

*General Government Services* (“Corporate Fund”). The Corporate Fund includes County revenues and expenditures for government management and supporting services, control of environment, certain operating costs related to maintenance of highways, economic and human development, the assessment of real property, the levy extension, collection and distribution of taxes and the recording of property transfers.

In addition to general governmental services, the County has component units that are included in its reporting entity, due to the significance of their operational and/or financial relationships with the County: The Forest Preserve District and the Emergency Telephone 911 System. Additional information on these component units can be found in the notes to the financial statements.

## **BUDGET PROCESS**

The development of the annual budget begins with each department submitting a detailed request for appropriation to the Department of Budget and Management Services (“DBMS”) based on criteria established by Ordinance of the Cook County Board of Commissioners in the format and timeframe as proscribed by the Director of DBMS. Meetings are then held by the President of the County Board, or her designee the Budget Director, with each department to review the requests. Based on department requests and available resources, an Executive Budget Recommendation is prepared for the President of the County Board by the Budget Director.

The Executive Budget Recommendation, as approved by the President of the County Board, is submitted to the Cook County Board and subsequently referred to the Committee on Finance, which in turn holds hearings involving each department. The Committee on Finance makes available the Annual Appropriation Bill in tentative form, which is made available for public inspection for at least ten days prior to final action. Public hearings on the tentative Annual Appropriation Bill are then held. Amendments to the tentative Annual Appropriation Bill are then proposed and approved or denied by the Committee on Finance. Subsequently, the Executive Budget in the form of the Annual Appropriation Bill is approved and adopted by the County Board.

In 2018, the combined General and Health Fund preliminary forecasted budget deficit was \$315.9 million which includes a loss in revenue of \$200.6 million, resulting from the repeal of the Sweetened Beverage Tax in October 2017. The budget deficit was addressed through personnel cost reductions, non-personnel reductions, management initiatives, and revenue increases.

## **LOCAL ECONOMIC CONDITION AND OUTLOOK**

As the largest of 102 counties in the State, the County is the economic and cultural hub of the State, and is the third largest metropolitan areas in the nation after Los Angeles and New York. The County is a diverse industrial center and a leading economic center of the Midwest. Income figures for the County exceed state and national rates; the most recent data from the U.S. Bureau of Economic Analysis available is for 2017 and shows the County’s per capita personal income of \$59,238 versus the State’s \$54,203 and the nation’s \$51,722.

The County’s industrial profile resembles that of the U.S., with a slightly larger services sector and somewhat smaller governmental presence. The County is the preeminent hub of transportation in North America, with multiple transnational interstates; the intersection of nearly every Class I railroad in the country, which carry half of all intermodal trans through Chicagoland; O’Hare International Airport, one of the world’s busiest; and more intermodal container traffic than any other port on the continent. Leading service sector industries in the County include health care and related services. Some of the leading private local employers with regional or national headquarters located in the County are Advocate Health Care, University of Chicago, Northwestern Memorial Healthcare, J.P. Morgan Chase & Co., United Continental Holdings Inc., Healthcare Service Corporation, Walgreens Boots Alliance, Inc., Presence Health, Abbott Laboratories and Northwestern University. The County is home to nineteen Fortune 500 companies.

The County’s unemployment rate in January 2019 was 4.0%, compared with 4.7% for the State and 4.0% for the nation in the same period.