



city of
CINCINNATI
CINCINNATI, OHIO

Fiscal Year 2023
**APPROVED ALL FUNDS
BUDGET UPDATE**

BUDGET IN BRIEF



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 2023 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.

On January 4, 2022, a new Mayor and City Council took office and began the journey to set new priorities for the City of Cincinnati. The Budget Update reflects the orientation of the City's resources toward best-in-class basic services, public safety, affordable housing, environmental sustainability, and economic growth focused on social and racial equity. As our City emerges from the challenges created by the COVID-19 pandemic, it has a unique opportunity to reinvent government in ways that engage the community, promote economic growth, and promote social justice in all of our neighborhoods. The City must begin to reconnect citizens and the Administration as we pursue prosperity in a post-pandemic environment.

The American Rescue Plan (ARP) became law on March 11, 2021, providing the City of Cincinnati with \$139 million in May 2021 and the same amount in June 2022. While estimated revenue is rebounding and approaching pre-pandemic levels, expense projections continue to exceed revenue growth projections. ARP funds will be needed to close the projected budget deficit in FY 2023.

This Approved Budget promotes public safety and economic growth opportunities, maintains investment in our neighborhoods, and increases funding for human services. Select Approved FY 2023 Budget Update highlights include:

Operating

- A 53 member Police recruit class slated to begin in July 2022 and a 35 member Police recruit class slated to begin in May 2023*
- Two 50 member Fire recruit classes, one slated to begin in October 2022 and one slated to begin in June 2023
- \$1.0 million each for the Summer Youth Jobs Initiative and a Childcare Pilot Program
- \$150,000 for the Boots on the Ground Fund Pilot Program for small non-profits
- 4.0 FTE added for community engagement activities across the City
- 2.0 FTE added for economic development monitoring and wage compliance

Capital

- \$67.0 million one-time General Fund transfer to the Capital Budget
- \$17.1 million for Street Rehabilitation projects for a total of 73 lane miles of street improvement
- \$3.8 million for the Western Hills Viaduct
- \$1.9 million for Pedestrian Safety
- \$1.9 million for Affordable Housing/SHIP
- \$844,000 for the Emergency Communications Center including the 9-1-1 Phone System Hardware Refresh, Workstation Improvements, and more
- \$750,000 for improvements to the Airport Road Sidewalk

* The July 2022 Police recruit class includes 34 recruits. Additional recruits will be added to the May 2023 class to offset the difference.

The Budget in Brief is intended to be a quick reference guide. For more information on the Approved FY 2023 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: 74.05 sq./mi
Government Type:
Stronger Mayor-Council
Mayor: Aftab Pureval
Population: 309,317

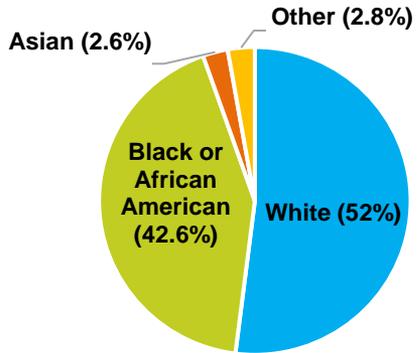
REGIONAL MAJOR EMPLOYERS

The Kroger Co.
Cincinnati Children's Hospital
TriHealth Inc.
St. Elizabeth Healthcare
University of Cincinnati
UC Health
Procter & Gamble
GE Aviation
Bon Secours Mercy Health
Fifth Third Bank

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: 27.92
Industrial: 6.05
Commercial: 13.38
Agricultural : 0.75
Publicly Owned: 25.37
Public Utilities: 0.58

EDUCATIONAL FACILITIES

Cincinnati Public Schools: 70
Charter Schools: 39
Private Schools: 125
Higher Education: 17



SERVICE STATISTICS

UTILITIES

| | |
|---------------------------|----------------|
| Water Customers | 243,000 |
| Sewer Customers | 225,000 |
| Service Area | 290+ sq. miles |
| Pump Stations | 97 |
| Garbage (tons per year) | 79,330 |
| Recycling (tons per year) | 15,698 |

STREETS, SIDEWALKS & BRIDGES

| | |
|----------------------------|--------|
| Paved Lane Miles | 2,910 |
| Sidewalk Lane Miles | 1,700 |
| Bridges | 71 |
| Street Lights ² | 10,000 |
| Traffic Signals | 790 |

CITY-OWNED FACILITIES MAINTAINED ³ 88

FLEET (# OF UNITS) 2,765

HEALTH DEPARTMENT

| | |
|-----------------------------|---------|
| Patients | 39,761 |
| Visits | 140,783 |
| Food Facilities Inspections | 23,532 |

PUBLIC SAFETY ^(4,5)

Police

| | |
|-------------------------------|----------|
| Sworn | 1,059.00 |
| Civilian Employees | 180.00 |
| Neighborhood Police Districts | 6 |

Fire

| | |
|--------------------|--------|
| Sworn | 859.00 |
| Civilian Employees | 46.00 |
| Fire Districts | 4 |
| Fire Stations | 26 |

Emergency Communications Center

| | |
|---------------|--------|
| ECC Employees | 151.19 |
| ETS Employees | 7.00 |

¹ Information as of FY 2021 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 2023 Budget.

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

CITY FACTS



381 low-income households received energy efficiency upgrades



63 miles of trails inventoried for new trail sign system



757 youth participants for the 10-week Summer Day Camp programs



400+ bike racks installed City-wide



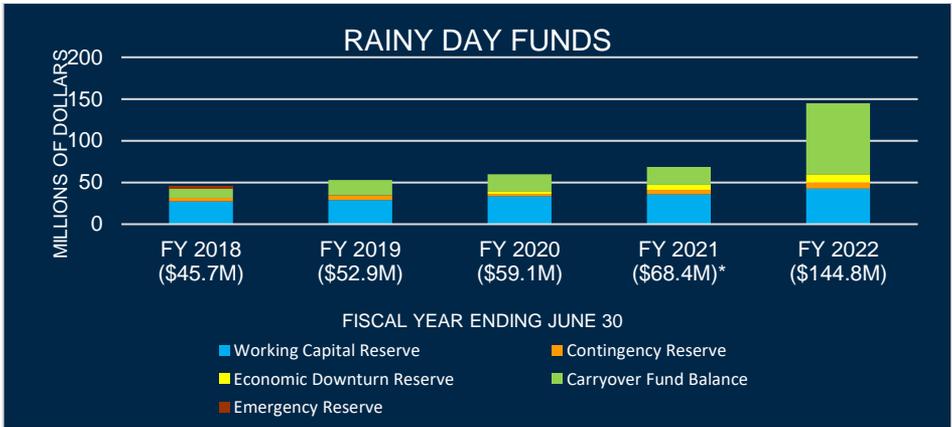
98,567 COVID-19 vaccinations administered



151 Minority and/or Women Business Enterprises Actively Certified

RAINY DAY FUNDS

The City’s Stabilization Funds Policy was established in 2015 and was amended in 2019. The amended policy establishes a goal of setting aside 16.7% of general operating revenues as reserves. On March 9, 2022, the City Council further amended this policy to provide a more detailed breakdown for the uses under the one-time expenditures category in the policy, referred to as the “Waterfall Funding Mechanism.” At the end of the fiscal year 2022, the carryover balance was \$144.8 million.



*The FY 2021 and FY 2022 Rainy Day Funds total does not include the \$50.0 million set aside for the Income Tax Reserve for Refunds during FY 2022.

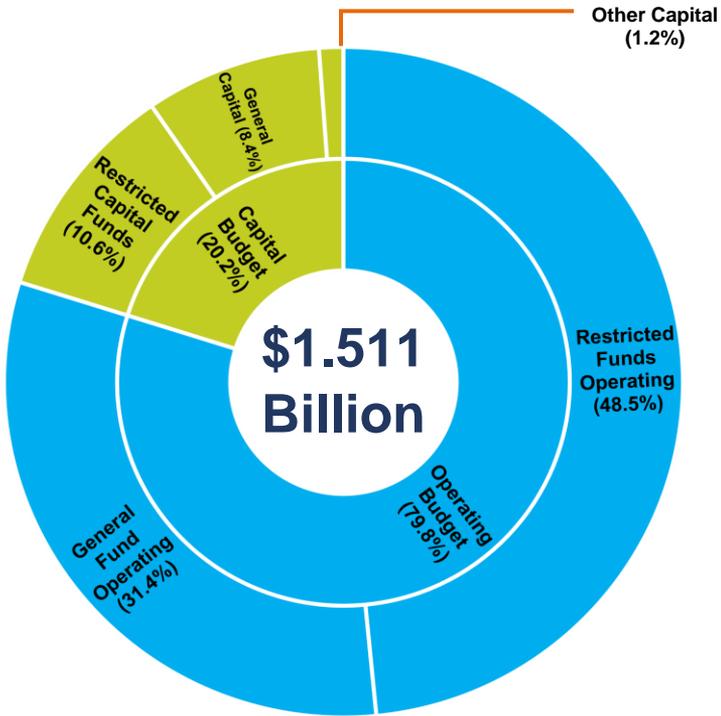
MILLAGE AND PROPERTY TAX

Property tax is subdivided into two components, one for General Fund operating purposes and one for debt requirements for the Capital Improvement Program. The CY 2023 Property Tax rate is 4.84 mills for General Fund operating purposes and 7.5 mills for debt requirements for the Capital Improvement Program.



| Total Assessed Value | \$178,900 | \$500,000 | \$1,000,000 |
|-----------------------------------|-----------|-----------|-------------|
| CY 2023 – 12.34 mills per \$1,000 | \$2,208 | \$6,170 | \$12,340 |
| CY 2022 – 11.47 mills per \$1,000 | \$2,052 | \$5,735 | \$11,470 |
| CY 2021 – 12.69 mills per \$1,000 | \$2,270 | \$6,345 | \$12,690 |
| CY 2020 – 12.45 mills per \$1,000 | \$2,227 | \$6,225 | \$12,450 |
| CY 2019 – 12.42 mills per \$1,000 | \$2,222 | \$6,210 | \$12,420 |

ALL FUNDS EXPENDITURE BUDGET

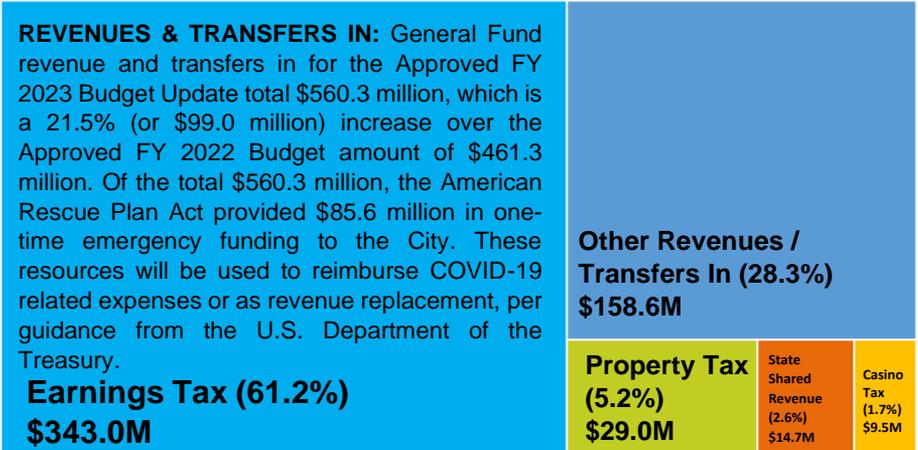


OPERATING BUDGET – \$1.206B (79.8%): The City’s Operating Budget includes personnel compensation and fringe benefit costs, leveraged support, and daily operating expenses such as building leases, gasoline, contractual services, etc. The Operating Budget is funded primarily through an Earnings Tax, Property Tax, and State Shared Revenue as well as other smaller sources. The Operating Budget is comprised of the General Fund (39.3%) and Restricted Funds (60.7%).

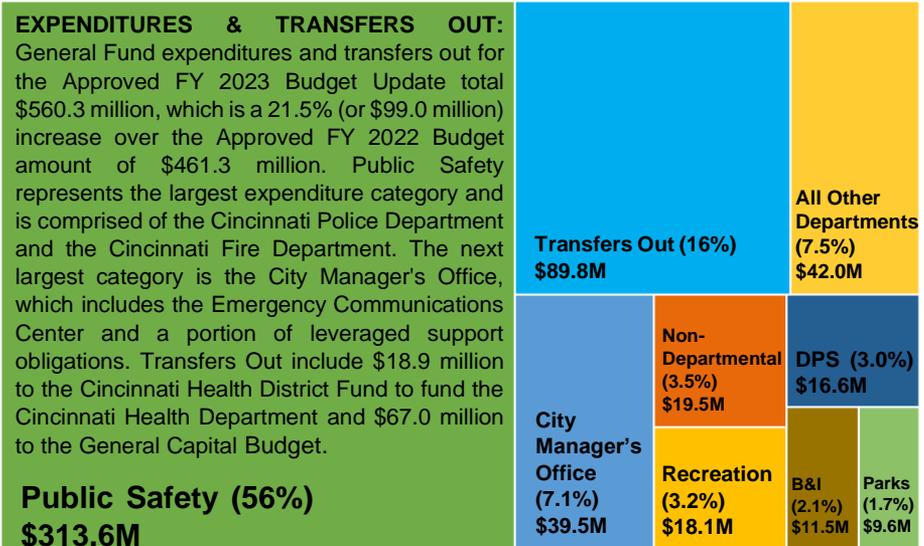
CAPITAL BUDGET – \$304.7M (20.2%): The City’s Capital Budget funds major improvements to City roads, facilities, infrastructure, etc. Capital needs are included in the six-year Capital Improvement Plan (CIP). The Capital Budget is revised annually based on resources and needs. The Capital Budget consists of General Capital (41.7%), Restricted Capital Funds (52.6%), and Other Resources, which includes Special Revenue Capital Funds and Grants and Matching Funds (5.7%).

GENERAL FUND OPERATING BUDGET

In governmental accounting, the General Fund is the primary operating fund and accounts for 31.4% of the Approved FY 2023 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: Investments (0.7%), \$4.0 million; Parking Meters (0.3%), \$1.5 million.

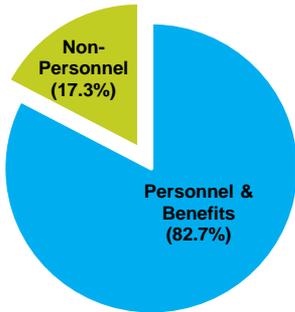


Note: Department of Buildings and Inspections is represented as "B&I" and Department of Public Services is represented as "DPS".

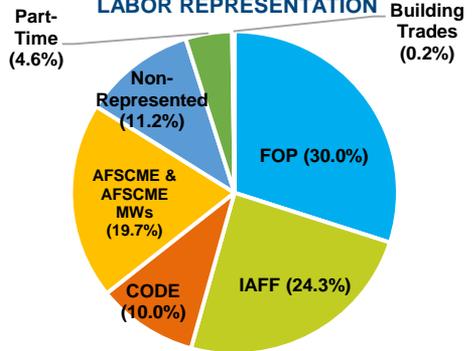
PERSONNEL

Personnel is a major component of the operating budget. Employee wages and fringe benefits account for 82.7% of the General Fund Budget with 84.2% of General Fund employees represented by labor contracts. Further, public safety employees account for 54.3% of all General Fund positions. Note: These figures include the Health Department, which is funded through a General Fund transfer.

GENERAL FUND PERSONNEL VS. NON-PERSONNEL EXPENDITURES



GENERAL FUND EMPLOYEE LABOR REPRESENTATION



The Approved FY 2023 Budget Update does not include the displacement or layoff of City employees. Within the General Fund, staffing increases in various departments are part of the Approved Budget in order to focus on core services and strategically increase staff for certain programs and activities as the city emerges from the COVID-19 pandemic. In contrast, the Restricted Funds are relatively unchanged with some staff positions being absorbed by the General Fund. In this respect, there is a moderate reversal of the staffing trends experience in both FY 2021 and FY 2022.

The Approved FY 2023 Budget Update provides for a net, all funds increase of 54.75 FTE over the Approved FY 2022 Budget. Fifteen departments are increasing FTE for a total citywide increase of 60.99 FTE. These increases are offset by reductions of 6.24 FTE in three departments. General Fund positions increase by 53.63 FTE, shared by twelve departments. There are no instances of FTE reductions in the General Fund. Restricted Fund positions increase by 1.12 FTE. Five departments show a total increase of 17.34 FTE, which is partially offset by a reduction of 16.22 FTE in five departments.

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 |
| Findlay Market Operating Support* | \$366,610 |
| Invest in Neighborhoods | \$50,000 |
| Keep Cincinnati Beautiful | \$475,000 |
| Neighborhood Business Districts | \$120,000 |
| Neighborhood Community Councils | \$425,000 |
| Cincinnati Neighborhood Games | \$10,000 |
| Summer Youth Jobs Initiative | \$1,250,000 |
| TOTAL NEIGHBORHOOD SUPPORT | \$3,341,610 |

ECONOMIC DEVELOPMENT

| | |
|--|--------------------|
| African American Chamber of Commerce [‡] | \$350,000 |
| Artswave Black and Brown Artists Fund ^{†,‡} | \$25,000 |
| ArtWorks (Walnut Hills Creative Campus) [†] | \$150,000 |
| CincyTech | \$250,000 |
| Cintrifuse | \$250,000 |
| Cintrifuse Hackathon | \$20,000 |
| Film Commission | \$56,250 |
| Green Cincinnati Fund | \$100,000 |
| Green Umbrella | \$87,000 |
| Hillman Accelerator [‡] | \$125,000 |
| Homebase Cincinnati (formerly CDC Association of Greater Cincinnati) | \$143,000 |
| MORTAR [‡] | \$90,000 |
| Regional Economic Development Initiative (REDI) | \$250,000 |
| The Port | \$700,000 |
| TOTAL ECONOMIC DEVELOPMENT | \$2,596,250 |

HUMAN SERVICES AND VIOLENCE PREVENTION

| | |
|--|---------------------|
| Bethany House | \$100,000 |
| Boots on the Ground Fund Pilot Program (administered by external partner) [†] | \$150,000 |
| Center for Addiction Treatment | \$87,500 |
| Center for Closing the Health Gap | \$750,000 |
| Childcare Pilot Program [†] | \$1,000,000 |
| Cincinnati Works | \$250,000 |
| City Human Services Fund (administered by United Way) | \$7,976,930 |
| GeneroCity 513 | \$75,000 |
| Immigrant and Refugee Law Center | \$50,000 |
| Needle Exchange Program | \$150,000 |
| Shelterhouse (formerly Strategies to End Homelessness (Winter Shelter)) | \$305,000 |
| St. Vincent de Paul Society - Eviction Prevention Initiatives | \$250,000 |
| The University of Cincinnati's Legal Access Program | \$50,000 |
| Urban League [†] | \$100,000 |
| Women Helping Women Domestic Violence Enhanced Response Team (WHW DVERT) | \$250,000 |
| HUMAN SERVICES AND VIOLENCE PREVENTION TOTAL | \$11,544,430 |

GRAND TOTAL

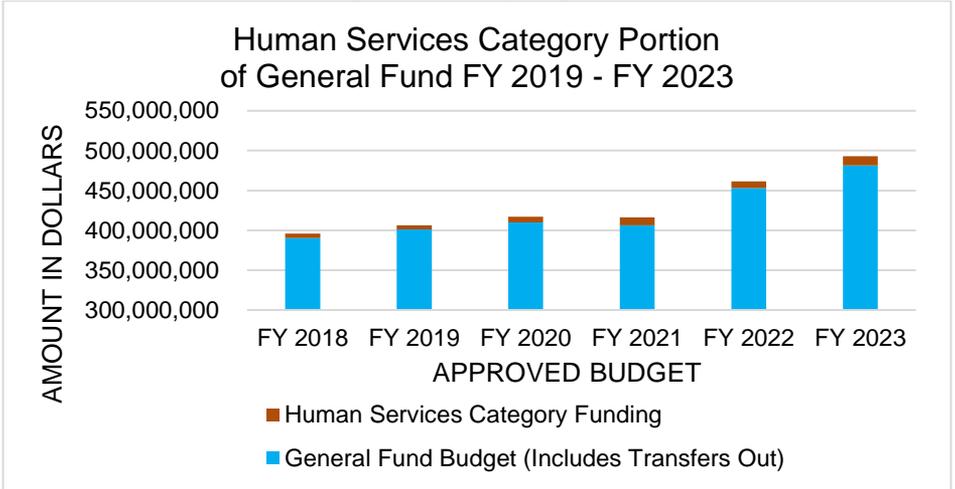
\$17,482,290

* Findlay Market Operating Support will be transferred from the Department of Public Services to the Department of Community and Economic Development in FY 2023. Findlay Market Operating Support does not represent new or increased funding. Rather, it is categorized as leveraged support starting in FY 2023.

† Denotes one-time funding

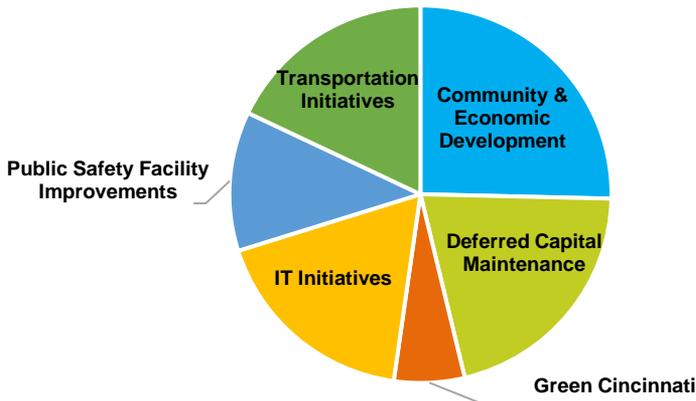
‡ Denotes partial one-time funding. African American Chamber of Commerce, ArtsWave Black and Brown Artists Fund, Hillman Accelerator, and MORTAR are each allocated \$25,000 in one-time funding.

The Approved FY 2023 Budget Update exceeds the goal of allocating 1.5% of the General Fund allocation to human services, with over \$11.4 million in total human services funding. The Office of Human Services dramatically improved the deployment of the City’s Human Services Fund, resulting in 98% of Human Services Fund contracts being executed by August 2021.



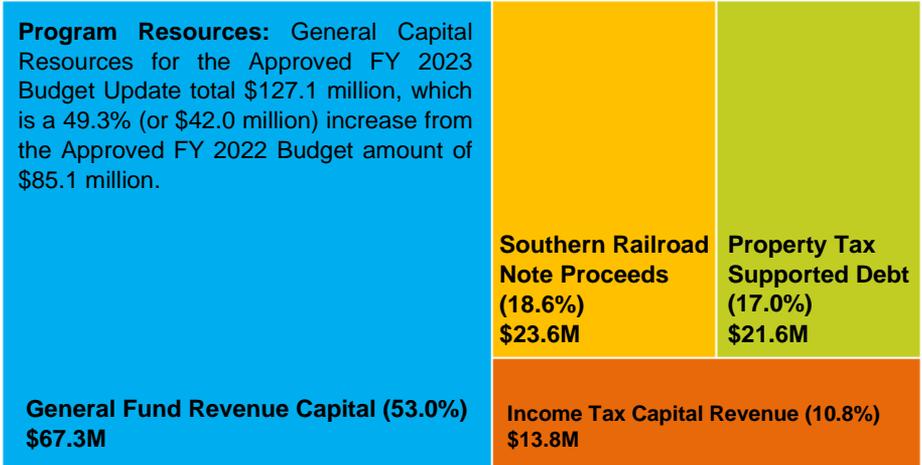
General Fund Transfer to Capital Budget

\$67.0 million in General Fund resources is being transferred out to the capital budget. These resources are available due to General Fund revenue replacement from the America Rescue Plan (ARP) Act. The categories of capital expenditures include \$17.0 million for Community and Economic Development, \$14.0 Million for Critical Deferred Capital Maintenance and Repairs to City Facilities, \$4.0 million to Green Cincinnati Sustainability Initiatives, \$12.0 million to Information Technology (IT) Initiatives, \$8.0 million to Public Safety Facility Improvements, and \$12.0 million to Transportation Initiatives.

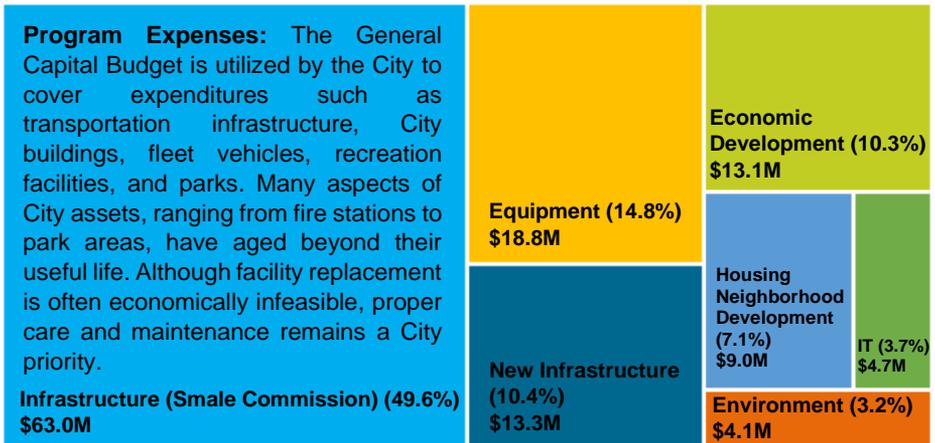


GENERAL CAPITAL BUDGET UPDATE

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: Reprogramming (0.4%), \$550,000; Miscellaneous Other Revenue (0.2%), \$250,000.



Not shown: Information Technology Infrastructure, (0.8%), \$1.0 million.

Note: Software and Hardware (IT) is denoted as "IT"

RESTRICTED AND SPECIAL REVENUE FUNDS CAPITAL BUDGET UPDATE

The Approved FY 2023 Capital Budget Update Restricted and Special Revenue Funds totals \$160.5 million, which represents a \$24.9 million decrease from the Approved FY 2022 Restricted and Special Revenue Funds Capital Budget of \$185.4 million.

As the chart indicates, Metropolitan Sewer District Capital Improvements account for 50.4% of the total Restricted and Special Revenue Funds Capital Budget. The Metropolitan Sewer District of Greater Cincinnati (known as MSD) protects public health and the environment through 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.

| APPROVED FY 2023 CAPITAL BUDGET RESTRICTED & SPECIAL REVENUE FUNDS | |
|---|-----------------------|
| RESTRICTED FUNDS | |
| Metropolitan Sewer District Capital Improvements | 80,926,184 |
| Water Works PIF | 75,000,000 |
| Stormwater Management | 3,350,000 |
| Parking System Facilities | 500,000 |
| Convention Center | 230,000 |
| General Aviation | 140,000 |
| Telecommunications | 30,000 |
| TOTAL RESTRICTED FUNDS | \$ 160,176,184 |
| SPECIAL REVENUE FUNDS | |
| Special Housing PIF | 361,000 |
| TOTAL SPECIAL REVENUE FUNDS | \$ 361,000 |
| GRAND TOTAL | \$ 160,537,184 |

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

Stormwater Management is the next largest and last notable component of the Restricted and Special Revenue Funds Capital Budget with a FY 2023 Budget Update of \$3.4 million. The five remaining categories account for the remaining \$1.3 million.



MAJOR ACCOMPLISHMENTS HIGHLIGHTS

CITY MANAGER'S OFFICE

The Office of Human Services successfully partnered with Greater Cincinnati Water Works, the Legal Aid Society of Greater Cincinnati, and the Cincinnati-Hamilton County Community Action Agency to deploy millions of dollars in emergency rent, utilities, and eviction prevention assistance to tenants across the City's 52 neighborhoods.



The Office of Constituent Affairs (OCA) and the Emergency Communications Center (ECC) entered the first phase of the 311 service line roll-out. Callers in the City of Cincinnati using any major landlines or wireless carrier can call 311 twenty-four hours a day, seven days a week to receive live, in-person customer service. The new 311cincy.gov website and 311Cincy social media pages also launched in conjunction with the first phase.

CINCINNATI HEALTH DEPARTMENT

The Communicable Disease Unit (CDU) investigated 722 non-Covid-19 disease reports, provided rabies post exposure prophylaxis consultations related to bat exposures, monitored international travelers from countries experiencing Ebola outbreaks, etc. CDU also responded to 29 outbreaks.

DEPARTMENT OF PUBLIC SERVICES (DPS)



The Neighborhood Operations Division (NOD) completed more than 16,134 service requests for bulk items; collected yard waste for approximately 70,500 homes; collected 17,633 tires; swept and cleaned 15,092 City lane miles; and removed 838 dead animals from City streets and right-of-way.

Traffic and Road Operations Division (TROD) Traffic Aids setup traffic control patterns for 70 special events; completed 1,035 service requests for sign replacement; and installed 1,899 new signs which included manufacturing of 654 signs and 70 barricades for special events.

CINCINNATI RECREATION COMMISSION

The Youth 2 Work program partnered with First Financial Bank, Groundworks, Greater Cincinnati Microenterprise Initiative, Junior Achievement, Cincinnati Children's Hospital, Cincinnati Children's Museum, and the Metropolitan Sewer District. The program hired 468 youth.

The Cincinnati Recreation Commission (CRC) partnered with Indigo Golf to host a Toy Drive in December 2021 that provided more than 300 children with holiday toys.

GREATER CINCINNATI WATER WORKS

The GCWW Emergency Rental Assistance Program was implemented to distribute \$2 million in federal relief funds allocated by the City to pay water, sewer, and stormwater charges for City of Cincinnati tenants.

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

