



**To:** County Council

**From:** Walter Parfejewiec, Office of Budget and Management

**Date:** March 30, 2020

**RE:** Council Update- February 2020

**cc:** Armond Budish, County Executive; Bill Mason, Chief of Staff; Mike Chambers, Fiscal Officer; Jeanne Schmotzer, Clerk of Council; Trevor McAleer, Legislative Budget Advisor; Mary Louise Madigan, Communications Director; Office of Budget and Management Staff

In accordance with **County Code §701.07(C)**, we are submitting this monthly update through **February 2020**.

- We are live with the new INFOR/Lawson system. We are all learning and getting acclimated to the new system. The following bullets contain some preliminary information through February 2020.
- **General Fund Revenue:**  
**Sales Tax** receipts totaled \$21.2 million in February 2020. Through February, sales tax receipts totaled \$39.5 million, which represents a year over year increase of 17.8%.

Revenue	2020 Budget	2020 Actual	% Budget
Property Tax	27,400,000	\$0	0%
Sales & Use	\$255,362,351	\$39,541,699	15.5%
Licenses & Permits	\$72,050	\$9,638	13.4%
Fines & Forfeitures	\$8,647,581	\$763,814	8.8%
Charges for Services	\$89,936,159	\$5,295,901	5.9%
Intergovernmental	\$50,118,093	\$10,357,605	20.7%
Other Revenue	\$27,911,391	\$3,041,841	10.9%
Interest Earnings	\$15,000,000	\$3,304,736	22.0%
<b>Total</b>	<b>\$474,447,625</b>	<b>\$62,315,235</b>	<b>13.1%</b>

(Note: Property Tax Revenue posted in March)

Expenditures	2020 Budget	2020 Actual	% Budget
Personnel Services	\$277,436,642	\$39,325,897	14.2%
Other Expenses	\$139,000,788	\$10,098,901	7.3%
<b>Total</b>	<b>\$416,437,430</b>	<b>\$49,424,798</b>	<b>11.9%</b>

- **Health & Human Services Levy** generated from the County's two **voted levies for health and human services** is budgeted to be \$244,158,184: \$223.1 million in property taxes and \$15.8 million from the State (homestead credit).

Revenue	2020 Budget	2020 Actual	% Budget
Property Tax	\$223,089,933	\$0	0%
Intergovernmental Rev	\$15,825,119	\$0	0%

(Note: Property Tax Revenue posted in March)

- Attached is an example of the new INFOR/Lawson report **YEAR-TO-DATE FUND BALANCE by FUND**, which summarizes YTD Receipts and YTD Expenditures for all of the County's funds. Please note:
  - This YEAR-TO-DATE FUND BALANCE by FUND has not been audited
  - Several funds have been consolidated (ie: Casino Fund, Auto Title, Coroner's Lab, County Planning Commission have been consolidated to General Fund)
  - Subfunds have been eliminated
- **Opioid**, as of February 2020, we received \$116,730,695.55 in Opioid Settlements. In 2019, we received \$22,103,285.55 from Endo, Allergan, Mallinckrodt and Johnson & Johnson pharmaceuticals. In 2020, we received \$94,627,410.00 from Cardinal Health, AmerisourceBergen and McKesson. The budget (appropriations) for the first \$19,120,172.00 has been established in the special revenue fund approved by Council.
- **Bond Ratings** to refinance series 2010A (Brownfield Redevelopment Fund Project), series 2010B (Commercial Redevelopment Fund Project) and series 2010C (Gateway Arena Project) bonds. On March 13, 2020, we received a rating AA/Stable from S&P Global. On March 16, 2020, we received a rating of Aa2 from Moody's Investor Services. Both ratings are unchanged from the ratings we received in 2019. As you know, the financial markets are volatile due to COVID-19 but we will share potential savings from refunding at a later point in time.
- **Metro Health Letter of Credit**, we are in the process of replacing the current Letter of Credit in place with Bank of America. We are proposing a new three-year Letter of Credit with PNC at a reduced cost. The annual cost of existing Letter of Credit with Bank of America is \$381,731. The annual cost of the proposed Letter of Credit with PNC will be \$190,865, saving \$190,966 annually.
- **COVID-19**, Pursuant to an emergency declaration through Executive Order EO2020-0002, \$1,000,000 has been appropriated for mission-critical purchases for items needed to prevent and respond to COVID-19. County Code 501.08 Emergency Contracting authorizes an expedited procurement process for purchases.