To: County Council

From: Walter Parfejewiec, Office of Budget and Management

Date: February 13, 2026

RE: Council Update-January, 2026

cc: Chris Ronayne, County Executive; Erik Janas, Chief of Staff; Katherine Gallagher, Chief of Operations: Mike Chambers, Fiscal Officer; Shawntaye McCurdy, OBM Deputy Director; Andria Richardson, Clerk of Council; Trevor McAleer, Legislative Budget Advisor; David Razum, Deputy Chief of Communications & Strategy; Office of Budget and Management Staff

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In accordance with **County Code §701.07(C)**, the following is the monthly update for **January 2026.**

Gross Sales Tax receipts (before allocation to General Fund and Debt Service) totaled $32.7 million in the month of January, 2026 *(this includes $4.4 million in lost revenue due to the 2025 Sales Tax holiday).* Normal Sales tax receipts for January totaled $28.3, which represents a year-over-year increase of 6.5%.

- **General Fund:**

  The most significant source of revenue is Sales Taxes. Year-to-date Sales Taxes allocated to the General Fund total $31.8 million. The following tables summarize General Fund revenues, expenditures and subsidies:

General Fund Revenue	2026 Budget	2026 Actual	% Budget
Property Tax	$42,019,532	$0	0.0%
Sales & Use	$342,232,926	$31,803,653	9.3%
Licenses & Permits	$72,805	$4,125	5.7%
Fines & Forfeitures	$16,400,238	$644,195	3.9%
Charges for Services	$113,106,152	$3,379,044	3.0%
Intergovernmental	$75,648,120	$7,313,448	9.7%
Other Revenue	$17,507,184	$1,059,139	6.0%
Interest Earnings	$32,296,950	$559,883	1.7%
Total Revenue	**$639,283,907**	**$44,763,488**	**7.0%**

General Fund Expenditures/Subsidies	2026 Budget	2026 Actual	% Budget
Personnel Services	$389,796,114	$46,175,810	11.8%
Other Expenses	$208,454,066	$20,672,052	9.9%
Total Expenditures	**$598,250,180**	**$66,847,862**	**11.2%**
Total Subsidies to Other Funds	**$61,940,511**	**$0**	**0.0%**

- **Health & Human Services Levy**:

  The primary source of revenue is property taxes generated from the County's **two voted levies for Health and Human Services**. The following tables summarize Health and Human Services Levy Fund revenues and subsidies:

HHS Levy Fund Revenue	2026 Budget	2026 Actual	% Budget
Property Tax	$263,810,425	$0	0.0%
Intergovernmental Revenue	$15,483,016	$0	0.0%
Other Revenue	$0	$0	0.0%
Total Revenue	**$279,293,441**	**$0**	**0.0%**

HHS Levy Fund Expenditures/Subsidies	2026 Budget	2026 Actual	% Budget
Total Expenditures	**$3,843,197**	**$0**	**0.0%**
Total Subsidies to Other Funds	**$278,817,335**	**$13,728,514**	**4.9%**

- Attached is the INFOR/Lawson report **YEAR-TO-DATE FUND BALANCE by FUND**, which summarizes the following for all county funds:

  - Beginning Cash Balance
  - YTD Receipts
  - YTD Expenditures
  - Ending Cash Balance

- **Significant Changes:**

  - **Cash Reserve Requirements for 2026** have been calculated for both General Fund and Health & Human Services Levy Funds. The 2026 requirements are:

    - General Fund $147,495,508
    - HHS Levy $30,489,419

  - Council approved **appropriations totaling $28,849,000 for the Central Services Campus in Garfield Heights.** This includes $25 million for a contract amendment with Gilbane for design build and $3.8 million for a contract amendment with Alliant for builder's risk and owner's professional indemnity insurance. Both items were funded by the General Fund.