

1. Executive Summary

A. Charge from Trumbull County Board of Commissioners:

The Trumbull County Budget Review Committee (TCBRC) was charged with developing a process that would enable the county to formulate a strategic budgetary plan looking forward three, five and ten years including both revenues and expenditures. The TCBRC would identify the data necessary for making informed budget allocation decisions and encourage a comprehensive communications plan for the stakeholders. It would also define the impact of change on stakeholders.

B. Background of Budget Review Committee:

Starting in 2015 the county auditor and Trumbull County Board of Commissioners have been having open dialogue regarding the declining cash carryover of the county's general fund along with declines in revenue proposed at the state level. The idea for the committee was brought by the Board of Commissioners and auditor during the budgetary process in late 2015/early 2016 at which time the Board advertised for volunteer members. At that time, concerns were raised among residents regarding a possible sales tax increase and the county's spending practices.

Sales tax is the largest single source of revenue for the county's general fund. The county depends on sales tax revenues to provide essential mandated services. Beginning July 1, 2017, Medicaid managed care organizations will no longer be required to pay county sales tax. In 2018 the estimated loss for Trumbull County will be between \$2.7 million and \$2.8 million. This reduction in sales tax revenues, which follows past cuts of the Local Government Fund and tangible personal property tax, will have an adverse impact on the county's daily operations. It will also hamper the county's efforts to adequately prepare for the future and aggressively attract economic development opportunities.

The concept of studying cost reduction, cost containment, potential collaborations and revenue enhancements has led to the creation of this committee. The committee's first meeting was held on February 21, 2017, and it has been assembling on a weekly basis since.

C. Limitations

The Committee is composed of a group of volunteers, many of whom have daytime jobs. Because of busy schedules and a sense of urgency conveyed by the Board of Commissioners, much of the committee's work only scratches the surface. Still, committee members believe there is information in this report that will be useful to the Board of Commissioners, other elected officials and county staff. As discussed in conclusions and recommendations, there are additional areas of potential budget savings that the commissioners should pursue.