



Jan-Michele Lemon Kearney
Vice Mayor

October 21, 2024

MOTION

WE MOVE that City Council modify Ordinance # 2022-01471 (the 2022 “Waterfall Ordinance”) that allocates the annual Closeout Budget’s carryover funds as follows:

1. Delete the third paragraph of the Waterfall Ordinance that states, “WE FURTHER MOVE that City Deferred Maintenance Project be **the** top priority for spending of the surplus” (*emphasis added*).

City deferred maintenance projects would remain one of City Council’s top priorities for spending of the surplus as stated in the second paragraph of the 2022 Waterfall ordinance.

2. Change the next to the last category (“bucket”) in the Waterfall Ordinance to “17% to an Operating Budget Contingencies Account up to \$750,000” rather than “up to \$500,000.”

The increase from \$500,000 to \$750,000 in the Operating Budget Contingencies Account would reduce by \$250,000 the last bucket, “Any Additional Surplus,” leaving \$14,609,008 in that bucket for capital projects.



Vice Mayor Jan-Michele Lemon Kearney

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STATEMENT

Council's funding priorities remain as stated in the 2022 Waterfall Ordinance as follows:

- City Deferred Maintenance Projects
- The Affordable Housing Trust Fund
- Human Services Projects
- Neighborhood Projects

However, the funding from the 2024 sale of the Cincinnati Southern Railway that must be used only to repair or replace existing City-owned infrastructure provides a new funding source for "City Deferred Maintenance Projects." With such funds available, city deferred maintenance projects may remain *one* of the City's funding priorities without being *the top* priority for allocation of the surplus.

The next to last bucket of the 2022 Waterfall Ordinance allows 17% of the remaining funds or \$500,000, whichever is less, to an Operating Budget Contingencies Account. The ordinance gives City Council the discretion to allocate these dollars to non-capital needs. However, given the non-capital needs of the City in areas such as rent assistance, violence reduction, and food for students after school, we move for an increased limit from \$500,000 to \$750,000 in the Operating Contingencies Budget Account.

As of the time of filing of this Motion, the remaining unallocated portion of the \$500,000 in the Operating Contingencies Budget Account is \$325,000. Council has agreed to the Mayor's request for \$100,000 and Councilmember Seth Wash's request for \$75,000 out of this operations account.

Raising the limit in the Operating Contingencies Budget Account from \$500,000 to \$750,000 reduces by \$250,000 the last bucket, "Any Additional Surplus" (which is reserved for capital expenditures per the 2022 Waterfall Ordinance). According to current calculations, this would leave \$14,609,008 in the last bucket to address capital needs. We suggest that the \$250,000 reduction in the "Any Additional Surplus" bucket would come out of the proposed "Catalytic Housing and Project Gap Filling" fund that is currently under City Council's consideration. This reduction would leave \$5,250,000 in that fund.

Cal Budget

JMLK

2000-2001

Proposition 130 is a ballot measure that would allow voters to vote on whether to increase the state sales tax from 4.712 percent to 5.975 percent. The measure would also allow voters to vote on whether to increase the state income tax from 9.3 percent to 10.5 percent. The measure would also allow voters to vote on whether to increase the state property tax from 0.7 percent to 0.8 percent.

The measure would also allow voters to vote on whether to increase the state lottery tax from 10 percent to 12 percent. The measure would also allow voters to vote on whether to increase the state gaming tax from 10 percent to 12 percent. The measure would also allow voters to vote on whether to increase the state tobacco tax from 10 percent to 12 percent.

The measure would also allow voters to vote on whether to increase the state alcohol tax from 10 percent to 12 percent. The measure would also allow voters to vote on whether to increase the state gambling tax from 10 percent to 12 percent. The measure would also allow voters to vote on whether to increase the state entertainment tax from 10 percent to 12 percent.

The measure would also allow voters to vote on whether to increase the state education tax from 10 percent to 12 percent. The measure would also allow voters to vote on whether to increase the state health care tax from 10 percent to 12 percent. The measure would also allow voters to vote on whether to increase the state transportation tax from 10 percent to 12 percent.

The measure would also allow voters to vote on whether to increase the state environmental tax from 10 percent to 12 percent. The measure would also allow voters to vote on whether to increase the state energy tax from 10 percent to 12 percent. The measure would also allow voters to vote on whether to increase the state housing tax from 10 percent to 12 percent.