

May 7, 2025

To: Mayor and Members of City Council

From: Sheryl M. M. Long, City Manager

Subject: **Emergency Ordinance – FY 2025 General Fund Operating Budget Final Adjustment Ordinance (FAO)**

Attached is an Emergency Ordinance captioned:

AUTHORIZING the transfer of \$23,971,572 within the General Fund from and to various operating accounts and the unappropriated surplus of the General Fund according to the attached Schedules of Transfer to realign and provide funds for the ongoing needs of City departments; **AUTHORIZING** the transfer of \$5,800,000 from General Fund balance sheet reserve account no. 050x2580, “Reserve for Weather Events, Other Emergency and One-Time Needs,” to the unappropriated surplus of General Fund 050; **AUTHORIZING** the transfer and appropriation of \$120,000 from the unappropriated surplus of General Fund 050 to capital improvement program project account no. 980x255x232520, “Centennial II Office Renovation,” to provide resources for the renovation of Department of Economic Inclusion office space; **AUTHORIZING** the transfer and appropriation of the sum of \$180,000 from the unappropriated surplus of General Fund 050 to capital improvement program project account no. 980x981x252505, “Fleet Replacements,” to provide resources for the partial replacement of a Public Services vehicle damaged in service; **AUTHORIZING** the transfer of the sum of \$30,000 from the unappropriated surplus of General Fund 050 to the unappropriated surplus of Citizen Job Fund 308 to provide resources for future targeted recruitment initiatives in the Department of Human Resources; **AUTHORIZING** a fund advance and transfer of \$600,000 from the unappropriated surplus of General Fund 050 to the unappropriated surplus of Parking Meter Fund 303 to be used for operations and to be repaid with future parking meter revenue; and **DECLARING** that the expenditures within the Schedules of Transfer serve a public purpose.

The attached Emergency Ordinance balances the City’s General Fund operating budget accounts for FY 2025. The accounts are balanced by transferring appropriations within and between General Fund departments and relies on unappropriated surplus as well as reserve accounts. The Emergency Ordinance also transfers resources out of the General Fund for various purposes.

GENERAL FUND TRANSFERS WITHIN CURRENT APPROPRIATIONS

A total of \$6,120,619 will be transferred within current appropriations in order to offset various anticipated needs as outlined below.

City Manager's Office – \$444,000

The City Manager's Office reports a total non-personnel need of \$429,000 for various contractual services expenses and \$15,000 for wage and fringe benefits needs. Sufficient savings within the department's appropriations are available to cover the entirety of these needs. The City Manager's Office will return a net savings of \$100,000, which will be used to offset needs in other departments.

The City Manager's Office requires \$300,000 for the Black Family Reunion Funding Agreement, the Abercrombie Group Funding Agreement, and other contractual services obligations.

The Office of Budget and Evaluation requires \$15,000 for salary and benefits needs related to merit increases and the onboarding of a new employee.

The Office of Environment and Sustainability (OES) requires \$129,000 to offset non-personnel needs related to the recycling program and other program needs.

Department of Law – \$280,000

The Department of Law has a non-personnel need of \$280,000 related to outside counsel and document scanning. Sufficient personnel savings within the Law – Civil Division are available to cover the entirety of these needs. Law will return a net savings of \$75,000 which will be used to offset needs in other departments.

Department of Finance – \$436,200

The Department of Finance, Office of the Director has a personnel need of \$36,200 related to succession planning for the Finance Director position. A non-personnel need of \$400,000 exists in the Treasury Division to cover a potential Internal Revenue Service (IRS) tax liability related to a 2023 tax withholding. The finding is currently being appealed. This Emergency Ordinance declares the payment of the IRS tax liability to serve a public purpose because it ensures federal tax compliance. These needs will be offset by personnel savings in the Divisions of Accounts and Audits, Treasury, and Income Tax. Finance will return a net savings of \$173,340 which will be used to offset needs in other departments.

Cincinnati Recreation Commission – \$204,663

A transfer of \$204,663 in personnel and non-personnel savings will be necessary to cover personnel needs and non-personnel needs related to Aquatics programming and to realign sources with uses. Sufficient savings within the department's appropriation are available to cover the entirety of these needs.

Department of Parks – \$106,000

Personnel and benefit savings in the Office of the Director will be used to offset personnel and benefits needs in the Division of Administration and Program Services. Sufficient savings within the department's appropriation are available to cover the entirety of these needs.

Department of Buildings and Inspections – \$400,000

The Department of Buildings and Inspections will require a transfer of \$400,000 to cover personnel needs related to reduced reimbursements into the General Fund and increased costs related to the Building Inspector Training Academy. Sufficient non-personnel savings are available within appropriation to cover the entirety of this need.

Cincinnati Police Department – \$2,860,403

The Cincinnati Police Department requires a transfer of \$2,860,403 related to personnel and non-personnel needs across multiple agencies. \$1,480,403 in salary and fringe benefit needs are related to increased overtime expenses. \$1,380,000 in non-personnel needs in the Patrol and Investigations Divisions exist due to contractual services related to vehicle maintenance, professional legal services, and building cleaning.

The Police Department will transfer \$800,000 in non-personnel savings from the Support Division and Administration Division to partially offset this transfer. The remaining \$2,060,403 in transfers will come from savings in other departments and non-departmental accounts.

Department of Transportation and Engineering – \$175,000

Personnel and fringe benefits savings in the Transportation Planning Division in the amount of \$175,000 will be transferred to offset needs in the Office of the Director and the Division of Traffic Engineering. A salary and fringe benefit need of \$140,000 exists in the Office of the Director related to reduced capital project reimbursements and a non-personnel need of \$35,000 related to Duke Energy utility increases for street lighting exists in the Traffic Engineering Division.

Department of Public Services – \$250,000

\$250,000 in personnel savings in the Neighborhood Operations Division (NOD) will be transferred to City Facility Management (CFM) to cover increases in City Hall maintenance expenses and other building repairs.

Cincinnati Fire Department – \$716,253

The Support Services Division has fringe benefits savings of \$716,253. \$545,000 will be transferred to the Response Division to cover non-personnel needs related to Emergency Medical Services (EMS) billing fees and equipping medical units, \$74,000 will be transferred to the Support Services Division's non-personnel appropriation to cover air quality testing costs at Firehouse 12 and Human Resources testing services for upcoming Fire Recruit Classes. The remaining \$97,253 will be transferred to the Response Division to partially offset needs related to increased overtime expenses.

Department of Economic Inclusion – \$35,000

A total of \$35,000 in personnel and benefits savings in the Department of Economic Inclusion (DEI) will be transferred to address contractual services needs related to non-local training and telephone expenses. The department will utilize \$120,000 in personnel savings to transfer to a capital improvement program project account and return a net savings of \$71,313 which will be used to offset needs in other departments.

Non-Departmental Accounts – \$213,100

The Public Employees Assistance Program (PEAP) account requires a transfer of \$3,100 to cover benefits needs. The Hamilton County Auditor & Treasurer Fees account requires a transfer of \$210,000 to cover a non-personnel need related to a property tax settlement. These needs will be offset by savings in the Lump Sum Payments account. The Non-Departmental accounts will return a net \$1,326,900 in savings, which will be used to offset needs in other departments.

GENERAL FUND SUPPLEMENTAL APPROPRIATIONS

Four departments require supplemental appropriations totaling \$17,850,953. These needs will be addressed using General Fund unappropriated surplus. Of that amount, \$5,800,000 will come from General Fund balance sheet reserve account no. 050x2580, “Reserve for Weather Events, Other Emergency and One-Time Needs,” as this Emergency Ordinance authorizes the transfer of these funds to the unappropriated surplus of the General Fund. This transfer will address FY 2025 personnel needs in the Cincinnati Police Department and Cincinnati Fire Department as outlined in the FY 2024 Carryover to FY 2025 Report No. [202402131](#).

Department of Community and Economic Development – \$110,000

The Department of Community and Economic Development (DCED) requires a supplemental appropriation of \$110,000 in non-personnel for needs related to small business support programs.

Department of City Planning and Engagement – \$23,000

The Department of City Planning and Engagement requires a supplemental appropriation of \$23,000 related to reduced reimbursements from Community Development Block Grant Fund 304. Staff turnover and additional position vacancy savings has reduced the previously reported departmental need from \$50,000 as reported in the Finance and Budget Monitoring Report for the Period Ending January 31, 2025.

Cincinnati Police Department – \$7,600,697

Supplemental appropriations totaling \$7,600,697 are needed in the Cincinnati Police Department to address overtime and wage increases related to the newly executed labor contract with the Fraternal Order of Police (FOP). As of the Finance and Budget Monitoring Report for the Period Ending January 31, 2025, the Police Department was projecting a net need of \$8.2 million. However, the department’s net need increased to \$9,661,100 in the Final Adjustment Ordinance. Of this amount,

\$2,060,403 of the net need was addressed within appropriations using savings from other departmental and Non-Departmental accounts, and \$4,200,000 is being transferred from General Fund balance sheet reserve account no. 050x2580, “Reserve for Weather Events, Other Emergency and One-Time Needs” to the unappropriated surplus of the General Fund to offset the needs related to the new labor agreement. The remaining \$3,400,697 is addressed with General Fund unappropriated surplus, including increased revenue related to off-duty police details.

Cincinnati Fire Department – \$10,117,256

The Cincinnati Fire Department requires a supplemental appropriation of \$10,117,256 primarily due to greater than anticipated overtime costs and the newly executed labor contract with the International Association of Fire Fighters (IAFF). \$1,600,000 million is being transferred from General Fund balance sheet reserve account no. 050x2580, “Reserve for Weather Events, Other Emergency and One-Time Needs” to the unappropriated surplus of the General Fund to offset the needs related to the new labor agreement. The remaining \$8,517,256 is addressed with General Fund unappropriated surplus. As of the Finance and Budget Monitoring Report for the Period Ending January 31, 2025, the Fire Department was projecting a net need of \$11.1 million. \$1 million has been reduced from this reported need due to overtime mitigation efforts implemented by the Fire Department.

GENERAL FUND TRANSFERS TO CAPITAL BUDGET

Two departments require a transfer from the unappropriated surplus of the General Fund to existing capital improvement program project accounts. A total of \$300,000 will be transferred.

Department of Public Services – \$180,000

A transfer in the amount of \$180,000 from the unappropriated surplus of the General Fund to the Department of Public Services’ existing capital improvement program project account no. 980x981x252505, “Fleet Replacements,” is required to provide resources for the partial replacement of a Public Services vehicle damaged in service.

Department of Economic Inclusion – \$120,000

The Department of Economic Inclusion has personnel savings of \$120,000 which will be returned to the unappropriated surplus of the General Fund and subsequently appropriated to existing capital improvement program project account no. 980x255x232520, “Centennial II Office Renovation,” to provide resources for the renovation of Department of Economic Inclusion office space. Personnel savings available for this transfer are related to staff turnover and increased position vacancy savings.

GENERAL FUND TRANSFERS OUT

This Emergency Ordinance authorizes the transfer out of General Fund resources for two purposes, as outlined below.

Human Resources Recruitment Efforts – \$30,000

The Department of Human Resources requires \$30,000 to continue targeted recruitment efforts to address disparities in employment opportunities. A transfer of \$30,000 to Citizens Jobs Fund 308 will provide resources for these targeted efforts and will include industry specific job board subscriptions, radio, television and billboard advertisements, and job fair registration fees.

GENERAL FUND ADVANCE

Parking Meter Fund 303 Fund Advance – \$600,000

A transfer of \$600,000 as a Fund Advance to Parking Meter Fund 303 is necessary to provide resources for continued operations. The advance will be repaid with future parking meter revenue.

The reason for the emergency is the immediate need to realign and provide funds for the ongoing needs of City departments.

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew Dudas, Budget Director
Steve Webb, Finance Director

Attachment