

# **MONTGOMERY COUNTY**

2010 and 2011

General Fund Budget Projections

August 3, 2010



# GENERAL FUND REVENUES

- × 2010 Budget Issues - Revenues
  - + **Sales Tax** continues to remain flat despite the new sales tax on Medicaid managed health care programs. Actual collections are projected to be \$2.3 million below the 2010 Adopted Budget. Estimated actual revenue for 2010 for Sales Tax is \$59.8 million.
  - + **Real Estate Based Fees** are anticipated to collect \$4.5 million for 2010. This is \$0.1 million over 2009 actuals and \$0.5 million over the 2010 Adopted Budget.
  - + **Local Government Funds** are anticipated to meet the estimate of \$12.8 million.
  - + **Other Intergovernmental** receipts are below 2010 Adopted by \$1.0 million due to the non-billing of Sheriff contract revenue.
  - + **Investment Income** receipts are at \$11.5 million which slightly exceeds the 2010 estimate of \$11.3 million. Collections are below 2009 actuals by \$4.9 million.

# GENERAL FUND EXPENSES

## ✘ 2010 Budget Issues - Expenses

- + It is anticipated that 2010 expenses will be \$140.3 million or 99.2% of the Adopted Budget.
- + **Salary and Fringe Benefits** expenditures are up slightly due to the Voluntary Separation Program (VSP), Termination Settlements and an increase in the cost of health insurance.
- + At this time, although \$0.8 million is estimated to be spent down in reserves. Additional savings may occur in the next six months to offset this situation.

# GENERAL FUND REVENUES

- ✘ 2011 Budget Issues – Revenues
  - + Estimated revenues reflect a decline of \$4.7 million or 3.3% from the 2010 Adopted Budget.
  - + The 2011 **Sales Tax** estimate is reduced from the 2010 Adopted, however, an optimistic increase is budgeted in the hope of a slight rebound in consumer spending.
  - + **Property Taxes** are down \$0.2 million due to the full elimination of values for tangible personal property.
  - + **Real Estate Based Fees** are estimated to grow by \$0.3 million above 2010.
  - + At this time, **Local Government Funds** are anticipated at \$12.8 million (pending State of Ohio budget negotiations).

# GENERAL FUND REVENUES

- ✘ 2011 Budget Issues – Revenues
  - + **Other Intergovernmental** receipts are budgeted below estimate by \$1.0 million based upon the non-billing of Sheriff contract revenue. This estimate will be adjusted up based upon contract negotiations between the Sheriff and the townships.
  - + **Investment Income** receipts are reflecting a decline of \$3.1 million from 2010. This is due to the level of the federal funds rate and lower investment yields.
  - + **Charges for Services** increased by \$0.7 million due to an increase in Auditor and Sheriff fees.

# GENERAL FUND EXPENSES

- ✘ 2011 Budget Issues - Expenses
  - + **Salaries** are reduced by \$1.3 million for the VSP program and the non-billing of Sheriff contracts.
  - + No Salary and Wage increases are built into this projection.
  - + **Health Insurance** costs are estimated to increase \$2.0 million or 15.6% above the 2010 Adopted Budget.
  - + **Workers' Compensation** cost has declined by \$0.9 million with the new "self -insured program".
  - + All other budget line items remain at 2010 levels.

# GENERAL FUND REVENUES

Description for Revenues	2009 Actual	2010 Budget	2010 Estimate	2011 Estimate
Sales Taxes	\$58.9	\$61.2	\$58.9	\$59.8
Property & Other Taxes	14.7	15.0	15.0	14.8
Real Estate Based Fees	4.4	4.1	4.5	4.4
Local Govt. Funds	13.2	12.9	13.0	12.9
Other Intergovernmental	7.9	9.2	8.2	8.1
Investment Income	16.4	11.3	11.5	8.2
Charges for Services	18.3	18.5	18.3	19.3
Licenses, Permits, Fines & Forfeitures	1.3	1.3	1.2	1.3
Miscellaneous	1.9	1.4	1.1	1.1
Other Financing Sources	14.0	6.4	7.8	6.7
<b>Totals</b>	<b>\$151.0</b>	<b>\$141.3</b>	<b>\$139.5</b>	<b>\$136.6</b>

# GENERAL FUND EXPENSES

Description for Expenses	2009 Actual	2010 Budget	2010 Estimate	2011 Estimate
Salaries	\$74.9	\$68.2	\$69.2	\$66.9
Fringe Benefits	27.3	25.7	25.8	26.7
Operating/Prof. Services	26.3	29.4	28.0	29.4
Public Assistance	5.4	7.8	6.9	7.8
Operating Subsidies	4.4	2.5	2.8	2.5
Prisoner Care	0.3	0.3	0.3	0.3
Debt Service	2.5	2.5	2.5	2.5
Other Expenses *	12.0	4.9	4.8	5.0
<b>Totals</b>	<b>\$153.1</b>	<b>\$141.3</b>	<b>\$140.3</b>	<b>\$141.1</b>

\*Other Expenses includes Operating Transfers, Year End Transfers, Incentive-to-Save and Capital Outlays.

# GENERAL FUND

Description	2009 Actual	2010 Budget	2010 Estimate	2011 Estimate
Unencumbered Beginning Cash Balance	\$28.6	\$26.7	\$26.7	\$25.9
Total Revenues	\$151.0	\$141.3	\$139.5	\$136.6
Total Expenses	153.1	141.3	140.3	141.1
Plus Liquidated Encumbrances	\$0.2	\$0.0	\$0.0	\$0.0
Revenue Over / (Under) Expenses	\$(1.9)	\$0.0	\$(0.8)	\$(4.5)
Estimated Unencumbered Ending Cash Balance	\$26.7	\$26.7	\$25.9	\$21.4

# 2011 PROPOSED BUDGET BALANCING STRATEGIES

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- × 2011 General Fund
  - + 3.0% Targeted Budgeted Reductions for \$3.5 million
  - + Reduction of \$0.9 million under the Non-Departmental account for Child Support Obligation, Contingencies, Investment Income Transfer, Insurance and the Public Assistance Mandated Share
  - + Discontinuation of the annual Incentive to Save (ITS) Program. Offices can retain current ITS balances.

# STATE OF OHIO BUDGET IMPACT

- ✘ State of Ohio
  - + Estimated State budget deficit of \$6.0 - \$8.0 billion
- ✘ General Fund
  - + Impacts to General Fund– Local Government Funds, Tangible Personal Property Tax Reimbursement and other revenue sources
  - + \$20.4 million or 15.0% of General Fund revenues come from the State of Ohio
- ✘ Other Funds
  - + Human Services Levies - Tangible Personal Property Tax Reimbursement phase out
  - + Social Service Operations – potential decline in allocations to JFS, Board of DDS, ADAMHS Board, Stillwater Center, to name a few.

# GENERAL FUND

## BUDGETS BY DEPARTMENT

Administrative Services

Auditor

Board of County  
Commissioners

Board of Elections

Clerk of Commission

Clerk of Courts

Common Pleas Court - General

Community/Economic  
Development

Coroner

County Administrator

County Court

Court of Appeals

Data Processing Board

Domestic Relations Court

Engineer

Juvenile Court

Municipal Courts

Non-Departmental

Office of Management &  
Budget

Probate Court

Prosecutor

Public Defender

Recorder

Records Center & Archives

Sheriff

Treasurer

Veteran Services  
Commission