

January 21, 2021

**To:** Mayor and Members of City Council **202100169**

**From:** Paula Boggs Muething, City Manager

**Subject: Finance and Budget Monitoring Report for the Period Ending  
November 30, 2020**

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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) 2021 financial and operating budget conditions as of November 30, 2020, to note any significant variances, identify potential budget issues, and provide recommendations. The report is divided in two sections: revenues and expenditures. Various supplemental reports are attached to reflect forecasted revenue, actual revenue, expenditures, and commitments through November 30, 2020.

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

1. Overall, General Fund revenues are greater than projected by \$15.2 million through November. However, increased expenditures noted in this report highlight a potential need of \$13.9 million.
2. Due to the unanticipated separation of several long-time sworn public safety employees, combined with actual attrition outpacing projections, Police and Fire lump sum payments have already exceeded budgeted amounts and will require an additional appropriation. Police lump sum payment expenditures currently exceed the budget by \$1.0 million. As attrition continues in FY 2021, the CPD lump sum need will increase. Fire's additional lump sum payment needs are currently estimated at \$1.0 million for FY 2021.
3. As noted above, Fire has experienced several unanticipated separations. Attrition through November 30, 2020 has trended nearly 200% higher than expected, which has necessitated the use of overtime to backfill sworn positions. Additionally, Fire overtime usage has been further exacerbated by the use of sick leave as a result of the COVID-19 pandemic. The additional overtime need for Fire is currently projected at up to \$5.7 million.
4. The Approved FY 2021 Budget Update included a 2.0% cost of living adjustment (COLA) for sworn public safety employees (e.g. the International Association of Fire Fighters (IAFF) and the Fraternal Order of Police (FOP)).

To date, a 5.0% COLA has been agreed to for FOP, which will be effective May 2021 and will generate an estimated additional need of \$500,000 in FY 2021. The IAFF collective bargaining agreement expired in December 2020 and negotiations are currently underway. Any agreements that exceed the budgeted COLA amount may result in a budget deficit for the Fire Department. If necessary, supplemental appropriations may be required.

5. Community Health Services Fund 395 revenues are being negatively impacted by COVID-19, especially in school-based medical and dental clinics due to the delay of in-person learning in Cincinnati Public Schools (CPS). Revenue trends will continue to be closely monitored. While Fund 395 is unlikely to meet revenue estimates, some expenditure savings are expected due to the reduction in school-based services. If additional Coronavirus Aid, Relief, and Economic Security (CARES) Act funds become available, certain activities may be eligible for reimbursement.
6. Due to COVID-19, many employers have instituted remote work policies and restaurants and retailers have limited capacity to promote social distancing. As a result, parking meter usage is down, which has negatively impacted Parking Meter revenue. However, many contractual service expenditures are based on revenue, so less revenue results in lower expenses in some cases. The Division of Parking Facilities currently projects a non-personnel savings of \$640,000 and a personnel savings of \$15,000. This will partially offset the reduction in revenue. The fund will be monitored closely to ensure expenditures do not outpace revenues.
7. The Approved FY 2021 Budget Update included a voluntary Early Retirement Incentive Program (ERIP) designed to reduce the City's workforce and generate long-term personnel savings. The budget assumed certain position vacancy savings and lump sum payment needs for departments with employees eligible to elect ERIP. The employee signup window is closed and a reconciliation of these savings and needs is required to realign resources between departments. A mid-year appropriation ordinance will be submitted to reconcile the savings and needs. The program did result in net savings of \$3.5 million for FY 2021.

## **REVENUE**

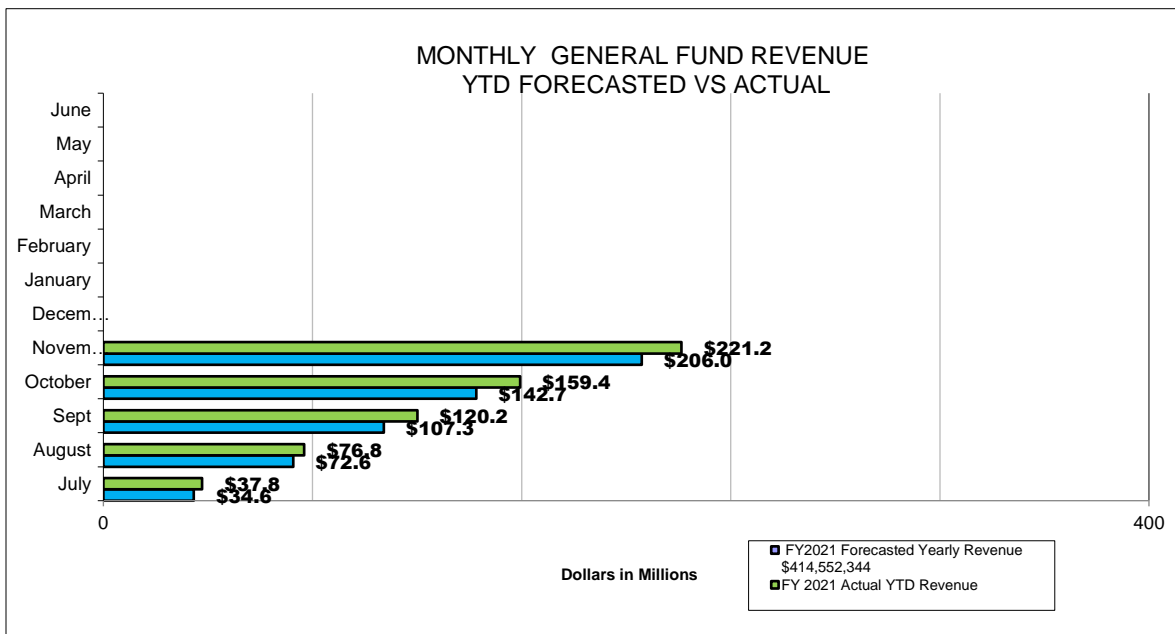
The following report provides an update on the City of Cincinnati's financial condition as of the month ending November 30, 2020. Variances are based on current year estimates and prior year activity in attached schedules.

A more detailed explanation of revenues is attached for review, including reports comparing current year actual revenue vs. forecasted revenue and prior year actual

revenue vs. 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, 2020 and shows that actual revenue of \$221.2 million was above forecasted revenue of \$206 million by \$15.2 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.

<b>GENERAL FUND REVENUE SOURCES</b>		
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	FAVORABLE VARIANCE	(UNFAVORABLE) VARIANCE
General Property Tax	\$687,130	
City Income Tax	\$16,324,513	
Admission Tax		(\$969,520)
Short Term Rental Excise Tax	\$116,984	
Licenses & Permits Fines, Forfeitures, & Penalties	\$542,226	(\$1,182,040)
Investment Income	\$66,928	
Local Government Casino	\$231,123	
Police	\$232,021	(\$519,921)
Buildings and Inspections Fire	\$575,399	(\$259,468)
Parking Meter		(1,136,381)
Other	\$483,367	
	\$19,259,693	(\$4,067,330)
Difference	\$15,192,393	

**General Fund (favorable variance) is \$15.2 million** above the amount forecasted thru November in the FY 2021 Budget. What follows is an explanation of significant variances of individual General Fund revenue components.

1. **Income Tax (favorable variance) is \$16.3 million** above the forecasted amount. The work from home exception due to the pandemic has been challenged in the courts. If the courts rule in favor of the plaintiff, a large portion of these revenues would need to be refunded. The Income Tax component represents 71% of the total General Fund percentage. Administration continues to evaluate and watch for trends.
2. **Admission Tax (unfavorable variance) is \$970k** below estimate. Most venues that generate admission tax continue to be closed, or open with very limited capacity, due to the pandemic. This trend will continue for foreseeable future therefore, the estimate in this revenue category will not be met for the fiscal year.
3. **License & Permits (favorable variance) is up \$542k.** The Building and Inspections Department have permitted several large projects that account for this favorable variance.
4. **Fines, Forfeitures & Penalties (unfavorable variance) is down \$1.2 million.** Parking fines make up most of the revenue in this category, and parking fines continue to be significantly below estimate. If this trend continues, the

estimates in this revenue category will not be met for the fiscal year.

5. **Police (unfavorable variance) is \$520k** below estimates. This variance is partly due to police detail work being decreased as a result of businesses not needing as many officers due to decreased hours of operation stemming from the pandemic. In addition, the pandemic has led to less parking downtown which has created less cars being impounded resulting in decreased collections in that area.
6. **Buildings and Inspections (favorable variance) is up \$575k.** This favorable variance is due to collections related to elevator inspections which are billed one time a year.
7. **Parking Meter (unfavorable variance) is \$1.1 million** below estimate. The unfavorable variance is due to reduced economic activity as a result of the COVID-19 pandemic.
8. **Other (favorable variance) is \$483k** above 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. **Convention-Exposition Center (unfavorable variance) is down \$992k.** Convention cancellations due to the COVID-19 pandemic have caused a decrease in revenue.
- B. **Municipal Golf (favorable variance) is up \$1.4 million.** The Cincinnati Recreation Commission continues to experience an increase in the utilization of the golf courses as people are looking for outside activities during the pandemic resulting in increased revenue.
- C. **Sawyer Point (unfavorable variance) is down \$207k.** The unfavorable variance is a result of less economic activity at the park as a result of the pandemic restrictions.
- D. **Recreation Special (unfavorable variance) is down \$1.1 million.** The Cincinnati Recreation Commission has experienced a reduction in revenue due to the cancellation of recreation center programs as a result of the pandemic.
- E. **Hazard Abatement (unfavorable variance) is down \$312k.** The Vacant Buildings Maintenance License revenue is down due to the number of license waivers requested due to the pandemic. In addition, Vacant Foreclosure License revenue is below estimate as a result of the reduced number of foreclosures being processed also as a result of the pandemic.

Variances in other restricted funds are due mostly to timing of billing and collections. By year end they will come more in line with the estimate. Finance will continue to monitor these funds.

## **EXPENDITURES**

The following provides an update on the City of Cincinnati's operating budget position as of the month ending November 30, 2020. 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 39.2% of budget, and commitments are 42.9% of budget in the General Fund 050 as compared to the estimated period ending November 30, 2020, or 41.7% of the fiscal year. "Non-personnel expenses" are trending higher at 49.2% 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 2021 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 2021.

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

At this time, no General Fund 050 departments are projecting a savings at the end of FY 2021. Position vacancy savings and position eliminations associated with the Early Retirement Incentive Program, along with non-personnel reductions as part of the Approved FY 2021 Budget Update, have made it difficult for departments to achieve savings. Any savings identified 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.

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

Based on current expenditure projections, the following General Fund 050 departments are forecasting a budget need in FY 2021. 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 in the FAO.

**1. Cincinnati Fire Department (\$8.0 million)**

The Cincinnati Fire Department projects a need of up to \$8.0 million by fiscal year end due to higher than anticipated lump sum payments and increased overtime, which has also impacted fringe benefits expenses. The COVID-19 pandemic has necessitated the use of additional overtime to meet staffing and service requirements. Sick leave has increased due to COVID-19 diagnoses, exposure, or mandatory quarantine periods required while waiting for test results. COVID-19 related sick leave has been further exacerbated by the close living and working conditions of sworn staff in fire houses. For the identified needs that are directly related to COVID-19, the Administration will seek additional federal or state dollars to help offset the overage. Additionally, attrition through November 30, 2020 has trended nearly 200% higher than expected due to unanticipated separations. Several separations are attributed to medic unit staff burnout, which has increased since the start of COVID-19. Attrition tends to accelerate in the first quarter and then curtails in quarters two through four. If attrition trends do not curtail, the department will require additional overtime to backfill vacant positions. Lastly, the Fire Department indicated a possible non-personnel need for automotive maintenance and repairs, which may be offset by uniform and contractual services savings. Both the department and the Office of Budget and Evaluation will continue to closely monitor staffing trends and overtime needs.

**2. Cincinnati Police Department (\$4.9 million)**

The Cincinnati Police Department (CPD) currently projects a total budget need of \$4.9 million due a variety of factors brought on by COVID-19 related disruptions, including increased sick leave due to COVID-19 diagnoses, exposure, or mandatory quarantine periods required while waiting for test results, accounting corrections related to prior year pay periods, and high levels of lump sum payments made to officers departing sworn service. Several high tenure officers entering retirement has led to a record amount of lump sum payments, with additional amounts expected for retirements that have already been announced. Some retiring officers have chosen the option of remaining on the payroll, using their accrued leave time until it is exhausted. This reduces the expected level of position vacancy allowance (PVA) the vacancy was expected to accumulate. In addition, disruptions to businesses due to COVID-19 have suppressed collections of reimbursable overtime, led to unplanned use of disaster overtime, and is expected to be a continued source of projected overtime expenditures as the fiscal year continues. For the identified needs that are directly related to COVID-19, the Administration will seek additional federal or state dollars to help offset the overage. While it is expected that additional retirements, resignations, and

associated expenses will decline as the year progresses, all CPD personnel expenditures will continue to be strictly monitored and updated.

**3. Department of Public Services (\$950,000)**

Stormwater rate increases over the previous two calendar years have resulted in expenses outpacing budgeted funds for utility expenses at city-owned buildings. Based on current billings, utility expenses could create a budget need of approximately \$700,000. Adjustments to the budget for increased stormwater fees will be made in future budget cycles. Additionally, the Department of Public Services is more aggressively filling key, street level positions such as Sanitation Helpers and Sanitation Engineers in order to provide greater operational capacity for critical Neighborhood Operations. This has reduced the amount of Position Vacancy Allowance (PVA) that the department is expected to generate. Because of this, an additional need of \$250,000 is expected. Personnel expenditures will continue to be strictly monitored and updated.

**4. City Manager's Office: Office of Environment and Sustainability (\$75,600)**

The Office of Environment and Sustainability anticipates a total non-personnel budget need of \$75,600. Contractual services from Rumpke are projected to exceed the budget by \$69,400. Utility payments for the Center Hill Landfill are projected to create a \$6,200 shortfall in FY 2021. A need of \$20,000 in temporary personnel will be offset with personnel and fringe benefit savings from budgeted recycling cart service center positions that have not yet been filled.

**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 2021.

**1. Clerk of Council**

The Clerk of Council's Office projects no savings or need at this time. However, slight variances in personnel expenditures will be monitored in future months with any needs addressed in the Final Adjustment Ordinance.

**2. Enterprise Technology Solutions**

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

**3. City Manager's Office**



The City Manager's Office projects no budget savings or need at this time. However, the Office of Human Relations anticipates a budget need of \$15,000 due to a shortage for the pension obligation to the United Way as well as strategic planning. Budget savings in other areas are expected to offset these needs.

**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 Budget and Evaluation**

The Office of Budget and Evaluation does not project a savings or need currently, pending reimbursement processing.

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

The Office of Performance and Data Analytics (OPDA) projects no budget savings or need.

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

Internal Audit expects no budget savings or need currently.

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

The Emergency Communications Center anticipates no budget savings or need currently. However, due to COVID-19 and related social distancing and overnight curfews, call volume to the ECC has substantially decreased during late night hours, leading to less revenue in 9-1-1 Cell Phone Fees Fund 364. As a result, the ECC may not be able to meet their budgeted reimbursement amount from Fund 364 to the General Fund.

**9. Department of Law**

At this time, the Department of Law forecasts no budget need or savings for FY 2021. The department has some outstanding reimbursement ID bills that will be processed shortly.

**10. Department of Human Resources**

At this time, the Department of Human Resources forecasts no budget need or savings for FY 2021. While the budget includes a significant amount of position vacancy savings, unexpected turnover should help achieve budgeted savings.

**11. Department of Finance**

The Department of Finance currently has identified some savings in their FY 2021 budget. Savings will be used to help offset needs for expert services. The total need is estimated to be \$185,000. The Department has several reimbursement ID bills in process.

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

The Department of Community and Economic Development (DCED) projects a contractual services need due to unexpected expenditures for telephone charges and computer peripherals. These unanticipated expenses are the result of COVID-19, which necessitated the provision of remote access to staff. Additionally, the department projects a fixed charge need due to several prior year leveraged support obligations that must now be fulfilled. However, budget savings in other areas are expected to offset these needs.

**13. City Planning Department**

The City Planning Department projects no budget need or savings at this time. However, a potential non-personnel need may arise due to temporary personnel, membership fees, postage, and software. Additionally, the department may not be able to fully meet their budgeted reimbursements by fiscal year-end due to unexpected position vacancies, which would create a personnel shortfall as well.

**14. Citizen Complaint Authority**

The Citizens' Complaint Authority currently has some position vacancy savings in the General Fund; however, vacant positions were filled in December. CCA is not currently expecting a need.

**15. Department of Recreation**

The Department of Recreation is on target pending the processing of outstanding interdepartmental (ID) bills for service. Once those are processed, there should be no issues to report. The department does expect to need a transfer within the current appropriation as part of the FAO to better align various expenditures.

**16. Cincinnati Parks Department**

The Parks Department is projecting no budget need or savings at this time.

**17. Department of Buildings and Inspections**

The Department of Buildings and Inspections projects no budget savings or need at this time. The department will continue to process reimbursements regularly.

**18. Department of Transportation & Engineering**

Overall, the Department of Transportation and Engineering's monitoring report includes savings and needs within the department's appropriation. The department is behind on the processing of reimbursement ID bills. The department will continue to monitor all expenses but is confident at this time that any needs can be settled within their current appropriation.

**19. Department of Economic Inclusion**

The Department of Economic Inclusion does not project a savings or need at this time. The department may have personnel need; however, this will not be determined until several vacancies are filled and salaries are known. A potential

non-personnel need may arise depending on which vendor is selected to perform the disparity study. Potential savings and needs will be monitored closely in the coming months.

## **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**

The Greater Cincinnati Water Works (GCWW) anticipates an overall savings of approximately \$2.8 million primarily due to debt service savings, position vacancy savings, and non-personnel savings. Total estimated savings have been reduced from \$4.8 million to reflect debt schedule changes. GCWW has actively sought to reduce non-personnel costs to limit the potential fiscal impacts of COVID-19.

### **B. Parking System Facilities Fund 102**

Fund 102 is currently 38.1% expended year to date. The Division of Parking Facilities within the Department of Community and Economic Development projects a net savings of \$300,000 from contractual services and debt service. Due to COVID-19 and related social distancing and remote work policies, parking garage usage is below expectations. As a result, both revenue and revenue-based expenses are trending below estimates. The expenditure savings will partially offset the projected loss of revenue. Revenue and expenditure trends will continue to be closely monitored.

Note: Starting in FY 2020, the Division of Parking Facilities was altered to functionally separate off-street parking (garages, etc.) and on-street parking (parking meters, etc.). The budget for off-street parking enterprises remains in the Parking System Facilities Fund. The budget for on-street parking enterprises has shifted to the Parking Meter Fund, which was reactivated in FY 2020.

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

Due to COVID-19 related cancelations, overall activity at the Duke Energy Convention Center (DECC) has been significantly reduced, as have related revenues. However, fixed costs related to maintaining the DECC remain a necessary expenditure to ensure the safety of the buildings and ensure capital improvements continue as scheduled.

**D. General Aviation Fund 104**

The General Aviation Fund is 36.8% expended year to date and is projected to have neither a need nor a savings for FY 2021.

**E. Municipal Golf Fund 105**

Municipal Golf Fund 105 is projecting neither a need nor a savings for FY 2021.

**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 and the Parks Department also receive appropriations from this fund. SMU does not currently project a savings or need. The Department of Public Services does not project a savings or need at this time.

On October 28, 2020, the City Council passed Ordinance No. 0358-2020 to transfer and appropriate the Private Lot Abatement Program (PLAP) from the Department of Public Services to the Department of Buildings and Inspections. The program transfer became effective November 1, 2020. Funding for this program is in the Stormwater Management Fund and spending will be closely monitored as part of the transfer.

**III. DEBT SERVICE FUND**

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 currently not projecting savings or a need for FY 2021.

**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 2021 Budget Update remains in balance. Based on expenditures and revenues through November 30, 2020, 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**

The Department of Public Services and the Department of Transportation and Engineering are not projecting a need for FY 2021. The fund is 30.5% expended through November and below the estimated 41.7%.

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

Income Tax-Infrastructure Fund 302 provides resources to several City departments. The Department of Transportation and Engineering (DOTE) is the largest recipient of resources from this fund. The Department of Public Services also receives Income Tax-Infrastructure resources and is not projecting a savings or need at this time. The fund is 40.6% expended through November and will continue to be monitored closely to ensure sufficient resources are allocated.

**C. Parking Meter Fund 303**

Fund 303 is currently 30.4% expended year to date. The Division of Parking Facilities within the Department of Community and Economic Development projects a savings of \$640,000 from expert services and credit card fees and \$15,000 from position vacancy savings. Due to COVID-19 and related social distancing and remote work policies, parking meter usage is below expectations. As a result, both revenue and revenue-based expenses are trending below estimates. The expenditure savings will partially offset the projected loss of revenue. Revenue and expenditure trends will continue to be closely monitored.

Note: Starting in FY 2020, the Division of Parking Facilities was altered to functionally separate off-street parking (garages, etc.) and on-street parking (parking meters, etc.). The budget for off-street parking enterprises remains in the Parking System Facilities Fund. The budget for on-street parking enterprises has shifted to the Parking Meter Fund, which was reactivated in FY 2020.

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

The Department of Public Services has indicated that it is not projecting a savings or need as this fund is 27.6% expended year to date and below the estimated 41.7%.

**E. Sawyer Point Fund 318**

The Parks Department and the non-departmental accounts in Sawyer Point Fund 318 are projected to have no overall savings or need by fiscal year-end.

**F. Recreation Special Activities Fund 323**

Recreation Special Activities Fund 323 is projecting neither a need nor a savings for FY 2021. Due to the impacts of COVID-19, revenue in this fund is down significantly, but expenditures are also down based on reduced programming.

**G. Cincinnati Riverfront Park Fund 329**

Cincinnati Riverfront Park Fund 329 is the appropriated fund that is for Smale Park. The fund is currently 11.8% expended year to date. The Parks Department projects no savings or needs in this fund.

**H. Hazard Abatement Fund 347**

The Hazard Abatement Fund 347 is an appropriated fund that is for activities related to the Vacant Building Maintenance License (VBML) Fee, the Residential Rental Registration (RRI) program, and the Residential Rental Property Inspection Pilot program. The fund is currently 20.6% expended year to date and is not projecting a savings or need at this time.

**I. Bond Hill Roselawn Stabilization & Revitalization Operations Fund 358**

This fund was established in FY 2016 as a \$200,000 per year contract for five years for the Bond Hill Roselawn neighborhood. This fund is 50.7% committed for FY 2021.

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

9-1-1 Cell Phone Fees Fund 364 is an appropriated fund that is for expenditures related to the Emergency Communications Center. Revenue for this fund is based on a proportion of the state mandated 9-1-1 Cell Phone fees allocated by call volume. Due to COVID-19 and related social distancing and overnight curfews, call volume to the ECC has substantially decreased during late night hours, leading to decreased revenues. As a result, ECC may not be able to meet their budgeted reimbursement amount to the General Fund. The fund will continue to be monitored for trends in revenue.

**K. Safe and Clean Fund 377**

The Safe and Clean Fund 377 is the appropriated fund that accounts for funds received for billboard leases and is pledged for Keep Cincinnati Beautiful (KCB) expenditures. This fund is currently 0.0% expended year to date.

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

There are some savings in the non-personnel (software and license fees) and personnel budgets due to reduced patient care and position vacancies during the COVID-19 shutdown that could be used to offset various needs in personnel and benefits, contractual services, materials and supplies, and fixed charges. Needs are due to increased medical supplies and services as a result of the COVID-19 pandemic. Additional needs are a result of higher than anticipated sick sell back expenses and office rent exceeding the budgeted amount. Internal transfers and

grant funds will help offset needs as well. The Health Department has several staff members assigned to COVID-19 related tasks; therefore, CARES Act funding will help cover these costs. Additionally, transfers may be made in the spring with the Final Adjustment Ordinance (FAO) if necessary.

Currently, Fund 395 is on track to fall short of revenue estimates for FY 2021. The delay in in-person learning for Cincinnati Public Schools has impacted revenue for school-based medical and dental clinics.

**M. Cincinnati Health District Fund 416**

COVID-19 related expenses such as overtime, ongoing temporary services and equipment rental result in needs in contractual services, materials and supplies, and personnel for the Health Department. The COVID-19 related expenses will be reimbursed by CARES Act funding. There is also a potential need for the remainder of FY 2021 for COVID-19 contact tracing and vaccine distribution; however, grants and other sources of funding are being pursued to help cover those costs. Additionally, needs result from anticipated salaries, pension and hospitalization exceeding budgeted salaries. Security guard service and security upgrades including a surveillance camera system have also generated a need for the Health Department.

The Department has identified position vacancy and non-personnel savings that will be used to help offset expected needs. Transfers may be made in the spring with the Final Adjustment Ordinance (FAO) if necessary.

\*Note: At the beginning of FY 2020, the Health Department's General Fund 050 account was switched to the Cincinnati Health District Fund 416, which was established by state mandate in Ordinance #0215-2019 for the purpose of separately accounting for the support of the general operation of the Cincinnati Health Department.

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

The CAGIS Fund is 33.3% expended year to date and is projected to have neither a need nor a savings for FY 2021.

**O. Streetcar Operations Fund 455**

Streetcar Operations Fund 455 is projected to have neither a need nor a savings for FY 2021.

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

The CLEAR Fund is 19.5% expended year to date and is projected to have neither a need nor a savings for FY 2021.

**Q. Income Tax-Transit Fund 759**

Income Tax-Transit Fund 759 is 78.0% expended year to date and is projected to have neither a need nor a savings for FY 2021.

### **Summary**

Through November 30, 2020, major budget issues include Police and Fire lump sum payments and cost of living adjustments, the Fire Department's staffing and overtime needs, COVID-19 related revenue decline in Community Health Center Activities Fund 395 and Parking Meter Fund 303, and the Early Retirement Incentive Program reconciliation. 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, 2020.

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.

Submitted herewith are the following Department of Finance reports:

2. Comparative Statement of Revenue (Actuals, Forecast and Prior Year) as of November 30, 2020.
3. Audit of the City Treasurer's Report for the month ended October 31, 2020.
4. Statement of Balances in the various funds as of November 30, 2020.

cc: Christopher A. Bigham, Assistant City Manager  
Karen Alder, Finance Director  
Andrew M. Dudas, Interim Budget Director

Attachments