

2010 Budget Highlights

**Cuyahoga County:
A government of action,
accountability, opportunity, and
innovation**

December 10, 2009

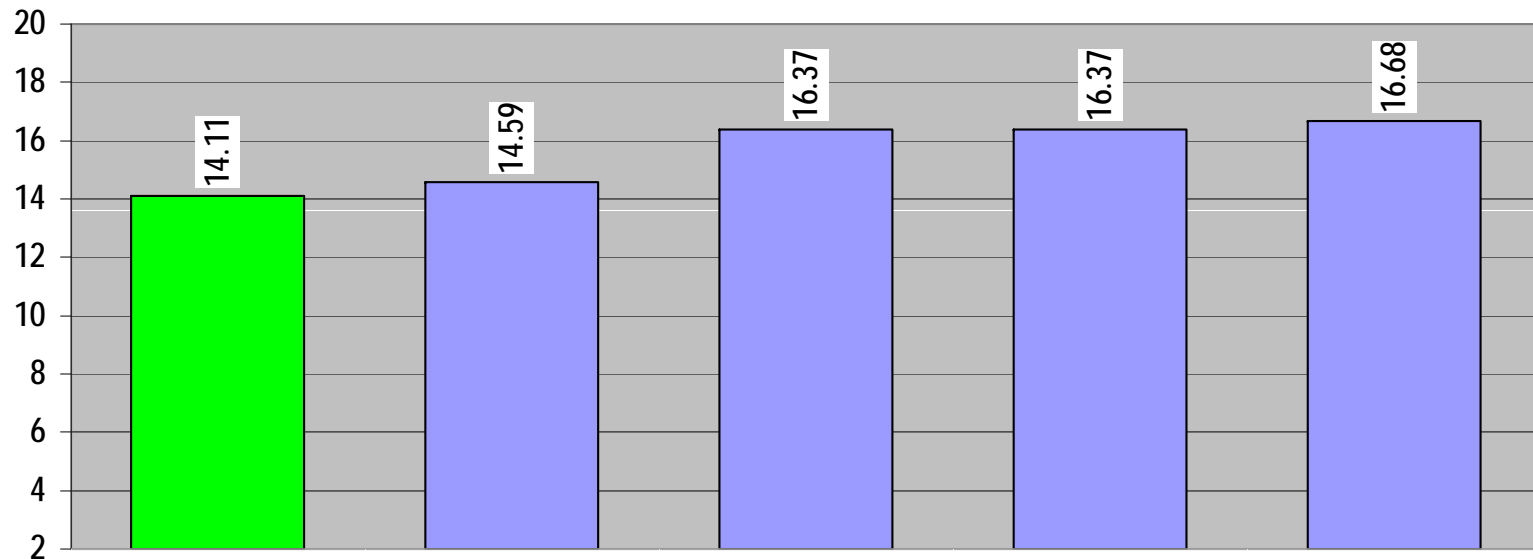


Good News:

- **The 2010 Budget is balanced and remains at current service levels;**
- **Financial health just reaffirmed by rating agencies – Top and 2nd highest bond ratings possible out of 22 ratings;**
- **Continuing Budget Savings Incentive Plan;**
- **Provide quality services with the lowest effective millage rate to help support operations than other urban counties.**



Total Effective Millage for Operations 2009



■ Total

14.11

14.59

16.37

16.37

16.68



Challenges:

Dealing with continuing economic challenges:

- **Sustained trend of job and population loss;**
- **Deterioration of tax base;**
- **Too much housing stock and foreclosures;**
- **Increased demand for county services with less staff to provide services;**

Continued Federal and State reductions;

Ensuring a smooth transition to the charter form of government.

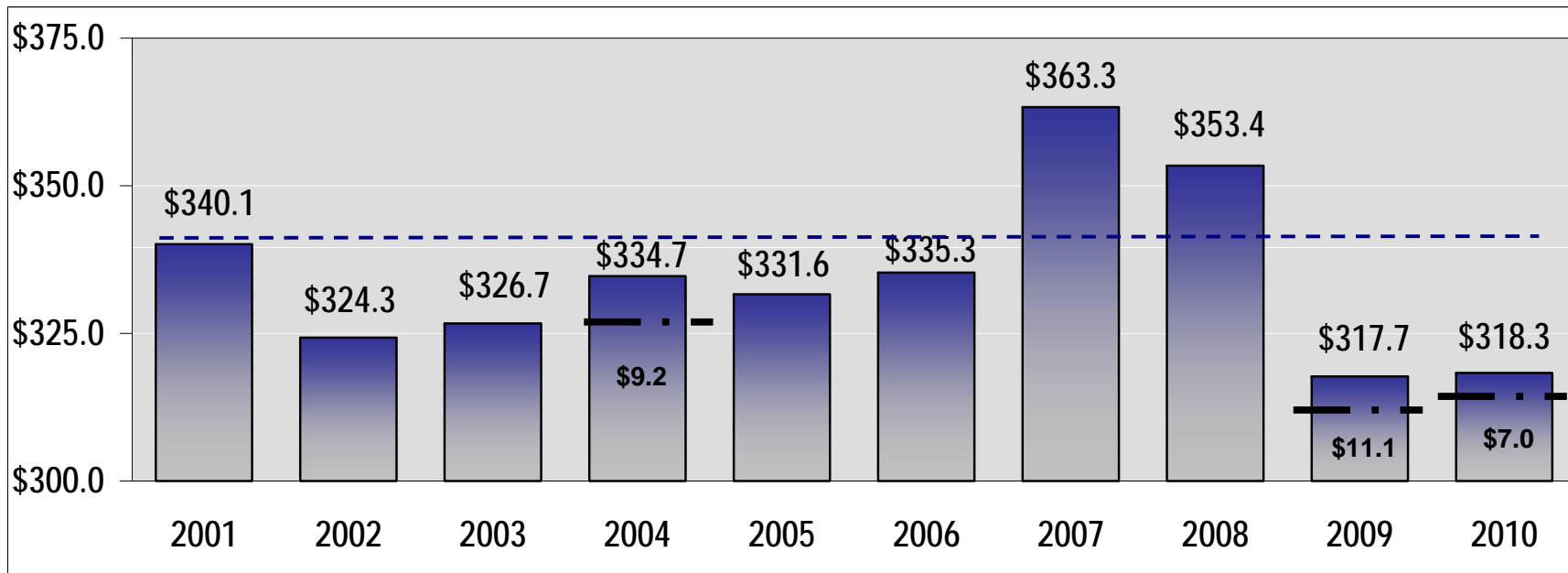
2010 Budget

General Fund and All Funds Summary

	General Fund Operating	Health & Human Service Funds	Total General Fund	All Funds
Revenue Estimate	\$ 357.5 million	\$ 232.8 million	\$ 590.3 million	\$ 1.44 billion
Operating Expenditures	\$ 317.9 million	\$ 232.8 million	\$ 550.7 million	\$ 1.40 billion
Surplus (Deficit)	\$ 39.6 million	\$ (0.0) million	\$ 39.6 million	\$ 36.1 million
Exhibition Hall Reserve	\$ 39.1 million	\$ - million	\$ 39.1 million	\$ 39.1 million
Surplus (Deficit)	\$ 0.5 million	\$ (0.0) million	\$ 0.5 million	\$ (3.0) million
Ending Balance	\$ 95.6 million	\$ 34.4 million	\$ 130.0 million	\$ 324.8 million

- The Exhibition Hall reserve represents the increase in sales tax revenue that is specifically set aside to support the Medical Mart project, which is anticipated to spur economic development in the region.
- The All Funds deficit is due to utilizing cash balances for debt service and for Board of Developmental Disabilities' needs.

Decline in General Fund Revenues Continue (\$ millions)



2004 Revenue includes one time settlement of \$9.2 million.

2007 Revenue includes one time property sale of \$11.0 million

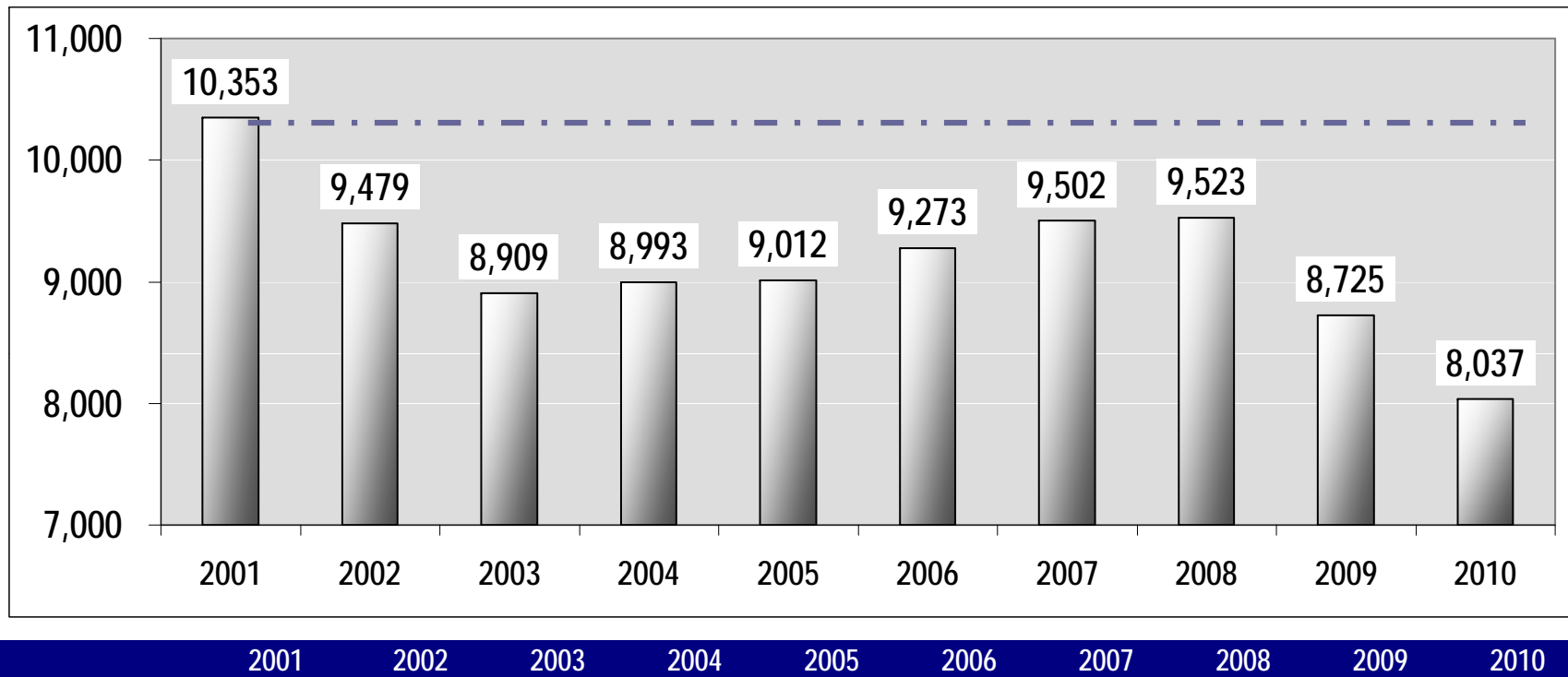
2008-2009 Revenue does not include sales tax increase for proposed Exhibition Hall for the Medical Mart.

2009 Revenues include one time property sale and transfer of idle cash from trust accounts totaling \$11.1 million.

2010 Revenue includes one time settlement of \$7 million.

In 2010 the County has \$21.8 million less in revenue to operate than it did in 2001.

Changes in Staff Levels 2001 to 2010

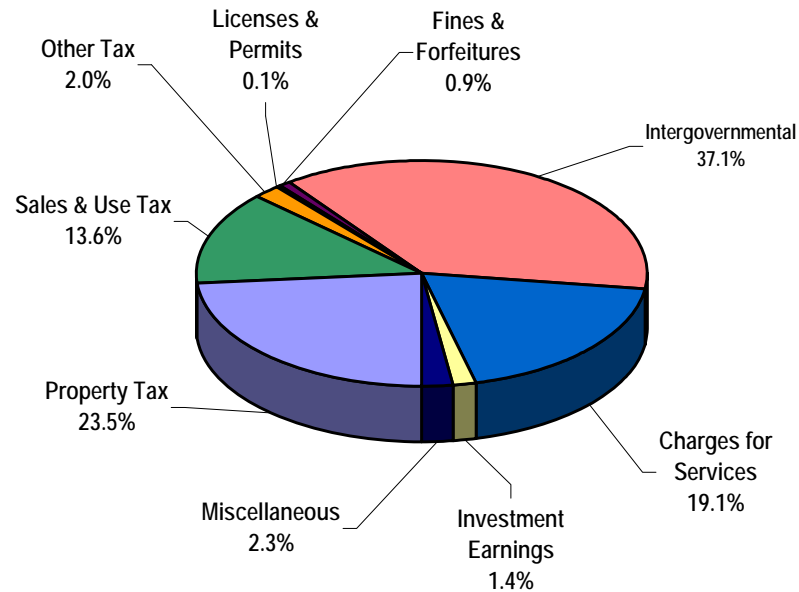


•The 2009 – 2010 estimates include cost/savings associated with those people that have signed up to participate in the Early Retirement Incentive Program (ERIP) and to the layoff of 27 Special Trades staff and 121 AFSCME employees. Total employees that have signed up for the ERIP to date is 898.

•2010 FTE levels are 22.4% or 2,316 FTEs less than in 2001; and 1,486 FTEs or 15.6% less than in 2008. Personnel costs drop by 15% or \$63 million from 2008 to 2010.

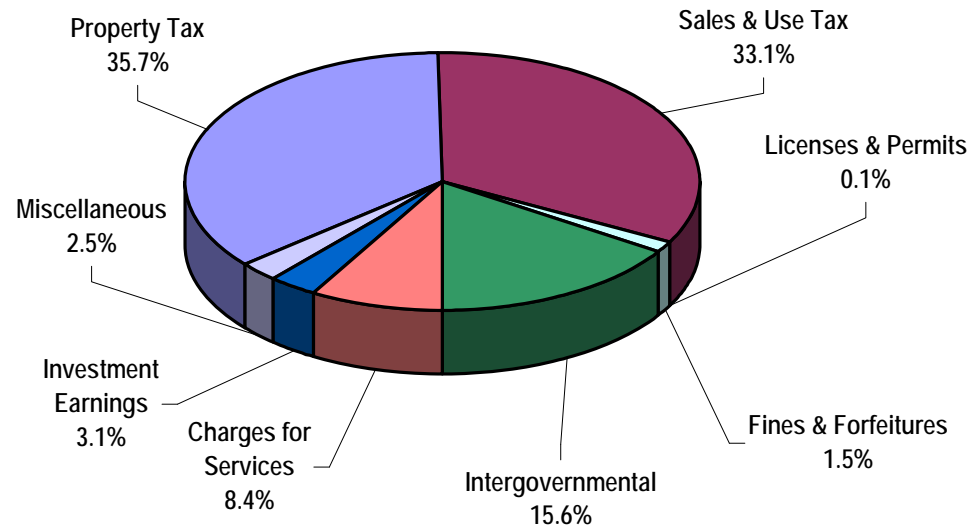
2010 Budget - All Funds Revenue

(millions)



Revenue Source	2008 Actual	2009 Estimate	2010 Budget	'09 - '10 Change	'09 - '10 % Change
Property Tax	\$344.3	\$350.8	\$338.5	-\$12.3	-3.5%
Sales & Use Tax	215.8	193.1	195.5	2.4	1.2%
Other Tax	28.1	33.2	28.4	-4.8	-14.5%
Licenses & Permits	1.6	1.8	1.8	0.0	0.0%
Fines & Forfeitures	13.7	12.6	12.3	-0.3	-2.4%
Intergovernmental	555.6	557.7	534.4	-23.3	-4.2%
Charges for Services	278.2	249.8	276.0	26.2	10.5%
Investment Earnings	33.0	24.3	20.2	-4.1	-16.9%
Miscellaneous	56.3	71.5	34.0	-37.5	-52.4%
Total Revenue	\$1,526.6	\$1,494.8	\$1,441.1	-\$53.7	-3.6%

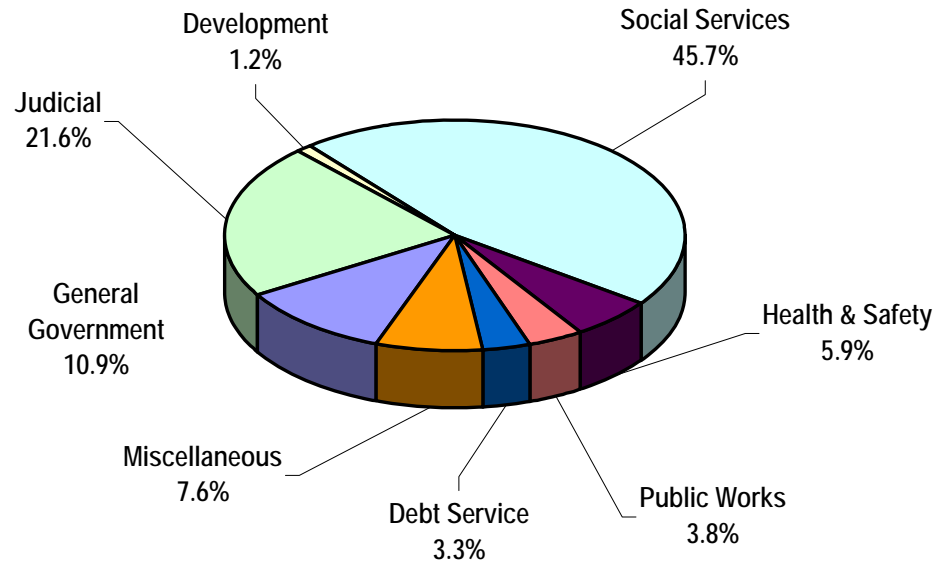
2010 Budget - General Fund Revenue



Revenue Source	2008 Actual	2009 Estimate	2010 Budget	'09 - '10 Change	'09 - '10 % Change
Property Tax	\$205.6	\$215.7	\$211.0	-\$4.7	-2.2%
Sales & Use Tax	215.8	193.1	195.6	2.5	1.3%
Licenses & Permits	0.1	0.1	0.1	0.0	0.0%
Fines & Forfeitures	10.8	9.4	8.9	-0.5	-5.3%
Intergovernmental	88.2	94.6	92.0	-2.6	-2.7%
Charges for Services	60.1	46.9	49.5	2.6	5.5%
Investment Earnings	29.7	22.5	18.5	-4.0	-17.8%
Miscellaneous	9.1	18.1	14.7	-3.4	-18.8%
Total Revenue	\$619.4	\$600.4	\$590.3	-\$10.1	-1.7%

2010 Budget - All Funds Expenditures

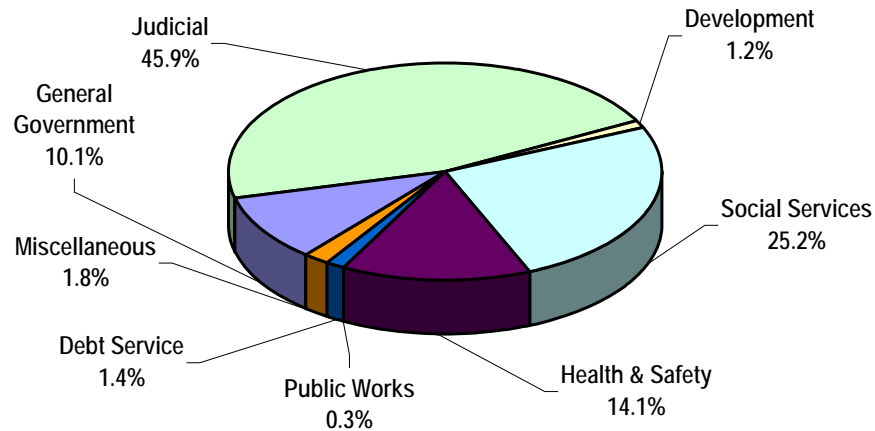
(millions)



Expenditures	2008 Actual	2009 Estimate	2010 Budget	'09 - '10 Change	'09 - '10 % Change
General Government	\$170.0	\$153.5	152.6	-\$0.9	-0.6%
Judicial	336.0	\$317.3	303.7	-13.6	-4.3%
Development	25.6	\$26.8	16.0	-10.8	-40.3%
Social Services	681.0	\$664.2	642.4	-21.8	-3.3%
Health & Safety	86.3	\$86.7	83.4	-3.3	-3.8%
Public Works	54.4	\$58.5	53.8	-4.7	-8.0%
Debt Service	34.1	\$39.6	46.4	6.8	17.2%
Miscellaneous	108.4	\$104.1	106.6	2.5	2.4%
Total Expenditures	\$1,495.8	\$1,450.7	\$1,404.9	-\$45.8	-3.2%

2010 Budget - General Fund Expenditures

(millions)



Expenditures	2008 Actual	2009 Estimate	2010 Budget	'09 - '10 Change	'09 - '10 % Change
General Fund Operating					
General Government	\$69.0	\$60.1	\$55.8	-\$4.3	-7.2%
Judicial	267.4	241.5	228.2	-13.3	-5.5%
Development	7.8	7.6	6.6	-1.0	-13.2%
Social Services	6.4	6.3	7.2	0.9	14.3%
Health & Safety	1.7	1.0	1.1	0.1	10.0%
Public Works	1.6	1.6	1.4	-0.2	-12.5%
Debt Service	4.3	4.0	7.5	3.5	87.5%
Miscellaneous	2.6	3.4	10.1	6.7	197.1%
Total GF Operating	\$360.8	\$325.5	\$317.9	-\$7.6	-2.3%
HHS Levies					
Judicial	\$19.0	\$24.2	\$24.3	\$0.1	0.4%
Social Services	123.8	143.9	131.8	-12.1	-8.4%
Health & Safety	78.4	76.9	76.7	-0.2	-0.3%
Total HHS Levies	\$221.2	\$245.0	\$232.8	-\$12.2	-5.0%
Total GF & HHS Levies	\$582.0	\$570.5	\$550.7	-\$19.8	-3.5%



Factors that could result in budget cuts:

- **Additional State cuts;**
- **Additional revenue declines in the General Fund beyond budgeted declines;**
- **Failure to pass the renewal of the 2.9 mill Health & Human Services levy;**
- **Other unforeseen circumstance or reform efforts that have budgetary impacts beyond the \$7 million set aside that would need to be addressed.**



BUDGET & CONTACT INFORMATION

2010 Recommended Budget and Highlights
Presentation available at:

www.obm.cuyahogacounty.us or

www.cuyahogacounty.us

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