

The Board of Directors of the Cuyahoga County Land Reutilization Corporation (the "Board of Directors") met for its regular quarterly meeting on the 16th day of December, 2011 at 10:00 o'clock, a.m., Eastern Time, in Conference Room 140 of Lakeside Place at 323 W. Lakeside Ave., Cleveland, Ohio 44113 with the following Directors present:

Sunny M. Simon, alternate for Daniel Brady, Cuyahoga County Council Appointee and Vice Chair of the Board.  
Anthony Brancatelli, Councilman, Ward 12, City of Cleveland, Chair of the Board.  
Edward FitzGerald, Cuyahoga County Executive, represented by: Nathan Kelly.  
Richard Sensenbrenner, Cuyahoga County Treasurer, represented by: Michael Sweeney.  
Georgine Welo, Mayor of the City of South Euclid.

Councilwoman Simon moved the adoption of the following resolution (this "Resolution"):

RESOLUTION NO. 2011-4

APPROVING THE ANNUAL BUDGET OF  
THE CORPORATION FOR FISCAL YEAR 2012

WHEREAS, Section 9.2 of the Code of Regulations of the Cuyahoga County Land Reutilization Corporation (respectively, the "Code of Regulations" and the "CCLRC") requires that at least thirty (30) days prior to the end of each fiscal year of the CCLRC, the President present to the each member of the Board of Directors the proposed annual budget of the CCLRC for the next succeeding fiscal year; and

WHEREAS, on November 23, 2011, the President caused to be sent by electronic mail to each member of the Board of Directors the proposed annual budget of the CCLRC for fiscal year 2012, a copy of which is attached to this Resolution as Attachment A (the "2012 Fiscal Year Budget"); and

WHEREAS, Section 9.2 of the Code of Regulations further requires that at a regular or special meeting of the Board, the Board conduct a public hearing on such budget prior to its adoption in final form; and

WHEREAS, the Board has conducted such public hearing immediately prior to its consideration of this Resolution; and

WHEREAS, Section 9.2 of the Code of Regulations permits the Board to approve at the meeting at which was held the public hearing on the annual budget or at another meeting called for the purpose the annual budget of the CCLRC which shall govern the expenditures of the CCLRC during the fiscal year to which such budget applies; and

WHEREAS, this Board now desires to approve the 2012 Fiscal Year Budget so that the operations of the CCLRC can continue uninterrupted into calendar year 2012; and

WHEREAS, the Board of Directors hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Board, and that all the deliberations of this Board, and of its committees, if any, which resulted in formal actions, were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Revised Code.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cuyahoga County Land Reutilization Corporation that:

Section 1. This Board hereby finds and determines that it has timely received, reviewed, and held a public hearing on the 2012 Fiscal Year Budget, as required under Section 9.2 of the Code of Regulations and that it now desires to approve and adopt such Budget, including changes, if any, that have been agreed to and approved by the Board during the public hearing on such Budget, so that the operations of the CCLRC can continue uninterrupted into calendar year 2012.

Section 2. This Board hereby approves and adopts for fiscal year 2012 of the CCLRC, the 2012 Fiscal Year Budget attached to this Resolution as Attachment A, including, however, the changes, if any, as have been agreed to and approved by this Board during the public hearing on such Budget.

Section 3. This Resolution shall take effect and be in force immediately upon its adoption.

Mayor Welo seconded the motion.

Upon roll call on the adoption of this Resolution, the vote was as follows:

Ayes: 5

Nays: 0

The undersigned, Secretary of the Cuyahoga County Land Reutilization Corporation, certifies that the foregoing is a true and correct excerpt from the minutes of the meeting of December 16, 2011, of the Board of Directors of the Cuyahoga County Land Reutilization Corporation, showing the adoption of the Resolution above set forth.

/s/ Robert Rink  
Secretary  
Cuyahoga County Land Reutilization Corporation

Dated: December 16, 2011

<u>FUNDING INFORMATION FOR RESOLUTION</u> (CHECK AND COMPLETE APPLICABLE SELECTION)	
<input checked="" type="checkbox"/>	Not Applicable to this Resolution since only Budget and not specific expenditure is being authorized.
<input type="checkbox"/>	Fund to be charged: # _____ Account to be charged: # _____ Unencumbered Funds Available: \$ _____ Amount to be charged: \$ _____

## ATTACHMENT A

**CUYAHOGA COUNTY LAND REUTILIZATION CORPORATION  
PRELIMINARY STATEMENT OF ACTIVITIES BUDGET  
ACTUAL AND PROJECTED 2011 AND BUDGET FOR YEAR ENDED DECEMBER 31, 2012**

	<u>Projected Full Year 2011</u>	<u>2011 Budget - Full Year</u>	<u>Proposed 2012 Budget</u>
<b>REVENUES:</b>			
Income from Reutilization Fund	\$4,661,828	\$6,500,000	\$7,000,000
Grant Income:			
NSP 2 -for Coalition Partners	\$12,000,000	\$16,400,000	\$21,900,000
NSP 2 - CCLRC work	\$3,200,000	\$1,446,083	\$1,200,000
NSP 3	\$0	\$0	\$350,000
EDI	\$112,507	\$112,507	\$0
EPA Grant	\$35,000	\$75,000	\$150,000
Enterprise Grant	\$39,986	\$0	\$10,000
Prosecutor Grant	\$200,000	\$0	\$0
Fannie Mae Grant	\$0	\$0	\$50,000
<b>Total Grant Income</b>	<b>\$15,587,493</b>	<b>\$18,033,590</b>	<b>\$23,660,000</b>
Interest Income	\$57,924	\$48,000	\$18,500
Other Income	\$30,937	\$10,000	\$33,000
Demolition Fees Reimbursed	\$591,500	\$945,000	\$1,164,375
Property Sales	\$900,624	\$917,000	\$730,000
Title Work/Acquisition Reimbursement	\$222,824	\$228,600	\$222,824
<b>Total Revenues</b>	<b>\$22,053,130</b>	<b>\$26,682,190</b>	<b>\$32,828,699</b>
<b>PROGRAM AND OPERATING EXPENSES:</b>			
<b>Program Expenses:</b>			
<b>Contract Services:</b>			
Demolition	\$3,371,333	\$4,758,000	\$4,238,000
Rehabilitation	\$899,879	\$2,145,000	\$1,300,000
Field Services	\$810,802	\$887,942	\$900,000
Inspections	\$0	\$0	\$90,000
Lien Search	\$35,726	\$13,000	\$40,726
Title Exam	\$46,886	\$30,000	\$53,886
Environmental Services	\$880,634	\$968,884	\$1,323,600
Other Contract Services	\$208,793	\$112,184	\$5,000
<b>Total Contract Services</b>	<b>\$6,254,053</b>	<b>\$8,915,010</b>	<b>\$7,951,212</b>
NSP 2 Partners Allocation Paid	\$12,000,000	\$16,400,000	\$21,900,000
Grant Programs	\$1,120,000	\$265,000	\$335,000
Other Program Expenses-Properties	\$0	\$44,700	\$95,200
<b>Total Program Expenses</b>	<b>\$19,374,053</b>	<b>\$25,624,710</b>	<b>\$30,281,412</b>
<b>General Operating Expenses:</b>			
<b>Employee Expenses:</b>			
Gross Wages	\$1,400,802	\$1,294,201	\$1,609,804
Employee Benefits Expense	\$289,439	\$258,108	\$376,829
Workers Compensation	\$3,807	\$3,882	\$5,752
Employee Training/Seminar Expense	\$4,991	\$8,000	\$8,000
FICA Tax	\$99,431	\$99,006	\$123,150
Unemployment Tax	\$5,552	\$10,800	\$3,393
<b>Total Employee Expenses</b>	<b>\$1,804,022</b>	<b>\$1,673,997</b>	<b>\$2,126,928</b>

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**CUYAHOGA COUNTY LAND REUTILIZATION CORPORATION  
PRELIMINARY STATEMENT OF ACTIVITIES BUDGET  
ACTUAL AND PROJECTED 2011 AND BUDGET FOR YEAR ENDED DECEMBER 31, 2012**

	<u>Projected Full Year 2011</u>	<u>2011 Budget - Full Year</u>	<u>Proposed 2012 Budget</u>
<b>Professional Services:</b>			
Accounting Services	\$51,969	\$16,500	\$14,000
Legal Services	\$54,878	\$50,000	\$60,366
Personnel Services	\$1,660	\$15,000	\$0
Computer Services/Maintenance	\$67,662	\$47,000	\$49,770
Legislative Services	\$36,150	\$42,000	\$36,000
Consulting Services	\$237,140	\$255,000	\$205,000
Other Misc. Professional Services	\$88,406	\$10,000	\$93,350
<b>Total Professional Services</b>	<u>\$537,865</u>	<u>\$435,500</u>	<u>\$458,486</u>
<b>Office Expenses:</b>			
Rent	\$86,382	\$95,000	\$103,658
Office and Printing Expense	\$44,012	\$23,000	\$48,413
Bank Service Charges	\$1,936	\$1,400	\$4,000
Dues & Publications	\$6,712	\$7,200	\$7,384
Freight & Postage	\$6,068	\$3,000	\$6,675
Telephone	\$5,317	\$3,000	\$5,848
Repairs & Maintenance	\$224	\$500	\$500
Utilities Expense	\$10,340	\$23,000	\$11,373
Parking, Mileage, and Meeting Expense	\$41,886	\$26,500	\$50,264
<b>Total Office Expenses</b>	<u>\$202,877</u>	<u>\$182,600</u>	<u>\$238,115</u>
<b>Bond and Related Costs:</b>			
Bond Interest and DTAN Expense	\$357,267	\$341,200	\$298,253
Bond Principal Paid to Trustee	\$1,155,000	\$1,155,000	\$1,185,000
Bond Investment Valuation Changes	\$1,051	\$0	\$1,250
<b>Other Operating Expenses:</b>			
Leased Equipment	\$22,388	\$24,000	\$23,508
Business Insurance - non-properties	\$65,044	\$75,000	\$71,548
Travel & Lodging	\$6,379	\$13,500	\$7,017
Meals	\$0	\$1,500	\$0
Charitable Contributions	\$2,076	\$700	\$2,284
Miscellaneous	\$0	\$20,000	\$4,000
<b>Total Other Operating Expenses</b>	<u>\$95,887</u>	<u>\$134,700</u>	<u>\$108,357</u>
<b>Total General Operating Expenses</b>	<u>\$4,153,969</u>	<u>\$3,922,997</u>	<u>\$4,416,389</u>
<b>Depreciation and Interest Expense:</b>			
Depreciation and Amortization Expense	\$18,830	\$0	\$21,741
Interest Expense	\$36	\$5,000	\$4,000
<b>Total Depreciation and Interest Expense</b>	<u>\$18,866</u>	<u>\$5,000</u>	<u>\$25,741</u>
<b>Total Expenses</b>	<u>\$23,546,887</u>	<u>\$29,552,707</u>	<u>\$34,723,542</u>
<b>Increase (Decrease) in Net Fund Balances</b>	<u>(\$1,493,757)</u>	<u>(\$2,870,517)</u>	<u>(\$1,894,842)</u>
Notation for Reference Only:			
Acquisitions (included in Balance Sheet)	<u>\$442,117</u>	<u>\$860,000</u>	<u>\$360,000</u>