



BUDGET IN BRIEF

city of
CINCINNATI
CINCINNATI, OHIO

Fiscal Year 2021
APPROVED
ALL FUNDS
BUDGET UPDATE



BUDGET IN BRIEF

The mission of the Cincinnati City Council is to provide, in a democratic and transparent manner, efficient and effective services that will make Cincinnati a better place in which to live, work and play.

OVERVIEW

The City of Cincinnati's Approved FY 2021 Budget Update in Brief is designed to help the residents of Cincinnati and the general public gain a better understanding of the City's budget. The document presents general information on the City and the public services it provides. It also outlines the operating budget revenues and expenditures as well as the capital budget resources and investments.

The City of Cincinnati, like many cities across the country, continues to reel from the economic devastation of the COVID-19 (Coronavirus) pandemic. The City faced the difficult task of reconciling a \$73.4 million General Fund budget deficit, which was created by the ongoing effects of the pandemic. The Coronavirus and related shutdown of Cincinnati's economy depleted many of the sources used to fund City operations. While we are still in the process of reopening, it appears that the financial impacts of the pandemic will negatively impact our revenue sources for some time.

In order to close the gap, the budget development process entailed participation from all City stakeholders. The City hosted two public engagements sessions at the Duke Energy Convention Center for citizens and community partners to provide their input while promoting social distancing. Ultimately, the Mayor and the City Council prioritized maintaining essential services as well as Leveraged Support Funding for neighborhood support, economic development, and human services. Through this collaborative process, the City was able to close the deficit and approve a balanced budget without laying off employees while continuing to provide basic City services. Select Approved FY 2021 Budget Update highlights include:

Operating

- \$15.0 million in Leveraged Support for community partners
- \$1.0 million for Community Safety Response Program
- \$0.5 million for updated Disparity Study
- \$0.2 million for Cincinnati Police Department Continuous Improvement Program
- \$0.2 million for two Investigator positions and associated non-personnel resources for the Citizen Complaint Authority

Capital

- \$17.1 million for Street Rehabilitation including Capital Acceleration
- \$6.6 million for Fleet Replacement including Fleet Purchase Capital Acceleration
- \$3.5 million for Facility Replacement of Police District 5
- \$3.0 million for Fire Facility Upgrades

The Budget in Brief is intended to be a quick reference guide. For more information on the Approved FY 2021 Budget Update, please visit <https://www.cincinnati-oh.gov/finance/budget/>.

CINCINNATI AT A GLANCE

BASIC CITY FACTS

Founded: 1788
Incorporated: March 1, 1819
Area: 79.54 sq./mi
Government Type
Mayor-Council
Mayor: John Cranley
Population: 300,357

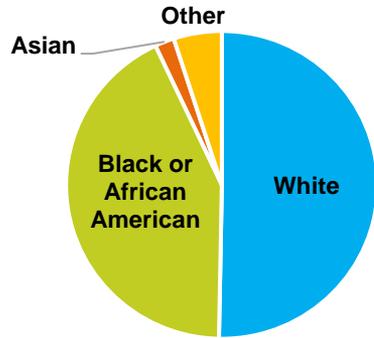
REGIONAL MAJOR EMPLOYERS

Cincinnati Children's Medical Center
General Electric
The Kroger Co.
Greater Cincinnati International Airport
Mercy Health
UC Health
Procter & Gamble
TriHealth Inc.
University of Cincinnati
St. Elizabeth Healthcare

REGIONAL HOSPITALS

The Christ Hospital
Mercy Health (West)
Cincinnati Children's Hospital
Good Samaritan Hospital
Bethesda North Hospital
University of Cincinnati Medical Center
Cincinnati Veterans Affairs Medical Center
Jewish Hospital Mercy Health
Mercy Health Anderson Hosp.
Summit Behavioral Healthcare

DEMOGRAPHICS



LAND USE (SQ/MI)

Residential: 48.19
Industrial/Manufacturing: 11.16
Parks & Recreation: 9.42
Commercial: 6.13
Office: 1.78
Institutional: 1.49
Planned Development: 1.39
Urban Mixed: 0.04

EDUCATIONAL FACILITIES

Cincinnati Public Schools: 67
Charter Schools: 39
Private Schools: 125
Higher Education: 17



SERVICE STATISTICS

UTILITIES

Water Customers	240,336
Sewer Customers	226,000
Service Area	290+ sq. miles
Pump Stations	100+
Garbage (tons per year)	72,862
Recycling (tons per year)	15,293

STREETS, SIDEWALKS & BRIDGES

Paved Lane Miles	2,910
Sidewalk Lane Miles	1,700
Bridges	67
Street Lights ²	10,000
Traffic Signals	780

CITY-OWNED FACILITIES MAINTAINED³

FLEET (# OF UNITS)	2,704
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HEALTH DEPARTMENT

Patients	42,905
Visits	173,436
Food Facilities Inspections	20,470

PUBLIC SAFETY^{4,5}

Police	
Sworn	1,059.00
Civilian Employees	184.00
Neighborhood Police Districts	6
Fire	
Sworn	859.00
Civilian Employees	49.00
Fire Districts	4
Fire Stations	26
Emergency Communications Center	
ECC Employees	137.00
ETS Employees	7.00

¹ Information as of FY 2019 unless otherwise specified.

² Approximate number of streetlights maintained by the City of Cincinnati.

³ Number of facilities maintained by the Department of Public Services Division of City Facility Management (CFM). Does not include board-owned facilities or enterprise facilities (i.e. Health, Parks, Recreation, Metropolitan Sewer District, or Greater Cincinnati Water Works facilities.)

⁴ Information from Approved FY 2021 Budget Update.

⁵ Emergency Communications Center (ECC) includes ECC employees as well as Enterprise Technology Solutions (ETS employees assigned to ECC.)

CITY FACTS



17 Higher Education Facilities



97.3% of 911 calls answered in 10 seconds or less in FY 2020



49 City Parks



64 Lane Miles Paved & Completed in FY 2020

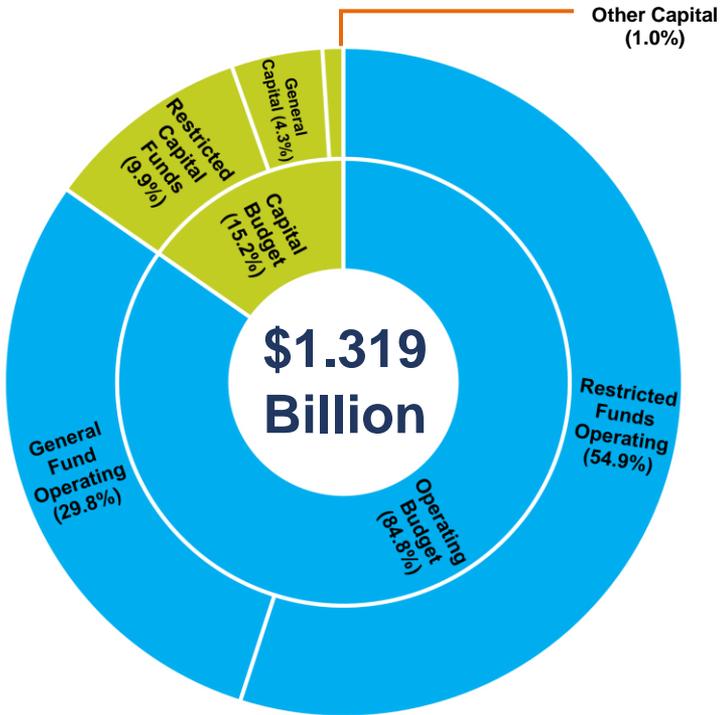


7 Community Health Centers



212 Minority and/or Women Business Enterprises Actively Certified

ALL FUNDS EXPENDITURE BUDGET

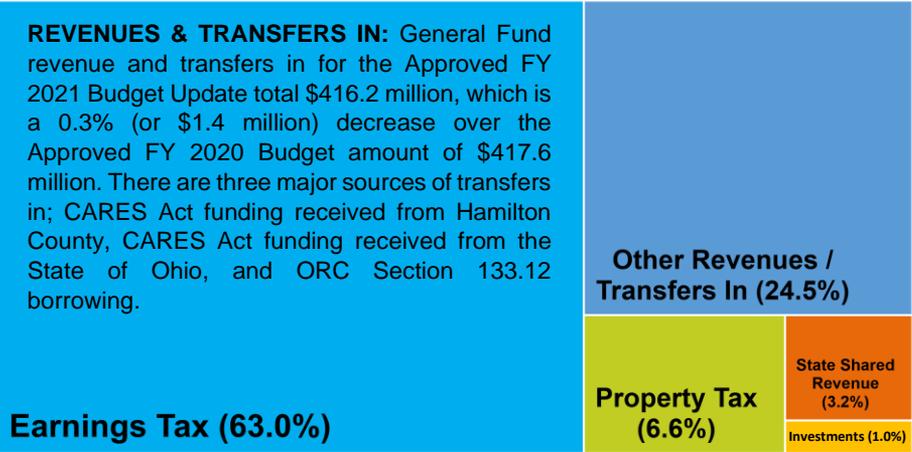


OPERATING BUDGET – \$1.118B (84.8%): The City’s Operating Budget includes personnel compensation and fringe benefit costs, leveraged support, and daily operating expenses such as building leases, gasoline, contractual services, etc. The Operating Budget is funded primarily through an Earnings Tax, Property Tax, and State Shared Revenue as well as other smaller sources. The Operating Budget is comprised of the General Fund (35.2%) and Restricted Funds (64.8%).

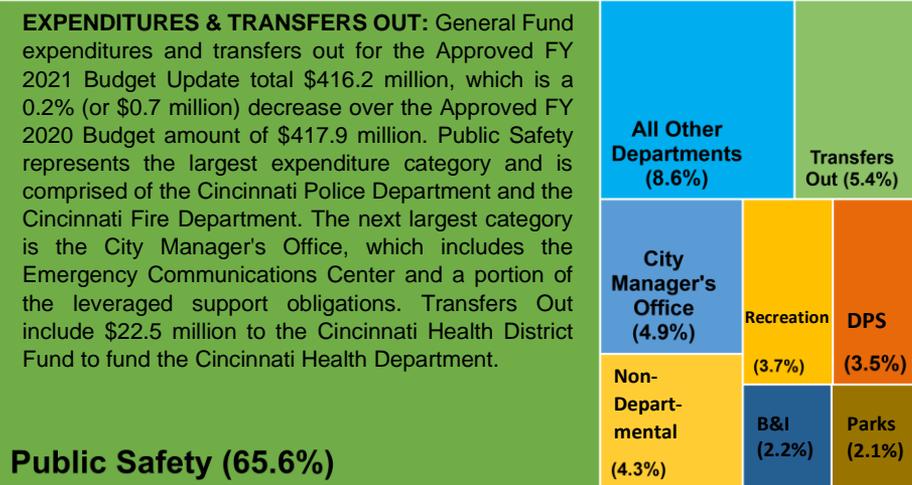
CAPITAL BUDGET – \$200.8M (15.2%): The City’s Capital Budget funds major improvements to City roads, facilities, infrastructure, etc. Capital needs are included in the six-year Capital Improvement Plan (CIP). The Capital Budget is revised annually based on resources and needs. The Capital Budget consists of General Capital (28.6%), Restricted Capital Funds (64.9%), and Other Resources, which includes Special Revenue Capital Funds (0.2%) and Grants and Matching Funds (6.4%).

GENERAL FUND OPERATING BUDGET

In governmental accounting, the General Fund is the primary operating fund and accounts for 34.9% of the Approved FY 2021 All Funds Operating Budget Update. Many of the daily functions of a municipality are supported by the General Fund. Below are graphical representations and descriptions of General Fund Revenue and General Fund Expenditures by category.



Not Shown: Casino Tax, 1.0%; Parking Meters, 0.8%.

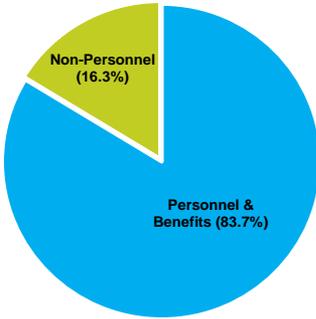


Note: Department of Buildings and Inspections is represented as "B&I" and Department of Public Services is represented as "DPS".

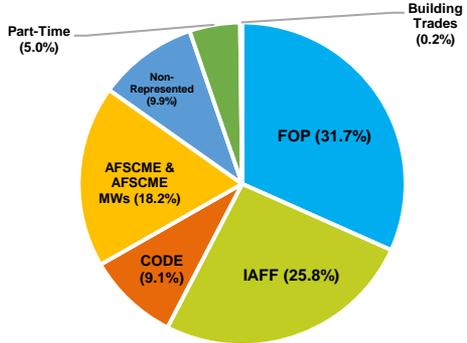
PERSONNEL

Personnel is a major component of the operating budget. Employee wages and fringe benefits account for 83.7% of the General Fund Budget with 85.1% of General Fund employees represented by labor contracts. Further, public safety employees account for 68.8% of all General Fund positions.

GENERAL FUND PERSONNEL VS. NON-PERSONNEL EXPENDITURES



GENERAL FUND EMPLOYEE LABOR REPRESENTATION



Over the past few months, the City of Cincinnati experienced sharp declines in revenues due to the COVID-19 pandemic and had to take quick action to react to budget deficits while at the same time maintaining essential core services. Responding to these challenges, the Approved FY 2021 Budget Update includes aggressive measures to maintain staffing levels necessary to continue the level of quality City services. Budget reductions include delaying Police and Fire recruit classes, freezing merit increases and cost-of-living-adjustments (COLAs) for non-represented employees, offering an Early Retirement Incentive Program (ERIP) to eliminate future vacant positions, and eliminating many currently vacant positions. A hiring freeze for non-essential positions due to COVID-19 has left many positions vacant which will remain vacant to generate position vacancy savings in FY 2021. During FY 2021, 70.2 FTE will be held vacant. The hiring freeze for non-essential positions will continue in FY 2021 as departments will be re-evaluating their staffing once it is known which employees will elect to participate in the ERIP. It is expected that many departments will need to re-organize in an effort to continue to provide a similar level of service with fewer FTEs. A more accurate count of FTE reductions as a result of these efforts will not be known until the second quarter of FY 2021. As a result, the Approved FY 2021 Operating Budget Update does not include the furlough or layoff of City employees.

LEVERAGED SUPPORT

The City of Cincinnati leverages funding and other resources to support neighborhood revitalization, economic development, human services, and violence prevention. The Approved FY 2021 Budget Update includes the following leveraged support which totals \$16.0 million. Among the \$16.0 million in total leveraged support, \$9.8 million is dedicated to Human Services and Violence Prevention. Federal entitlement or Coronavirus Aid, Relief, and Economic Security (CARES) Act resources will be used as one-time support for several recipients.

LEVERAGED SUPPORT	
NEIGHBORHOOD SUPPORT	
3CDC (For Fountain Square)	\$200,000
3CDC (Operating Support for Washington Park and Ziegler Park)	\$375,000
Chamber of Commerce - Immigration Center Partnership (COMPASS)	\$50,000
Community Urban Agriculture	\$20,000
Invest in Neighborhoods	\$50,000
Keep Cincinnati Beautiful	\$400,000
Neighborhood Business Districts	\$120,000
Neighborhood Community Councils	\$410,000
Cincinnati Neighborhood Games	\$10,000
Summer Youth Jobs Initiative*	\$450,000
Youth Employment Opportunities	\$1,015,000
TOTAL NEIGHBORHOOD SUPPORT	\$3,100,000
ECONOMIC DEVELOPMENT	
African American Chamber of Commerce	\$525,000
Artswave Black and Brown Artists Fund	\$75,000
Black and Brown Business Fund	\$500,000
CincyTech	\$250,000
Cintrifuse	\$250,000
Film Commission	\$56,250
Greater Cincinnati Energy Alliance	\$37,000
Hillman Accelerator	\$100,000
Homebase Cincinnati (formerly CDC Association of Greater Cincinnati)	\$143,000
MORTAR	\$150,000
Regional Economic Development Initiative (REDI)	\$250,000
The Port (formerly Greater Cincinnati Redevelopment Authority / Port Authority)†	\$700,000
TOTAL ECONOMIC DEVELOPMENT	\$3,036,250
HUMAN SERVICES AND VIOLENCE PREVENTION	
Bethany House*	\$100,000
Center for Addiction Treatment*	\$87,500
Center for Closing the Health Gap*	\$750,000
Children's Home Job Readiness Program	\$100,000
Cincinnati Works*	\$250,000
City Human Services Fund (administered by United Way)*	\$5,068,855
Community Safety Response Program	\$1,000,000
Eviction Prevention Initiatives*	\$500,000
FamiliesFORWARD (Victory Over Violence: Building Family Resiliency)‡	\$0
GeneroCity 513*	\$75,000
Immigrant and Refugee Law Center*	\$50,000
Needle Exchange Program	\$150,000
Santa Maria Community Services (Lower Price Hill Collaborative)†	\$0
Shelterhouse (formerly Strategies to End Homelessness (Winter Shelter))	\$305,000
The University of Cincinnati's Legal Access Program	\$50,000
Urban League of Greater Southern Ohio (Rapid Change Initiative (Black Led & Black Development - Trust))	\$1,349,717
Urban League of Greater Southern Ohio (Youth Councils)‡	\$0
HUMAN SERVICES AND VIOLENCE PREVENTION TOTAL	\$9,836,072
GRAND TOTAL	\$15,972,322

* Denotes full or partial one-time funding through Federal entitlement or Coronavirus Aid, Relief, and Economic Security (CARES) Act funds.

† Per Ordinance No. 0197-2020, these recipients are now included in the City Human Services Fund process as administered by United Way.

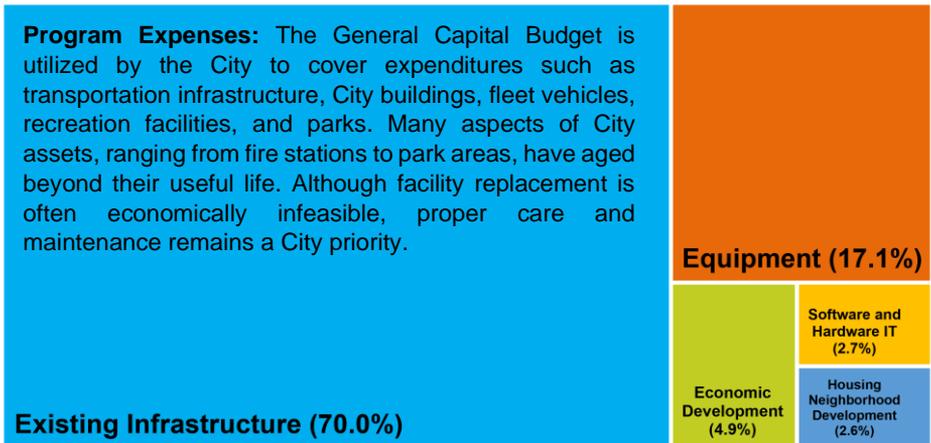
‡ The leveraged support for The Port will be reimbursed based on a contractual obligation; FY 2021 General Fund Revenues have been increased by \$700,000 to reflect this.

GENERAL CAPITAL BUDGET

A capital improvement project is defined as the improvement of an existing City asset or the purchase of a new City asset that increases the value of the public asset or extends its useful life. For a project to be considered in the Capital Budget, it must be more than \$5,000 and have a useful life of at least five years. Below are graphical representations of General Capital Resources and General Capital Expenditures by category.



Not shown: Miscellaneous Other Revenue, 0.4%.



Not shown: New Infrastructure, 1.2%; Debt Service Payments, 1.0%; Information Technology Infrastructure 0.2%; and Environment, 0.2%.

RESTRICTED AND SPECIAL REVENUE FUNDS CAPITAL BUDGET

The Approved FY 2021 Capital Budget Update Restricted and Special Revenue Funds totals \$143.5 million, which represents a \$88.9 million decrease from the Approved FY 2020 Restricted and Special Revenue Funds Capital Budget of \$232.4 million.

As the chart shows, Water Works Permanent Improvements account for 46.7% of the total Restricted and Special Revenue Funds Capital Budget. Greater Cincinnati Water Works employees provide customers with a plentiful supply of high-quality water, support environmental sustainability, and deliver excellent services in a financially responsible manner. Greater Cincinnati Water Works has been a municipally owned and operated utility since it was purchased by the City of Cincinnati in 1839.



The safe and efficient collection and treatment of wastewater for 43 of the 49 political subdivisions in Hamilton County, Ohio, and small parts of Butler, Clermont, and Warren counties.

Stormwater management is the next biggest and last notable component of the Restricted and Special Revenue Funds Capital Budget. The nine remaining Funds are budgeted at amounts less than \$1 million.



APPROVED FY 2021 CAPITAL BUDGET UPDATE RESTRICTED & SPECIAL REVENUE FUNDS

RESTRICTED FUNDS	
Water Works PIF	67,000,000
Metropolitan Sewer District Capital Improvements	54,593,370
Stormwater Management	7,263,000
Parking System Facilities	500,000
General Aviation	340,000
CUF/Heights Equivalent	250,000
Convention Center	230,000
Income Tax-Transit	100,000
Telecommunications	30,000
TOTAL RESTRICTED FUNDS	\$130,306,370

SPECIAL REVENUE FUNDS	
Special Housing PIF	400,000
TOTAL SPECIAL REVENUE FUNDS	\$ 400,000

GRANTS AND MATCHING FUNDS	
Roads/Bridges Grants	7,613,860
Alternative Transportation Grants	4,166,400
Federal Aviation Grants	1,000,000
TOTAL GRANTS AND MATCHING FUNDS	\$ 12,780,260

GRAND TOTAL	\$143,486,630
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The Metropolitan Sewer District accounts for 38.0% of the Restricted and Special Revenue Funds Capital Budget and is the next biggest component. The Metropolitan Sewer District of Greater Cincinnati (known as MSD) protects public health and the environment through the

MAJOR ACCOMPLISHMENTS HIGHLIGHTS

CITY MANAGER'S OFFICE

The Office of the City Manager (CMO) partnered with Recreation and the Health Department to convert the Over-the-Rhine (OTR) Recreation Center into a COVID-19 isolation facility, offering people who are experiencing homelessness that have tested positive for COVID-19 a safe place to quarantine.

CMO partnered with Hamilton County to launch the Law Enforcement Arrest Diversion (LEAD) Pilot Program in District One and the Central Business Section. LEAD is a pre-booking initiative where low-level criminal offenses can be diverted from the criminal justice system to harm-reduction based services.



CINCINNATI POLICE DEPARTMENT

The Community Relations Squad continues to work with a variety of community stakeholders to address human trafficking, immigration, LGBTQ issues, and community volunteers. Initiatives of this unit include working with the Center for Chemical Addictions Treatment (CCAT) House Rehabilitation Program, Change Court, Criminal Justice Externship, E-Ride Program, First Step Home, Heartland Wellness, Human Trafficking, and LGBTQ and Immigration education and awareness.

DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT

Through a Community Reinvestment Act (CRA) tax abatement, the Department of Community and Economic Development (DCED) facilitated the expansion of the Consolidated Metal Product's existing headquarters and facility in Lower Price Hill. As a result, the company will retain 160 jobs, create 10 new jobs, invest approximately \$3.6 million to construct a 35,000 square foot facility expansion, and remediate 1.4 acres of property previously owned by CSX.

In November 2019, DCED's Housing Division recommended a total of \$2.7 million for five residential developments for NOFA loan awards. The awarded projects represent a total investment \$27.0 million and will produce a total of 88 housing units. The housing units include: 47 affordable housing rentals; 15 market rate rental units; and 20 market rate single family homes constructed as a result of a City investment in infrastructure.

DEPARTMENT OF RECREATION

Recreation renovated the Hirsch Recreation Center. The project created an outdoor walking track that includes benches, lighting and public art.

GREATER CINCINNATI WATER WORKS

The Water Quality and Treatment (WQT) Division laboratories once again have passed all annual state proficiency testing. Ohio Environmental Protection Agency certification officers found no major deviations during routine laboratory visits. The WQT laboratories analyze hundreds of samples per day to ensure compliance, treatment plant optimization, and distribution system water quality are acceptable.



Premise services completed 11,876 repairs to non-reading water meters for residential customers.

For a full list of accomplishments, please refer to the Approved Budget document at <https://www.cincinnati-oh.gov/finance/budget/>.

