

**BOARD OF COMMISSIONERS**

Sam Bassitt  
W. Dan Reiff  
Greg Sneary



**ADMINISTRATOR**

Becky R. Saine

**CLERK**

Kelli A. Singhaus

301 N. Main Street . P.O. Box 1243 . Lima, Ohio 45802-1243 . 419-228-3700 Ext 8725 . [www.allencountyohio.com](http://www.allencountyohio.com)

TO: All General Fund Offices

FROM: Becky Saine, County Administrator

DATE: December 19, 2011

RE: PRELIMINARY 2012 General Fund Budget Information

As the Commissioners and I work through the 2012 General Fund budget, I wanted to give you some preliminary information about what how the numbers are looking at this time. We have a year-end cash balance that is much larger than what was originally anticipated and our sales tax revenue numbers are coming in stronger than estimated. These two main revenue factors, totaling over \$2 million, are being put back into the 2012 budget in order to reduce the large percentage of budget reductions that were anticipated earlier in the year. Changes to the employee health insurance will result in a reduction to our expenses by approximately \$230,000. Lastly, a few weeks ago the County Auditor restructured our debt financing which will result in a \$500,000 reduction in General Fund expenses for debt payments next year and in each of the following years.

Now, taking into account the good news cited above, we are still looking at a deficit of approximately \$500,000 at the end of 2012. It is apparent that there is no room to allow any increases to departmental operating budgets and, in fact, further reductions are necessary given the budgeting decisions the Commissioners have made thus far. While I don't anticipate many changes to the current budget estimate for 2012, it is still a work in progress.

Included in the budget at this time is a continuation of the 3.84% reduction to salary line items only in order to balance the budget. This reduction would be the same for all departments rather than making higher reductions to some, and lower to others as done in the past. While I understand how difficult this is going to be and I understand that this brings some departments, ours included, to a total reduction of 25% since 2009, I think we can be thankful that it isn't as bad as the Auditor and I had anticipated earlier in the year.

Once again, while this should not be a surprise as you have been kept informed of the looming budget deficit by both myself and the County Auditor since early in the year, I understand the additional difficulties each of you will be facing. I will strive to keep you informed of the budgeting process even as we head into 2013 and will continue to share information with you and with the public by posting information on the Commissioner's website from time to time for all of you to access at any time.

Lastly, the information I am presenting to you today is only preliminary information and is subject to change before the budget's formal adoption in January. Should you have any questions, feel free to call me at 419-223-8503.