



2020 Quarterly Financial Report

1st Quarter

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1st Quarter, 2020 highlights:

- Went live with new INFOR/Lawson System
- Received an additional \$95,486,323 in Opioid settlements
- Declared Executive Order EO2020-0002 for mission critical purchases to prevent and respond to COVID-19
- Received \$215,510,540 in CARES Act funding
- Replacing MetroHealth Letter of Credit saving \$190,966 annually for the next three years
- Funded Enterprise Resource Planning (ERP) for completion of Phase 1 (August 31, 2020)
- Replaced and increased the \$3.9 Mills HHS Levy to \$4.7 Mills HHS Levy adding \$35 million in additional funding each year for the next eight years
- Maintained ratings of AA/Stable from S&P Global and Aa2 from Moody's Investor Services
- Refunded \$28,105,000 in Taxable Economic Development Revenue Bonds (Series 2020A, 2020B, 2020C) resulting in annual cash flow savings of approximately \$9.3 million over the next ten years

Summary

The quarterly update is a comprehensive overview of the County's financial status. The process seeks to provide an accurate assessment of how current operations are meeting the objectives affirmed in the 2020-2021 biennial budget (R2019-0224).

General Operating Fund	2019 Actual	2020 Budget	2020 Estimate	2021 Estimate
Beginning Cash Balance	\$162,502,291	\$136,687,239	\$139,010,423	\$85,339,563
Operating Revenue	\$449,491,070	\$474,447,625	\$401,466,628	\$486,334,979
Operating Expenditures	\$420,738,422	\$426,222,047	\$392,587,257	\$390,106,072
Subsidies to Other Funds	\$70,693,804	\$54,732,842	\$62,550,031	\$64,024,587
Unadjusted Ending Cash Balance	\$120,561,135	\$130,179,975	\$85,339,563	\$117,543,883
% Balance to Expenditures	24.5%	27.1%	18.8%	25.8%

HHS Levy Fund	2019 Actual	2020 Budget	2020 Estimate	2021 Estimate
Beginning Cash Balance	\$10,861,031	\$3,499,865	\$3,499,865	(\$4,207,098)
Operating Revenue	\$258,514,542	\$244,158,184	\$219,742,366	\$251,890,025
Operating Expenditures	\$75,562,006	\$0	\$0	\$0
Subsidies to Other Funds	\$190,313,702	\$244,185,854	\$227,449,329	\$238,927,163
Unadjusted Ending Cash Balance	\$3,499,865	\$3,472,195	(\$4,207,098)	\$8,755,764
% Balance to Expenditures	1.3%	1.4%	(1.8%)	3.7%

All Funds	2019 Actual	2020 Budget	2020 Estimate	2021 Estimate
Beginning Cash Balance	\$701,137,941	\$725,380,714	\$725,380,714	\$1,103,484,617
Operating Revenue	\$1,591,578,518	\$1,544,834,518	\$1,964,554,298	\$1,548,089,695
Total Expenditures	\$1,567,335,745	\$1,534,397,991	\$1,586,450,395	\$1,436,239,319
Unadjusted Ending Cash Balance	\$725,380,714	\$735,817,242	\$1,103,484,617	\$1,215,334,993

General Operating Fund

The General Operating Fund is the main operating fund in the County budget and the County's primary unrestricted fund. As such, the County's financial strength is positively correlated with the health of the General Operating Fund and the County's Financial Policies seek to ensure that the General Operating Fund remains on strong financial footing, so the County can meet its obligations to its citizens.

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% Balance to Expenditures	24.5%	27.1%	18.8%	25.8%

As of the 1st Quarter, the General Operating Fund is projected to end the year with an operating deficit – defined as expenditures greater than total revenue – of about \$53.7 million. Please note that the calculation of expenditures includes both the operating expenditures in the General Operating Fund and the transfers to

support operating expenditures in the various special revenue funds. Revenue is projected to total \$401.5 million in 2020, which is nearly \$73 million, or 15.4%, lower than what was anticipated in the budget. ***It is important to note that this revenue projection includes a 20% reduction to budgeted Sales Taxes and 10% reduction to all other budgeted revenues as a direct result of the COVID-19 pandemic.*** Expenditures are projected to total just over \$455.1 million, which is \$25.2 million, or 5.3%, under approved appropriation levels. ***It is also important to note that this expenditure projection includes a 10-day furlough for all County Executive and County Prosecutor staff.***

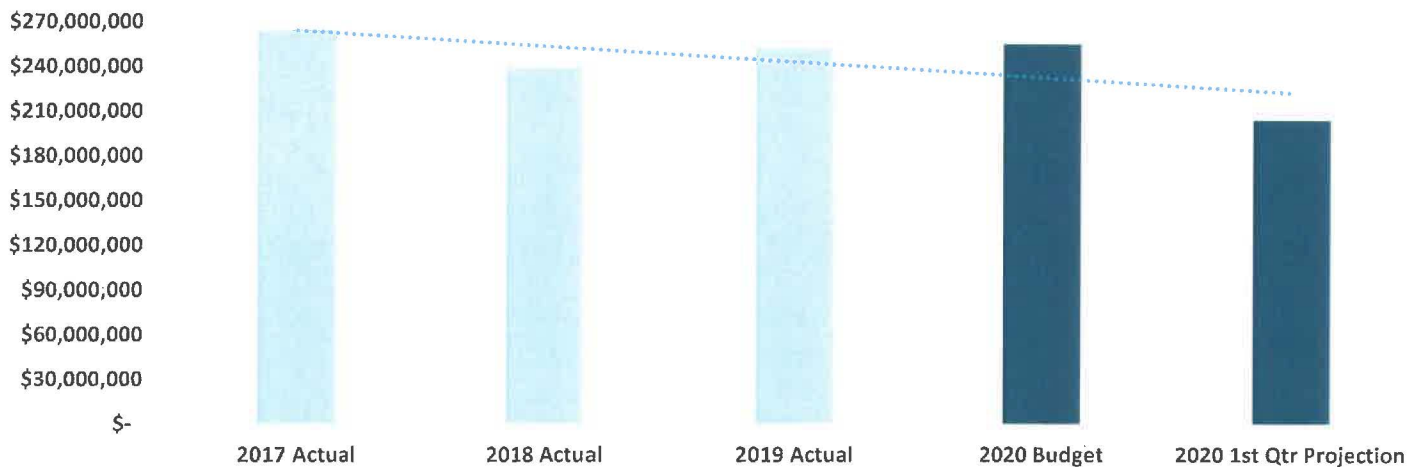
Revenue Discussion

2020 General Operating Fund revenue is projected to total \$401.5 million. This is 15.4% lower than what was estimated in the budget. Shortfalls are projected in all revenues due to the COVID-19 pandemic. The sections below discuss the performance of each category of revenue to the County’s General Operating Fund.

Sales Tax

Through the 1st Quarter of the year, the County has collected \$72.6 million in combined sales tax revenue. This is a 6% increase from what was collecting during the same period in 2019. Sales tax collections through April total \$93.3 million or 7.6% over the same time last year.

Net Sales Tax Receipts



Sales Tax revenue is projected to total \$219.5 million in 2020. This is \$54.9 million (20%) less than what was expected in the 2020 budget and \$47.4 million (17.8%) less than 2019. This estimate assumes a 20% reduction due to the COVID-19 pandemic.

The County’s share of sales tax receipts is split between the General Fund and debt service on the 2014, 2016, and 2017 Sales Tax Revenue Bonds.

The portion of Sales Tax revenue that is allocated to the General Operating Fund is estimated to total \$204.3 million in 2020, which is approximately 50.9% of the fund’s total revenue (based on 1st Quarter estimates). In previous years, Sales Tax represented more than 56% of total General Operating Fund revenue. While actual Sales Tax revenue is up \$4.1 million (6%) through 1st quarter, the 2020 estimate is \$51.1 million (20%) less than budget due to the COVID-19 pandemic.

The portion of Sales Tax revenue that is allocated to Debt Service is estimated to total \$18.9 million in 2020, which is approximately \$4.9 million 34.8% more than 2019.

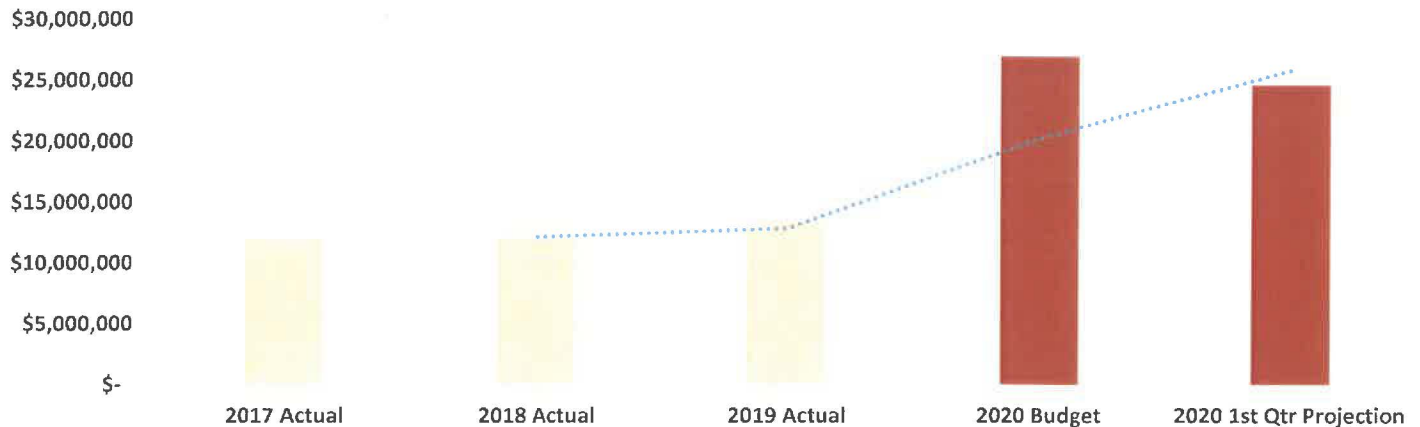
There are four outstanding debt issues that are backed by the County's Sales Tax. As required by the terms of the respective indentures, the County's Sales Tax revenue is distributed from the State to the trustee for all the County's Sales Tax Revenue Bonds. The trustee withholds what is required for debt service on three of the four issues and then forwards the remaining Sales Tax to the County.

- **2014 Various Purpose** – this debt is repaid solely with sales tax revenue. Debt service increased by \$5 million in 2020 to \$11.9 million in 2020 through 2024. Debt service decreases for one year in 2025 to \$5 million and then remains at \$10.8 million 2026 through maturity in 2038. These bonds supported various capital projects, including the Enterprise Resource Planning project.
- **2016 HPG** – this debt is backed by the County's sales tax and, as such, is withheld by the trustee from the monthly distribution, but the General Fund is made whole by a transfer of cash from the Huntington Park Garage (HPG) Fund to the General Fund. The HPG Fund will ultimately cover the cost of annual debt service payments – which are \$1.5 million in 2020 and remain at that level until the bonds mature in 2037. The HPG Fund generates revenue from parking fees.
- **2017 Rocket Mortgage Fieldhouse** – this debt is repaid by several sources including the Cleveland Cavaliers Operating Company, City of Cleveland admissions taxes, the 1.5% bed tax authorized by ORC §5739.09(H)(2), and the General Fund. Debt service is paid under two processes, sales tax revenue is withheld by the trustee to satisfy series 2017C. This amount is later reimbursed to the General Fund through semiannual rent payments by the Cleveland Cavaliers Operating Company. The County and Destination make annual scheduled payments to series 2017A. 2020 amounts were \$1.45 million and \$1.5 million respectively.

Property Tax

The County's Fiscal Office, through the County Treasurer, collects approximately \$3 billion annually in property tax revenue, the majority of which is distributed to school districts, libraries, and municipalities. Approximately 18% of total taxes collected are retained by the County, 5.7% of which is revenue to the General Operating Fund.

Property Tax

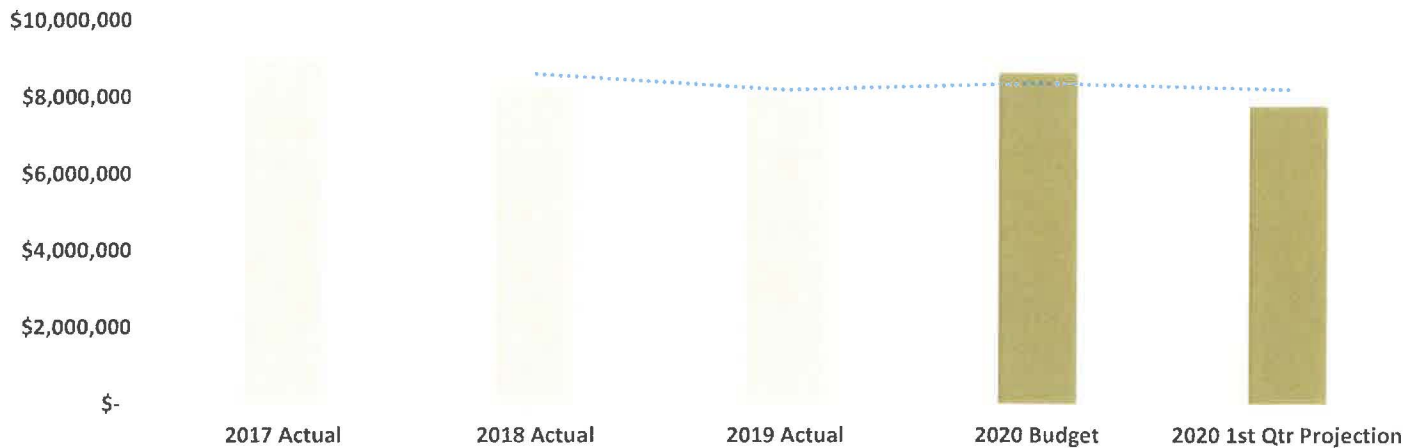


Property Tax revenue is estimated to total \$24.7 million: a decrease of \$2.7 million (10%) from what was estimated in the budget. The 2020 Tax Budget (R2019-0138) increased the allocation of the County's inside millage (1.45 mills) to the General Fund from 0.5 mills to 0.9 mills due to the retirement of the Series 2009A General Obligation Bonds in 2019. Property Tax revenue for 2020 includes an increase of \$5.8 million due to the decrease in debt service on the Series 2009 General Obligation Bonds. General Obligation Bonds are supported by a portion of the County's 1.45 millage: 0.95 of that is allocated directly to the Bond Retirement Fund, which captures the activity of the County's General Obligation Bonds. Annual debt service on the Series 2009 Bonds totals \$5.2 million in years 2020 through 2024 and increases to \$12.3 million in 2025. The Series 2005 Bonds mature in 2020, therefore property tax revenue will increase again in 2021 by \$7.9 million. In 2023, debt service on the Series 2012 Bonds decreases by approximately \$1.7 million, which will increase property tax revenue (assuming no change to values) by the same amount.

Fines and Forfeitures

Fines and Forfeiture revenue is projected to total \$7.8 million, just \$.8 million (10%) less than what was assumed in the budget. The 2021 estimates assume no change in the total collected. This revenue derives from costs and fees collected in the four County Courts and the 8th District State Court of Appeals, which has single jurisdiction in Cuyahoga County. Revenue, therefore, is largely dependent on the number of filings with the clerk. The Clerk of Courts serves as the Clerk for the Court of Common Pleas, Domestic Relations Court, and the 8th District Court of Appeals. By statute, Juvenile and Probate Courts serve as their own clerk. Costs are collected as cases are disposed.

Fines & Forfeitures



- **Court of Common Pleas** – Civil and Criminal filings totaled 8,123 through the 1st Quarter of 2019, a 6% decrease over the number of filings during the same period last year. Criminal filings decreased during this period by 6% (approximately 198 cases) compared to 2018, while Civil filings also decreased by 7% (approximately 356 cases) during the same time period. Overall non-subsidy related revenue for the Court decreased during this quarterly period versus 2018 by about \$109,000, due primarily to a larger amount of revenue deposited into the TASC Medicaid Fund in the 1st Quarter of 2018 versus 2019.

- **Domestic Relations Court** – Filings in Domestic Relations Court have been decreased by 15% from 2014 to 2019. Motions are anticipated to increase due to CODVI-19 and its impacts on families. The Court is also anticipating that additional time will be needed to assist self-represented individuals. The Court also reports dispositions on post decree cases are just under 91% because of time required to assist pro se litigants.

- **Juvenile Court** – 2020 started the year with January filings up less than one percent and diverted complaints, primarily comprised of the Court Unruly Program, up 15% from the same period a year ago. The 2020/2021 budget established a new Juvenile Court budget for the Intervention Center, which started as a detention alternative pilot program funded through the RECLAIM Ohio grant based on data about the success of rehabilitation efforts. The Intervention Center is funded through the Health and Human Services levy and is anticipated to be cost effective in avoiding court action, detention, and recidivism. Since January, with concerns about COVID-19 exposure in the detention center, the average daily population for secure detention has decreased from 125 in January to about 90 at the end of April; a 28% decrease. The January average daily population for Home Detention was 106 as of January, which was an 18% increase over the same period in 2019, and is likely to continue with the increased health risks that the pandemic poses to juveniles and staff in the detention center.

Charges for Services

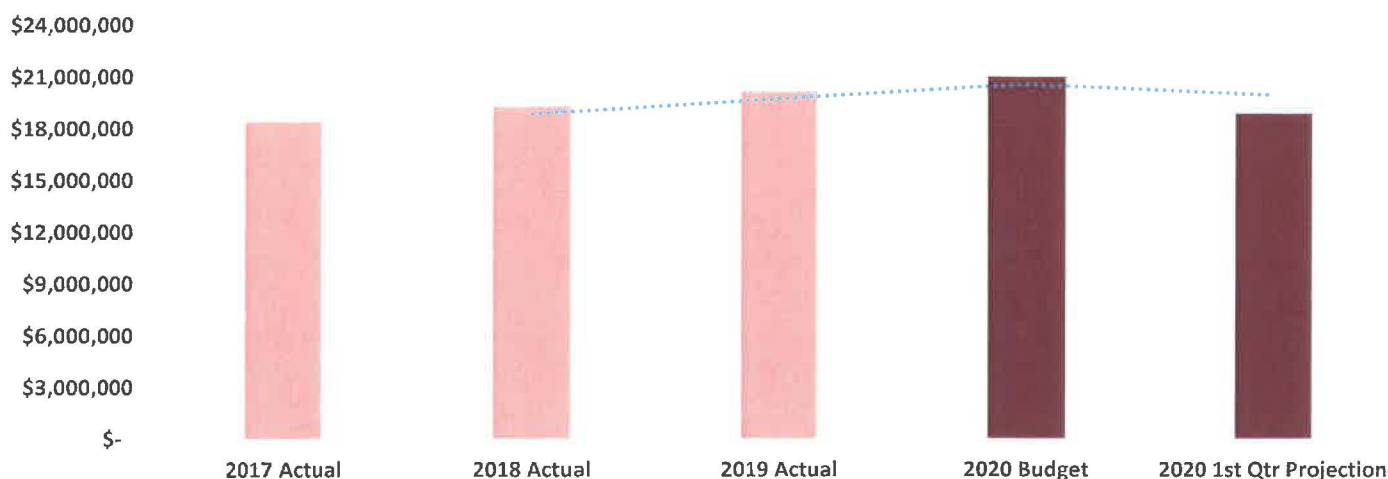
Charges for Services revenue is projected to total \$80.9 million in 2020, which is \$9 million (10%) less than what was estimated in the budget. The 2020 budget assumes \$1 million in new revenue resulting from the enforcement of a fine to be assessed by the Fiscal Office for failure to comply with the County’s Rental Registry

authorized by Ohio Revised Code §5323.02 and 5323.99. The proposed fine will be \$50 in 2020 and \$150 in 2021. The budget assumes a \$3 million decrease in 2021 due to the inability of the Board of Elections to charge political subdivisions in odd-numbered years (ORC §3501.17) is offset by an anticipated increase in Conveyance and Recording fees, as estimated by the Fiscal Office. The budget also assumes an increase in revenue generated by the Indirect Cost Allocation Plan based on the reconciliation of 2018 charges. The new Chart of Accounts also redirects the activity associated with the Title Office from a special revenue fund (ORC §325.33) to the General Fund. This increases Charges for Services revenue by about \$6 million per year.

Other Intergovernmental

Other Intergovernmental revenue is projected to total \$45.1 million in 2020, which is \$5 million (10%) less than what was estimated in the budget. This reflects the reimbursement received from the **State Public Defender’s Office** for indigent defense, trial transcript, and guardian ad litem expenditures. The Ohio Public Defender confirmed reimbursements from the State will remain at 85% for the remainder of the state fiscal year but were unable to provide a projection for state fiscal year 2021. The State is however hopeful that the rate will not drop below 70%. While the current rate of reimbursement is 85%, it has fluctuated over the years from as low as 35% in 2013 as high as 85% in 2020. This also includes revenue derived from the **Local Government Fund (LGF)** which is projected to total \$20 million in 2020. The budget was calculated based on the allocation from the State. The LGF is supported by 1.68% of general tax revenue collected by the State. The 2020 estimates assume a 1% decrease, due to the reduction of the amount of tax revenue directed to the LGF from 1.68% to 1.66%.

LGF



Investment Earnings

Investment Earnings are estimated to total \$13.5 million in 2020, which is \$1.5 million (10%) less than what was estimated in the budget. This decrease reflects a declining rate environment: StarOhio rates have decreased every month from the previous month since April 2019. Presently, the value of the County’s investment portfolio totals \$783 million.

At this time, the 2021 estimate assume no change, but the future year estimates will be re-evaluated at 2nd Quarter as investments mature and are reinvested.

Other Revenue/Taxes

Other Revenue/Taxes is projected to total \$25.1 million in 2020, which is \$2.8 million (10%) less than what was estimated in the budget. This budget includes:

- \$8 million draw on the cash balance in the MCO Transition Fund in 2020 and a \$3.3 million draw in 2021
- \$5.5 million repayment from the Cleveland Cavaliers in both years to repay the General Fund for debt service on the 2017 Sales Tax Revenue Bonds issued for the Rocket Mortgage Fieldhouse Transformation project.
- \$1.7 million combined cash transfer from the Road & Bridge and Sanitary Sewer Funds in both years to repay the advance made from the General Fund for the purchase and renovation of the Harvard Road Garage
- \$1.5 million transfer from the Garage Fund in both years to repay the General Fund for debt service payments on the 2016 Sales Tax Revenue Bonds issued for renovations at the Huntington Park Garage
- \$9M in revenue derived from the bed tax

Expenditure Discussion

Expenditures are projected to total \$392.6 million in 2020, which is \$26 million (6%) under the budget of \$418.8 million. The General Fund supports programs and services in nearly every facet of County government, supporting agencies under the authority of the County Executive, those under other elected officials (e.g. courts, Prosecutor), and those controlled by independent Boards and Commissions.

Departmental Budget Variances

The 2020 first quarter estimates include a 10-day furlough for departments governed by the County Executive and the County Prosecutor. This is among the first policies implemented to help offset the loss of revenues that are expected as a result of the COVID-19 pandemic. Other savings implicit in the numbers include lower levels of supplies and other goods and services that are needed for the physical workspace; any additional expenses incurred due to the pandemic will be subject to reimbursement from the Federal Cares Act award.

The departments with significant budget variances include:

- **Department of Development** - \$4.1 million shortfall – The Casino Tax Fund includes \$2.5 million for the County Housing program and \$1.6 million for the Community Development Supplemental Grant program. The total for these programs is higher than assumed during budget development.
- **Public Works** - \$1.6 million shortfall – The Department has entered into a contract for consultant services for the replacement of the Justice Center complex. This contract was not included in the original biennial budget.
- **County Headquarters** - \$2.0 million shortfall - Space maintenance costs in the headquarters are projected to be higher than budget.
- **Sheriff** - \$11.4 million surplus – The biennial budget included an additional \$4.0 million to hire approximately 60 corrections officers. The number of regular full-time equivalent staff in the jail, which includes more than corrections officers, has decreased by 184 since the beginning of 2020. These vacancies

augment pre-existing levels and furloughs factor into the remaining year estimate. As a result, the personnel line contributes \$9.2 million of the overall departmental surplus.

- **Information Technology** - \$4.1 million surplus – The budget provided for ERP staffing who were to transition from the planning and implementation phases to operations or “go-live.” The ERP rollout has been more gradual than assumed at budget, so a project-related surplus of \$1.6 million results. The rest of the \$2.7 million personnel surplus is due to furloughs. The Department also shows a surplus of \$1.2 million from various technological and network contracts that coming in lower than budget.
- **Juvenile Court** - \$2.1 million surplus – This variance is mostly from vacancies in detention officers and lower estimated space maintenance expenses.
- **Board of Elections** - \$1.8 million surplus – The Administration budget shows saving across various spending categories, such as elections supplies, space maintenance, contractual services, and personnel services. The rescheduling of the Primary Election may have some additional costs in administration and supplies, but savings in election day physical expenses; this will be revised at midyear.
- **Fiscal Office** – \$1.8 million surplus – The surplus is projecting in the settlements budget, which only includes known expenditures of \$1.1 million.
- **Municipal Courts** - \$1.7 million surplus – This reflects lower personnel costs for municipal courts.

Subsidies to Other Funds

General Fund subsidies to other County funds are projected to total \$62.6 million in 2020, which is \$7.8 million (14.2%) more than what was included in the budget. Notable variances from budget include:

- **Gateway (Series 1992A & 2010C) Debt Service** - \$530,000 over budget – The County’s contribution toward Gateway debt service is offset by both admissions taxes and a bed tax contribution from Destination Cleveland, the latter of which is calculated annually based on the prior year collections. The agreement with Destination Cleveland that established the bed tax contribution was amended as part of the Q Transformation Plan and the bed tax revenue was reallocated to support debt service on the bonds issued in support of that project. The final payment of bed tax dollars for Gateway was calculated after the County had made its required pledge payment in 2018, therefore it will offset the 2019, and not the 2018, payment. As that was the final payment, the 2020 pledge is expected to mirror 2018. These bonds mature in 2022.
- **Brownfield (Series 2010A) Debt Service** - \$690,000 under budget – At the end of last year, OBM completed a thorough review of the trust accounts related the loans that were issued with the proceeds of this bond issue. The result was the identification of revenue that had not been properly applied to the debt service revenue account and remaining bond proceeds that, combined, eliminated the need for a pledge from the County in 2018. Based on an analysis of loan repayments, the 2019 and 2020 debt service payments are projected to total \$250,000 and \$1 million, respectively.
- **Commercial (Series 2010B) Redevelopment Debt Service** - \$400,000 over budget – The budget was reduced to reflect the impact of the County’s Investment Manager taking over active management of the investment of the cash in the various debt accounts held with the trustee banks. It was unknown at the time how those earnings would be applied. Thus far in the year, only accounts held with one of the trustees have been taken over by the Investment Manager, but this one change has already yielded an

additional \$500,000 in investment earnings. This will offset debt service, not on the Commercial Redevelopment bonds, but on the Medical Mart bonds and the Hotel Certificates of Participation. If the Investment Manager were to assume responsibility for the accounts held with the other trustees timely, it is expected that the County could generate additional investment earnings.

Reserves on Balance

There are several remaining reserves on balance in the General Operating Fund, including:

- **Economic Development Fund – \$4 million** – Lumen Project
- **Demolition Fund – \$5.4 million** – A subsidy to the Demolition Fund
- **Sherwin Williams - \$7 million** – Incentive
- **Hilton Hotel - \$12 million** – Debt and Property Taxes
- **Huntington Parking Garage Debt – \$1.5 million** – Loss of Parking Revenue
- **Bed Taxes - \$5 million** – Loss of Bed Taxes
- **Admissions Taxes - \$3 million** – Loss of Admissions Taxes

Ending Cash Balance

2020 General Fund revenue and expenditures are projected to total \$401.5 million and \$455.1 million, respectively. **The ending unadjusted cash balance in the General Fund is projected to total \$85.3 million, which is equal to 18.8% of total expenditures.** After factoring in the Reserves on Balance, the ending cash balance is estimated to total \$47.4 million or 9.6% of expenditures. As of 1st Quarter, the County follows **Section 706.01 of the County Code**, which requires a minimum of a **25% cash balance**.

Health and Human Services Levy Funds

Cuyahoga County residents have generously approved two levies for supporting health and human services.

- **Health and Human Services – 4.8 mills** – this levy was approved by the voters in May, 2016 for the period of eight years (expires December 2024).
- **Health and Human Services – 3.9 mills** – this levy was approved in April, 2020 for the period of eight years (expires December 2028). It replaces and added an increase from 3.9 mills to 4.7 mills.

Health & Human Services Levy Fund (combined)	2019 Actual	2020 Current Budget	2020 Estimate	2021 Estimate
Beginning Cash Balance	\$10,861,031	\$3,499,865	\$3,499,865	(\$4,207,098)
Operating Revenue	\$258,514,542	\$244,158,184	\$219,742,366	\$251,890,025
Operating Expenditures	\$75,562,006	\$0	\$0	\$0
Subsidies to Other Funds	\$190,313,702	\$244,185,854	\$227,449,329	\$238,927,163
Unadjusted Ending Cash Balance	\$3,499,865	\$3,472,195	(\$4,207,098)	\$8,755,764
% Balance to Expenditures	1.3%	1.4%	(1.8%)	3.7%

Revenue Discussion

Revenue generated by the County's two levies is projected to total \$201 million, \$ 22.3 million (10 %) less than what was assumed in the adopted budget. ***It is important to note that this revenue projection includes a 10% reduction to budgeted Health & Human Services Levy revenue as a direct result of the COVID-19 pandemic.***

Revenue generated by the County's two levies is assumed to total \$235 million in 2021; equal to what was anticipated in the budget, which assumed that the 3.9 mill will be approved by voters. Replacing and increasing, as opposed to renewing, the 3.9 mill levy enables the County to capture the increase in property values following the Sexennial Appraisal that was completed in 2018.

Other Intergovernmental revenue is projected to total \$14.2 million, \$1.6 million (10%) less than what was assumed in the adopted budget, due to the impact of the COVID 19. The 2021 estimates total \$16.7 million in 2021; equal to what was anticipated in the budget. This is revenue received from the State Homestead credit. The homestead exemption allows low-income senior citizens and permanently and totally disabled Ohioans, to reduce their property tax bills, by shielding some of the market value of their homes from taxation. The exemption, which takes the form of a credit on property tax bills, allows qualifying homeowners to exempt up to \$25,000 of the market value of their homes from all local property taxes. The state of Ohio reimburses school districts and local governments for the amount of revenue taxpayers save through the homestead exemption.

Other Revenue is projected to total \$4.7 million. This revenue is projected to be transferred from the 2019 Public Assistance (PA) fund cash balance to cover budgeted expenditures in 2020. This is a change in revenue source from the budget. The adopted budget included this as a transfer from the General Fund cash reserve.

Expenditure Discussion

Expenditures from the HHS Levy Fund include both operating expenditures – the County’s support for the Alcohol, Drug Addiction, and Mental Health Services Board total \$40.4 million in 2020 and \$39.4 million in 2021 and the MetroHealth System total \$32.5 million in both 2020-2021 – as well as subsidies to other County funds to support operating expenditures. The subsidies provided to other County funds represent the difference between Federal, State, and other program revenue and the cost of operations for agencies and departments that provide health and human services throughout the County. **HHS Levy expenditures represent approximately 27% of total County spending in the areas of social services, health and safety, and justice and public safety.**

The HHS Levy expenditure projection of \$227 million is nearly \$16 million (6.5%) under the approved budget. It is important to note that this expenditure projection includes a 10-day furlough for all County Executive staff.

There are some variances in the projected subsidies – which again, represent the difference between other revenue sources and total expenditures – from what was assumed in the budget, including:

- Child Support Enforcement Agency (CSEA) - \$4 million under budget - due to the reduction in personnel costs as result of the furlough and vacancies, as well as the reduction in contract and other operating expenses.
- Juvenile Court – \$4 million under budget - due a decrease use of the Guardian at Litem (GALs) as a result of the new intervention center usage, which is down. Additionally, \$1.8M of personnel savings for staffing for the new Intervention Center that haven’t been hired at the budget levels and the shifting of some costs to the grants.
- Department of Senior and Adult Services (DSAS) - \$2 million under budget - due to the reduction in personnel costs as result of the furlough and vacancies, as well as the reduction in contract and other operating expenses.
- HHS Administration - \$2.3 million under budget - due to the reduction in personnel costs as result of the furlough and vacancies, as well as the reduction in contract spending, particularly in the workforce.

Ending Cash Balance

The HHS Levy Fund is projected to end 2020 with a negative cash balance of \$4.2 million: -1.8% of projected expenditures. The reserve requirement prescribed in **Section 707.01** is 10% of total expenditures. Based on 1st Quarter estimates, the balance is projected to be well below the mandated minimum.

It is important to factor in the ending cash balance in the combined **Public Assistance Funds** when considering the amount of reserves available to support HHS programs and services. At year-end 2019, the ending cash balance in the combined Public Assistance Funds totaled approximately \$34 million.

All Funds

The All Funds budget captures the County's total annual operating activity, excluding grants and capital projects. This includes not only the General and Health and Human Services Levy Funds, but also all the special revenue (restricted) funds.

All Funds	2019 Actual	2020 Budget	2020 Estimate	2021 Estimate
Beginning Cash Balance	\$701,137,941	\$725,380,714	\$725,380,714	\$1,103,484,617
Operating Revenue	\$1,591,578,518	\$1,544,834,518	\$1,964,554,298	\$1,548,089,695
Operating Expenditures	\$1,567,335,745	\$1,534,397,991	\$1,586,450,395	\$1,436,239,319
Unadjusted Ending Cash Balance	\$725,380,714	\$735,817,242	\$1,103,484,617	\$1,215,334,993

Revenue Discussion

2020 All Funds revenue is projected to total \$1.9 billion, which is \$420 million (27%) over what was estimated in the budget. Significant variances from budget include:

- Opioid Mitigation Funds - \$117 million in litigation settlements.
- CARES Act Funding - \$215 million to offset the impacts of COVID-19.
- Board of Developmental Disabilities - \$97 million correction increasing BODD revenue.

Expenditure Discussion

All Funds expenditures are projected to total \$1.6 billion in 2020, which is \$52 million, or 3.4%, more than the budget of \$1.5 billion. With few exceptions, surpluses are projected in the All Funds budgets throughout the Counties agencies and departments. Significant variances in agency budgets include:

- Opioid Mitigation Funds - \$19.1 million
- Enterprise Resource Planning - \$7.8 million
- Debt Service for Gateway, Brownfield, Commercial - \$2 million
- Economic Development projects approved by Council - \$7 million
- Hospitalization-Self Insurance - \$5 million
- Lodging Taxes – \$6.4 million not previously included in operating budget
- Consultant for Justice Center Project - \$1.6 million

Fund Balances

Hospitalization - Self-Insurance Fund – This fund captures the activity associated with the County’s Benefits Program and is projected to end the year with an available cash balance totaling \$50 million, which is 53% of total expenditures. This cash balance exceeds the minimum reserve required by Ohio Revised Code §9.833 to cover incurred but not reported (IBNR) payments the following year. The estimate provided to OBM totaled \$7.16 million for 2019; which has been comparable over the last 3 years.

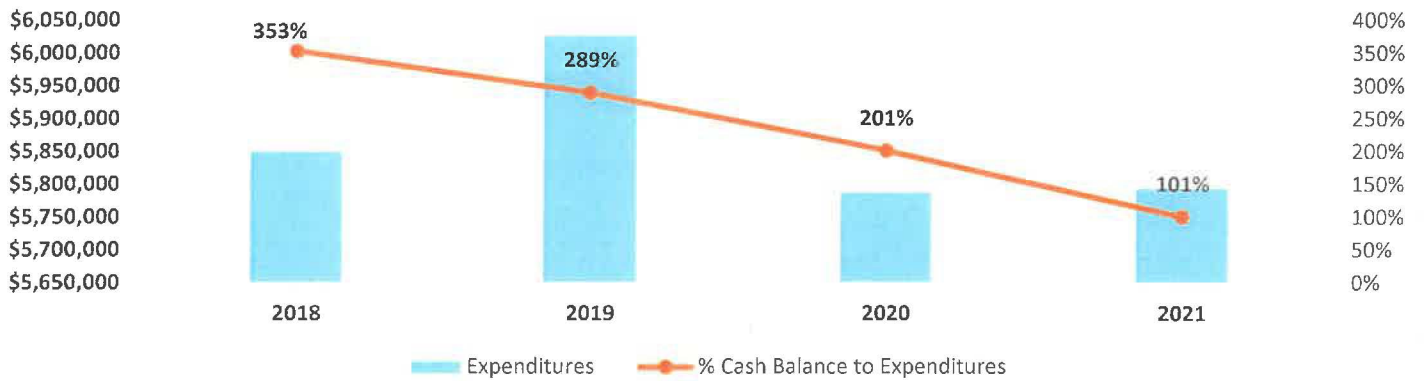
The IBNR reflects the claims incurred in 2019 that will be paid in 2020; this represents the amount of the cash balance needed at year end in 2019. The ending cash balance in the Self Insurance/Hospitalization Fund in 2019 totaled \$45 million: five times the amount required by ORC.



Revenue, which comes from employee and employer contributions, is projected to be close to what was assumed in the budget, and expenditures are projected to be \$5 million (6%) higher than in 2019. In 2018, the Department of Human Resources received over \$6.4 million in Stop-Loss reimbursements via check or invoice credits. The projected expense does not assume any Stop-Loss because of the uncertainty and irregularity of the reimbursements. Stop-Loss reimbursements are now realized as credit on weekly invoices.

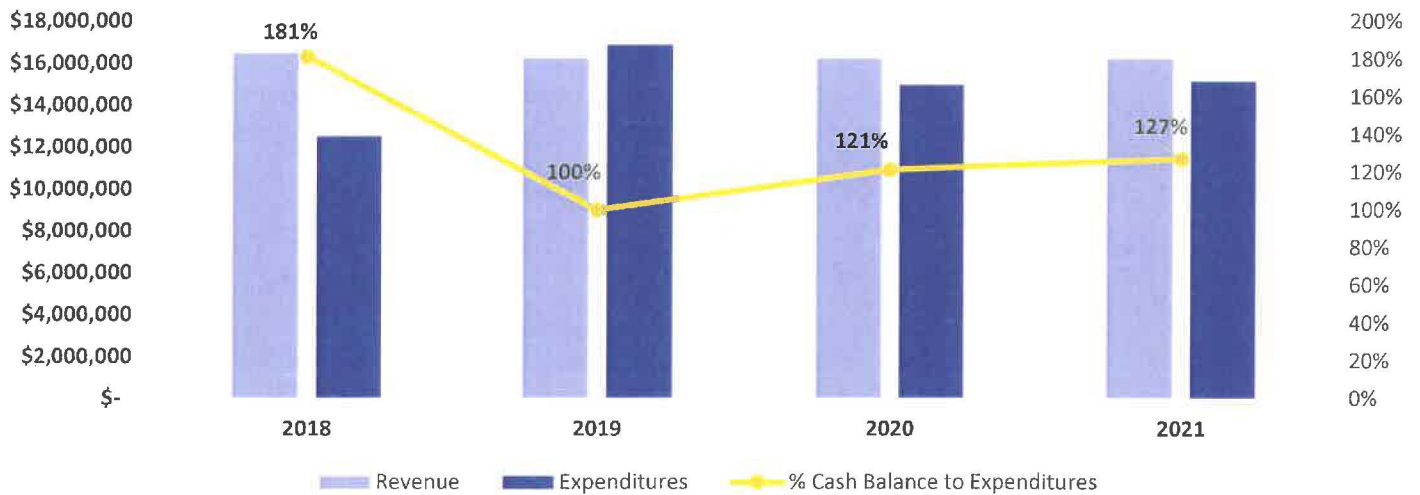
Workers Compensation – This fund captures the premium and claims costs of the County’s Workers Compensation program. Revenue derives from charges to agency and departmental budgets based on a combination of claims costs and risk. In 2016, the County Fiscal Office suspended the charges because the cash balance in the Fund was well above what was required and generating additional revenue was unnecessary. At the close of 2019, the Fund had an ending cash balance of nearly \$17 million, which is over \$6 million higher than needed based on the Actuary Report received in May 2019. Based on current estimates, the ending cash balance in 2020 will total \$11.6 million. This estimate may change based recent on communication from the Ohio Bureau of Workers’ Compensation refunding 100% of premiums paid for the 2018 policy year. The charges are not expected to resume until at least 2021, maybe 2022. The last year in which workers compensation charges were processed was 2015: charges totaled just short of \$6 million, 40% of which impacted the General Fund and 25% impacted the HHS Levy Fund. Annual expenses total approximately \$5 million.

Workers Compensation



Real Estate Assessment – The Real Estate Assessment Fund generates revenue from a fee applied on property tax bills as authorized by the Ohio Revised Code to be used for assessing real property. The cash balance in the Fund at the end of 2019 was \$16,871,053. **Ohio Revised Code 325.31(B)(6)** requires that the County return surplus funds to the taxing authorities that contributed to the Fund at the end of the Sexennial Appraisal. In 2019, The County made a tax distribution in the amount of \$11,500,00.00

Real Estate Assessment



<i>General Fund</i>	2019 Actuals	2020 Adopted Budget	2020 Current Year Budget	2020 YTD Actuals	2020 Current Projection	PY-CY % Chg	2021 Total Projection	CV-BY % Chg
Available Beginning Balance	162,502,291	136,687,239	139,010,423	139,010,423	139,010,423		85,339,563	
REVENUE								
Property Tax	13,483,901	27,400,000	27,400,000	13,226,591	24,660,000	82.9%	31,425,000	27.4%
Licenses & Permits	75,904	72,050	72,050	14,438	64,845	(14.6%)	72,050	(11.1%)
Fines & Forfeitures	8,103,654	8,647,581	8,647,581	965,901	7,782,823	(4.0%)	8,647,581	11.1%
Charges for Services	68,659,654	89,936,159	89,936,159	9,804,690	80,942,543	17.9%	89,936,159	11.1%
Intergovernmental	46,295,662	50,118,093	50,118,093	12,026,924	45,106,284	(2.6%)	56,895,809	26.1%
Other Revenue	35,212,741	18,993,319	18,993,319	3,177,833	17,093,787	(51.5%)	14,033,580	(17.9%)
Other Taxes	4,651,781	8,918,072	8,918,072		8,026,265	72.5%	9,096,434	(13.3%)
Sales Tax	252,856,916	255,362,351	255,362,351	68,082,547	204,289,881	(19.2%)	261,228,366	27.0%
Interest Earnings	20,150,857	15,000,000	15,000,000	5,774,691	13,500,000	(33.0%)	15,000,000	11.1%
TOTAL OPERATING REVENUE	\$449,491,070	\$474,447,625	\$474,447,625	\$113,073,614	\$401,466,428	(10.7%)	\$486,334,979	21.1%
TOTAL AVAILABLE RESOURCES	\$611,993,361	\$611,134,864	\$613,458,048	\$252,084,037	\$540,476,851	(11.7%)	\$571,674,542	5.8%
EXPENDITURES								
Personnel Services	259,302,054	277,018,506	277,018,506	61,271,853	251,721,324	(2.9%)	257,752,320	7.4%
Other Expenses	161,436,368	149,203,541	141,780,228	18,783,237	140,865,933	(12.7%)	132,353,752	(6.0%)
TOTAL OPER. EXPENDITURES	\$420,738,422	\$426,222,047	\$418,798,734	\$80,055,090	\$392,587,257	(6.7%)	\$390,106,072	(0.6%)
OTHER FINANCING USES	70,158,382	54,732,842	61,581,203	51,929,395	62,550,031	(10.8%)	64,024,587	2.4%
TOTAL CASH OBLIGATIONS	\$490,896,804	\$480,954,889	\$480,379,937	\$131,984,486	\$455,137,288	(7.3%)	\$454,130,659	(0.2%)
ENDING ENCUMBRANCES								
ENDING BALANCE BEFORE ADJUST	\$121,096,557	\$130,179,975	\$133,078,111	\$120,099,551	\$85,339,563	(7.6%)	\$117,543,883	38%
Reserves on Balance								
Demolition Fund	-	5,400,000	5,400,000	-	5,400,000		2,600,000	
East Bank Guarantee	-	1,100,000	1,100,000	-	-		1,100,000	
Enterprise Resource Planning	-	7,000,000	7,000,000	-	-		-	
County Hotel	-	7,000,000	7,000,000	-	12,000,000		7,000,000	
Huntington Parking Garage	-	-	-	-	1,500,000		-	
Health and Human Services	-	4,900,000	4,900,000	-	-		-	
Economic Development Fund Repayment	-	4,000,000	4,000,000	-	4,000,000		-	
Sherwin Williams	-	-	-	-	7,000,000		-	
Admissions and Bed Tax	-	-	-	-	8,000,000		-	
TOTAL RESERVES ON BALANCE	-	29,400,000	29,400,000	-	37,900,000		10,700,000	
AVAILABLE ENDING BALANCE	\$121,096,557	\$100,779,975	\$103,678,111	\$120,099,551	\$47,439,563		\$106,843,883	
BALANCE TO EXPENDITURES	24.7%	19.7%	20.3%		9.6%		23.0%	

General Fund	2019 Actuals	2020 Adopted Budget	2020 Current Year Budget	2020 TYD Actual	2020 Current Projection	2021 Total Projection
County Executive Agencies						
Clerk of Courts	8,159,915	8,738,793	8,738,793	1,482,964	8,609,449	8,909,211
Communications Department	735,034	845,408	845,408	154,299	785,254	855,103
County Executive	651,871	884,527	884,527	176,186	863,493	879,936
County Headquarters	5,875,938	5,515,357	5,515,357	1,891,030	5,420,831	5,420,831
County Hotel	398,900	321,000	321,000	76,295	315,000	315,000
Department of Development	12,767,357	2,929,529	2,859,529	348,171	2,586,946	2,609,961
Department of Development (Casino Tax)	3,994,409	4,116,026	316,026	463,387	4,679,413	3,216,026
Department of Human Resources	3,582,889	3,830,148	3,930,148	900,196	3,926,706	4,103,019
Department of Information Technology	17,217,051	20,849,382	20,849,382	2,302,474	16,767,558	17,331,807
Department of Regional Collaboration	278,442	265,715	265,715	57,001	261,791	267,118
Department of Sustainability	275,148	279,280	279,280	57,132	256,268	261,519
Fiscal	17,263,885	26,857,877	21,021,673	3,661,541	19,186,843	16,764,579
Fiscal (Global Center)	5,400,000	5,400,000	5,400,000	1,350,000	5,400,000	5,400,000
Innovation and Performance	663,587	844,574	844,574	131,573	647,600	658,182
Law Department	4,915,288	3,934,800	4,004,800	1,559,929	3,610,919	3,784,152
Medical Examiner (Coroner's Lab)	965,669	264,505	264,505	80,834	879,756	879,756
Miscellaneous Obligations	1,358,419	2,597,347	2,597,347	447,907	2,009,717	2,009,717
Official of the Medical Examiner	6,360,163	7,692,515	7,692,515	1,291,565	6,715,027	6,825,922
Public Safety and Justice Services	2,624,628	2,504,184	2,504,184	427,717	2,215,105	2,273,045
Public Works - Facilities	2,625,315	1,637,185	1,637,185	857,476	3,188,857	3,313,197
Sheriff's Department	117,676,746	127,846,126	127,846,126	24,637,140	116,377,095	117,827,066
Total County Executive Agencies	213,790,653	228,154,278	218,618,074	42,354,815	204,703,628	203,905,147
Elected Officials						
County Council	2,050,058	2,323,954	2,323,954	472,131	2,173,923	2,160,824
Office of the Prosecutor	32,826,953	35,797,656	37,710,547	7,181,375	34,411,385	35,161,201
Court of Common Pleas	48,727,676	56,469,950	56,469,950	11,015,775	55,903,580	55,903,580
Domestic Relations Court	9,679,914	10,409,031	10,409,031	1,783,430	9,723,337	9,884,801
Juvenile Court	34,646,924	37,867,503	38,067,503	7,293,865	35,964,189	35,845,130
Probate Court	6,426,047	6,704,097	6,704,097	1,312,424	6,564,603	6,581,172
Court of Appeals	779,961	953,094	953,094	57,904	705,365	719,150
Municipal Courts	3,572,046	3,688,022	3,688,022	823,495	1,942,994	1,942,994
Total Elected Officials	138,709,578	154,213,307	156,326,198	29,940,398	147,389,376	148,198,851
Boards and Commissions						
Inspector General	968,107	993,589	993,589	207,016	907,061	988,004
Internal Audit	484,973	792,344	792,344	132,369	663,515	676,148
Personnel Review Commission	2,250,532	2,022,230	2,022,230	390,839	1,771,775	1,812,529
Board of Elections	12,437,725	15,903,344	15,903,344	2,917,761	14,054,147	11,362,003
Planning Commission	1,488,757	2,793,667	2,793,667	386,522	2,645,543	2,686,836
Office of the Public Defender	13,268,094	13,517,154	13,517,154	2,617,126	12,803,551	12,829,079
Soldiers' and Sailors' Monument	250,521	254,451	254,451	41,990	239,487	238,301
Veterans Services Commission	6,705,933	7,577,683	7,577,683	1,066,255	7,409,174	7,409,174
Total Board and Commissions	37,854,642	43,854,462	43,854,462	7,759,877	40,494,253	38,002,074
Total Operating Expenditures	390,354,873	426,222,047	418,798,734	80,055,090	392,587,257	390,106,072

General Fund Subsidies	2019 Actuals	2020 Adopted Budget	2020 Current Year Budget	2020 Current Projection	2021 Budget Estimate
Gateway Arena	549,659	2,000,458	2,000,458	3,408,334	6,617,561
Brownfield Debt Service	314,937	1,088,515	1,088,515	971,476	1,187,833
Shaker Square Series 2000A	50,825	152,313	152,313	130,500	131,500
Community Redev Debt Service	749	0	0	750	784,713
DS - Medical Mart Series 2010	26,396,059	30,604,156	30,604,156	30,185,535	30,584,157
Debt Service County Hotel	10,485,601	9,988,015	9,988,015	9,988,015	9,977,947
DS-Western Reserve Series 2014	784,480	784,480	784,480	784,480	784,480
DS-Med Mart Refunding Series 2	678,900	682,100	682,100	682,100	680,150
2017 Sales Tax Bonds	1,646,714	1,641,250	1,623,002	1,450,000	1,450,000
Enterprise Resources Planning	0	0	7,000,000	7,873,799	0
Forensic Science Lab	5,234,566	5,000,000	5,000,000	5,000,000	5,000,000
CPC Administration	2,280,000	0	0	0	0
Emergency Management	628,578	776,485	776,485	220,185	676,340
Prosecutor Hardest Hit	725,414	725,000	725,000	564,787	578,993
Dog & Kennel	279,431	396,829	396,829	396,829	412,154
Centralized Custodial Fund	0	0	0	0	4,200,000
Soil & Water Conservation	125,000	125,000	125,000	125,000	125,000
Criminal Justice Info Share - Sheriff	265,730	221,146	221,146	221,146	221,146
Veterans Services Fund	413,095	547,095	413,704	547,095	612,613
Educational Assistance	1,000,000	0	0	0	0
TOTAL GENERAL FUND SUBSIDIES	\$51,859,737	\$54,732,842	\$61,581,203	\$62,550,031	\$64,024,587

Health & Human Services Levy	2019 Actuals	2020 Adopted Budget	2020 Current Year Budget	2020 YTD Actuals	2020 Current Projection	2021 Current Projection
Available Beginning Balance	10,861,031	8,945,325	3,499,865		3,499,865	-4,207,098
OPERATING REVENUE						
Property Taxes	222,618,766	223,089,933	223,089,933	121,433,381	200,780,940	234,899,906
Sales and Use Tax						
Licenses and Permits						
Fines and Forfeitures						
Charges For Services				750		
Local Government Fund						
Other Intergovernmental	15,866,451	15,825,119	15,825,119	570,390	14,242,607	16,665,119
Other Taxes	3,850					
Investment Earnings						
Other Revenue	20,025,475	5,243,132	5,243,132		4,718,819	325,000
TOTAL OPERATING REVENUE	258,514,542	244,158,184	244,158,184	122,004,521	219,742,366	251,890,025
OPERATING EXPENDITURES						
TOTAL OPERATING EXPENDITURES	75,562,006	0	0	8,114,906	0	0
HHS Levy Subsidies	190,313,702	244,380,328	244,185,854	45,004,162	227,449,329	238,927,163
TOTAL EXPENDITURES	265,875,708	244,380,328	244,185,854	53,119,068	227,449,329	238,927,163
Available Ending Balance	3,499,865	8,723,181	3,472,195		-4,207,098	8,755,764
Balance to Expenditures	1.3%	3.6%	1.4%		-1.8%	3.7%

Health And Human Services Levy	2019 Actuals	2020 Adopted Budget	2020 Current Year Budget	2020 Current Projections	PY-CY Change	2021 Adopted Budget
ADAMHS	39,363,659	40,363,659	40,363,659	40,363,659	2.5%	39,363,659
MetroHealth	32,472,000	32,472,000	32,472,000	32,472,000	0.0%	32,472,000
TASC HHS - Alternatives to Crime	405,165	543,461	543,461	543,461	25.4%	543,461
Cuyahoga Support Enforcement	11,103,774	10,644,294	10,634,294	6,877,304	-61.5%	10,729,159
Family Justice Center	215,775	230,355	230,355	230,355	6.3%	237,105
PA - Homeless Services	8,100,000	8,258,866	8,258,866	8,244,874	1.8%	8,351,099
Human Services Other Program	1,203,171	1,452,913	1,268,439	303,264	-296.7%	1,452,913
OFC Of The Director - DHS	451,711	2,316,823	2,316,823	0	0.0%	2,374,930
Office Of The Director - DCFS	48,203,256	31,483,086	31,483,086	33,654,102	-43.2%	32,683,086
Children Services - DCFS	47,000,000	43,850,000	43,850,000	42,950,000	-9.4%	43,850,000
Admin Svcs - General Manager - DJFS	10,736,818	7,500,000	7,500,000	6,883,973	-56.0%	7,500,000
Children With Medical Handicap	1,354,095	1,748,013	1,748,013	1,200,020	-12.8%	1,748,013
Early Start	15,447,198	13,468,566	13,468,566	13,468,566	-14.7%	13,468,566
OFC Of The Director - Senior & Adult	17,680,085	18,519,333	18,519,333	16,539,084	-6.9%	18,519,333
Family & Children First	2,118,188	1,315,021	1,315,021	1,315,021	-61.1%	4,290,582
Program Admin - Early Childhood	269,552	0	0	0	0.0%	0
ReEntry	2,759,586	2,437,581	2,437,581	1,770,000	-55.9%	2,462,581
Detention Center - Special Revenue	20,000,000	21,719,101	21,719,101	17,697,672	-13.0%	21,719,101
Public Defender HHS	0	0	0	0	0.0%	0
Witness Victim HHS	1,702,538	2,034,956	2,034,956	1,713,674	0.6%	2,063,889
Centralized Custodial Services	5,000,000	2,800,000	2,800,000	0	0.0%	4,200,000
Workforce Development	0	1,000,000	1,000,000	1,000,000	100.0%	1,000,000
OSU Extension	222,300	222,300	222,300	222,300	0.0%	222,300
Sheriff - Mental Health Services HHS	1,340,490	0	0	0	0.0%	0
TOTAL HEALTH AND HUMAN SERVICES LEVY						
SUBSIDIES	\$267,149,361	\$244,380,328	\$244,185,854	\$227,449,329	-17.5%	\$249,251,777