



**To:** County Council

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

**Date:** December 14, 2020

**RE:** Council Update-November 2020

**cc:** Armond Budish, County Executive; Bill Mason, Chief of Staff; Mike Chambers, Fiscal Officer; Andria Richardson, 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 **November 2020**.

- **General Fund Revenue:**

**Sales Tax** receipts totaled \$21.4 million in the month of November 2020. Year-to-date, sales tax receipts totaled \$240.4 million, which represents a year over year decrease of 2.4%.

Revenue	2020 Budget	2020 Actual	% Budget
Property Tax	27,400,000	\$24,360,134	88.9%
Sales & Use	\$255,362,351	\$228,249,453	89.4%
Licenses & Permits	\$72,050	\$71,126	98.7%
Fines & Forfeitures	\$8,647,581	\$6,857,506	79.3%
Charges for Services	\$89,936,159	\$76,711,746	85.3%
Intergovernmental	\$50,118,093	\$44,107,679	88.0%
Other Revenue	\$27,911,391	\$8,884,092	31.8%
Interest Earnings	\$15,000,000	\$15,071,688	100.5%
<b>Total</b>	<b>\$474,447,625</b>	<b>\$404,313,423</b>	<b>85.2%</b>

Expenditures/Subsidies	2020 Budget	2020 Actual	% Budget
Personnel Services	\$282,697,459	\$246,432,302	87.2%
Other Expenses	\$189,214,974	\$117,856,846	62.3%
<b>Total Expenditures</b>	<b>\$471,912,433</b>	<b>\$364,289,148</b>	<b>77.2%</b>
<b>Subsidies to Other Funds</b>	<b>\$82,035,613</b>	<b>\$78,647,884</b>	<b>95.9%</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	\$224,383,817	100.6%
Intergovernmental Rev	\$15,825,119	\$9,035,685	57.1%
Miscellaneous Revenue	\$5,243,132	\$154,919	3.0%
<b>Total</b>	<b>\$244,158,184</b>	<b>\$233,574,422</b>	<b>95.7%</b>

- Attached is the new INFOR/Lawson report **YEAR-TO-DATE FUND BALANCE by FUND**, which summarizes YTD Receipts and YTD Expenditures for all 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
- **Sales Tax Receipts of \$22.9 million** have been reported **for December 2020**. This brings our 2020 year-to-date total to \$263.3 million. This is 11.2% more than this month last year and 1.3% less year-over-year.
- **Council approved the Fiscal Officer's Revised Estimate of Tax Rates to be Levied**. The approved estimate allocates 1.45 mills of inside millage: General Fund (1.0 mills) and General Fund for Bond Retirement (0.45 mills). **The revised estimate also allocates 16.90 mills of outside millage as follows:** Health & Human Services (4.8 and 4.70 mills), BODD (3.9 mills) and **County Library (3.5 mills)**.
- As of November 30, 2020, we have approximately **\$125.8 million in Council approved CARES Act programs**. Some of the larger purchases/contracts include: \$3.5 million for PPE, \$2.2 million for Building Screening, \$30 million for Building Updates, \$17.6 million for Hazard Pay, \$6.9 million for Small Business Fund, \$6 million for COVID testing, \$5 million for Eviction Prevention, \$1.4 million for PPE Storage Facility, \$6.5 million for Hotels for Homeless, \$1.5 million for Digital Inclusion for Students, \$1.3 million for use of the Convention Center by Common Pleas Court, \$1.2 million for vehicles, \$4 million for the Arts Organizations, \$2.3 million for Convention Center changes, \$4.2 million for the Cleveland Foundation Rapid Relief Fund, \$15 million for MetroHealth COVID-19 charges \$2 million for Utility Assistance and \$1.25 million for the Restaurant Small Business Program. We also have approximately **\$103.2 million in potential payroll charges** for items such as Closure Pay, Hazard Pay, County Emergency Leave, Federal COVID leave and salaries and benefits for various county departments.
- **Anticipated Budget Reductions due to COVID-19**. As of 3<sup>rd</sup> Quarter, we continue to revise our revenue projections to reflect stronger than expected revenue for 2020. Revenues continued to come in stronger than expected. We are currently projecting a 2.5% loss of sales tax revenue, 11% loss in property taxes and 7.9% loss in other revenue for 2020. These percentages translate to approximately \$24.4 million in lost revenue (\$6.4 million in sales tax, \$3 million in Property

Taxes, \$15 million other taxes). As a result, we have reduced expenditures by implementing a hiring freeze, 10-day furloughs and requested but not imposed budget reductions for County Executive departments. We are also working with the Non-Executive departments on similar measures.