

**February 1, 2023**

**To:** Mayor and Members of City Council 202300452

**From:** Sheryl M. M. Long, City Manager

**Subject: Finance and Budget Monitoring Report for the Period Ending November 30, 2022**

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The purpose of this report is to provide the City Council with the status of the City's Fiscal Year (FY) 2023 financial and operating budget conditions as of November 30, 2022, to note any significant variances, identify potential budget issues, and provide recommendations. The report is divided into two sections: revenues and expenditures. Various supplemental reports are attached to reflect forecasted revenue, actual revenue, expenditures, and commitments through November 30, 2022.

The following Citywide issues may impact the General Fund 050, Special Revenue Funds, and Enterprise Funds.

1. General Fund revenues are greater than projected by \$6.6 million through the end of November. However, this report highlights increased potential expenditure needs in the amount of \$6.1 million.
2. Overtime in the Cincinnati Fire Department (CFD) and the Cincinnati Police Department (CPD) is currently outpacing the budget. In CFD, the increased overtime is primarily driven by the increased attrition experienced over the past several years. The department is required to use overtime to backfill the vacant positions. The graduation of Recruit Class #120 is expected to reduce overtime usage starting in the spring of 2023. If overtime trends do not curtail, the CFD projects a need of up to \$4.1 million by fiscal year end due to increased overtime. In CPD, the increased overtime is primarily due to Police Visibility Overtime (PVO) related to Downtown Event Deployment to curb violence and for large public events such as BLINK, Oktoberfest Zinzinnati, and Cincinnati Bengals home football games. Increased overtime is also required due to a higher vacancy rate of sworn positions, which is expected to curtail when the 113<sup>th</sup> Recruit Class graduates this winter.
3. The Approved FY 2022 Budget included a 2.0% wage increase for Cincinnati Organized and Dedicated Employees (CODE). The wage increase was not paid in FY 2022 as contract negotiations were still underway. Following the report of a fact finder in September 2022, which was approved by the City Council on

October 5, 2022, through Ordinance No. 0312-2022, the new labor agreement includes a 5.0% wage increase retroactive to March 2022. The City processed a one-time payment to CODE employees in November 2022 for the portion of the wage increase retroactive to March 2022. Across all funds, the retroactive payment totaled \$2.3 million, including \$631,000 in the General Fund. Supplemental appropriations may be required to cover the additional cost of the wage increase over the budgeted amount as well as the retroactive pay.

4. The Approved FY 2023 Budget Update included a 3.0% wage increase for CODE. The fact finder's report, which was approved by the City Council on October 5, 2022, through Ordinance No. 0312-2022, includes a 4.0% wage increase for March 2023. Supplemental appropriations may be required to cover the cost of the wage increase over the budgeted amount.
5. Parking meter revenue is below the estimate. However, many contractual service expenditures are based on revenue, so less revenue results in lower expenses in some cases. This should offset the reduction in revenue. The fund will be monitored closely to ensure expenditures do not outpace revenues.
6. The lasting impacts of the COVID-19 pandemic continue to impact supply chains and the costs of various goods and services. Departments report several areas of concern, including energy costs, vehicle repair and maintenance costs, and the supply of new vehicles. Trends in the energy sector show an increase in costs for natural gas, petroleum, etc. Supply chain issues have also resulted in the shortage of vehicle parts and semiconductor chips. Fleet repairs are becoming more difficult and more expensive in certain cases. The acquisition of new vehicles has also been affected by these issues. Fleet Services anticipates that new vehicles will be significantly delayed which may result in an operating budget need for vehicle leases until new vehicles become available and increased repair costs as older vehicles will remain in service for a longer than anticipated period of time. These issues will be monitored closely for budgetary and operational impacts.

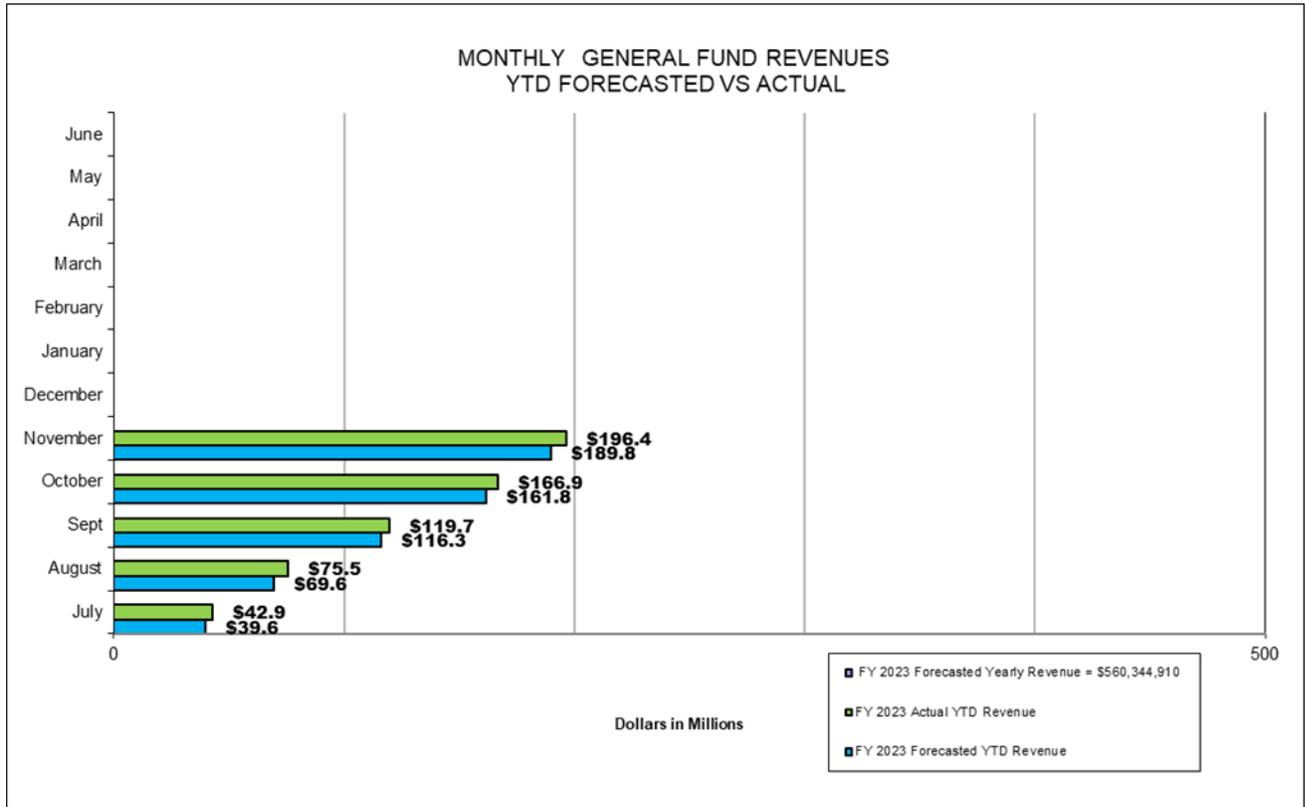
## **REVENUE**

The following report provides an update on the City of Cincinnati's financial condition as of the month ending November 30, 2022. Variances are based on current year estimates and prior year activity in attached schedules.

A more detailed explanation of revenues is attached for review, including reports comparing current year actual revenue versus forecasted revenue and prior year actual revenue versus current year actual revenue. Both of those reports are presented on a monthly and year-to-date basis.

## I. GENERAL FUND 050

The chart below portrays the performance of actual revenue collected against the forecasted revenue collected through November 30, 2022 and shows that actual revenue of \$196.4 million was above forecasted revenue of \$189.8 million by \$6.6 million.



The major revenue components of the General Fund are listed in the table below. This table highlights the year-to-date variance (favorable and unfavorable) in General Fund revenue collections as compared to forecasted revenue collections. Each major category that differs significantly from forecasted collections will be discussed in further detail.

## GENERAL FUND REVENUE SOURCES

	FAVORABLE VARIANCE	(UNFAVORABLE) VARIANCE
General Property Tax		(\$1,534,628)
City Income Tax	5,776,518	
Admissions Tax	1,037,662	
Short Term Rental Excise Tax	535,141	
Licenses & Permits	364,631	
Fines, Forfeitures, & Penalties	467,949	
Investment Income	416,397	
Local Government	415,772	
Casino	461,182	
Police	153,935	
Buildings and Inspections		(\$9,390)
Fire	437,462	
Parking Meter	250	
Other		(\$1,925,324)
	10,066,899	(\$3,469,341)
Difference	6,597,557	

**General Fund (favorable variance) is \$6.6 million** above the amount forecasted through November in the FY 2023 Budget. This is the fifth month's report for the new fiscal year. What follows is an explanation of significant variances of individual General Fund revenue components.

- 1. Property Tax (unfavorable variance) is \$1.5 million** below estimate due to the decrease in the millage for this half. The millage for the second half is set at a higher rate, which will offset this unfavorable variance. The Administration anticipates Property Tax revenue will be on target at year end. This is a semi-annual payment. The second payment will be received in late Spring.
- 2. Income Tax (favorable variance) is \$5.8 million** above the forecasted amount. This amount can fluctuate throughout the year as quarterly net profits are due. The Administration will continue to watch the trends very closely.
- 3. Admission Tax (favorable variance) is \$1 million** above estimate. Many estimates have been set to pre-pandemic levels as businesses rebound. Finance will continue to monitor this group.
- 4. Short Term Rental Excise Tax (favorable variance) is up \$535k.** This variance is contributed to a higher than anticipated response through Airbnb.

**5. Other (unfavorable variance) is \$1.9 million** below forecast. This category is made up of many small sources of revenue that fluctuate from time to time. Finance will continue to monitor these various revenue sources.

## **II. RESTRICTED FUNDS**

**A. Parking System Facilities (favorable variance) is \$689k** above estimate. The estimate was very conservative this year as the decline from the pandemic is still lingering in this category. Finance is monitoring how many companies are bringing their employees back to the office and utilizing the lots and garages. The actuals are still down significantly from FY 2019 pre-pandemic amounts.

**B. Convention Center (favorable variance) is \$770k** above estimate. The venue started this fiscal year off better than it has in several years with many bookings taking place. The addition of many people returning to hotels has increased the transient occupancy tax revenue and that adds to the favorable variance.

**C. Sawyer Point (unfavorable variance) is down \$490k.** This variance is partly due to a large concert cancelling at the beginning of the fiscal year and parking at the riverfront being down.

**D. Community Health Centers (favorable variance) is up \$2.6 million.** Federal Emergency Management Agency (FEMA) reimbursements were received that cover prior year COVID expenses such as supplies and vaccine clinics. This was not estimated in FY 2023 as the timeliness of these reimbursements are difficult to know.

**E. Streetcar Operations (favorable variance) is \$1.9 million above estimate.** The Ohio Transit Partnership (OTP) and Formula grant payments were delayed from FY 2022 as were the voluntary tax incentive contribution agreement (VTICA) payments. These receipts were not estimated in FY 2023. This category will remain above estimate this fiscal year.

## **EXPENDITURES**

The following provides an update on the City of Cincinnati's operating budget position as of the month ending November 30, 2022. The attached Fund Summary Report provides the current budget, expenditures, and commitments of each appropriated fund. This report is presented on a year-to-date basis.

## **I. GENERAL FUND 050**

As shown on the attached report, total expenditures are 38.6% of budget, and commitments are 43.3% of budget in General Fund 050 as compared to the estimated period ending November 30, 2022, or 41.7% of the fiscal year. "Non-personnel expenses" are trending higher at 60.4% committed year to date due to encumbering twelve months of expenditures for certain commodities such as gas and electric costs, contractual services, and materials and supplies. This is not unusual for this reporting period.

The majority of departments have indicated their FY 2023 General Fund 050 appropriation will meet their budgetary needs through the end of the fiscal year. However, budget transfers may be necessary to move funds from divisions and programs with savings to others within the respective departments that have budget needs. These transfers will be included in the Final Adjustment Ordinance (FAO), which will be presented to the City Council in May 2023.

### **A. Budget Savings Identified**

As of November 30, 2022, one General Fund 050 department is projecting savings at the end of FY 2023. The identified savings will be available to support budget needs in other departments and programs as necessary. Interdepartmental transfers of funds from one department to another will be included in the FAO as appropriate.

#### **1. Department of City Planning and Engagement (\$100,000)**

The Department of City Planning and Engagement projects savings of \$100,000 due to position vacancy savings. However, these savings will likely be needed to fully offset needs related to non-personnel expenses for the new community engagement functions by fiscal year end. This includes computer equipment for the new staff as well as other expenses for community engagement efforts.

### **B. Budget Needs Identified**

Based on current expenditure projections, the following General Fund 050 departments are forecasting a budget need in FY 2023. The departments have been advised to manage their appropriated resources so that supplemental appropriations will not be required. However, the Administration will continue to closely monitor these budgets in the coming months and work with the respective departments to mitigate the need for supplemental appropriations. As appropriate, any remaining budget needs will be addressed with the FAO.

#### **1. Department of Human Resources (\$10,000)**

The Department of Human Resources projects a need in non-personnel. The door at the main entrance is no longer functional and needs to be replaced to ensure

safety and security. The replacement is estimated at \$10,000. This need will be addressed by a future mid-year budget adjustment ordinance.

**2. Citizen Complaint Authority (\$70,000)**

The Citizen Complaint Authority (CCA) projects a possible personnel need of up to \$70,000 resulting from vacant positions that were filled at higher than anticipated salaries as well as anticipated equity salary adjustments. Additionally, the department is projecting a non-personnel need resulting from a FY 2022 computer expense that was not properly encumbered as well as telephone expenses for cell phones for investigators. Of the estimated need, \$15,000 will be addressed by a future mid-year budget adjustment ordinance.

**3. Cincinnati Police Department (\$1.6 million)**

The Cincinnati Police Department (CPD) projects an overall need of approximately \$1.6 million primarily due to personnel expense overages. Personnel overages are estimated at \$1.3 million and are attributed to increased Police Visibility Overtime (PVO) related to Downtown Event Deployment to curb violence and for large public events such as BLINK, Oktoberfest Zinzinnati, and Cincinnati Bengals home football games. Increased overtime is also required due to a higher vacancy rate of sworn positions, which is expected to curtail when the 113<sup>th</sup> Recruit Class graduates this winter. Lump sum payments have also exceeded expectations due to the retirement of several veteran officers. Additionally, a non-personnel need of \$300,000 is projected due to unbudgeted annual software maintenance for the department's wireless mobile digital video (in-car camera) system. Personnel and non-personnel expenditures will be closely monitored over the next few months. A portion of the overtime need will be addressed by a future reallocation of American Rescue Plan (ARP) Act funds.

**15. Department of Public Services (\$30,000)**

The Department of Public Services (DPS) reports a \$30,000 need in non-personnel for a Cincinnati Police Department facility energy audit. DPS is also reporting a potential need related to increased utility costs due to stormwater rate increases. DPS projects utility expenses could create a budget need of approximately \$162,000. Additionally, DPS projects a potential need of \$23,000 due to the CODE retroactive salary adjustment implemented in November 2022 and other staffing adjustments. These needs may be partially offset by position vacancy savings as well as increased reimbursements. These needs will be monitored closely as the fiscal year continues.

**4. Cincinnati Fire Department (\$4.1 million)**

The Cincinnati Department (CFD) projects a total need of up to \$4.1 million primarily due to overtime. Increased attrition over the past several years has necessitated the use of overtime to backfill vacant positions. The graduation of Recruit Class #120 is expected to reduce overtime usage starting in the spring of

2023. If overtime trends do not curtail, the CFD projects a need of up to \$4.1 million by fiscal year end due to increased overtime. However, this need may be partially offset by non-personnel savings. Both the department and the Office of Budget and Evaluation will continue to closely monitor staffing trends and overtime needs.

**5. Department of Economic Inclusion (\$120,000)**

The Department of Economic Inclusion projects a potential personnel need of up to \$164,000 due to being fully staffed. However, this need may be partially offset through additional reimbursements from the Income Tax-Infrastructure Fund for eligible work for a total estimated net need of \$120,000.

**6. Non-Departmental Accounts (\$201,000)**

The Internal Revenue Service (IRS) limits the maximum employee benefit received from a defined contribution retirement plan. Per the Cincinnati Municipal Code (CMC), the City is responsible for covering the excess benefit amount, which is paid from the Contribution to Total Benefit Arrangement (Cincinnati Retirement System (CRS)) non-departmental account. An amount of \$1,000 is needed in this account in order to comply with IRS regulations. Additionally, the Law Department projects a potential need of up to \$200,000 in the Judgments Against the City non-departmental account for settlements. The timing of settlements may also impact the potential need. The Law Department will monitor this need closely. It is also expected that the City will owe a judgment of approximately \$3,280,000 in a future budget monitoring period due to the Ohio First District Court of Appeals upholding the finding, in *White v. Cincinnati, 2021-Ohio-4003*, that the false alarm fee imposed by the City under Cincinnati Municipal Code (CMC) Chapter 807 to be a tax which was determined to be unconstitutional. The finding will likely dictate the timing required for the payment of this judgment.

**C. Within Budget, Intradepartmental Budget Transfers May Be Needed**

Numerous General Fund 050 departments have indicated the ability to manage their resources within their appropriation. However, budget adjustments within their departments may be required. These transfers are referred to as Intradepartmental Budget Transfers. Unless noted otherwise, these Intradepartmental Budget Transfers will be included in the FAO, which will be presented to the City Council for approval in May 2023.

**1. Clerk of Council**

The Clerk of Council's Office projects a potential non-personnel need due to evening neighborhood meetings, which are held twice a month. Each meeting costs an estimated \$1,000. This ongoing expense will be monitored and addressed in a budget adjustment ordinance if necessary.

**2. Enterprise Technology Solutions**

The Department of Enterprise Technology Solutions projects no budget savings or need at this time, pending reimbursement processing.

**3. City Manager's Office**

The City Manager's Office projects no budget savings or need at this time. However, a potential non-personnel need may arise related to Infrastructure Investment and Jobs Act (IIJA) grant application consulting services.

**4. City Manager's Office: Office of Communications**

The Office of Communications projects no budget savings or need at this time.

**5. City Manager's Office: Office of Human Relations**

The Office of Human Relations projects a need of \$4,950 related to a cancelled prior-year encumbrance. This expense will be absorbed by the City Manager's Office and monitored.

**6. City Manager's Office: Office of Budget and Evaluation**

The Office of Budget and Evaluation projects no budget savings or need at this time, pending reimbursement processing.

**7. City Manager's Office: Emergency Communications Center (ECC)**

The Emergency Communications Center projects no budget savings or need at this time. However, a need may arise related to the 311 service line chat tool software.

**8. City Manager's Office: Office of Environment and Sustainability**

The Office of Environment and Sustainability projects no budget savings or need at this time.

**9. City Manager's Office: Office of Procurement**

The Office of Procurement projects no budget savings or need at this time, pending reimbursement processing.

**10. City Manager's Office: Office of Performance and Data Analytics (OPDA)**

The Office of Performance and Data Analytics projects potential personnel savings, which will be monitored. No savings or needs are anticipated in the non-personnel budget.

**11. City Manager's Office: Internal Audit**

Internal Audit projects a possible personnel need. The budget will be monitored for a possible shortfall, which can be resolved in the Final Adjustment Ordinance if necessary.

**12. Department of Law**

The Department of Law projects no budget savings or need at this time.

**13. Department of Finance**

The Department of Finance projects no budget savings or need at this time, pending reimbursement processing.

**14. Department of Community and Economic Development**

The Department of Community and Economic Development (DCED) projects a non-personnel need due to Shillito's West annual operating expenses. Additionally, there is a potential personnel need in the Housing Division. These needs will be offset by personnel savings in the Economic Development Division. Transfers between agencies may be required as part of the Final Adjustment Ordinance.

**16. Cincinnati Recreation Commission**

The Cincinnati Recreation Commission projects no budget savings or need at this time. The department has several reimbursements that will be processed in the coming months. Additionally, transfers between agencies may be requested as part of the Final Adjustment Ordinance.

**17. Cincinnati Parks Department**

The Parks Department projects no budget savings or need at this time, pending reimbursement processing. However, transfers between agencies may be required as part of the Final Adjustment Ordinance.

**18. Department of Buildings and Inspections**

The Department of Buildings and Inspections projects no budget savings or need at this time. The department has several reimbursements that will be processed in the coming months. Additionally, due to staffing and hiring issues, the department is engaging an external contractor to assist with plan reviews. This contractual service need can be offset by position vacancy savings, but transfers will be required as part of the Final Adjustment Ordinance.

**19. Department of Transportation and Engineering**

The Department of Transportation and Engineering projects no personnel budget savings or needs, pending reimbursement processing.

**II. ENTERPRISE FUNDS**

Enterprise Funds account for any activity for which a fee is charged to external users for goods or services. If an activity's principal revenue source meets any one of the following criteria, it is required to be reported as an enterprise fund: (1) an activity

financed with debt that is secured solely by pledge of the net revenues from fees and charges for the activity; (2) laws or regulations which require that the activity's costs of providing services, including capital costs, be recovered with fees and charges, rather than with taxes or similar revenues; or (3) pricing policies which establish fees and charges designed to recover the activity's costs.

**A. Water Works Fund 101**

Water Works Fund 101 is 32.3% expended year to date. The Greater Cincinnati Water Works (GCWW) projects a potential need related to utility expenses, postage, and credit card processing fees, which can be offset by savings in expert services and savings generated from the delay of water meter acquisition. These needs will be monitored closely.

**B. Parking System Facilities Fund 102**

Parking System Facilities Fund 102 includes the budget for off-street parking enterprises, including garages. Fund 102 is currently 31.1% expended year to date. The Division of Parking Facilities within the Department of Community and Economic Development continues to experience an increase in rent expenses due to the rise in employee parking at the Seventh Street Garage and the Hennegan Lot. The division is responsible for covering the difference between what City employees pay and the contracted monthly rate. This need is expected to be offset with savings in contractual services.

**C. Duke Energy Convention Center Fund 103**

Duke Energy Convention Center Fund 103 is 47.7% expended year to date. Contractual service expenses are trending slightly high due to increased Convention Center operating costs for the first quarter. However, the Finance Department projects no savings or need at this time.

**D. General Aviation Fund 104**

General Aviation Fund 104 is 29.9% expended year to date. The Department of Transportation and Engineering may have personnel and fringe benefits savings in Fund 104 due to position vacancies, which will be monitored. Possible non-personnel needs related to auto repairs and maintenance will also be monitored.

**E. Municipal Golf Fund 105**

Municipal Golf Fund 105 is 58.3% expended year to date, which reflects expenses for the calendar year (CY) 2022 golf season and meets expectations. The Cincinnati Recreation Commission projects no budget savings or need.

**F. Stormwater Management Fund 107**

Stormwater Management Fund 107 provides resources to various City departments. The major recipient of resources from this fund is the Stormwater Management Utility (SMU). The Department of Public Services, the Parks Department, and the Department of Buildings and Inspections, among others,

also receive appropriations from this fund. The Stormwater Management Fund is 35.0% expended year to date. SMU, the Parks Department, and the Department of Buildings and Inspections project no budget savings or need at this time. The Department of Public Services projects potential savings in personnel due to position vacancies.

### **III. DEBT SERVICE FUNDS**

Debt Service Funds account for the accumulation of resources for, and the payment of, principal and interest on the City's bonds issued in support of governmental activities.

#### **A. Bond Retirement Fund 151**

Bond Retirement Fund 151 is 54.8% expended year to date. The Finance Department projects no budget savings or need for FY 2023.

### **IV. APPROPRIATED SPECIAL REVENUE FUNDS**

Special Revenue Funds account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments, or for major capital projects) that are legally restricted to expenditures for specific purposes.

The Office of Budget and Evaluation, in cooperation with various City departments, reviewed appropriated special revenue funds to ensure the Approved FY 2023 Budget Update remains in balance. Based on expenditures and revenues through November 30, 2022, most special revenue funds are on target with regards to their budget and require no additional appropriations at this time. Any identified issues are highlighted in the narrative summaries provided below. If warranted, budget adjustments will be addressed in the FAO later in the fiscal year.

#### **A. Street Construction, Maintenance & Repair Fund 301**

Street Construction, Maintenance & Repair Fund 301 is 27.1% expended year to date. The Department of Transportation and Engineering projects no budget savings or need in FY 2023. The Department of Public Services anticipates personnel and fringe benefit savings in Fund 301; however, these savings are anticipated to be partially offset by automotive maintenance and repair expenses as well as increased winter emergency operations expenses due to the projected inclement weather conditions over the next few months.

#### **B. Income Tax-Infrastructure Fund 302**

Income Tax-Infrastructure Fund 302 provides resources to several City departments. The Department of Transportation and Engineering is the largest

recipient of resources from this fund. The Department of Public Services also receives Income Tax-Infrastructure Fund resources. Fund 302 is 35.5% expended year to date. The Department of Transportation and Engineering projects potential personnel savings due to position vacancies, which is offset by a potential non-personnel need related to natural gas expenses. Transfers between agencies may also be required as part of the Final Adjustment Ordinance. The Department of Public Services projects a possible personnel need related to overtime expenses and the CODE retroactive salary adjustment implemented in November 2022.

**C. Parking Meter Fund 303**

Parking Meter Fund 303 includes the budget for on-street parking enterprises, including parking meters. Fund 303 is currently 35.9% expended year to date. The Division of Parking Facilities within the Department of Community and Economic Development projects neither a savings nor a need in the fund.

**D. Municipal Motor Vehicle License Tax Fund 306**

Municipal Motor Vehicle License Tax Fund 306 is 26.5% expended year to date. The Department of Transportation and Engineering projects potential personnel savings, which will be monitored. The Department of Public Services currently projects a possible fringe benefits savings at this time. However, depending on weather conditions over the next few months, a potential need could arise related to winter emergency operation expenses.

**E. Sawyer Point Fund 318**

Sawyer Point Fund 318 is 18.1% expended year to date. The Parks Department projects no budget savings or need in Fund 318.

**F. Recreation Special Activities Fund 323**

Fund 323 is currently 33.6% expended year to date. The Cincinnati Recreation Commission projects no budget savings or need in Fund 323.

**G. Cincinnati Riverfront Park Fund 329**

Cincinnati Riverfront Park Fund 329 is the appropriated fund for Smale Park. Fund 329 is currently 9.7% expended year to date. The Parks Department projects no budget savings or need in Fund 329.

**H. Hazard Abatement Fund 347**

Hazard Abatement Fund 347 is 3.1% expended year to date. The Department of Buildings and Inspections projects no budget savings or need at this time.

**I. 9-1-1 Cell Phone Fees Fund 364**

9-1-1 Cell Phone Fees Fund 364 is the appropriated fund that governs the City portion of state collected revenue from mobile device fees. Fund 364 is currently

7.4% expended year to date. The Emergency Communications Center projects no budget savings or need in Fund 364.

**J. Safe and Clean Fund 377**

Safe and Clean Fund 377 is the appropriated fund that collects revenue associated with billboard leases. These resources are allocated to Keep Cincinnati Beautiful (KCB) expenditures. This fund is currently 1.7% expended year to date. The Department of Public Services projects no budget savings or need.

**K. Community Health Center Activities Fund 395**

Community Health Center Activities Fund 395 is 32.8% expended year to date. The Cincinnati Health Department (CHD) projects potential non-personnel needs related to temporary staffing, uniform expenses, and the unbudgeted repair and replacement of equipment. However, these needs may be offset by personnel savings resulting from position vacancies.

**L. Cincinnati Health District Fund 416**

General operational support to the Cincinnati Health Department is provided by Cincinnati Health District Fund 416. This fund is 33.3% expended year to date. The Cincinnati Health Department (CHD) projects a non-personnel need, primarily in contractual services related to the search for the next Health Commissioner, uniform expenses, building repair costs, and temporary personnel services. Additionally, the department projects a personnel need in the Technical Resources Division and the Community Health Services Division. Personnel needs are exacerbated by unbudgeted expenses resulting from the new CODE labor agreement, including the retroactive salary adjustment implemented in November 2022. These needs can be fully offset by personnel savings in the Office of the Commissioner and the Primary Health Care Centers Division. Transfers may be required as part of the Final Adjustment Ordinance.

**M. Cincinnati Area Geographic Information System (CAGIS) Fund 449**

Cincinnati Area Geographic Information System Fund 449 is 27.8% expended year to date. Enterprise Technology Solutions projects no budget savings or need at this time.

**N. Streetcar Operations Fund 455**

Streetcar Operations Fund 455 is 34.4% expended year to date. The Department of Transportation and Engineering projects a total non-personnel need of \$504,000, primarily due to police security details and Southwest Ohio Regional Transit Authority (SORTA) expenses. These needs may be covered by anticipated Ohio Department of Transportation (ODOT) grant resources as well as possible position vacancy savings. These needs will be monitored closely.

**O. County Law Enforcement Applied Regionally (CLEAR) Fund 457**

The CLEAR Fund is 20.3% expended year to date. Enterprise Technology Solutions projects no budget savings or need for FY 2023.

**Summary**

Through November 30, 2022, major budget issues include overtime needs for both the Police Department and Fire Department, revenue decline in Parking Meter Fund 303, unbudgeted wage items resulting from collective bargaining agreements, and lasting impacts from the COVID-19 pandemic related to supply chain issues and the costs of various goods and services. Departments have identified possible savings and shortfalls, which will continue to be monitored and updated monthly.

Submitted herewith are the following Office of Budget & Evaluation reports:

1. Fund Summary Report for the month ended November 30, 2022.

Submitted herewith are the following Department of Finance reports:

2. Comparative Statement of Revenue (Actuals, Forecast and Prior Year) as of November 30, 2022.
3. Audit of the City Treasurer's Report for the month ended October 31, 2022.
4. Statement of Balances in the various funds as of November 30, 2022.

By approval of this report, City Council appropriates the revenues received in the various restricted funds on the attached Statement of Balances and as stated in greater detail on the records maintained by the Department of Finance, Division of Accounts & Audits. Such revenues are to be expended in accordance with the purposes for which the funds were established.

cc: William "Billy" Weber, Assistant City Manager  
Karen Alder, Finance Director  
Andrew M. Dudas, Budget Director