

October 11, 2023

To: Mayor and Members of City Council

202302136

From: Sheryl M. M. Long, City Manager

**Subject: Emergency Ordinance – FY 2023 Year-End Report
Recommended Transfers and Appropriations**

Attached is an Emergency Ordinance captioned:

AUTHORIZING the transfer of \$5,575,948 from the unappropriated surplus of General Fund 050 to the unappropriated surplus of Working Capital Reserve Fund 754 to increase the City's working capital reserve; **AUTHORIZING** the transfer of \$1,762,615 from the unappropriated surplus of General Fund 050 to balance sheet reserve account no. 050x2585, "Economic Downturn Reserve," to increase the City's emergency reserve; **AUTHORIZING** the transfer of \$2,185,648 from the unappropriated surplus of General Fund 050 to balance sheet reserve account no. 050x2580, "Reserve for Weather Events, Other Emergency and One-Time Needs," to provide resources for unanticipated emergencies, including those caused by unusual weather events, to increase the City's reserve; **ESTABLISHING** new balance sheet reserve account no. 050x3425, "Affordable Housing," within the General Fund; **AUTHORIZING** the transfer of \$5,000,000 from the unappropriated surplus of General Fund 050 to newly created balance sheet reserve account no. 050x3425 "Affordable Housing," to provide a one-time contribution to the City's Affordable Housing Trust Fund; **AUTHORIZING** the transfer and appropriation of \$2,000,000 from the unappropriated surplus of General Fund 050 to the City Manager's Office personnel operating budget account no. 050x101x7500 to provide a one-time contribution to address the City's pension obligation to the Cincinnati Retirement System; **AUTHORIZING** the transfer of \$500,000 from the unappropriated surplus of General Fund 050 to balance sheet reserve account no. 050x2535, "Reserve for Operating Budget Contingencies," to provide resources for subsequent appropriation for one-time unforeseen operating needs that arise during the remainder of the ongoing fiscal year; **AUTHORIZING** the transfer of \$150,000 from the General Fund balance sheet reserve account no. 050x2535, "Reserve for Operating Budget Contingencies," to the unappropriated surplus of General Fund 050; **AUTHORIZING** the transfer and appropriation of \$150,000 from the unappropriated surplus of General Fund 050 to the various General Fund operating budget accounts according to the attached Schedule A of the General Fund Operating Budget Schedule of Appropriation to provide one-time funds for the following: the City Manager's Office for a project to digitize

records for multiple City departments (\$45,000); the City Manager's Office for detail needs at special events (\$50,000); and the Department of Community and Economic Development for a tax abatement study (\$55,000); **AUTHORIZING** the transfer and appropriation of \$8,474,191 from the unappropriated surplus of General Fund 050 to new or existing capital improvement program project accounts according to the attached Schedule B of the Capital Budget Schedule of Transfer; **AUTHORIZING** the transfer and appropriation of \$350,809 from the unappropriated surplus of Parking System Facilities Fund 102 to capital improvement program project account no. 980x248x242400, "Parking Garage Rehabilitation," to provide resources for improvements to off-street parking garages; **ESTABLISHING** new capital improvement program project account no. 980x164x241624, "Industrial Site Redevelopment – GF CO," to provide resources for industrial site redevelopment projects; **AUTHORIZING** the transfer of \$1,600,000 from the unappropriated surplus of General Fund 050 to newly created capital improvement program project account no. 980x164x241624, "Industrial Site Redevelopment – GF CO," to provide resources for industrial site redevelopment projects; **ESTABLISHING** new balance sheet reserve account no. 050x3423, "West End Community Development Initiatives," within the General Fund; **AUTHORIZING** the transfer of \$2,000,000 from the unappropriated surplus of General Fund 050 to newly created balance sheet reserve account no. 050x3423 "West End Community Development Initiatives," to provide resources for various community development initiatives in the West End neighborhood; **AUTHORIZING** the transfer of \$250,000 from the unappropriated surplus of General Fund 050 to the City Manager's Office General Fund non-personnel operating budget account no. 050x101x0000x7289 to provide resources to Keep Cincinnati Beautiful for capital facilities improvements; and **DECLARING** certain projects to be for a public purpose, all for the purpose of carrying out the Capital Improvement Program.

This Emergency Ordinance would authorize the various transfers and appropriations as recommended in the FY 2023 Carryover to FY 2024 Report which includes the following transfers and appropriations:

Application of FY 2023 Carryover Balance

Cash Basis Carryover Balance FY 2023		\$ 37,953,089
Uses of Carryover Balance		
Application of Stabilization Funds Policy:		
Less General Fund Carryover Balance (1.5% of operating revenue)		\$ 8,604,687
Less Transfers to Reserve Accounts:		
General Fund Contingency Account (2.00% of operating revenue)	\$ 2,185,648	
Economic Downturn Reserve (5.00% of operating revenue)	\$ 1,762,615	
Working Capital Reserve (8.2% of operating revenue)	<u>\$ 5,575,948</u>	
	Total Reserve Transfer from Stabilization Funds Policy	\$ 9,524,211
	Carryover Balance Less Total Applied to Stabilization Funds Policy	<u>\$ 19,824,191</u>
Less Modified Waterfall Uses:		
CRS Pension Contribution		\$ 2,000,000
Affordable Housing Trust Fund		\$ 5,000,000
Operating Budget Contingencies Account		\$ 500,000
	Total	<u>\$ 7,500,000</u>
	Balance Available	<u>\$ 12,324,191</u>
Less One-Time Uses:		
Administration's Recommended One-Time Uses		
Deferred Capital Maintenance - 69%		\$ 8,474,191
Industrial Site Redevelopment		\$ 1,600,000
West End Community Development Initiatives		\$ 2,000,000
Keep Cincinnati Beautiful (KCB) Capital Facilities Improvements		\$ 250,000
	Total	<u>\$ 12,324,191</u>
	Balance Available	\$ 0

Additional information regarding the overview of the City of Cincinnati’s financial condition for the fiscal year (FY) ending June 30, 2023, can be found in the Department of Finance Reports for the Fiscal Year Ended June 30, 2023 (unaudited) (Item #202302123).

The reason for the emergency is the immediate need to accomplish the authorized transfers and appropriations so that the funding described herein is in place immediately and so that the necessary expenditures described herein may be made as soon as possible.

The Administration recommends passage of this Emergency Ordinance.

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

Attachments