


May 28, 2024

FOR YOUR INFORMATION

To: Mayor and Members of City Council
From: Sheryl M. M. Long, City Manager 
Subject: Recommended FY 2025 Budget Update – Q&A #1

This memo includes responses to questions that the Office of Budget and Evaluation has received regarding the Recommended FY 2025 Budget Update. The content is for your information. Follow-up questions can be directed to Andrew Dudas, Budget Director, at extension 1562 or Andrew.Dudas@cincinnati-oh.gov.

1. Keep Cincinnati Beautiful (KCB) Leveraged Support Update

The Recommended Fiscal Year 2025 Budget Update document includes \$475,000 in leveraged support funding (\$275k) and city operations programmatic support (\$200k) for Keep Cincinnati Beautiful (KCB) within the City Manager's Office's (CMO) General Fund budget. However, because the Department of Public Services (DPS) will manage the entire KCB contract, this amount will be appropriated in the DPS budget. The leveraged support and city operations programmatic support resources appropriated to support Keep Cincinnati Beautiful, in the amount of \$475,000, will be reflected in the DPS appropriation in the FY 2025 General Fund Operating Budget Update Ordinance.

2. Please provide a list of items included in the City Manager's Recommended FY 2025 Budget Update that correlate to the priorities listed in Council's Budget Policy Motion.

On April 17, 2024, the City Council adopted its [Budget Policy Motion](#), which established policy guidelines and priorities to be included in the FY 2025 Recommended General Fund Budget. The City Manager's FY 2025 Recommended Budget Update includes the following (amounts provided are rounded):

Public Safety

- Police Recruit Classes – Includes two classes with 50 members each (starting in October 2024 and May 2025).

- Fire Recruit Class – Includes one class with 50 members (starting in October 2024); Fire is expected to exceed their budgeted complement in September 2024 when their current recruit class graduates.
- Includes additional capital resources for Fleet in the amount of \$2.0m of which a portion will be dedicated to public safety fleet needs.
- Risk Management will be offering a pilot public safety peer support program for Fire and the Emergency Communications Center (ECC) through the Public Employees Assistance Program (PEAP).
- Final phase of resources (\$2.0m) for the Public Safety Facilities Master Plan, which will ensure efficient and thoughtful capital planning and resource deployment in future fiscal years.
- The Pedestrian Safety program continues; Includes \$312k for additional supplies/materials (signs, speed humps, etc.) for pedestrian safety, bike safety, and street calming.
- The Victory Parkway Complete Streets capital project is included for \$3.0m.
- Leveraged Support funding continues to support Homelessness / Eviction Prevention / Shelter Support with funding for Bethany House Services (\$100k), 3CDC (\$75k), Cincinnati Public Schools (CPS) Project Connect (\$100k), Lighthouse Youth & Family Services (\$125k), Shelterhouse Volunteer Group (\$325k), and St. Vincent de Paul District Council of Cincinnati (\$150k).
- The Alternative Response to Crisis (ARC) program in ECC continues with an additional team added to allow for expanded hours and \$10k is allocated for Mobile Data Computers (MDCs).
- Boots on the Ground funding is included at \$150k.
- Funding for the Place Based Investigations of Violent Offender Territories (PIVOT) strategy (\$500k) is included.
- One FTE is included in the base budget for the Police Department's Victim Services unit.
- One FTE is included in the City Manager's Office to support Place Based Initiatives.
- Saturday Hoops will continue in FY 2025.
- Funding for the Office of Equity is included at \$100k.
- Gun Storage and Safe Storage programs in Police are continuing.

Thriving Neighborhoods

- \$6.0m is included in the capital budget for various economic development initiatives including funding for the Quick Strike fund (\$1.0m), Neighborhood Business District Improvement Program (NBDIP) (\$3.0m), and Neighborhood In Focus (\$2.0m).
- \$350k in capital funding is included for city-owned asset redevelopment and \$1.0m for city-owned property improvements.

- \$500k is included for the Home Enhancement Loan Program (HELP).
- Cincy on Track (COT) spending is at \$29.2m which includes an additional \$2.8m above what the FY 2025 railway lease amount would have been.
- Two project management FTEs are added to the Department of Public Services to help facilitate Cincy on Track funded capital projects in future fiscal years.
- Greater Cincinnati Water Works (GCWW) funding includes increases for the Lead Service Line Replacement Program.
- The Warm Up Cincy program is continuing.
- The allocation to the Affordable Housing Trust Fund increases by \$400k from \$1.5m to \$1.9m.
- The Career Pathways Initiative (CPI) continues and now includes the Youth Manager's Advisory Group (Y-MAG) (\$75k) and the Police Young Adult Cadet Program (\$110k).
- Public Art Support is included at \$250k.
- Funding for the Neighborhood Support Program / Community Councils through Invest In Neighborhoods (IIN) increases by \$200k which should increase the allocation to each Community Council to over \$11k.
- Continued resources are included for Homebase for Community Development Corporation (CDC) support (\$100k).
- \$5.0m is included for Green Cincinnati Plan initiatives.
- The capital budget includes funding for projects in both Parks and Recreation for various facilities improvements.

Growing Economic Opportunity

- \$500k is included for the Neighborhood Catalytic Capital Improvement Program (NCCIP).
- \$200k is included for Special Events Police Visibility Overtime (PVO) to be allocated at the discretion of the City Manager.
- \$75k was included for 3CDC for Fountain Square programming in the FY 2024 Final Adjustment Ordinance (FAO).
- \$200k was included for Summer In Cincy programming in the FY 2024 FAO.
- Rec @ Nite youth programming was included at \$300k plus another \$50k for Police School Resource Officers (SROs) at the events.
- Urban League Minority Business Program in the Department of Economic (DEI) was included at \$430k.
- Career Pathways Initiative (CPI) funding increases to \$1.2m total.
- Property Tax Relief funding was provided during FY 2024.

Fiscal Sustainability

- The Recommended FY 2025 General Fund Operating Budget Update is balanced. One-time sources are used for one-time expenses that will not recur

in FY 2026. The Recommended FY 2025 General Fund Operating Budget Update is structurally balanced for ongoing expenditures.

- General Fund budget deficits are projected to be more manageable in the short term, but expenditure growth continues to exceed revenue growth overall.
- The Leveraged Support Application Process continued.
- Retirement: A 0.75 percentage point increase is included for the Cincinnati Retirement System (CRS) employer contribution which increases from 17.0% to 17.75%; Engagement on the Collaborative Settlement Agreement (CSA) will continue during FY 2025.
- The City continues to leverage grants funding and funding for a consultant to pursue federal grant funding opportunities continues; numerous grant matching funds are included for FY 2025.

Excellent and Equitable Service Delivery

- The 1.5% obligation for the Human Services Fund administered by the United Way is met and has increased from \$8.0m to \$8.6m.
- The capital budget includes funding for IT Efficiencies projects (\$2.0m); 9-1-1 technology upgrades (\$510k); and an FTE for data and workflow management (\$130k).
- CMO is increasing staffing strategically (an Administrative Technician and an FTE in Communications for a marketing position); the Office of Performance and Data Analytics is adding a Data Analyst focused on Fleet Services.
- \$250k for technology to enhance the 311 service line and customer service request system are included.
- ECC adds a Community Responders team at \$500k.
- Buildings & Inspections continues the Building Inspector Training Academy (\$663k), adds an Assistant Supervisor of Inspections to assist with the Training Academy (\$113k), and adds a new Special Projects Team Satellite Office for large scale development projects (\$471k).
- Parking Services adds an additional 4.0 full-time Parking Enforcement Officers (PEOs) at \$333k.
- Human Resources: A Classification/Compensation Study is funded (\$350k).
- Funds for salary equity adjustments for Solicitors in the Law Department are included (\$250k).
- Human Resources adds additional staff in strategic areas (ECC and Employee Services).
- Funding to update Plan Cincinnati is included (\$250k).
- Strategic Initiative Execution Teams (SIET) continues.

3. Please provide additional information regarding the Cincinnati Fire Department (CFD) Sworn Staffing Model and Budgeted Overtime

The Recommended FY 2025 Budget Update includes resources for two fifty-member recruit classes scheduled to graduate during FY 2025. Recruit Class 122 was originally scheduled to start in February 2024, but was delayed by the Fire Department, and started in May 2024 and will graduate in September 2024. Recruit Class 123 is scheduled to start in October 2024 and will graduate in March 2025.

The budgeted sworn strength for the Cincinnati Fire Department (CFD) is 859 sworn members. Table XX on page 38 of the City Manager’s Recommended FY 2025 Budget Update document, shows the projected sworn staffing numbers throughout FY 2025. Based on current projections, the Fire Department is projected to be above the budgeted sworn strength number once Recruit Class 122 graduates.

Sworn FTE	July 2024	September 2024 Fire Recruit Class Graduation	March 2025 Fire Recruit Class Graduation	June 2025
FIRE	829	868	895	883

The Office of Performance and Data Analytics (OPDA), in conjunction with the Office of Budget and Evaluation worked with the Fire Department to develop a sworn staffing model in FY 2023. This model estimates CFD staffing based on attrition estimates that take into account factors including age and years of service to project expected retirements on a quarterly basis as well as recruit class graduations. Projections are continually refreshed to account for actual attrition and graduations. The size, frequency, and scheduling of Fire Recruit Classes are budgeted based on this staffing model.

Additionally, OPDA conducted a study on the relationship between CFD staffing, call volumes, the number of apparatuses, and response times. Based on that analysis, it was determined that CFD’s projected staffing positions them to continue to exceed the city’s performance goals while decreasing overtime usage.

In addition to regular overtime to meet contractually obligated minimum daily staffing requirements, backfill overtime is also budgeted to allow for sworn staff to serve as trainers for Fire Recruit Classes. Other known factors driving overtime expenses include special detail assignments, Engine 1 housed in Westwood, and the backfill of positions for professional development training.

Table III on page 6 of the City Manager’s Recommended FY 2025 Budget Update document provides the budgeted overtime expenses for all full-time employees in the

General Fund, Restricted Funds, and All Funds delineated by Public Safety vs. Non-Public Safety staff. Public Safety overtime includes amounts budget for the Cincinnati Fire Department, the Cincinnati Police Department (CPD), and the Emergency Communications Center (ECC).

Department Type	General Fund	Restricted Funds	All Funds
Public Safety	\$20,657,386	\$ -	\$20,657,386
Non-Public Safety	\$391,368	\$5,703,069	\$6,094,437
Grand Total	\$21,048,754	\$5,703,069	\$26,751,823

Of the Public Safety overtime amount budgeted in the General Fund, the Cincinnati Fire Department’s portion of that expense for FY 2025 is \$10,317,350. CFD makes up 50.0% of budgeted public safety overtime and 38.6% of all budgeted overtime expense. Overtime expenses will continue to be closely monitored during FY 2025. During FY 2024, Fire Department overtime monitoring showed that overtime expenses declined after the deployment of Fire Recruit Class graduates. As the department is expected to reach their budgeted sworn strength, OPDA and the Office of Budget and Evaluation will closely monitor how that impacts overtime expenses. Future fiscal year budgeted amounts will be adjusted based on the sworn staffing model.

4. Cincy On Track (COT) Critical Infrastructure Plan Snapshot

In the City Manager’s Recommended FY 2025 Capital Budget Update, there is an increased investment from the sale of the Cincinnati Southern Railway (CSR) that was completed in early 2024. Due to the timing of the sale, the FY 2025 budget includes a \$2.8 million increase in revenue above what would have been received under the lease. FY 2025 is, however, a bridge year to prepare for the increased revenue expected from the established infrastructure trust. As indicated in the “Cincy On Track (COT): A Spending Plan for the Proposed Sale of the Cincinnati Southern Railway” report (Item No. [202302088](#)), the investment of the Cincinnati Southern Railway sale proceeds is projected to at least double the annual amount received by the City from the previous CSR lease arrangement -- from \$26.5 million to a projected \$56.0 million. Disbursements from the trust will begin in FY 2026.

Other than adjustments reflected in the Recommended FY 2025 Capital Budget Update, the Approved FY 2024-2029 Capital Improvement Program (CIP) remains unchanged. Resources from the sale of the Cincinnati Southern Railway and subsequent trust disbursements will be taken into consideration with the development of the FY 2026-2031 Capital Improvement Program as part of the FY 2026-2027 Biennial Capital Budget.

With the official launch of the Cincy on Track (COT) initiative, to ensure transparency of expenditure of proceeds received from the sale of the CSR, the budget

document includes a special report which will coincide with departmental presentations on the planned expenditures at the Budget and Finance Committee meeting on May 28, 2024. Furthermore, the Office of Performance and Data Analytics (OPDA) is creating a new dashboard to depict all general capital expenditures from all sources. Finally, the budget includes key staffing additions in the Department of Public Services, Division of City Facility Management (CFM) to ensure that capital infrastructure projects can be deployed efficiently.

cc: William “Billy” Weber, Assistant City Manager
Natasha S. Hampton, Assistant City Manager
Virginia Tallent, Assistant City Manager
Andrew Dudas, Budget Director