsidy to the County for the cost of administering the facility, which totaled \$6 million in 2020.

Arts and Culture

In November 2006, the voters of the County approved an additional tax on wholesale sales of cigarettes for the purpose of supporting the County's arts and cultural sector. The tax, in the amount of \$0.045 per pack of cigarettes, became effective February 1, 2007, and is collected by the State. The tax generated \$13.6 million for 2019 and \$12.4 million in 2020. The current tax was renewed by County voters in 2015 and expires in 2026. The County Executive has appointed the three-person Board of Trustees of Cuyahoga Arts & Culture that makes decisions about the expenditure of such tax revenues.

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County Facilities, Utility and Other Enterprises

The County presently owns the following facilities:

Facility	Use	Sq. Ft.	Acreage	Est. Value
<i>Mall/Public Square District</i>				
Huntington Convention Center & adjacent hotel	Special Events	946,377	14.96	\$514,220,800
Huntington Park Garage	Parking Garage	638,792	10.24	41,480,100
Courthouse Square	Justice related programs	100,503	0.45	6,154,300
County Courthouse	Courts			
Soldiers' & Sailors' Monument	Monument	2,364	2.90	19,258,700
<i>Justice Center</i>				
Courts Tower	Courts	(a)	(b)	(c)
Corrections Center	Courts/Inmate cells	(a)	(b)	(c)
Galleria	Court rooms	(a)	(b)	(c)
Jail II Corrections Facility	Courts/Inmate cells	(a)	(b)	(c)
Parking Garage	Parking garage	(a)	(b)	(c)
CPD HQ	Police Dept. & Probation	(a)	(b)	(c)
<i>East 9th/Erievew District</i>				
1642 Trades Services Building	DPW Trades shops	51,480	1.20	1,952,200
2100 Lakeside Building	Men's homeless shelter	29,332	0.92	1,192,400
Virgil E. Brown Building	HHS/Jobs & Family Services	250,852	1.26	23,272,900
<i>Mid-Town Corridor District</i>				
R. Hughes BOE Building	Board of Elections	64,149	0.72	2,343,700
Jane Edna Hunter Building	Children & Family Services	170,640	2.41	5,533,100
Old Juvenile Court Complex	Storage	166,000		2,800,000
Metzenbaum Child Center	Juvenile Court services	26,896	5.81	2,814,700
<i>University Circle District</i>				
Balraj Medical Ex. Building	Medical Examiner's Office	279,919	3.33	17,406,900
Juvenile Justice Center	Juvenile Court & Detention	607,500	15.18	140,466,900
<i>Richmond Hts. District/County Airport</i>				
Safety/Service Building	County Administration	86,505	660.00	(d)
County Airport ^e	Airport			67,156,000
<i>Valley View District</i>				
County Animal Shelter	County Kennel	20,360	3.95	2,315,500
<i>Other</i>				
County Fairgrounds	Exhibitor/County Fair	202,799	117.00	7,434,500
Harvard Yard	DPW Transportation	200,000	18.10	21,900,815
Fleet Services Garage	DPW vehicle maintenance	33,700	2.76	300,000
County Airport	Public Transport			67,156,000

(a) Combined square footage of 1,952,083.

(b) These facilities are all located on the same 5.16-acre site.

(c) Combined estimated value of \$230,661,800.

(d) Combined estimated value of \$18,959,400.

(e) Combined value of total land, facilities, and improvements.

Source: County Fiscal Office

The County Executive has responsibility for the management of most of these facilities and insures all of the buildings and their contents.

The County constructed an integrated facility for (a) exhibition space and showrooms for medical devices and equipment and related functions (the Global Center for Health Innovation, previously referred to as the Medical Mart) (the "Global Center"), and (b) The Huntington Convention Center of Cleveland, comprising exhibition, tradeshow and conference facilities, meeting rooms and related functions (the "Convention Facilities"). The Global Center consists of medical showrooms, meeting rooms, and workspace and serves as an entrance for the Convention Facilities. The Convention Facilities are located on the site of the former City of Cleveland-owned convention center that was demolished to its structural foundation. The Convention Facilities consist of an exhibition hall, associated meeting rooms and other amenities, a ballroom, and a newly designed public mall plaza above. The Global Center and the Convention Facilities opened for use in July 2013. The adjacent hotel opened in June 2016. See "Other Long-Term Obligations of the County - Certificates of Participation."

The County sold the former Ameritrust properties to GEIS, Inc. for \$27 million in a transaction which involved GEIS overseeing the construction of a new County Headquarters at the corner of East 9th and Prospect in Cleveland, Ohio. The Cleveland-Cuyahoga County Port Authority issued \$75,465,000 in bonds to build the new headquarters and functions as the landlord for the building. GEIS developed and will manage the new headquarters for 27 years. The County pays base rent to the Port Authority to cover the debt service on the Port Authority bonds and pays service rent to GEIS to manage the property. Base rent commenced in 2016 and started at \$4,007,100 per year and will increase 2% each year for 25 years. Service rent commenced in July 2014 and started at \$1,767,120 and will increase 2% per year. At the end of the management agreement, the County can purchase the new headquarters for \$1.00. In 2014, 588 employees moved into the new building, consolidating personnel from several County buildings. As a result of this consolidation, the County has sold three buildings and terminated leases on five buildings.

The County owns and maintains a network of roads and bridges constituting the County highway system and related roadside drainage facilities and storm or surface water runoff systems. The Director of Public Works, who has assumed the duties previously performed by the elected county engineer and a county sanitary engineer under State law, oversees the 22 miles of road under the County's authority and bridges and serves as the civil engineer for the County and its officials. The Director of Public Works' primary responsibilities relate to the construction, maintenance and repair of those roads, bridges, and storm water drainage facilities. The Director of Public Works takes bids on and awards contracts for the projects recommended and approved by the County Executive.

The County also owns and operates certain water lines, an airport and related facilities, and certain off-street parking facilities.

The County's Sanitary Engineer Division has considerable experience in the maintenance of sanitary and storm sewer lines and is often a major source of information and guidance that mayors, municipal engineers and service directors rely on when making infrastructure decisions

within their communities. Currently, this operation encompasses over 38 communities and maintains nearly 1,200 miles of sanitary sewers, treats approximately 5 million gallons of wastewater per year and operates 56 sewage pumping stations as well as 2 wastewater treatment plants throughout Cuyahoga County. The Division also has agreements with municipal corporations for the establishment, operation, and maintenance of sanitary sewers and facilities. In addition, standards for any system connected to, or served by, a County-owned improvement are established and enforced.

The Cuyahoga County Airport, Robert D. Shea Field, is situated on 660 acres of land located in Richmond Heights, Highland Heights, and Willoughby Hills (Lake County). The Cuyahoga County Airport is a reliever airport to Cleveland Hopkins International, and serves the people of eastern Cuyahoga County, western Lake County, and Geauga County. The airport primarily services private and business aircraft, with Cleveland Hopkins International Airport serving as the commercial airport for scheduled airline service in the region. The County also has a land lease on a golf course adjacent to the Cuyahoga County Airport.

The County’s off-street parking facilities include two public parking facilities in the downtown area of the City and employee-only lots at various County-owned locations. The downtown facilities include a major four-level structure that offers 1,000 parking spaces and a two-level structure that offers 279 spaces, for both daily business activity and special events scheduled in the surrounding area.

The County maintains separate funds for each of its sewer districts and parking facilities, and they receive no direct subsidies from the County’s General Fund.

PROPERTY VALUES AND TAXATION

Assessed Valuation

The following table shows the assessed valuations of property subject to ad valorem taxes levied by the County for the five most recent tax collection years.

2017	26,564,733,730	1,059,010,720	27,623,744,450
2018	26,724,377,610	1,153,891,870	27,878,269,480
2019 ²	29,320,676,140	1,215,928,480	30,536,604,620
2020	29,247,024,280	1,301,186,470	30,548,210,750
2021	29,387,313,480	1,386,484,770	30,773,798,250

²Year of sexennial appraisal (collection year 2019).

Taxes collected on “Real” property in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. “Public Utility” (real and tangible personal) property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year.

Largest Assessed Values

The following tables list the owners of the real estate and public utility properties with the highest assessed valuation in the County. Percentages of total assessed valuation are based on a total assessed valuation of \$30,773,798,250 for collection year 2021.

Largest Assessed Values
County of Cuyahoga, Ohio
(2021 Collection Year)

	Name	Type of Business	Assessed Valuation	% of Total County Assessed Value
1	City of Cleveland	Government	2,582,608,700	2.396%
2	Cleveland Clinic	Healthcare	2,460,433,800	2.283%
3	Cuyahoga County	Government	1,355,153,400	1.257%
4	University Hospitals	Healthcare	1,071,991,200	0.995%
5	United States Federal Government	Government	866,702,700	0.804%
6	Cleveland Metroparks	Government	839,174,900	0.779%
7	Cleveland Board of Education	Education	778,090,000	0.722%
8	Case Western Reserve University	Education	715,646,600	0.664%
9	Northeast Ohio Regional Sewer District	Sewer Utility	693,731,600	0.644%
10	Cleveland State University (State of Ohio)	Education	548,878,100	0.509%
11	Cleveland Diocese	Religious Organization	376,836,400	0.350%
12	Cleveland Metropolitan Housing Authority	Housing	361,893,900	0.336%
13	Cleve.-Cuyahoga County Port Authority	Government	329,115,700	0.305%
14	Cuyahoga Community College	Education	292,571,300	0.271%
15	127 PS Fee Owner LLC	Hotel / Office	249,489,300	0.231%
16	Cleveland Museum of Art	Education	238,515,300	0.221%
17	Gateway Economic Development Corp	Sporting Facility	218,408,300	0.203%
18	Beachwood Place	Retail Center	213,096,000	0.198%
19	Southpark Mall LLC	Retail Center	193,319,900	0.179%
20	John Carroll University	Education	158,709,500	0.147%

Source: County Fiscal Office

Largest Taxpayers

The following tables list the largest real estate and public utility taxpayers in the County. Percentages of total assessed valuation are based on a total taxable assessed valuation of \$30,536,604,620 for collection year 2019.

Largest Taxpayers County of Cuyahoga, Ohio (2021 Collection Year)

Real Estate Taxpayers

Name	Types of Business	Taxable Valuation	Percent of Total Assessed Valuation
THE CITY OF CLEVELAND	Government	121,359,390	0.40%
CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY	Economic Development	112,532,480	0.37%
127 PS FEE OWNER LLC	Limited-Liability Company	89,097,230	0.29%
STARK (CROCKER PARK)	Retail Real Estate	78,669,160	0.26%
BEACHWOOD PLACE	Retail Real Estate	74,278,350	0.24%
SOUTHPARK MALL LLC	Retail Real Estate	63,653,320	0.21%
CLEVELAND PROPCO II LLC	Limited-Liability Company	61,446,590	0.20%
HERTZ CLEVELAND	Car Rental Corporation	52,025,630	0.17%
G&I IX 200 PUBLIC SQUARE GARAGE LLC	Retail Real Estate	51,774,150	0.17%
LEGACY VILLAGE	Retail Real Estate	46,459,410	0.15%

* Non-exempt property only.

Source: County Fiscal Office

Public Utility Taxpayers

Name	Type of Business	Taxable Valuation	Percent of Total Assessed Valuation
1. CLEVELAND ELECTRIC ILLUMINATING CO	Electric Utility	744,341,660	2.44%
2. AMERICAN TRANSMISSION SYSTEMS INCORPORATED	Electric Utility	403,781,890	1.32%
3. EAST OHIO GAS COMPANY/DOMINION EAST OHIO	Gas Utility	201,125,490	0.66%
4. COLUMBIA GAS OF OHIO INC	Gas Utility	52,343,370	0.17%

Source: County Fiscal Office

For property taxation purposes, assessment of real property is performed on a calendar year basis by the Fiscal Officer subject to supervision by the State Tax Commissioner (the "Tax Commissioner"), and assessment of public utility property and tangible personal property is performed by the Tax Commissioner. Property taxes are billed and collected by the County Treasurer.

The "assessed valuation" of real property is fixed at 35% of true value and is determined pursuant to rules of the Tax Commissioner, except that real property devoted exclusively to

agricultural use is assessed at not more than 35% of its current agricultural use value. Certain persons over the age of 65 or disabled resident homeowners may receive up to \$25,000 property tax exemption on the market value of their homestead. The Ohio General Assembly has introduced House Bill 99, referred to the Ways and Means Committee on March 5th, which seeks to increase the income eligibility (from \$30,000 to \$60,000) and the amount of the credit (from \$25,000 to \$30,000).

Ohio law requires the Fiscal Officer, subject to supervision by the Tax Commissioner, to adjust the true value of taxable real property every six years to reflect current fair market values. This “sexennial reappraisal” is done by individual appraisal of properties. In the third year following a sexennial reappraisal, the Fiscal Officer, again subject to supervision by the Tax Commissioner, performs a “triennial update” to adjust the value of taxable real property to reflect true values. The triennial update is done without individual appraisal of properties, but with reference to a sales-assessment ratio over the three-year period. In 2018 the Fiscal Officer completed the sexennial appraisal and adjusted the true value of all real property in the County to reflect current fair market values; overall, property values increased 9.5% in Cuyahoga County.

Public utility tangible personal property (with some exceptions) is currently assessed (depending on the type of property) from 25% to 88% of true value. Effective for collection year 2002, the assessed valuation of electric utility production equipment was reduced from 100% and natural gas utility property from 88% of true value, both to 25% of true value. From 2010 to 2018 the County received reimbursement payments from the State to compensate for tax revenue losses as a result of those reductions; however, the County no longer receives reimbursement payments from the State.

As described herein, the General Assembly has from time to time exercised its power to revise the laws applicable to the determination of assessed valuation of taxable property and the amount of receipts to be produced by ad valorem taxes levied on that property and may continue to make similar revisions.

Ohio law grants tax credits to offset increases in taxes resulting from increases in the true value of real property. Legislation classifies real property as between residential and agricultural property and all other real property and provides for tax reduction factors to be separately computed for and applied to each class.

These tax credits apply only to certain voted levies on real property, and do not apply to unvoted levies or voted levies to pay debt charges on general obligation debt.

Ohio law authorizes local municipalities, townships and counties to provide direct tax incentives in the form of real and personal property tax exemptions to encourage new business investment projects and foster improved competitiveness of Ohio’s businesses that create new and retain existing job opportunities in “enterprise zones.” Twenty-six municipalities have created such areas within the County and require County approval for exemption agreements. The cities of Cleveland and East Cleveland have also created such areas, but do not need prior County approval for their exemption agreements.

Municipal corporations and counties may create “community reinvestment areas” in which ad valorem tax abatement may be granted for any increased property valuation resulting from improvements to real property in the form of new construction or remodeling of existing structures by the property owner. In such areas, residential, commercial or industrial facilities are eligible for those real property tax incentives. This program is designed to be controlled at the local level by the local legislative body, including control over the size and number of such “community reinvestment areas” as well as the number of years of tax abatement. Currently, there are 42 community reinvestment areas in the County.

The County does not believe that the creation of “enterprise zones” and “community reinvestment areas” has had or will have a material adverse effect on the County’s finances.

Tax Rates

All references to tax rates under this caption are in terms of stated rates in mills per \$1.00 of assessed valuation.

The following are the rates at which the County and the overlapping taxing subdivisions levied ad valorem property taxes for tax year 2020 (collection year 2021).

**TAX TABLE A
Tax Rates Within Cuyahoga County**

<u>Taxing District</u>	<u>School District</u>	<u>Effective Real Property Tax Rate</u>		
		<u>Total Rate(a)</u>	<u>Res./Agr.(b)</u>	<u>All Other(b)</u>
Bay Village	Bay Village	162.81	89.79	103.02
Beachwood	Beachwood	121.83	71.18	80.80
Beachwood	Warrensville Heights	127.93	96.20	107.04
Bedford	Bedford	123.55	88.47	100.44
Bedford Heights	Bedford	123.75	88.67	100.64
Bedford Heights	Orange	138.93	90.75	97.79
Bentleyville	Chagrin Falls	159.13	89.59	101.27
Berea	Berea	127.92	84.11	95.52
Berea	Olmsted Falls	151.92	94.97	100.02
Bratenahl	Cleveland	130.73	97.57	105.48
Brecksville	Brecksville	119.13	76.01	84.20
Broadview Heights	Brecksville	123.44	77.65	86.20
Broadview Heights	North Royalton	107.35	77.78	79.11
Brooklyn	Brooklyn	99.12	86.76	87.90
Brooklyn Heights	Cuyahoga Heights	68.23	58.95	63.44
Brook Park	Berea	104.43	79.20	84.37
Brook Park	Cleveland	120.48	88.22	95.93
Chagrin Falls Township	Chagrin Falls	151.43	83.45	96.46
Chagrin Falls Village	Chagrin Falls	158.93	89.97	103.81

<u>Taxing District</u>	<u>School District</u>	Effective Real Property Tax Rate		
		<u>Total Rate(a)</u>	<u>Res./Agr.(b)</u>	<u>All Other(b)</u>
Cleveland	Cleveland	128.43	96.22	103.96
Cleveland/Berea	Berea	123.82	84.24	94.91
Cleveland/Shaker Hts.	Shaker Heights	230.41	130.97	152.70
Cleveland Heights	Cleveland Heights	203.35	127.95	150.23
Cleveland Heights/East	East Cleveland	103.43	99.84	111.32
Cuyahoga Heights	Cuyahoga Heights	68.23	58.95	63.44
East Cleveland	East Cleveland	130.71	100.12	111.60
Euclid	Euclid	147.15	107.86	125.35
Fairview Park	Fairview Park	147.04	98.21	109.91
Fairview Park/Berea	Berea	122.92	83.01	93.95
Fairview Park/Rocky River	Rocky River	131.80	78.45	104.01
Garfield Heights	Garfield Heights	135.14	128.08	123.14
Garfield Heights/ Cleveland	Cleveland	144.23	112.02	119.76
Gates Mills	Mayfield	131.28	87.35	96.58
Glenwillow	Solon	118.53	79.67	93.73
Highland Hills Village	Warrensville Heights	144.63	110.32	115.30
Highland Heights	Mayfield	120.80	78.90	86.85
Hunting Valley	Orange	133.13	84.95	91.99
Independence	Independence	65.63	61.65	63.25
Lakewood	Lakewood	165.76	95.46	117.21
Linndale	Brooklyn	118.53	86.32	94.06
Lyndhurst	South Euclid – Lyndhurst	150.92	104.75	110.74
Maple Heights	Maple Heights	136.33	119.94	117.91
Mayfield Village	Mayfield	121.80	78.65	86.52
Mayfield Heights	Mayfield	126.80	84.90	92.58
Middleburg Heights	Berea	116.57	86.23	87.09
Moreland Hills	Chagrin Falls	160.53	92.55	105.56
Moreland Hills	Orange	127.33	79.15	86.19
Newburgh Heights	Cuyahoga Heights	147.53	115.32	122.22
North Olmsted	North Olmsted	137.92	92.88	104.96
North Olmsted	Olmsted Falls	148.32	95.60	99.92
North Randall	Warrensville Heights	128.73	96.66	107.80
North Royalton	North Royalton	103.03	74.35	75.76
North Royalton	Brecksville	119.12	74.22	82.85
Oakwood	Bedford	105.65	70.57	82.54
Olmsted Falls	Olmsted Falls	148.77	82.60	97.24
Olmsted Falls	Berea	123.77	80.74	91.73
Olmsted Township	Olmsted Falls	167.62	103.72	110.72

Effective Real Property Tax Rate

<u>Taxing District</u>	<u>School District</u>	<u>Total Rate(a)</u>	<u>Res./Agr.(b)</u>	<u>All Other(b)</u>
Orange	Orange	124.03	75.85	82.89
Orange	Warrensville	130.93	99.20	110.04
Parma	Parma	108.43	82.74	88.22
Parma Heights	Parma	111.03	85.80	90.97
Pepper Pike	Orange	126.53	78.11	84.81
Pepper Pike	Beachwood	127.33	76.44	85.72
Richmond Heights	Richmond Heights	143.21	99.89	105.55
Richmond Heights	South Euclid – Lyndhurst	156.52	107.94	114.59
Rocky River	Rocky River	130.68	77.66	102.96
Seven Hills	Parma	114.27	88.40	92.69
Shaker Heights	Shaker Heights	227.61	128.17	149.90
Solon	Solon	119.03	80.00	94.20
Solon	Orange	120.83	72.48	79.66
South Euclid	South Euclid – Lyndhurst	158.27	111.35	117.99
South Euclid	Cleveland Heights – Univ. Hts.	209.78	133.63	156.55
Strongsville	Strongsville	126.00	77.56	84.44
University Heights	Cleveland Hts. - Univ. Hts.	204.13	128.73	151.01
Valley View	Cuyahoga Heights	70.53	61.08	65.58
Walton Hills	Bedford	105.15	70.07	82.04
Warrensville Heights	Warrensville Heights	133.63	98.46	109.70
Warrensville	Orange	126.73	75.11	82.55
Westlake	Westlake	104.75	66.71	71.87
Woodmere	Orange	121.33	73.15	80.19

(a) Includes County-wide levies for the County, the Cleveland Metropolitan Park District, the Cuyahoga Community College District and the Cleveland-Cuyahoga County Port Authority, as well as levies for particular municipalities or townships, school districts, libraries and joint vocational school districts. (See "TAX TABLE B" that follows for a breakdown of the County and County-wide levies.)

(b) Effective real property tax rate after application of tax credits described below.

Statutory procedures limit, by the application of tax credits, the amount realized by each taxing subdivision from real property taxation to the amount realized from those taxes in the preceding year plus both:

- The proceeds of any new taxes (other than renewals) approved by the electors, calculated to produce an amount equal to the amount that would have been realized if those taxes had been levied in the preceding year.
- Amounts realized from new and existing taxes on the assessed valuation of real property added to the tax duplicate since the preceding year.

The tax credit provisions do not apply to amounts realized from taxes levied at a rate required to produce a specified amount, such as for debt service on voted general obligation debt, or from taxes levied inside the ten-mill limitation or any applicable charter tax rate limitation. To calculate the reduced amount to be realized, a reduction factor is applied to the stated rates of the tax levies subject to these tax credits. A resulting “effective tax rate” reflects the aggregate of those reductions and is the rate at which real property taxes are in fact collected. See “TAX TABLE A.”

Real property tax amounts are generally further reduced by an additional 10% (12.5% in the case of owner-occupied residential property). The State biennial budget bill approved in 2005 eliminated the 10% “rollback” for certain commercial and industrial real property (while it remains for all other real property), effective for the 2006 tax collection year and thereafter. See “Collections” for a discussion of the reimbursement by the State for this reduction.

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The following are the rates at which the County levied property taxes for the general categories of purposes in recent years both inside and outside the ten-mill limitation:

TAX TABLE B

County Property Tax Rates – Voted and Unvoted^(a)

Collection Year	Unvoted Levies Within 10-Mill Limitation			Voted Levies Outside 10-Mill Limitation			Voted Total	Total County Voted and Unvoted
	General Fund	Bond Retirement	Unvoted Total	Bond Retirement	Health and Human Services	Developmental Disabilities		
2017	0.50	0.95	1.45	0.00	8.70	3.90	12.60	14.05
2018	0.50	0.95	1.45	0.00	8.70	3.90	12.60	14.05
2019	0.50	0.95	1.45	0.00	8.70	3.90	12.60	14.05
2020	0.90	0.55	1.45	0.00	8.70	3.90	12.60	14.05
2021	1.00	0.45	1.45	0.00	9.50	3.90	13.40	14.85

(a) County-wide property taxes are also levied on behalf of certain major political subdivisions or governmental entities as shown below for tax collection year 2021:

- Cleveland Metropolitan Park District – 2.75
- Cuyahoga Community College District – 4.90
- Cleveland-Cuyahoga County Port Authority – 0.13
- Cuyahoga County Library – 3.50

See the discussion of the ten-mill limitation, and the priority of claim on that millage for debt service on unvoted general obligation debt, under “COUNTY DEBT AND OTHER LONG-TERM OBLIGATIONS – Indirect Debt and Unvoted Property Tax Limitations.” Only cities, villages, school districts, townships and regional transit authorities may, as may the County, levy ad valorem property taxes within the ten-mill limitation (subject to available statutory allocation of the 10 mills).

The following table presents certain information concerning the County’s voted property tax levies (except levies for voted bond issues):

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Voter Authorized	Levied for Current Collection Year		Millage Rate	Last Collection Year
	Res./Agr.	All Other	Purpose	
	4.8	4.334	4.998	
3.9	3.521	3.650	Board of Developmental Disabilities	Continuing
4.7	4.700	4.700	Health and Human Services	2028

Collections

The following are the amounts billed and collected for County ad valorem property taxes for recent tax collection years. “Billed” includes current charges, plus current and delinquent additions and less current and delinquent abatements. “Collected” includes collections of current “Billed” and of current and delinquent additions. “Current % Collected” is the percentage of current charges billed which is collected in the collection year billed. The figures shown include amounts for County property tax levies only, and do not include any County-wide property taxes levied on behalf of other political subdivisions or governmental entities, such as the Cleveland Metropolitan Park District, the Cuyahoga Community College District or the Cleveland-Cuyahoga County Port Authority.

Ad Valorem Real Property and Public Utility Taxes

Collection Year	Billed	Collected	Current % Collected	Delinquent		% of Total Taxes Collected to Current Levy
				Current	Accumulated	
2015	\$389,287,547	\$356,148,056	91.49	\$14,333,024	\$370,481,080	95.17
2016	382,979,333	361,158,218	94.30	11,936,372	373,094,590	97.42
2017	385,385,192	364,537,824	94.59	12,774,286	377,312,111	97.91
2018	389,309,421	367,785,903	94.49	14,487,529	382,363,432	98.21
2019	394,215,078	373,184,992	94.67	15,345,256	388,530,248	98.56
2020						

Source: Fiscal Officer

Current and delinquent taxes and special assessments are billed and collected by County officials for all taxing subdivisions in the County. There is no one taxpayer which accounts for more than 5% of the delinquencies identified above for 2020 (excluding those taxpayers with delinquencies that are anticipated to be abated).

The State reimburses taxing districts, including counties, for decreased tax revenues due to (a) the 10% reduction or “rollback” in certain non-commercial property taxes, (b) the 2-1/2% reduction applicable to certain owner-occupied housing, and (c) the flat, \$25,000 reduction in

taxable value applicable to certain elderly or disabled homeowners. Such reimbursements are subject to repeal or revision by the State.

A phase out of these reductions began in 2013. The 10% reduction for residential and agricultural properties and 2-1/2% additional reduction for owner-occupied residential property do not apply to new levies and replacement levies approved by voters after the August 6, 2013 election. Additionally, in the 2014 tax year, the \$25,000 reduction in taxable value for certain elderly homeowners and homeowners with disabilities was grandfathered out with new reductions limited to property owners with total income less than or equal to \$30,000. This figure is adjusted for inflation annually by the Tax Commissioner.

Delinquency Procedures

The following is a general description of property tax delinquency procedures under Ohio law. The implementation of these procedures may vary in practice among Ohio counties.

If real estate taxes and special assessments are not paid in the year in which they are due, they are to be certified by the Fiscal Officer's office as delinquent. A list of current delinquent properties is then to be published in a newspaper of general circulation in the County. If the delinquent taxes and special assessments are not paid within one year after such certification, the properties are then, also, to be certified as delinquent to the Prosecuting Attorney. Five percent (5%) of all certified delinquent taxes and assessments collected by the County Treasurer is deposited in a special fund (Delinquent Real Estate Tax Assessment Collection (DTAC)) to be divided between the County Treasurer and the Prosecuting Attorney to be used for the collection of delinquent real property taxes and assessments.

If the property owner so requests, a payment plan may be arranged with the County Treasurer. If such a payment plan is not adhered to or none is arranged, foreclosure proceedings may be initiated by the County. Ohio law also provides for notice by publication and mass foreclosure proceedings and sales after two years' delinquency.

Proceeds from foreclosure sales of delinquent property become part of the current collection and are distributed as current collections to the taxing or assessing subdivisions in the County.

Permissive Taxes

State law authorizes counties to levy certain permissive taxes (sales and use, real property transfer, motor vehicle license and utilities services) without a vote of the people, subject to repeal by referendum (if the resolution levying the tax is not enacted as an emergency measure) or subject to repeal by initiative (if the resolution is adopted as an emergency measure). Any referendum or initiative is held only if requested by a petition signed by a specified percentage of voters and filed timely and in appropriate form. Council may also submit the question of levying these taxes to a vote of the electors and, if approved at an election, they are not thereafter subject to repeal by voter-initiated action.

The County currently has in effect a sales and use tax, which became effective in 1969 and was increased in 1987 and again in 2007, and a real property transfer tax and fee, which became effective in 1985, both of which provide revenues for the County's General Fund. See "County Sale and Use Tax" below for additional information on sales and use tax. The County also currently has in effect a motor vehicle license tax, in the amount of \$15 per vehicle. The proceeds of that tax are required to be used for the construction, maintenance and repair of streets and highways, including bridges. The County has not yet exercised its option to impose a utility service tax.

COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION

The County is served by diversified transportation facilities including six U.S. highways and seven interstate highways, CSX, Norfolk Southern and Amtrak railroads, four airports and the Port of Cleveland.

The City is the headquarters for the Fourth District Federal Reserve Bank, which serves Ohio, the western portion of Pennsylvania and portions of Kentucky and West Virginia.

Within driving distance of the Cleveland metropolitan area are several public and private two-year and four-year colleges and universities, including, among others, Baldwin Wallace University, Case Western Reserve University, Cleveland State University, Cuyahoga Community College, Hiram College, John Carroll University, Kent State University, Lake Erie College, Lorain County Community College, Notre Dame College, Oberlin College, The University of Akron and Ursuline College.

The area is also noted as the site of many cultural institutions and attractions, including, among others, Severance Hall (home to the Cleveland Orchestra), The Cleveland Museum of Art, Playhouse Square Center (home of the Great Lakes Theater Festival, the Cleveland Playhouse and Dance Cleveland), The Cleveland Museum of Natural History, the Botanical Gardens, the Rock and Roll Hall of Fame and Museum, the Great Lakes Science Center, the Western Reserve Historical Society (including the History Museum, the Frederick C. Crawford Auto-Aviation Museum and the Library), and the NASA Lewis Research Center Visitor Center.

Other performing and visual arts offerings include the Beck Center, Karamu House, Fairmount Theatre of the Deaf, the Cleveland Public Theatre, the Cleveland Center for Contemporary Art and Spaces Art Gallery.

The Cleveland metropolitan area is also served by various recreational facilities. The County's location on Lake Erie and the Cuyahoga River provides a setting for many water recreation facilities and offerings, including the Cleveland Lakefront State Park (five lakeshore locations), many power and sailboat marinas and fishing piers and offshore reefs. The City's North Coast Harbor is the site of the William G. Mather Museum, the Rock and Roll Hall of Fame and Museum, the Great Lakes Science Center and First Energy Stadium (formerly Cleveland Browns Stadium).

Also available to area residents is the Cleveland Metroparks System, a 21,000-acre, 16 park recreational system called the “Emerald Necklace” because it surrounds the City, and the Cuyahoga Valley National Park, a 32,860-acre national park in the County and adjacent Summit County. The Cleveland Metroparks Zoo, which features multiple wildlife and educational exhibits, is also located in the City.

The City features the Gateway complex, consisting of Progressive Field (formerly known as Jacobs Field), the home of the Cleveland Guardians, and the Rocket Mortgage Fieldhouse (formerly Quicken Loans Arena and Gund Arena), the home of the Cleveland Cavaliers and Cleveland Monsters. First Energy Stadium is also located in the City. The City is one of only fifteen cities in the country with three major league sports facilities in its downtown.

Original construction of the three professional sports facilities was funded, in part, with the proceeds of a Countywide excise tax on cigarettes, liquor, beer, and wine at wholesale and retail. The tax was first levied for a period of fifteen years, upon approval by voters in the County, in 1990 and was subsequently extended for a period of an additional ten years, through July 31, 2015. On May 6, 2014, voters of the County approved the renewal of the excise tax for a period of an additional twenty years to fund future capital repairs at the three sports facilities. In 2015, the County sold \$60,485,000 of Excise Tax Revenue Bonds solely secured by the extended excise tax to fund \$60,483,118 of capital repairs at Progressive Field and Rocket Mortgage FieldHouse. During 2017 the County issued \$140,955,000 in Sales Tax Revenue bonds to finance a transformative project at Rocket Mortgage FieldHouse. In 2019, the County sold \$76,545,000 of general obligation (limited tax) capital improvement and refunding bonds to fund \$39,500,000 of approved capital repair projects at the Rocket Mortgage Fieldhouse and to refund the remaining outstanding 2015 excise tax revenue bonds.

The top ten hospitals in the County employ approximately 69,625 (as of September 1, 2020) full-time-equivalent employees and have a total capacity of 4,923 staffed beds in the County.

Public mass transit for the area is provided by the Greater Cleveland Regional Transit Authority. Ridership in 2020 totaled 16.9 million, which is 47% fewer riders than total annual ridership in 2019, the lowest it has been in more than 40 years. The RTA is largely supported by a 1% sales tax levied in the County.

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Population

In the 2010 Census classifications, the County was in the Cleveland-Elyria Metropolitan Statistical Area (“MSA”), which consists of Cuyahoga, Geauga, Lake, Lorain and Medina Counties. In 2010, the MSA was the 28th most populous MSA in the United States. The County was part of the Cleveland-Lorain-Elyria Primary Metropolitan Statistical Area (“PMSA”) and the Cleveland-Akron Consolidated Metropolitan Statistical Area (“CMSA”) until the U.S. Census Bureau ceased using the PMSA and CMSA distinctions in 2003. Only limited statistics are now available for the new MSA and CSA.

Population of the County, the MSA and the CMSA from 1970 to 2020

Year	County	MSA ^(a)	CSA ^(c)
1970	1,720,835	2,418,809	3,098,048
1980	1,498,400	2,277,949	2,938,277
1990	1,412,140	2,202,069	2,859,644
2000	1,393,978	2,250,871	2,945,831
2010	1,280,122	2,077,240 ^(b)	3,535,646
2015	1,255,921	2,060,810 ^(b)	3,493,593
2016	1,253,454	2,060,065 ^(b)	3,487,775
2017	1,248,514	2,058,844 ^(b)	3,485,691
2018	1,243,857	2,057,009 ^(b)	3,483,297
2019	1,235,072	2,048,449 ^(b)	3,586,918
2020	1,264,817	2,088,251	3,577,606

(a) Numbers are for the prior PMSA. In 2003, the PMSA was reclassified as an MSA excluding Ashtabula County. Comparable historical Census numbers for the new MSA are not available.

(b) Population represents the current MSA.

(c) The CMSA was reclassified as the Cleveland-Akron-Elyria Combined Statistical Area (“CSA”).

Source: U.S. Census Bureau

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Unemployment

The information set forth below, with respect to the County, Cleveland MSA, and others are presented in this section for informational purposes only. It should not be implied from the inclusion of such data in this Appendix A that the County is representative of Cleveland MSA, State of Ohio, or others, or vice versa.

Area Unemployment Rates (annual percentages)					Labor Force (in thousands)	
Year	County	Cleveland MSA	State of Ohio	United States	Year	County
2012	6.8	6.5	7.4	8.1	2012	6,190
2013	7.0	6.8	7.5	7.4	2013	6,178
2014	6.2	6.0	5.8	6.2	2014	6,163
2015	5.2	5.0	4.9	5.3	2015	6,089
2016	5.4	5.3	4.9	4.9	2016	6,105
2017	5.9	6.1	5.1	4.3	2017	6,196
2018	6.4	6.1	4.5	4.0	2018	6,235
2019	5.3	4.4	4.4	3.8	2019	6,116
2020	8.3	7.6	5.6	6.7	2020	5,763

Sources: Ohio Department of Job and Family Services (December 2020)
United States Department of Labor

Personal Income

According to Census reports, the median household income in the County in 2020 was \$52,423, compared to State and national medians of \$58,642 and \$65,712, respectively. Per capita income in 2020 was \$33,833 for the County, \$53,296 for Ohio, and \$35,672 nationally.

According to the Ohio Department of Taxation, the average federal adjusted gross income for County residents filing Ohio personal income tax returns for calendar year 2018 (published March 9, 2020) was \$64,329, compared to the State average of \$87,564 during the same period.

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Largest Employers

The following table lists the 25 largest employers in the County as of June 30, 2020:

Largest Employers County of Cuyahoga, Ohio

Rank	Firm	Number of Employees	Industry
1	Cleveland Clinic Health System	36,398	Healthcare provider
2	University Hospitals Health System	17,481	Healthcare provider
3	Minute Men Cos.	12,856	Staffing and employment services firm
4	U.S. Office of Personnel Management	12,335	Federal government
5	Progressive Corp.	9,876	Insurance Company
6	Group Management Services Inc.	9,202	Staffing and employment services firm
7	Cuyahoga County	7,586	County government
8	City of Cleveland	7,006	Municipal government
9	The MetroHealth System	6,974	Healthcare provider
10	Cleveland Metropolitan School District	6,100	Public education
11	KeyCorp	4,712	Bank and financial services company
12	Case Western Reserve University	4,458	Higher education
13	Amazon.com, Inc.	4,275	Online Retailer
14	Sherwin-Williams Co.	4,257	Manufacturer of paint, coatings & related products
15	Swagelok Co.	3,996	Manufacturer of industrial components
16	Giant Eagle Inc.	3,412	Multi-format food, fuel & pharmacy retailer
17	Lincoln Electric	2,872	Manufacturer of industrial equipment
18	Medical Mutual of Ohio	2,105	Healthcare insurance provider
19	State of Ohio	2,083	State government
20	Greater Cleveland Regional Transit Authority	2,079	Public transit agency
21	Walmart, Inc.	2,044	Multi-format food, fuel & pharmacy retailer
22	Hyland	1,983	Content services software developer
23	ArcelorMittal	1,834	Steel manufacturer
24	Southwest General	1,829	Healthcare provider
25	Ford Motor Co.	1,777	Automobile manufacturer

Source: Crain's Cleveland Business

Corporate Headquarters

The County is the location of headquarters of thirteen corporations that rank among Fortune Magazine's (2020) 1,000 largest corporations in the United States. The names of those corporations and certain information about them are set forth below.

**Corporations Headquartered in County
Among Fortune's Top 1000**
Within the 1,000 Largest U.S. Corporations Rankings^(a)

Rank	Company	Revenues (in thousands)	Major Products
86	Progressive	\$39,022,300	Insurance
180	Sherwin Williams	\$17,900,800	Paints & Chemical
224	Parker Hannifin Corp	\$14,302,300	Hydraulic Components
411	KeyCorp	\$7,694,000	Financial Services
480	TravelCenters of America	\$6,117,400	National Travel Center
513	TransDigm Group	\$5,517,200	Aircraft Components
715	Aleris	\$3,375,900	Metals
695	Medical Mutual of Ohio	\$3,502,700	Health Care Insurance
700	Applied Industrial Technologies	\$3,472,700	Industrial Components
734	Hyster-Yale Materials Handling	\$3,291,800	Industrial Machinery
783	Lincoln Electric Holdings	\$3,003,300	Industrial Equipment
949	Nordson	\$2,194,200	Industrial Machinery

(a) Source: 2020 Fortune Directory of the Largest U.S. Corporations.

Home Values and Housing Units

The following is Census information concerning housing in the County, with comparative City and State statistics:

	Housing Units		
	2010	2015	2020
County	621,763	618,165	617,249
City	207,536	N/A	N/A
State	5,127,508	5,140,902	5,232,869

Fiscal Office figures show the following numbers of sales transactions and average sales prices of residential property in the City, the suburbs in the County and the County in recent years.

Year	City		Suburbs		County	
	Number of Sales	Average Sale Price	Number of Sales	Average Sale Price	Number of Sales	Average Sale Price
2012	2,433	\$ 55,800	9,483	\$ 153,943	11,916	\$ 133,141
2013	2,809	59,737	10,865	162,033	13,674	139,750
2014	3,761	54,548	12,260	153,625	16,021	129,634
2015	3,266	67,279	12,406	165,435	15,672	144,206
2016	4,847	59,731	15,351	158,807	20,198	135,032
2017	7,765	59,867	19,265	161,018	27,030	172,498
2018	6,790	69,500	17,148	226,662	23,938	140,500
2019	6,987	77,900	17,744	221,731	24,731	150,400
2020						

Building Permit Values

The County's growth is reflected, in part, in the degree of building activity in the County. The following table relates to the issuance of building permits (residential, commercial, industrial and public improvements, both remodeling and new construction) by the County since 2016.

Building Permit Values County of Cuyahoga, Ohio

Year	No. of Permits	Valuation
2016	15,981	\$857,232,100
2017	15,869	\$1,030,450,800
2018	13,901	\$823,923,320
2019	15,716	\$1,155,315,200
2020		

Source: County Fiscal Office

Utilities, Energy and Water Resources

Water service in the County is provided primarily by the City's Division of Water and other municipal water utilities. The County has a Lake Erie shoreline of approximately 30 miles. Lake Erie is the 12th largest lake in the world by surface area. Fresh water is available to the area for all of its foreseeable needs.

Sanitary sewer service is provided by the Northeast Ohio Regional Sewer District, municipal sanitary sewer utilities and the County.

The County is well served with energy sources. The principal suppliers of electric energy in the County are The Illuminating Company, a subsidiary of FirstEnergy Corporation, and Cleveland Public Power, a municipal utility operated by the City of Cleveland. The principal suppliers of natural gas are Dominion East Ohio Gas Company, Columbia Gas Company of Ohio, Inc. and Shell Energy Services Co.

Local telephone service is primarily provided by AT&T (successor by merger to SBC Communications, Inc.) and wireless phone and data and cable television service is available from a number of different providers.

Solid Waste Management

The Cuyahoga County Solid Waste District is one of 52 solid waste management districts created by Ohio's counties following the passage of the Ohio Solid Waste Disposal Act in 1988. The District includes all of the territory in the County as well as a portion of the Village of Hunting Valley in neighboring Geauga County. The Ohio Environmental Protection Agency ("Ohio EPA") approves a solid waste management plan for the District under which the District is responsible for solid waste management activities previously undertaken by the County. An update to that plan, reflecting projected needs and solutions for a 15-year period, was ratified by 100% of the local legislative bodies in the District and approved by the Ohio EPA in 2019. A plan update is mandated every five years and requires ratification by local legislative bodies within the District and approval from the Ohio EPA.

Solid waste collection, disposal, and recycling services in the County generally are provided by municipalities and private providers. The Solid Waste Management District provides collections for special waste, including phone books, household hazardous waste, scrap tires, computers, and mercury.

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FINANCIAL MATTERS

Introduction

The County's fiscal year corresponds with the calendar year.

The main sources of County revenue are property taxes, sales and use taxes, charges for services, investment earnings, and federal and state distributions.

County Council is responsible for adopting the County's biennial budget and for approving any appropriation changes. The responsibility for the major financial functions of the County falls under the Fiscal Officer and the Treasurer, with the support of the operational divisions of the County Fiscal Office. Those operational divisions are the Office of Budget and Management, Financial Reporting, Fiscal Operations (formerly the Office of Recorder and assessment functions performed by the County Auditor), the Office of Procurement, and the Office of Equity and Diversity.

The Office of Budget and Management (OBM) prepares and manages the County budget. Additionally, OBM prepares financial forecasts, including a five-year outlook, completes financial analyses, and advises the County Executive and County Council on financial planning and resource allocation.

The Fiscal Officer has major accounting responsibilities. He maintains a fund and departmental system of accounts for the County's receipts and expenditures and, on the basis of such accounts, prepares an annual report filed with the Ohio Auditor of State (the "Auditor of State").

The Fiscal Officer is not to allow the amount set aside for any appropriation to be overdrawn, or the amount appropriated for any one item of expense to be drawn upon for any other purpose. The Treasurer is not to allow a voucher to be paid unless sufficient appropriation is in the County treasury to the credit of the fund upon which the voucher is drawn. The Treasurer also acts as custodian and disbursing agent for County funds and keeps books of account which are to balance with those of the Fiscal Officer on a monthly basis.

The Fiscal Officer is responsible for general policy decisions with respect to most of the financial affairs and borrowing of the County as well as for overall fiscal planning and development. The Council must approve the operating and capital budgets each year and must authorize all appropriations of money for most County activities in accordance with the Charter.

Other important financial functions affecting County government are:

1. Examination of accounts by the Auditor of State
2. Assessment of real property by the Fiscal Officer, subject to supervision by the State Tax Commissioner.
3. Assessment of public utility property and tangible personal property by the State Tax Commissioner.

4. Billing and collection by the Fiscal Officer and Treasurer, respectively, of property taxes, and special assessments.
5. Investment and management of County funds by the Treasurer, in accordance with the County's established investment policy.

Budgeting, Tax Levy and Appropriations Procedures

The Revised Code contains detailed provisions regarding County budgeting, tax levy, and appropriation procedures.

The law generally requires that a subdivision prepare, and then adopt after a public hearing, a tax budget approximately six months before the start of the next Fiscal Year. The tax budget is then presented for review by the County Budget Commission. However, a County Budget Commission may either waive the requirement for a tax budget or permit an alternative form of tax budget with more limited information. In 2002, the Cuyahoga County Budget Commission voted to waive the requirement of preparing and adopting a tax budget for future Fiscal Years and prescribed an alternative form of a tax budget information document that continues to be used by the County and other subdivisions in the County. The County's 2020 Tax Budget was approved by County Council via R2019-0214 and the 2021 Alternative Tax Budget was approved by County Council via R2019-0138. The 2021 Alternative Tax Budget was approved by County Council via R2020-0111.

County budgeting for each Fiscal Year formally begins in July with the preparation and submission to the County Budget Commission of tax budget information for the following Fiscal Year. Among other items, the tax budget must show the amounts required for debt service, the estimated receipts for payment from sources other than ad valorem property taxes and the net amount for which an ad valorem property tax levy must be made, and the portions of the levy to be inside and outside the ten-mill limitation. The tax budget then is presented for review by the Budget Commission. The Budget Commission holds a public hearing, reviews the budget, and issues the Certificate of Estimated Resources which is the basis for County appropriations and expenditures for the coming fiscal year (which is the calendar year).

Upon approval of the tax budget and issuance of the Certificate of Estimated Resources, the County Budget Commission certifies its actions to the Council together with the approved tax rates. Thereafter, and before October 1 of each year, the Council levies the approved taxes and certifies them to the proper County officials. The approved and certified tax rates are reflected in the tax bills sent to property owners during the collection year. Real property taxes are payable on a calendar year basis in arrears, generally in two installments with the first due usually in January and the second due in June or later.

Under the County Code, the County Executive is to submit a proposed operating budget to County Council by the first Council meeting in November. In accordance with State law, the Council must adopt a permanent appropriation measure for a Fiscal Year by April 1 and may adopt a temporary appropriation measure for the Fiscal Year to provide for expenditures from January 1

until the permanent appropriation measure is adopted. The County has maintained a policy of adopting the budget before the end of the current fiscal year.

The Council adopted an ordinance (O2011-0036) on September 13, 2011, establishing a biennial operating and capital budget process. The first such biennial budget covered the 2012-2013 fiscal period and was adopted by Council on December 16, 2011. The biennial budget process calls for a mid-biennium update of the second year of the budget. The County Council adopted the required update to the biennial for Fiscal Year 2013 in December 2012. The second biennial budget covered the 2014-2015 fiscal period and was adopted by Council on December 10, 2013. The 2015 budget update was approved on December 9, 2014. The third biennial budget covered the 2016-2017 fiscal period and was adopted by Council on December 8, 2015. The 2017 budget update was approved on December 28, 2016. The fourth biennial budget covered the 2018-2019 fiscal period and was adopted by Council on December 12, 2017 (R2019-0182). The Office of Budget and Management, the County Executive, and County Council jointly agreed to forego the Budget Update process in 2018 for 2019 due to the implementation of the County's Enterprise Resource Planning (ERP) system. The transition to the new finance and budget/reporting systems coincided with the Budget Update period and the decision was made to prioritize the ERP. Although called "permanent," the appropriation measure is amended during the Fiscal Year by way of the Fiscal Agenda, prepared by the Office of Budget and Management and submitted to Council by the County Executive. The Office of Budget and Management prepared a special Fiscal Agenda – the first one in 2019 – that included the adjustments to the budget that would have been included in the proposed 2019 Budget Update. Annual appropriations may not exceed the County Budget Commission's official estimates of resources, and the Fiscal Officer is to certify that the County's appropriation measures do not appropriate moneys in excess of the amounts set forth in those estimates. The fifth biennial budget covering the 2020-2021 fiscal period was adopted by Council on December 10, 2019 (R2019-0224).

Financial Reports and Examinations of Accounts

The County maintains its accounts, appropriations, and other fiscal records in accordance with the procedures established and prescribed by the Auditor of the State of Ohio (the "State Auditor"). The State Auditor is charged by Ohio law with the responsibility of auditing the accounts and records of each taxing subdivision and most agencies and public institutions.

A financial report for each fiscal year is required to be filed with the State Auditor pursuant to Sections 319.11 and 117.38 of the Revised Code. Such reports are required to be submitted to the Fiscal Officer within 150 days of the close of each fiscal year. For 2020, the County has requested and received approval from the State Auditor's office for an extension to submit the County's audit. The State Auditor audits the County's financial examinations of financial transactions. The County's historical audited Annual Statements can be found on the State Auditor's website.

Basic Financial Statements (Comprehensive Annual Financial Report) for the Year Ended December 31, 2019 are attached as Appendix B. Except for audits by, or by certified public accountants at the direction of, the State Auditor pursuant to Ohio law and audits under federal program requirements, no independent audit of the Council's financial records is made.

The County prepares its annual financial reports on the basis of generally accepted accounting principles (“GAAP”). The Governmental Accounting Standards Board and Financial Accounting Standards Board are the principal sources used to determine the accounting principles employed. These principles, among other things, provide for the government-wide statements presented on the full accrual basis of accounting for governmental funds, for agency funds, and for certain fiduciary funds; and for a full accrual basis of accounting for proprietary funds and for certain fiduciary funds. The principles further provide for the government-wide statement of net assets and statement of activities, as well as the preparation of balance sheets for each fund, and statement of revenues, expenditures, and changes in fund balances (governmental funds) or statement of revenues, expenses, and changes in retained earnings/equity (proprietary funds).

The County issued a Comprehensive Annual Financial Report (“CAFR”), including General Purpose Financial Statements/Basic Financial Statements, for each of its Fiscal Years 2012 through 2017. Each such CAFR was submitted to the Government Finance Officers Association (“GFOA”) for consideration for a Certificate of Achievement for Excellence in Financial Reporting, which is awarded to those governmental reporting agencies that comply with the reporting standards of the GFOA. The County was awarded a Certificate for its CAFRs for each Fiscal Year 2012 through 2019 and is anticipating that the County will receive the award for 2020.

The County has submitted its budget plan for review in all but four years during the period from 1988 through 2015. For each year it submitted its budget plan to GFOA, including the biennial period of Fiscal Years 2014, 2016, 2018, and 2019 the County has received the Distinguished Budget Presentation Award from the GFOA. The GFOA established the Distinguished Budget Presentation Award in 1984 to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and local Budgeting and the GFOA’s recommended practices on budgeting and then to recognize individual governments that succeed in achieving that goal.

Investment and Management of County Funds

According to the County Treasurer, all moneys of the County, specifically moneys in the general fund, the bond retirement fund, and all project funds containing proceeds of any debt issuances of the County, are presently or will be deposited and invested in accordance with the requirements of Ohio law, and in particular the Uniform Depository Act (Revised Code Chapter 135). Under Revised Code Section 135.31, the County may deposit active moneys, which are moneys deposited in public depositories and determined to be necessary to meet current demands on the treasury, in (i) a commercial account and withdrawable in whole or in part on demand, (ii) a negotiable order of withdrawal account as authorized in the Consumer Checking Account Equity Act of 1980, and (iii) a money market deposit account as authorized in the Garn-St. Germain Depository Institutions Act of 1982.

The County’s investment of inactive moneys, which are moneys in excess of the amount determined to be needed as active moneys, is governed by Revised Code Section 135.35. Pursuant to Section 135.35, a county may deposit or invest any part or all its inactive moneys in (i) United States Treasury bills, notes or bonds issued by the United States treasury, (ii) bonds, notes or

debentures issued by any federal government agency or instrumentality, (iii) time certificates of deposit or savings or deposit accounts, (iv) bond or other obligations of the State or political subdivisions of the state, (v) no-load money market mutual funds, (vi) the Ohio subdivision's fund established under Section 135.45 ("STAR Ohio"), (vii) securities lending agreements, (viii) commercial paper, (ix) bankers acceptances, (x) written repurchase agreements, and (xi) certain debt interests. The permitted investments described above are subject to certain restrictions as set forth under Section 135.35. Except in certain circumstances, investments of the County's inactive moneys must mature within five years from the date of investment.

All investments of the County, except for investments in securities in no-load money market mutual funds, and STAR Ohio, must be made through members of the National Association of Securities Dealers, Inc., banks, savings banks, or savings and loan associations regulated by the State superintendent of financial institutions or through institutions regulated by the comptroller of the currency, Federal Deposit Insurance Corporation, or board of governors of the Federal Reserve System.

Certain investment practices remain exclusive to those fiscal officers who have completed additional training and approved by the Auditor of State in accordance with the Uniform Depository Act. Further, counties are required to have a written investment policy on file with the Auditor of State pursuant to Revised Code Section 135.35. Absent such a policy, a county is restricted to investing inactive moneys in (i) time certificates of deposit or savings or deposit accounts, (ii) no-load money market mutual funds, and (iii) STAR Ohio. The County currently has a written investment policy on file with the Auditor of State. Additionally, County Council passed ordinance number 02014-0021 on October 14, 2014 to establish guidelines for the County's investment policy and financial reporting requirements. The ordinance requires the Office of Budget and Management to submit a public presentation to Council on the budget not later than March 31.

As of December 31, 2020, the County's \$1.1 billion (market value) investment portfolio was invested as follows: \$364 million in Star Ohio and available on one day's notice; \$41 million in collateralized or FDIC-guaranteed CD's; \$16 million in foreign notes; \$57 million in municipal securities; \$80 million in commercial paper; \$32 million in US Treasury Coupon Securities; \$190 million in U.S. Agency Callable Obligations; \$40 million in medium term notes; \$241 million in Federal Agency Coupon securities; and \$37 million in bank deposits.

Investment earnings credited to the County's General Fund totaled \$15 million in 2020, a \$5 million decrease over 2019.

Although the particular components of the portfolio will necessarily change from time to time as investments mature and money is reinvested, the County does not expect those components, or the duration of its investment portfolio, to vary materially in the foreseeable future.

General Fund and Financial Outlook

The General Fund is the County's main operating fund, which supports general government, justice system and public safety, and some economic development expenditures.

The County also expends General Fund money to supplement other amounts available for certain social services and health and safety purposes.

The Office of Budget and Management closely monitors County revenues and spending and communicates regularly to the County Executive, County Council, and agencies and departments. As are most local governments, the County is affected by economic conditions (*i.e.* unemployment, inflation, etc.) and changes in revenues received from the State and Federal governments for programs for which the County is responsible. County officials adjust General Fund expenditures as needed in reaction to those conditions and changes. The County is required by Ordinance 02011-0056 to maintain cash reserves equal to no less than 25% of total expenditures.

The General Fund is supported by revenue generated by the County or other sources for those purposes. The General Fund receives money from many sources, most notably Sales and Use Taxes (representing 56% of total revenue in 2020), charges for services (19% of total revenue in 2020), the State's Local Government Fund (5% of total revenue in 2020), and ad valorem property taxes levied by the County (5% of total revenue in 2020).

Sales and Use tax receipts, the largest single source of County General Fund revenues, accounted for 56% of General Fund revenue in 2020. The level of such receipts varies significantly based on economic conditions. As the regional economy started to rebound in Fiscal Year 2011, receipts grew by 6.1% in 2011 (to \$216.6 million) and increased again by 4.9% in 2012 to \$226.8 million. From 2011 through 2016, Sales and Use tax receipts increased by \$57.2 million, or 26%. Effective July 2017, the State of Ohio, by Federal mandate, no longer allows for the levy of sales and use tax on premiums paid by Medicaid managed care organization (MCO). The loss of MCO sales tax revenue for the County was approximately \$27 million. To assist with the MCO tax loss, the State provided transition payments to the State's counties and transit authorities which levy sales and use tax. The County received \$35.3 million in transition payments from the State which the County has been utilizing incrementally allowing the County time to judiciously adjust operations to absorb the impact of the loss of the MCO sales tax revenue. Based on current projections, the Transition funding will be depleted in 2021.

Sales tax, totaling \$249 million in 2020, a decrease of 1% over 2019. In 2019, sales tax totaled \$255 million and has been performing well since the recession. Sales tax receipts in 2019 were up 5% compared to 2018 when excluding the MCO portion. Currently, the County is budgeting 5% decrease in 2021. Ad valorem property tax receipts in the General Fund have remained relatively steady since Fiscal Year 2012. From 2012 to 2015, the portion of the inside millage allocated to the General Fund was steady at 0.60 mills. In 2016, the inside millage decreased to 0.50 mills in order to eliminate a negative cash balance and to ensure a sufficient level of funding in the Bond Retirement Fund. The Fiscal Officer undertook a reappraisal of real property in the County in 2012 (the sexennial appraisal), which resulted in a 7.2% decrease in its assessed valuation for tax year 2012 (collection year 2013). In 2015, for the triennial update, assessed values were 0.4% less than the 2012 appraisal. Most recently, in 2018, the Fiscal Officer concluded the most recent sexennial appraisal resulting in a 9.5% increase in the County tax base for collection year 2019, which increased the general fund's property tax receipts by

\$1.22 million. The approved 2021 Tax Budget will reallocate the County's inside millage: increasing the General Fund's share to 0.9 mills and decreasing the Bond Retirement Fund's share to 0.55 mills. This reallocation increased General Fund revenues by approximately \$10 million. This reallocation was done as the balance in the bond retirement fund was sufficient to fund the County's debt service obligations; the County's 2009A general obligation bonds matured in 2019; and the County's 2005 general obligation bonds matured in 2020.

County General Fund receipts from the State Local Government Fund ("LGF") distributions in Fiscal Years 2011 and 2012 were \$38.7 million and \$22.9 million, respectively. Fiscal Year 2012 was the first year a 50% reduction in State revenue allocations began to take effect. The County's LGF receipts in Fiscal Year 2013 were reduced by the full 50% State imposed cut and totaled approximately \$17.4 million. In Fiscal Year 2014 and 2015, LGF receipts totaled \$17.2 million and \$18.7 million, respectively, and in Fiscal Year 2018 finished at \$19.3 million. LGF revenue totaled \$20 million in 2020 and 2021. The State projects higher tax receipts for the 2021-2022 budget year, increasing the LGF receipts by 5% to \$21 million.

The County's nontax revenues were \$158.4 million in Fiscal Year 2019 and \$167.8 million in Fiscal Year 2018. In 2019, the 6 % decrease is attributable to the one-time miscellaneous revenue received in 2018 that was transferred to the General Fund from the surplus in cash of Unclaimed Funds as allowed by ORC Section 9.39, as well as repayments from advances to special revenue funds, and the reallocation of special assessments that had previously been posted to the incorrect fund. Investment earnings were over \$15 million in Fiscal Year 2020 which was a 25% decrease from 2019. The decrease in investment earnings represents financial market impacts from the Covid-19 pandemic. Nontax revenues totaled \$178 million in Fiscal Year 2017, a 26% increase over 2016. During 2017, miscellaneous revenue increased due to the repayment of a cash advance from the General Fund following the deposit of bond proceeds and the repayment of General Fund subsidies to various capital projects following the reallocation of bond proceeds from the sale of Sales Tax Revenue Bonds in 2014. This increase includes \$11 million in transfers to the General Fund from special revenue funds in the Fiscal Office, as well as the repayment of a \$9.5 million advance made from the General Fund for a project at the County Airport. Additionally, nontax revenue totaled \$136 million in Fiscal Year 2016, a 32% increase over 2015. The increase in 2016 can largely be attributed to miscellaneous revenue, which totaled \$5.5 million in Fiscal Year 2015 and was recorded as \$29.7 million for Fiscal Year 2016. Charges for Services and Investment Earnings revenue also increased in 2016, by \$13 million and \$3.6 million, respectively. The increase in Charges for Services is driven by increases in conveyance fees (Fiscal Office), payments from the Health and Human Services Levies for child support-related costs in the General Fund, and payments from the County-owned hotel, operated by Hilton, which opened in June 2016. Nontax revenues were \$89 million in Fiscal Year 2015 and \$99.5 million in Fiscal Year 2014.

The Ohio legislature adopted its 2020-2021 biennial budget as Ohio H.B. 166, which the Governor signed on July 18, 2019. The most notable impact that the new budget will have on the County is the additional funding allocated to the State Public Defender's Office to reimburse counties for indigent defense expenses. Prior to budget adoption, the reimbursement rate was 42%; the new budget provides funding to increase the reimbursement rate to 75% in the first

year of the biennium and 100% in the second. This change equated to an increase in General Fund revenue totaling approximately \$3 million in 2019 and will equate to an increase in General Fund revenue totaling approximately \$9 million in 2020, and \$12 million in 2021. Another significant impact resulting from the State Budget will be an additional \$14 million in funding for child welfare activities, including kinship care. This additional revenue offsets the burden on the County's two voted levies for Health and Human Services, the smaller of which is up for renewal in 2020. The County has placed a 4.9 mill levy on the March 17, 2020 ballot for the County's electorate to vote on a replacement levy for the expiring 3.9 mill levy and a 0.80 mill increase for additional health and human service needs. The State's Biennial Budget will also impact the County in a number of other non-material, but generally positive, ways.

Recently introduced Ohio H.B. 54 would increase the share of available general revenue fund to the Local Government fund from the current 1.66% to 3.53%, which would roughly double the revenue to this fund were it to become law. Additionally, legislation has been introduced in both the Ohio House and Senate to allow sports betting in the State. As proposed, this activity would be taxed in the same manner as the casinos; at this time, it is unclear what the financial impact to the County would be. No assurances can be provided that any previously stated items, or other items not discussed, will positively or negatively impact the County.

For Fiscal Year 2020, General Fund expenditures were \$400 million, which is \$90 million (11%) lower than 2019 expenditures. The largest drivers of the variance are due to the funding provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Federal funds provided opportunities to reduce General Fund expenditures by \$50 million. Large portions of the reduced expenses came from transferring expenses incurred by the Sheriff's Department from the General Fund to the CARES Act funding.

Fiscal Year 2019 operating General Fund expenditures were \$491 million, inclusive of subsidies to other County funds. A large portion of increased expenditures over 2018 include additional funding to the County Sheriff's Department and to the Health and Human Services Divisions. The County Sheriff's Department budget was increased to promote the hiring of corrections officers and implementation of a new jail medical service provided by the MetroHealth System. Increased Sheriff's Department expenditures was \$14 million. The Health and Human Services Levy Fund received a \$15 million subsidy from the General Fund to ensure a sufficient cash balance was carried into 2020.

For Fiscal Year 2018, General Fund expenditures were \$461.7 million, which is \$37.9 million higher than 2017 expenditures. The largest drivers of the variance are draws on cash reserves for capital projects, including the Enterprise Resource Planning (ERP), Jail Regionalization, the renovation of the Cleveland Police Headquarters, and the Harvard Garage renovation. The available ending balance in the General Fund at the end of 2018 was \$162 million, which is 35% of operating expenses, exceeding the County's general fund balance policy of 25% of expenditures. Included in the balance number is \$10 million contractually reserved as a loan to be provided to a local economic development project for Playhouse Square, which at the time was not yet drawn on and the remaining cost of the County's ERP system.

For Fiscal Year 2017, General Fund expenditure were \$423.8 million, which is \$58.4 million less than 2016 expenditures. In 2016 there were one-time transfers from the General Fund to the Economic Development Fund (\$13 million), the Demolition Fund (\$15 million), and the Huntington Garage Renovation capital project fund (\$20 million), the latter of which was an advance that was repaid in 2017 following the issue of Sales Tax Revenue bonds.

For Fiscal Year 2016, General Fund expenditures were \$482.2 million, an increase of nearly \$60 million over 2015. This increase reflects \$19.5 million in remaining construction draws for the County hotel and \$11.5 million for the construction on the tunnel under Lakeside Avenue between the County hotel and the Huntington Park Garage. Additionally, in 2016 transfers from the General Fund to other funds increased – including \$14 million to support the renovations in the Huntington Park Garage (this advance was repaid in January 2017) and \$13 million to the Economic Development Fund to support job creation and business expansion efforts. The County’s General Fund balance at the end of Fiscal Year 2016 was \$124.8 million compared to \$168.2 million at the end of Fiscal Year 2015. 2016’s ending cash balance represented 26% of total expenditures, which complied with the requirements of O2011-0056.

Sales and Use Tax

The County currently levies a sales and use tax of 1.25% sales and use tax, 0.5% of which is imposed pursuant to resolutions adopted by the Board in 1969, 0.5% of which is imposed pursuant to resolutions adopted by the Board in 1987 and 0.25% of which is imposed pursuant to resolutions adopted by the Board in 2007. The 0.5% portions of the sales and use tax authorized in 1969 and 1987 are in effect for a continuing period of time and the 0.25% portion authorized in 2007 is in effect for a period of 20 years ending in 2027. No portion of this sales and use tax is now subject to repeal by referendum or initiative. The tax is collected by the State and distributed monthly to the County, less the amounts needed to satisfy debt service on the County’s outstanding Sales Tax Bonds (Series 2014, Series 2015, Series 2016, and Series 2017).

The County’s sales and use tax receipts for the past five Fiscal Years rounded to the nearest \$1,000, are shown below:

County Sales Tax Revenues

Year	Rate	Amount Collected
2016	1.25	272,209,000
2017	1.25	264,537,000
2018	1.25	239,834,000
2019	1.25	252,857,000
2020	1.25	265,969,951 ⁽¹⁾⁽²⁾

¹Includes State of Ohio administrative fee collected but not distributed

²Includes debt service toward sales tax revenue bonds withheld but not distributed

Source: County Fiscal Office

Under State law, the County Council has authority to adopt resolutions increasing the County sales and use tax by an additional .25% (up to an aggregate maximum of 1.5%) in increments of .10%, to provide revenue for the County’s General Fund or for certain other purposes. Unless adopted as an emergency measure or with voter approval, any resolution increasing the rate would be subject to referendum by the electors. If adopted as an emergency measure, the resolution increasing the rate would be subject to repeal at a voter-initiated election. If repealed by the electors, the increased rate could not be re-imposed pursuant to an emergency measure for one year from the date of the election.

Sales tax, totaling \$249 million in 2020, a decrease of 1% over 2019. In 2019, sales tax totaled \$255 million and had been performing well since the recession until the COVID-19 pandemic began. Sales tax receipts in 2018 were up 4% compared to 2017 when excluding the MCO portion. Currently, the County is budgeting 3% increases in 2020 and 2021.

Local Government Fund

The Ohio Local Government Fund was created by statute and is comprised of designated State revenues which are distributed to each county and then allocated among the County and cities, villages, and townships in the County on the basis of statutory formulas. The LGF is supported by 1.66% of general tax revenue collected by the State pursuant to ORC §131.51. The estimate assumes that Local Government Fund will stay flat between 2019 and 2021.

The County’s portions of Local Government Fund receipts in recent years, rounded to the nearest \$1,000, are provided in the table below.

Local Government Fund Revenues

Year	Amount
2016	18,242,000
2017	18,433,000
2018	19,314,000
2019	20,142,000
2020	20,107,000

Source: County Fiscal Office

Property Taxes

The County Treasurer collects approximately \$3 billion in property tax revenue to be distributed to various subdivisions each year and retains \$400 million for County operations. The County’s General Fund generates revenue from property taxes through 1.45 of inside millage.

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General Fund Receipts From Ad Valorem Property Taxes

County General Fund receipts from ad valorem property tax levies for tax collection years 2016 through 2020, rounded to the nearest \$1,000, are shown below:

Collection Year	General Fund Tax Rate	Total Receipts
2016	0.50	11,930,000
2017	0.50	12,095,000
2018	0.50	12,263,000
2019	0.50	13,484,000
2020	0.90	24,360,000

In 2018, the County Fiscal Officer completed the required sexennial property appraisal. The sexennial reappraisal impacts General Fund property tax revenues by approximately \$2.8 million per year. The reappraisal has no impact on the Health and Human Services Levy revenues. 2020 Property Tax revenue to the General Fund is a year over year increase of 80% as a result of inside millage reallocation. In collection year 2020, the County's General Fund tax rate for ad valorem property taxes increased to 0.90 mills from 0.50 mills in prior years, and the bond retirement fund tax rate decreased from 0.55 mills from 0.95 mills in prior years. The reallocation increased revenues to the County's general Fund by \$11 million in 2020. The adopted 2021 Alternative Tax Budget sets General Fund allocation to 1.00 mills. The County's 2009B general obligation bonds mature in 2034; and the County's 2020A and 2020B general obligation bonds are stated to mature in 2037 and 2035, respectively.

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OTHER GENERAL FUND REVENUE SOURCES

Nontax Revenues

The County has issued obligations to which it has pledged its Nontax Revenues. The Nontax Revenues include all moneys of the County which are not moneys raised by taxation, to the extent available for payment of the debt service on such obligations, including but not limited to the following: charges for services and payments received in reimbursement for services; investment earnings on any funds of the County that are credited to the County's General Fund; payments in lieu of taxes now or hereafter authorized by State statute; fines and forfeitures and fees from properly imposed licenses and permits; proceeds from the sale of assets; rental income; grants from the United States of America and the State; gifts and donations; and revenue transfers from various funds.

The following table summarizes historical collections for the past five years of certain of the more significant sources of funds identified by the County from its General Fund as Nontax Revenues.

<u>Year</u>	<u>Charges for Services</u>	<u>Investment Earnings</u>	<u>Intergovernmental(a)</u>	<u>License and Permits & Fines and Forfeitures</u>	<u>Miscellaneous Revenue</u>	<u>Total</u>
2016	\$70,325,594	\$7,617,289	\$16,897,616	\$7,577,072	\$29,027,432	\$131,445,003
2017	\$69,738,683	\$10,806,750	\$15,304,603	\$9,010,584	\$73,105,564	\$177,966,184
2018	\$65,823,549	\$17,217,787	\$20,212,622	\$8,373,542	\$56,206,038	\$167,833,538
2019	\$68,659,654	\$20,150,857	\$26,153,482	\$8,179,558	\$35,212,741	\$158,356,292
2020	\$85,998,325	\$15,450,069	\$28,821,694	\$7,514,058	9,344,023	\$147,128,169

(a) Intergovernmental revenue excludes Local Government Fund allocations.

Source: County Fiscal Office

Health and Human Services Levy Fund

Cuyahoga County residents have approved two levies to support health and human services. The larger of the two levies, 4.8 mills, was most recently approved in March 2016 for eight years. The smaller levy, 3.9 mills, was last approved in May 2018 for two years. Voters on March 17, 2020 approved a 4.7 mill levy to replace the expiring 3.9 mill levy and a 0.80 mill increase to fund additional health and human service needs and will be effective through 2028.

Revenue generated by the County's two levies totaled \$235 million in 2020. HB920 protects property owners from unvoted tax increases by capping the amount of revenue that can be collected from a voted levy. When property rates are increased, the effective rate of the levy decreases by the amount necessary to maintain existing revenue generation. The levies are, however, affected by new value (e.g. new construction).

The County remains compliant with County Code Section 701.01, requiring the HHS Levy Fund to maintain a fund balance equal to no less than 10% of expenditures.

COUNTY DEBT AND OTHER LONG-TERM OBLIGATIONS

The County is not and has not been, in the last 50 years, in default in the payment of debt service on any of its bonds or notes or in a condition of default under the financing documents relating to any of its issues of revenue bonds; however, the County makes no representation as to the existence of a condition of default resulting from a default by any private entity under any financing documents relating to its industrial development or hospital improvement revenue bonds.

The following describes the security for various types of County debt, applicable debt, and ad valorem property tax limitations, outstanding and projected bond and note indebtedness and certain other long-term financial obligations of the County.

The County has issued certain industrial development revenue bonds for facilities used by private corporations or other entities, and hospital revenue bonds for facilities used by private non-profit hospital agencies, on none of which bonds is the County obligated in any way to pay debt service from any of its funds. Therefore, those bonds have been excluded entirely from the debt discussion and the tables that follow.

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The following table lists the County’s outstanding debt as of December 31, 2020 (before reduction for moneys in the County’s Bond Retirement Fund) represented by notes and bonds:

Analysis of Outstanding Debt

A. Total Debt Outstanding:	\$743,240,000
B. Exempt Debt:	
Nontax Revenue Bonds ¹	227,150,000
GO Self Supporting	72,225,000
Sales Tax Revenue Bonds	249,115,000
Total Exempt Debt	\$548,490,000
C. Total Non-Exempt Debt: (A minus B)	\$194,750,000

¹Excludes Economic Development Guaranty Bonds and other Long-Term Obligations of the County. See “Economic Development Guaranty Bonds and Other Long-Term Obligations of the County” herein.

Source: County Fiscal Office

Statutory Debt Limitations Generally

The County may issue voted general obligation bonds, and notes issued in anticipation thereof, pursuant to a vote of the electors of the County. Ad valorem taxes, without limitation as to amount or rate, assessed to pay debt service on voted bonds are authorized by the electors at the same time they authorize issuance of such voted debt. Such voted debt is subject to the direct debt limitations but is not subject to the indirect debt limitation. (See “Direct Debt Limitations”). Voted obligations may also be issued by certain overlapping subdivisions.

General obligation bonds and notes issued in anticipation thereof may also be issued by the County (and certain overlapping political subdivisions) without a vote of the electors. Unvoted debt is subject to both the direct and indirect debt limitations. (See “Direct Debt Limitations” and “Indirect Debt Limitation.”)

Following are descriptions of the statutory and constitutional debt and ad valorem property tax limitations applying to the County’s presently outstanding and projected bond and note indebtedness, and certain other long-term financial obligations of the County. Nontax revenue bonds and sales tax supported bonds issued under Revised Code Section 133.081 are exempt from the direct and indirect (“ten-mill”) debt limitations (see discussion of exempt debt, below).

Direct Debt Limitations

Section 133.07 of the Revised Code provides that, exclusive of certain “exempt debt” (discussed below), the net principal amount of unvoted debt of a County may not (i) exceed 1.0% of the total value of all property in the County as listed and assessed for taxation. Section 133.07

of the Revised Code also provides that the net principal amount of both voted and unvoted general obligation debt of the County, may not exceed a sum equal to 3.0% of the first \$100,000,000 of the assessed valuation, plus 1.50% of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus 2.50% of such valuation in excess of \$300,000,000. These two limitations, referred to as “the direct debt limitations,” may be amended from time to time by the Ohio General Assembly.

The Revised Code provides that certain county debt is exempt from direct debt limitations (“exempt debt”). Exempt debt includes general obligation debt to the extent that such debt is “self-supporting” (that is, revenues from the facilities financed are sufficient to pay applicable operating and maintenance expenses and related debt service and other requirements); bonds issued in anticipation of the collection of special assessments; bonds issued for the purpose of housing county agencies, to the extent that revenues derived from leasing such facilities, other than that attributable to unvoted county taxes, is sufficient to pay debt service; revenue bonds; bonds supported by receipts of the sales tax; bonds issued in anticipation of the collection of current revenues or in anticipation of the proceeds of a specific tax levy; bonds issued for certain emergency purposes; bonds issued to pay final judgments; bonds for acquiring or constructing jail, detention or correctional facilities; and bonds for permanent improvements to the extent that debt service thereon is supported by a pledge, pursuant to Section 133.07(C)(9), Revised Code, of certain moneys to be received by the county. Notes issued in anticipation of “exempt” bonds also are exempt debt. In calculating debt subject to the direct debt limitations, the amount of money in a county’s bond retirement fund allocable to the principal amount of non-exempt debt is deducted from gross non-exempt debt.

Without consideration of money in the County’s Bond Retirement Fund, and based on the currently applicable assessed valuation of \$30,773,798,250:

a) The total voted and unvoted non-exempt debt that the County could issue subject to the 3%, 1-1/2%, 2-1/2% limitation described above, is \$760,955,000. The total County non-exempt debt which is outstanding is \$194,750,000 leaving a borrowing capacity of \$573,094,956 within the limitation for combined voted and unvoted non-exempt debt; and

(b) The total unvoted non-exempt debt that the County could issue subject to the 1% limitation is \$194,750,000. The total County non-exempt debt subject to such limitation which is outstanding is \$194,750,000 leaving a borrowing capacity of \$112,987,983 within the 1% limitation for unvoted non-exempt debt.

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Indirect Debt Limitation

Unvoted general obligation bonds and bond anticipation notes cannot be issued by the County unless the tax required to be imposed on taxable property in the County for the payment of the debt service on (a) such bonds (or the bonds in anticipation of which notes are issued), and (b) all outstanding unvoted general obligation bonds (including bonds in anticipation of which notes are issued) of the combination of overlapping taxing subdivisions in the County resulting in the highest tax rate required for such debt service, in any one year, is ten mills or less per \$1.00 of assessed valuation. This indirect debt limitation, the product of which is commonly referred to as the “ten-mill limitation,” is imposed by a combination of the provisions of Article XII, Sections 2 and 11 of the Ohio Constitution and Section 5705.02, Revised Code.

The ten-mill limitation is the maximum aggregate millage for all purposes that may be levied on any single piece of property by all overlapping taxing subdivisions without a vote of the electors. The ten mills which may be levied without a vote of the electors is in fact levied, collected and allocated among the County and its overlapping taxing subdivisions for general fund purposes pursuant to a statutory formula.

This “inside” millage allocated to each overlapping taxing subdivision is required by present Ohio law to be used first for the payment of debt service on unvoted general obligation debt of the subdivision, unless provision has been made for its payment from other sources. The balance of the millage is available for other purposes of the subdivision. Thus, to the extent this inside millage is required for debt service of a taxing subdivision (which may exceed the formula allocation to that subdivision), the amount that would otherwise be available to that subdivision or to other such overlapping subdivisions for general fund purposes is reduced.

A subdivision’s allocation of inside millage can be exceeded only in the event it is required for the payment of debt service on its unvoted general obligation debt and, in that case, the inside millage allocated to the other overlapping subdivisions would be reduced proportionally to bring the aggregate levies of inside millage down to ten mills.

In case of notes issued in anticipation of the issuance of unvoted general obligation bonds, the highest annual debt service estimated for the bonds anticipated by the notes is used to calculate the millage required.

Revenue bonds and notes are not included in debt subject to the ten-mill limitation since they are not general obligations of the County, and neither the general revenue nor the full faith and credit of the County are pledged for their payment.

The ten-mill limitation applies to all unvoted general obligation debt even if debt service on some of such debt is expected to be paid in fact from special assessments, utility earnings or other sources.

In calculating whether or not unvoted debt to be issued by the County is within the ten-mill limitation, it is necessary to determine the total outstanding debt service requirements within the ten-mill limitation of all the taxing subdivisions overlapping the County.

Based upon the maximum debt service required for all general obligation debt of the County (see “General Obligation Debt Service Requirements” herein) (but excluding therefrom debt service requirements for voted debt and any sales tax bonds), the highest debt service requirement in any year for all County debt subject to the ten-mill is \$28,010,585 in 2028. The payment of that annual debt service would require a levy of approximately 0.883 mills per \$1.00 of assessed valuation based on current assessed valuation of \$30,548,210,750. Of this maximum annual debt service requirement, the County expects contributions from sources other than ad valorem taxes, such as special assessments and federal interest subsidies. If those other sources for any reason are not available, the debt service could be met from the amounts produced by the millage currently levied for all purposes by the Issuer within the ten-mill limitation.

In calculating whether or not unvoted debt to be issued by the County is within the ten-mill limitation, it is necessary to determine which combination of overlapping taxing subdivisions within the County (including the County) has the highest outstanding debt service requirements within the ten-mill limitation. There are 57 municipal corporations, two townships and all or portions of 33 school districts in the County. Thus, to determine the highest overlapping debt service requirements for unvoted debt, it is necessary to examine the requirements for combinations of such overlapping subdivisions, including municipal corporations, townships and school districts. [what about the rest of the statement about the highest overlappers and the leeway within the indirect debt limit]?

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County General Obligation Debt Currently Outstanding

**Outstanding General Obligation Debt
As of December 31, 2020**

Issue	Dated Date	Final Maturity	Balance Outstanding
Various Purpose General Obligation Bonds, Series 2009B (Taxable)	12/22/2009	12/1/2034	85,685,000
General Obligation Capital Improvement, Series 2019A (Tax-Exempt) ¹	7/30/2019	12/1/2035	39,500,000
General Obligation Capital Improvement Refunding Bonds, Series 2019B (Taxable) ¹	7/30/2019	12/1/2027	32,725,000
General Obligation Refunding Bonds, Series 2020A (Tax-Exempt)	10/9/2020	12/1/2037	56,345,000
General Obligation Refunding Bonds, Series 2020B (Taxable)	10/9/2020	12/1/2035	52,720,000
Total			\$266,975,000

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**General Obligation Debt Service Requirements
As of December 31, 2020**

The following schedule presents the County's debt service requirements for all general obligation debt outstanding as of December 31, 2020:

Calendar Year	Existing General Obligation Bonds		
	Principal	Interest	Debt Service
2021	12,825,000	10,304,787	23,129,787
2022	13,355,000	9,732,074	23,087,074
2023	12,055,000	9,371,879	21,426,879
2024	12,265,000	9,053,512	21,318,512
2025	15,600,000	8,724,364	24,324,364
2026	15,940,000	8,126,297	24,066,297
2027	16,370,000	7,498,130	23,868,130
2028	15,290,000	6,802,183	22,092,183
2029	22,170,000	6,051,491	28,221,491
2030	16,210,000	5,169,155	21,379,155
2031	16,760,000	4,406,338	21,166,338
2032	24,395,000	3,615,585	28,010,585
2033	25,125,000	2,656,443	27,781,443
2034	25,890,000	1,657,822	27,547,822
2035	16,395,000	619,580	17,014,580
2036	3,115,000	189,900	3,304,900
2037	3,215,000	96,450	3,331,450
Total	\$266,975,000	\$94,075,989	\$361,050,989

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Security for General Obligation Debt

The following describes the security for County general obligation debt.

Unvoted Bonds. The basic security for unvoted County general obligation bonds is the County's ability to levy, and its levy pursuant to constitutional and statutory requirements, of an ad valorem tax on all real and tangible personal property subject to ad valorem taxation by the County, within the ten-mill limitation described below. This tax must be in a sufficient amount to pay (to the extent not paid from other sources), as it becomes due, the debt service on unvoted County general obligation bonds, both outstanding and in anticipation of which BANs are outstanding. The law provides that the levy necessary for debt service has priority over any levy for current expenses within that tax limitation; that priority may be subject to the provisions of bankruptcy laws and other laws affecting creditors' rights and to the exercise of judicial discretion. See the discussion above, under "Indirect Debt Limitation," of the ten-mill limitation, and the priority of claim on it for debt service on unvoted general obligation debt of the County and all overlapping taxing subdivisions.

Voted Bonds. The basic security for voted County general obligation bonds is the authorization by the electors for the County to levy to pay debt service on those voted bonds, without limitation as to rate or amount, ad valorem taxes on all real and tangible personal property subject to ad valorem taxation by the County. The tax is outside of the ten-mill limitation and is to be in sufficient amount to pay (to the extent not paid from other sources), as it becomes due, the debt service on the voted County general obligation bonds, both outstanding and in anticipation of which BANs are outstanding (subject to the provisions of bankruptcy laws and other laws affecting creditors' rights and to the exercise of judicial discretion).

BANs. Ohio law requires, while BANs are outstanding, the levy of an ad valorem property tax in an amount not less than that which would have been levied if bonds had been issued without the prior issuance of the BANs. That levy need not actually be collected if payment in fact is to be provided from other sources, such as the proceeds of the bonds anticipated or of renewal BANs. BANs, including renewal BANs, may be issued and outstanding from time to time up to a maximum period of 240 months from the date of issuance of the original notes (the maximum maturity for special assessment BANs is generally five years). Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of BANs outstanding for more than five years must be retired in amounts at least equal to, and payable not later than, those principal maturities that would have been required if the bonds had been issued at the expiration of the initial five-year period.

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Sales Tax Revenue Bonds

The following schedule presents the County's actual debt service requirements for the County's outstanding 2014, 2015, 2016, and 2017 Sales Tax Revenue Bonds:

Sales Tax Revenue Bonds Debt Service Requirements

Calendar Year	Principal	Interest	Total Debt Service
2021	12,375,000	9,167,425	21,542,425
2022	12,815,000	8,730,148	21,545,148
2023	13,530,000	8,248,134	21,778,134
2024	14,050,000	7,729,901	21,779,901
2025	7,700,000	7,159,378	14,859,378
2026	16,880,000	6,854,269	23,734,269
2027	17,555,000	6,188,755	23,743,755
2028	18,265,000	5,479,042	23,744,042
2029	11,715,000	4,724,490	16,439,490
2030	19,580,000	4,286,775	23,866,775
2031	20,270,000	3,601,344	23,871,344
2032	13,130,000	2,900,909	16,030,909
2033	13,585,000	2,445,591	16,031,591
2034	13,555,000	1,967,728	15,522,729
2035	11,315,000	1,491,692	12,806,692
2036	11,005,000	1,272,225	12,277,225
2037	11,435,000	838,300	12,273,300
2038	10,355,000	414,200	10,769,200
Total	\$249,115,000	\$83,501,306	\$332,616,307

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Nontax Revenue Obligations

The County has issued obligations to which it has pledged its Nontax Revenues. See “OTHER MAJOR COUNTY GENERAL FUND REVENUE SOURCES – Nontax Revenues” for the receipts of the County’s Nontax Revenues in recent fiscal years.

The County has the following nontax revenue debt outstanding:

Outstanding Nontax Revenue Debt

Issue	Dated	Final Maturity	Balance Outstanding as of December 31, 2020
Taxable Economic Development Revenue Bonds, Series 1992A (Gateway Arena Project)	9/15/1992	6/1/2022	\$7,000,000
Taxable Economic Development Revenue Bonds, Series 2013A (Steelyard Commons)	10/30/2013	12/1/2037	3,390,000
Taxable Economic Development Revenue Bonds, Series 2013B (Westin Hotel)	12/30/2013	12/1/2042	5,200,000
Nontax Revenue Bonds, Series 2014B (Western Reserve)	12/17/2014	12/1/2026	22,185,000
Tax-Exempt Economic Development Refunding Bonds, Series 2014C	12/17/2014	12/1/2027	20,505,000
Taxable Economic Development Refunding Bonds, Series 2020A	5/28/2020	6/1/2023	10,485,000
Taxable Economic Development Refunding Bonds, Series 2020B	5/28/2020	6/1/2030	2,395,000
Taxable Economic Development Refunding Bonds, Series 2020C	5/28/2020	6/1/2030	15,225,000
Economic Development Refunding Bonds, Series 2020D	5/28/2020	6/1/2027	140,765,000
Total			\$227,150,000

Source: County Fiscal Office

There is a priority and parity pledge of the Nontax Revenues for the payment of ten of the outstanding bond issues of the County listed above (1992A, Series 2020A, Series 2020B, Series 2020C, Series 2020D, Series 2013A, Series 2013B, Series 2014B and Series 2014C). There is a subordinate pledge of Nontax Revenues for the payment of the County’s \$1,810,000 Taxable Economic Development Revenue Refunding Bonds, Series 2010D (Shaker Square Project). In addition, the County has provided an irrevocable letter of credit in the stated amount of \$63,621,787.50 to satisfy the debt service reserve requirement related to the MetroHealth System’s \$945,660,000 Series 2017 Bonds, and the County’s obligation to reimburse PNC Bank for any draws on such letter of credit is secured by Nontax Revenues.

There is a priority and a parity pledge of the Nontax Revenues for the payment of seven categories of those obligations. The debt service schedule for those seven categories of obligations as of December 31, 2020 is shown in the following table:

Fiscal Year	Brownfield Bonds (Series 2020A)	Commercial Redevelopment Bonds (Series 2020B)	Gateway Bonds (Series 1992 & 2020C)	Medical Mart/ Convention Center Bonds (Series 2020D & 2014C)	Steelyard Commons Bonds (Series 2013A)	Westin Hotel Bonds (Series 2013B)	Western Reserve Bonds (Series 2014B)	Total
2021	1,175,703	272,435	8,464,363	26,946,445	288,779	402,358	784,480	38,334,561
2022	1,175,858	273,985	8,423,275	26,951,450	289,684	402,808	784,480	38,301,539
2023	1,179,519	270,216	6,360,169	26,966,150	285,026	402,678	2,784,480	38,248,238
2024	1,176,400	266,110	-	26,956,850	285,031	402,078	9,219,480	38,305,949
2025	1,185,828	271,094	-	26,958,150	289,431	401,096	9,326,230	38,431,829
2026	1,197,241	270,275	-	26,953,900	288,431	399,646	2,890,830	32,000,324
2027	1,191,436	269,334	-	29,791,150	287,038	402,671	-	31,941,629
2028	1,183,780	273,018	-	-	285,238	400,040	-	2,142,075
2029	1,183,809	271,128	-	-	287,813	401,540	-	2,144,289
2030	1,181,601	268,776	-	-	289,938	402,540	-	2,142,855
2031	-	-	-	-	286,150	403,040	-	689,190
2032	-	-	-	-	286,650	402,940	-	689,590
2033	-	-	-	-	286,650	402,125	-	688,775
2034	-	-	-	-	286,150	400,575	-	686,725
2035	-	-	-	-	289,600	402,925	-	692,525
2036	-	-	-	-	287,263	399,450	-	686,713
2037	-	-	-	-	589,400	400,425	-	989,825
2038	-	-	-	-	-	400,575	-	400,575
2039	-	-	-	-	-	404,188	-	404,188
2040	-	-	-	-	-	401,650	-	401,650
2041	-	-	-	-	-	403,250	-	403,250
2042	-	-	-	-	-	803,700	-	803,700

Economic Development Guaranty Bonds

In April 2014, the County issued \$17,000,000 Taxable Economic Development Revenue Bonds, Series 2014A (Flats East Development LLC Project) (the “Series 2014A Flats Bonds”), funding, in part, development costs of a mixed-use residential, office, and retail project on the banks of the Cuyahoga River adjacent to Cleveland’s central business district. The project is being completed in three phases, with the first two phases already complete. The total development cost of the two completed phases was \$500 million, phase three costs are estimated at \$150 million. The Series 2014A Flats Bonds debt service costs are secured and funded by project revenues, but subordinate to private commercial loans. The County has agreed to provide a guaranty of debt service payments to bondholders, subject to annual appropriation. A debt service reserve fund, a mortgage (also subordinate to the private commercial loans) and individual guarantees from the principals of the project developer are available to the County and/or bondholders as additional security for the Series 2014A Flats Bonds.

Other Long-Term Obligations of the County

Leases

The County has entered into several capital lease agreements for acquiring land, buildings and equipment for various purposes. The table sets forth the anticipated lease payments due through 2040.

Year	Amount Due
2020	42,820,437
2021	42,787,928
2022	41,087,716
2023	40,648,927
2024-2028	159,677,069
2029-2033	27,245,478
2034-2038	30,081,208
2039-2040	9,606,639
Total	\$436,689,941

Included in these lease payments are payments for HHS agency locations (\$8.6 million), the Global Center for Health Innovation (\$315 million) and the County Headquarters Building (\$113 million).

Hospital Revenue Bonds

The Board of Hospital Trustees of The MetroHealth System has issued a number of series of hospital revenue bonds on behalf of the County, and issued \$945,660,000 in additional hospital revenue bonds in May, 2017 (the “Series 2017 MetroHealth Bonds”) to finance construction of a new hospital facility, parking facilities and utility plant at its main campus as well as refund a substantial portion of its outstanding hospital revenue bonds (see Debt Table C). Those bonds, issued pursuant to an indenture between the County, acting by and through the Board, and a corporate trustee, are special obligations, payable solely from the net revenues derived from the operation of MetroHealth and other money available to the Board of Hospital Trustees. While

the County provides certain subsidies to MetroHealth, the hospital revenue bonds do not represent or constitute a general obligation debt or pledge of the faith and credit of the County, and the County is not required to use or apply to the payment of debt charges on those obligations any funds or revenues from any source other than the net revenues of MetroHealth. The County has agreed to provide one or more letters of credit in the aggregate amount of \$63,621,788 to fund the Bond Reserve Fund for the Series 2017 MetroHealth Bonds.

Ohio Public Works Commission Loans

The County has three outstanding loans from the Ohio Public Works Commission (“OPWC”) pursuant to which the OPWC provided funds to the County for the construction of sewage collection facilities and sewer lines. All County loans through the OPWC carry a 0.00% interest rate. The current outstanding loans are as follows:

Loan Name	Loan Amount	Balance Outstanding	Final Maturity
Schaaf Road Bridge No. 6:034	\$1,251,250.00	\$469,218.75	1/1/2027
Barton, Bronson & Cook Sanitary Imp.	1,000,000.00	925,000.00	1/1/2038
Sanitary Sewer Improvements	236,209.60	141,725.76	1/1/2031
Turney Road Improvement	250,000.00	<i>Pending</i>	
Broadrock Drill Drop	225,000.00	<i>Pending</i>	
Bagley Road Sanitary Sewer	1,600,000.00	<i>Pending</i>	
Various Sanitary Sewer Repairs, Maple Hts.	76,605.00	76,605.00	1/1/2040
Totals	\$4,639,064.60	\$1,612,549.51	

Source: Ohio Public Works Commission

Ohio Water Development Authority Loans

The County has 21 outstanding loans from the Ohio Water Development Authority (“OWDA”) pursuant to which the OWDA provided funds to the County for the construction of various water and sewer improvements. Many of these loans are paid from revenue derived from special assessments on the properties benefitted by these improvements. The current outstanding loans as of December 31, 2020 are as follows:

Loan Name	Loan Amount	Interest Rate	Balance Outstanding	Final Maturity
Newburgh Hts. Imp. 2200	\$305,878.64	3.35%	\$78,408.95	7/1/2025
Suffolk Pump Station Rehab	\$199,179.50	3.25%	\$62,397.30	7/1/2026
Woods Pump Station Rehab	\$574,900.27	3.25%	\$212,765.62	7/1/2027
E.38th& 40th Street	\$764,988.00	3.25%	\$283,118.40	7/1/2027
Fitch Rd.San.Sewer Imp.	\$1,531,654.45	3.25%	\$566,851.91	7/1/2027
Echo Hills WWTP Elim.	\$1,674,119.73	3.36%	\$715,967.96	7/1/2028
Cook/Mackenzie San. Sewer	\$610,392.42	3.52%	\$295,955.18	7/1/2029
Thornapple Pump St. Rehab	\$851,927.30	3.70%	\$416,739.61	7/1/2029
Cook/Stearns Sanitary Imp	\$490,430.91	3.53%	\$263,232.50	7/1/2030
Sewer Repair	\$2,094,157.51	3.25%	\$1,315,689.19	7/1/2032
Fernhill Sewer Replacement	\$1,516,235.27	2.66%	\$931,659.03	7/1/2032
North Granger Sewer Replacement*	\$608,564.39	2.62%	\$357,820.76	7/1/2031
Dewey Road Pump Station	\$2,239,818.20	3.28%	\$1,408,763.03	7/1/2032
Jefferson Drive Sewer Lining	\$254,678.91	2.66%	\$156,488.84	7/1/2032
Broadview Drill Drop	\$332,073.50	3.37%	\$232,616.23	1/1/2034
Barton/Bronson/Cook	\$1,339,513.43	1.68%	\$1,039,706.96	7/1/2036
Turney Road Rehabilitation	\$163,951.74	2.08%	\$133,489.04	7/1/2037
Bagley Road Sewer & Water	\$1,505,374.52	3.03%	\$1,302,789.14	1/1/2038
Broadrock Drill Drop	\$215,278.25	2.15%	\$197,652.79	7/1/2039
Bradford Pump Station	\$752,625.00	3.10%	\$711,198.67	1/1/2040
Egbert Road Force Main	\$130,449.54	1.78%	\$124,906.38	7/1/2040
Totals	\$18,156,191.48		\$10,808,217.49	

Source: Ohio Water Department Authority

*Combination of two loans

Certificates of Participation

In May 2014, the County entered into a lease-purchase agreement (the “Hotel Lease”) with the Cleveland-Cuyahoga County Port Authority (the “CCCPA”) to fund a portion of the costs of the construction of an approximately 600-room convention headquarters hotel adjacent to the Cleveland Convention Center and Global Center for Health Innovation (the “Hotel”). Under the Hotel Lease, the County is leasing the Hotel from the CCCPA. The Hotel Lease consists of one initial term running from May 29, 2014 through December 31, 2014, and 30 renewable one-year lease terms which run from 2015 through 2044, and expire annually at the end of the County’s fiscal year.

The annual base rent that the County must pay to the CCCPA under the Hotel Lease was securitized as \$230,885,000 Certificates of Participation (the “2014 Hotel Certificates”) and sold to investors. The 2014 Hotel Certificates, the Hotel Lease and the obligation to make base rent payments under the Hotel Lease are subject to annual appropriation by the County and do not represent or constitute bonded indebtedness, a debt of, or a general obligation of the County. Neither the full faith and credit nor the taxing power of the County is pledged to secure the 2014 Hotel Certificates. Furthermore, because the Hotel Lease consists of 30 renewable one-year lease terms that expire at the end of each fiscal year, the 2014 Hotel Certificates are not considered lease-purchase debt under Ohio law. Accordingly, the 2014 Hotel Certificates have been excluded from the County’s debt presentation.

As of December 31, 2020, the outstanding balance on the 2014 Hotel Certificates is \$189,430,000.

County Excise Tax

The County currently levies an excise tax at the rate of \$3 on each gallon of spirituous liquor sold in the County, \$0.16 per gallon on the sale of beer (one point five cents per 12-ounce bottle) sold at wholesale in the County, \$0.32 per gallon (six cents per 750 ml bottle of wine) on the sale of wine and mixed beverages sold at wholesale in the county, \$0.24 per gallon on the sale of cider sold at wholesale in the county, and 2.25 mills per cigarette on the sale of cigarettes sold at wholesale in the County. The County Excise Tax was first levied for a period of 15 years, upon approval by voters in the County, in 1990 and was subsequently extended for a period of an additional ten years, through July 31, 2015 and again on May 6, 2014. No portion of County Excise Tax is now subject to repeal by referendum or initiative. The County Excise Tax is collected by the State and distributed monthly to the County and may be used solely for the purpose of financing sports facilities for professional athletic teams and other capital improvements.

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Receipts for the County Excise Tax since 2012 are set forth in the table below.

Historical County Excise Tax Collections*

Collection Period	Cigarettes	Alcohol	Beer	Wine/Mixed Beverage	Total Collections
2012	\$2,558,401	\$5,467,920	\$4,290,576	\$1,338,207	\$13,655,104
2013	2,345,116	5,406,899	3,963,519	1,301,653	13,017,187
2014	2,401,283	6,619,100	4,040,856	1,319,409	14,380,648
2015	2,385,843	6,180,828	4,029,588	1,335,611	13,931,871
2016	2,279,061	6,185,966	4,056,900	1,301,431	13,823,357
2017	2,193,911	6,514,291	4,013,638	1,364,758	14,086,598
2018	2,063,117	6,647,643	3,883,922	1,390,538	13,935,011
2019	1,907,196	6,952,646	3,833,837	1,369,884	14,063,563
2020	2,126,441	7,356,530	3,725,687	1,521,452	14,730,110
				Total	\$125,653,449
Average*	\$2,251,152	\$6,370,203	\$3,982,058	\$1,360,327	\$13,958,161

* Annual average Excise Tax collections from 2012 - 2020.

Source: Cuyahoga County Fiscal Office

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FUTURE FINANCINGS

Future Bond Issuance Outlook

County Council has not approved any other financings at this time. However, the County routinely evaluates various refunding opportunities to achieve debt service savings. Additionally, the County and various stakeholders in the County are evaluating various options and opportunities to renovate or replace the County-owned justice center complex located in downtown Cleveland and for improvements to Progressive Field in connection with a lease extension with the Cleveland Indians. Timing, project scope, cost, and other details of the justice center project continue to be evaluated and are undefined at this time.

[No need for litigation unless there is something the County wants to tell the “Market”. Perhaps a “Subsequent Events” section at the end is worthwhile for COVID disclosures, ARPA Money, other issues the County might consider providing notice to the market on.]

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DEBT TABLE A

**Principal Amounts of Outstanding Debt
Leeway for Additional Debt Within Direct Debt Limitations**

A.	Total outstanding debt:	\$760,955,000
B.	Exempt debt:	
	Category	Outstanding Principal Amount
	General obligation bonds issued in anticipation of the collection of special assessments	\$ -0-
	Revenue bonds issued for hospital improvements	-0-
	Revenue bonds issued under Revised Code Chapter 165 payable from nontax revenues	244,865,000
	Self-supporting general obligation bonds issued for sports facilities	72,225,000
	General obligation bonds issued for the acquisition, construction and equipping of a port authority educational and cultural facility	-0-
	General obligation bonds issued for the acquisition, renovation and equipping of structures for County correctional facilities	-0-
	Sales Tax Revenue Bonds	249,115,000
	Excise Tax Revenue Bonds	-0-
	Total exempt debt:	566,205,000
C.	Total nonexempt debt (A minus B):	194,750,000
D.	1% of assessed valuation (unvoted nonexempt debt limitation):	307,737,983
E.	Total unvoted nonexempt debt outstanding:	194,750,000
F.	Debt leeway within 1% unvoted debt limitation (but subject to indirect debt limitation) (D minus E):	112,987,983
G.	3%, 1½% and 2½% of assessed valuation (3% of 1st \$100,000,000, 1½% of next \$200,000,000, and 2½% of amount in excess of \$300,000,000 of assessed valuation) (voted and unvoted nonexempt debt limitation):	767,844,956
H.	Total nonexempt debt outstanding:	194,750,000
I.	Debt leeway within 3%, 1½% and 2½% debt limitation (G minus H):	573,094,956

DEBT TABLE B

**Various County and Overlapping General
Obligation (GO) Debt Allocations (Principal Amounts)**

Political Subdivision	Outstanding Indebtedness(a)(b)	Percentage Allocable to County(c)	Portion of Debt Borne by Properties Within the County
Cuyahoga County ^(a)	\$194,750,000	100.00%	\$194,750,000
Cuyahoga Community College	207,010,000	100.00%	207,010,000
All Cities wholly within the County	852,051,485	100.00%	852,051,485
All Villages wholly within the County	38,028,049	100.00%	38,028,049
All Townships wholly within the County	1,590,000	100.00%	1,590,000
All School Districts (S.D.) wholly within the County	1,423,239,882	100.00%	1,423,239,882
Olmsted Falls S.D.	31,314,960	96.22%	30,131,255
Strongsville S.D.	71,396,054	99.70%	71,181,866
Chagrin Falls S.D.	36,768,391	64.54%	23,730,320

(a) General obligation debt as of December 31, 2019

(b) General obligation debt exempt from statutory debt limitations is nevertheless included in this table.

(c) Determined, on a percentage basis, by dividing the amount of the assessed valuation of that territory of the political subdivision which is within the boundaries of the County by the total assessed valuation of the political subdivision.

Source: Cuyahoga County Budget Commission

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DEBT TABLE C
Outstanding MetroHealth System Revenue Bonds

Obligation	Purpose	Initial Amount	Outstanding Amount	Interest Rate	Final Maturity
Hospital Improvement and Refunding Revenue Bonds, Series 1997 (The MetroHealth System Project)	Hospital Improvement Revenue Bonds, Series 2003 (The MetroHealth System Project)	\$70,000,000	\$0	4.6%-5.6%	Refunded
Hospital Facilities Revenue Bonds, Taxable Series 2009B (The MetroHealth System) (Build America Bonds - Direct Payment)	To pay costs of hospital facilities, including three helicopters, multi-specialty ambulatory centers, equipment and facilities renovations	\$75,000,000	\$75,000,000	8.223%	2040
Hospital Refunding Revenue Bonds, Series 2011 (The MetroHealth System)(Taxable Bonds)	Refunding certain prior bonds issued in 1997 and 2009A	\$67,455,000	\$0	3.16%	Refunded
Hospital Refunding Revenue Bonds, Series 2012 (The MetroHealth System)	Refunding certain prior bonds issued in 2003	\$24,710,000	\$0	4.75%-5.50%	Refunded
Hospital Improvements and Refunding Revenue Bonds, Series 2015	Refunding the Series 2005 bonds issued in 2005	\$70,835,000	\$0	4.75%-5.50%	Refunded
Hospital Improvements and Refunding Revenue Bonds, Series 2017	MetroHealth Transformation Project, and refunding Series 1997, Series 2011, Series 2012, Series 2015 bonds	\$945,660,000	\$945,660,000	4.75%-5.50%	2057

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Exhibit A

**Comparative Cash Basis Summary of General Fund Receipts and Expenditures (Unaudited)
for Fiscal Years 2016 through 2020
(in thousands of dollars)**

General Fund

	2016	2017	2018	2019	2020 ¹
Cash Balance January 1st	\$164,302,345	\$124,817,460	\$180,378,978	\$162,502,291	\$139,010,423
OPERATING REVENUE					
Property Taxes	\$11,929,579	\$12,095,350	\$12,263,312	\$13,483,901	\$24,360,438
Sales and Use Tax	\$272,209,140	\$264,537,124	\$239,834,024	\$252,856,916	\$248,529,772
Licenses and Permits	\$79,164	\$76,856	\$78,311	\$75,904	\$91,726
Fines and Forfeitures	\$7,497,908	\$8,933,728	\$8,295,231	\$8,103,654	\$7,422,332
Charges for Services	\$70,325,594	\$69,738,683	\$65,823,549	\$68,659,654	\$85,998,325
Local Government Fund	\$18,241,515	\$18,433,467	\$19,313,572	\$20,142,180	\$20,107,332
Other Intergovernmental	\$16,897,616	\$15,304,603	\$20,212,622	\$26,153,482	\$28,821,694
Other Taxes	\$4,286,816	\$6,295,741	\$4,565,336	\$4,651,781	\$4,321,727
Investment Earnings	\$7,617,289	\$10,806,750	\$17,217,787	\$20,150,857	\$15,450,069
Miscellaneous Revenue	\$29,027,432	\$73,105,564	\$56,206,038	\$35,212,741	\$17,856,760
Total Operating Revenue	\$438,112,053	\$479,327,866	\$443,809,782	\$449,491,070	\$452,960,175
OPERATING EXPENDITURES					
Personnel	\$224,394,842	\$234,651,344	\$249,272,664	\$251,840,078	\$192,712,892
Other Expenses	\$172,627,153	\$126,713,709	\$150,818,337	\$167,868,559	\$121,257,755
Capital	\$1,190,394	\$1,049,858	\$972,423	\$1,029,785	\$1,189,910
TOTAL OPERATING EXPENDITURES	\$398,212,389	\$362,414,911	\$401,063,424	\$420,738,422	\$315,160,557
OTHER FINANCING USES	79,384,549	61,351,437	60,623,045	70,693,804	\$84,986,208
TOTAL EXPENDITURES	\$477,596,938	\$423,766,348	\$461,686,469	\$491,432,226	\$400,146,765
Cash Balance December 31st	\$124,817,460	\$180,378,978	\$162,502,291	\$120,561,135	\$191,823,833
% Balance to Expenditures	26%	43%	35%	25%	48%

Exhibit B

**Cuyahoga County Audited Financial Statements
Fiscal Year Ended 2019**