

City of Cincinnati  
Ohio

2013/2014 Biennial  
Budget Report



June 1, 2012

**To:** Mayor and Members of City Council  
**From:** Milton Dohoney, Jr., City Manager  
**Subject:** **2013/2014 Biennial Budget Development**

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The purpose of this document is to begin the process of developing budget priorities and policies that will guide the development of the 2013/2014 Biennial Budget. It provides information useful to the Mayor and the City Council in crafting the 2013/2014 Policy Budget direction. It is anticipated that the City Council will adopt 2013/2014 Policy Budget direction at its last meeting in June.

As we move through the Budget process, the Administration is presenting this document as a companion to the Tentative Tax Budget document. It provides a greater context of the issues the City is facing as Council considers its vote on the Tentative Tax Budget and ultimately, the final budget presentation, deliberation, and voting cycle. It lays out key issues, considerations, and recommendations the City Administration has half way through the fiscal year and with the forecast provided by our outside consultants in cooperation with professional staff.

This document includes the following sections:

- I. Proposed 2013/2014 Biennial Budget Schedule and Process – This explains the process and when action is required from City Council.
- II. Updated General Fund Forecast – This shows the projected deficit for 2013 and 2014 and explains the inflation factors impacting costs and the drivers impacting revenues.
- III. 2013/2014 Biennial Budget Issues – These are the significant budget issues facing the City over the next two years.
- IV. Budget Policy Considerations and Strategic Recommendations – These include financial/budgetary policy items for City Council to consider as well as specific Strategic recommendations from the Administration, including following the Priority-Driven budgeting process.
- V. Next Steps

This document also contains a number of important attachments as follows:

Attachment A is the Revenue and Expenditure Forecast with Demographic and Economic Analyses that serves as the basis of the City's General Fund Forecast, also included. The University of Cincinnati's Economic Center for Education and Research Center (ECER) arrived at a projection that serves as the basis for this forecast by analyzing the City's actual revenues

and expenditures for the last five years, the economic conditions affecting the global economy, and the economic forecasts of seven industry experts.

Attachment B includes a complete list of the City's Budget and Financial Policies including operating and capital budget development policies as well as debt, investment, accounting, and audit policies.

Attachment C includes the Priority-Driven Budgeting Results Maps and a list of City programs/services that were identified through this process.

Attachment D includes the 2011 and 2012 performance results for department performance measures. In addition to actual performance, this report includes the units to be measured, a description of each objective, and the 2012 targets for each department.

## ***I. Proposed 2013/2014 Biennial Budget Schedule and Process***

Milestone Dates (Items with City Council interaction are in bold):

- ✓ **June 4, 2012**                      **General Fund Forecast Update Presentation**
- ✓ **June 18, 2012**                    **Results of the Priority Driven Budgeting Process are presented and public hearing on the Tentative Tax Budget is held**
- ✓ **June 25, 2012**                    **Budget & Finance Committee approves Policy Direction and the Tentative Tax Budget submission for Hamilton County**
- ✓ **June 27, 2012**                    **Council adopts the Tentative Tax Budget per ORC 5705.28 passage deadline is July 15,2012**
- ✓ June – August 2012              Department Budgets Due to Office of Budget & Evaluation
- ✓ Sept. – Oct. 2012                Executive Budget Committee Review and Analysis
- ✓ **October, 2012**                    **City Council approves final property tax rates based on the Tentative Tax Budget after approval by the County Budget Commission in September 2012. October date is established per ORC 5705.34**
- ✓ November 2012                  City Manager's Recommended Biennial Budget to the Mayor
- ✓ **November 2012**                  **Mayor transmits Budget to City Council**
- ✓ **Nov. – Dec. 2012**                **Budget & Finance Committee Hearings**
- ✓ **December 2012**                **City Council proposes changes to the Recommended Biennial Budget**
- ✓ **December 19, 2012**            **City Council Biennial Budget adoption reflecting City Council approved changes**
- ✓ January 1, 2013                 Begin 2013 Budget Year

For the 2013/2014 Biennial Budget, the City of Cincinnati's budget development is comprised of a Policy and Education Stage, Financial Capacity Stage, Budget Development Stage, Budget Adoption Stage and an Implementation Stage. The first stage determines broad budget policy. The second stage assesses the economic outlook and identifies budget issues that would impact budget development or represent significant changes in policy focus. The third stage results in the allocation of City resources among programs and projects. The fourth and fifth stages deal

with the adoption and implementation of the budget. A brief description of the various stages of this biennium's budget process follow.

*Policy & Education Stage*

*January - June 2012*

On February 21, 2012 the Budget and Finance Committee adopted the motion calling for a Priority-Driven Budgeting process. Fourteen meetings were held throughout the City with a combined total of 241 participants. Those participants, as well as people participating in on-line forums, defined seven strategic priorities or results for the City of Cincinnati. Please see attachment C for the Priority Driven Budgeting Strategy Maps. These maps are being vetted through both a 600 randomly-selected citizen survey and through an on-line survey where anyone can participate. Over 500 responses have been received to date through the on-line survey.

In addition, the Vice-Mayor, City Council members, and City staff members attended a Neighborhood Summit at the School for Creative and Performing Arts on May 19, 2012. The participants were comprised of many representatives from Community Councils and other citizens across the City. At this meeting, a hard copy Priority-Driven Budget survey was distributed and an educational session was held. A total of 51 surveys were received from the Neighborhood Summit. Many attendees noted that they had already taken the on-line survey. Results of the Priority-Driven process will be presented to City Council on June 18, 2012.

Additionally, the Department of Planning and Buildings coordinated the Community Priority Request (CPR) process to solicit citizen input on the 2013/2014 budget. The Community Priority Request (CPR) is a process whereby Community Councils are given an opportunity to submit prioritized funding requests and identify projects and services that are paramount to the preservation and/or revitalization of each neighborhood for consideration during the City of Cincinnati Biennial Budget process. The information on community priority projects is reviewed by appropriate City Departments during their budget preparation. Potential funding options for the priority projects are considered and recommendations on projects are made to City Council in the proposed budget. For the 2013/2014 CPR process each neighborhood was asked to submit three priority requests. A total of 67 requests were received from 27 neighborhoods. The appropriate City Departments have received the requests and will make recommendations as a part of their departmental Operating, Capital, and Consolidated Plan budget requests.

**Citizen feedback from the Neighborhood Summit, the Priority-Driven budget public engagement sessions, the CPR process, as well as City Council Budget & Finance Committee meetings conducted throughout the year will assist in developing the 2013/2014 Biennial Budget.**

*Financial Capacity Stage*

*May – June 2012*

In this document, the Office of Budget and Evaluation and Finance Department, with the assistance of an econometric forecasting firm, provides an economic outlook and an updated General Fund forecast to allow for a fiscal context for the development of budget policies. It includes an analysis of demographic characteristics and trends, the outlook for the local economy, financial indicators, and major cost drivers to the City budget such as personnel

services, non-personnel services, and employee healthcare. The Economic Forecast report is included in Attachment A.

In this document, the City Administration also identifies budget issues that will affect the 2013/2014 budget development or represent significant changes in policy focus.

*Budget Development Stage*

*June – December 2012*

Based on the City Council policy direction and issues identified in this 2013/2014 Biennial Budget development document, department directors have the responsibility to set annual performance goals and objectives for each operating program and identify program costs using departmental, financial, and budget data resources. Based on budget estimates for the biennium, departments are given budget targets. Budgets are established for standard line-items within personnel and non-personnel cost categories. The base budget includes operating services which are currently funded in the Approved 2012 Budget Update. These services are included in the target for each agency. Agencies may also submit budgetary requests in excess of the budget target amount for consideration. Based on economic realities and the results of the Priority-Driven Budgeting process, departments will also be asked to submit budgets below the target amount (i.e. budget reductions).

For the capital budget, City departments make requests for ongoing capital projects, improvements to existing assets, previously funded phased projects, and new projects. These projects will be assessed using defined criteria, such as Hazard Elimination, Legal Mandates, Regulatory Compliance, and Project Completion.

In order to receive grant resources from the U.S. Housing and Urban Development (HUD) agency, the Administration will develop an Action Plan for 2013/2014. This Action Plan also serves as the Consolidated Plan Budget. The HUD grants include, Community Development Block Grant (CDBG); Home Investment Partnerships Grant (HOME); Emergency Shelter Grant (ESG); and Housing Opportunities for Persons with AIDS Grant (HOPWA).

First, the departments who receive Consolidated Plan funds will prepare and submit a Requested Consolidated Plan Budget to the Office of Budget & Evaluation. Following review and comment by the Community Development Advisory Board (CDAB), and a public hearing, a Recommended Consolidated Plan Budget (Action Plan) will be developed. In addition to following a similar approval process to the Operating and Capital Budgets, the Consolidated Plan Budget (Action Plan) will also be submitted to HUD for their review on November 15, 2012 and subsequent approval.

The Office of Budget and Evaluation coordinates the budget process for City departments and presents the Departments' budget requests and B&E recommendations to the Executive Budget Committee (EBC). The committee members include the City Manager, Assistant City Managers, Finance Director, Assistant Finance Director and Budget Director. The EBC reviews the departmental requests to ensure that the preliminary base budgets and exception requests meet City needs, while not exceeding forecasted resources for the City. The Capital Budget Committee, which includes department heads of City departments with significant capital assets and is co-chaired by the Assistant City Manager and the Finance Director, reviews the departments' six-year Capital Improvement Plans and submits a recommended budget to the EBC who reviews and modifies the recommendation. The Office of Budget and Evaluation then

compiles the City Manager's recommendations into the Recommended 2013/2014 Biennial Budget, which is then presented by the City Manager to the Mayor.

*Budget Adoption Stage*

*December 2012*

In November 2012, the City Manager will present the Recommended 2013/2014 Biennial Budget to the Mayor. Consistent with the City Charter, the Mayor shall transmit the City Manager's recommended budget within 15 days with comments to the City Council. The Budget & Finance Committee of the City will review the proposed budget allocations, staffing, and program priorities.

After the Recommended 2013/2014 Biennial Budget is presented, the Budget & Finance Committee holds public hearings to assist in deliberations on the budget. Based on citizen input, the City Council may reallocate funding to new and existing programs.

Although the City Administration prepares a two-year budget (2013/2014), Ohio law requires an annual appropriation. Therefore, only the first year of the biennial budget will be adopted by the City Council and the second year is adopted by resolution. A formal adoption of the budget with appropriation ordinances is scheduled for December 19, 2012.

## ***II. Updated General Fund Forecast***

To further assist in Council's deliberations on the 2013/2014 Policy Budget, I am providing a multi-year forecast of revenues and expenditures for the General Fund. Consistent with recommended national best practices in budget planning, the Office of Budget & Evaluation, in conjunction with the Finance Department, prepares a new multi-year forecast of revenues and expenditures at the beginning of each biennial budget process.

The revenue forecast was prepared by the Finance Department based, in part, on data provided by the City's economic consultant, Economics Center for Education & Research (Consultant) at the University of Cincinnati. Accompanying this forecast is the Consultant's detailed forecast report which will be submitted under a separate cover. Their report describes national, regional, and local economic and demographic factors that support the revenue projections for major General Fund revenue categories. The expenditure forecast is prepared by the Office of Budget & Evaluation using the annual inflation escalators for non-personnel services provided by the Consultant and personnel services increases developed, in part, on local inflation projections. The expenditure budget assumes a continuation budget, including contribution rates of 20.0% and 22.0% of payroll to the Cincinnati Retirement System (CRS) for 2013 and 2014, respectively. The forecast is a projection of future revenues and expenditures; as such, the actual revenues/expenditure levels achieved can vary from what is projected.

### **GENERAL FUND FORECAST SUMMARY**

The General Fund is structurally out of balance with revenues growing at a slower pace than expenditures. To balance the 2012 Budget, \$24.8 million of the one-time sources was used. The multi-year forecast for the period 2013 through 2016 indicate that this structural deficit will continue in each year during the forecast period. Furthermore, the size of the annual deficit

increases each year through 2016. The annual deficit increases between 2013 and 2014, decreases slightly in 2015, and increases again in 2016. This structural imbalance results in a projected accumulated General Fund deficit of \$164.8 million by the end of 2016.

## GENERAL FUND FORECAST

As shown in the following table, the General Fund forecast results in annual deficits during the forecast period. Total revenues are projected to grow on average 2.4% while the average expenditure growth rate for the same period is 2.8%. To achieve the minimum \$2 million balance in 2013, permanent expenditure decreases and/or resource increases of approximately \$26.5 million is required.

Exhibit I – General Fund Forecast 2011-2016

<i>(\$ in Thousands)</i>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
	Actual	Estimate	Forecast		Forecast	
<b>Resources</b>						
Operating Revenues	\$348,485	\$338,058	\$351,342	\$352,388	\$362,820	\$371,757
Transfers-in	\$4,847	\$11,000	\$0	\$0	\$0	\$0
<b>Total Resources</b>	<u>\$353,331</u>	<u>\$349,058</u>	<u>\$351,342</u>	<u>\$352,388</u>	<u>\$362,820</u>	<u>\$371,757</u>
<b>Expenditures</b>						
Operating Expenditures	\$346,655	\$363,655	\$370,591	\$383,876	\$394,743	\$404,978
Transfers-out	<u>\$2,375</u>	<u>\$1,000</u>	<u>\$15,644</u>	<u>\$18,044</u>	<u>\$15,400</u>	<u>\$16,100</u>
<b>Total Expenditures</b>	<u>\$349,030</u>	<u>\$364,655</u>	<u>\$386,235</u>	<u>\$401,919</u>	<u>\$410,143</u>	<u>\$421,078</u>
Expenditure Savings	\$0	(\$1,669)	(\$1,853)	(\$1,919)	(\$1,974)	(\$2,025)
<b>Yearly Balance</b>	<u>\$4,301</u>	<u>(\$13,928)</u>	<u>(\$33,039)</u>	<u>(\$47,612)</u>	<u>(\$45,349)</u>	<u>(\$47,297)</u>
Prior Year Cancelled Encumbrances	\$1,976	\$149	\$0	\$0	\$0	\$0
Previous Year Carryover Balance	\$15,999	\$22,276	\$8,498	(\$24,542)	(\$72,154)	(\$117,503)
Non-GAAP Carryover Balance	\$22,276	\$8,498	(\$24,542)	(\$72,154)	(\$117,503)	(\$164,800)

Not reflected in the estimated accumulated deficit is the recommended reserve amount of 10% of General Fund revenue. The 10% standard is a generally accepted financial management practice to guard against unanticipated revenue decrease or expenditure increases. The three components that make up the City's reserve are the General Fund carryover, Emergency Reserve and the Working Capital Reserve Fund. To meet the standard, additional permanent expenditure reductions and/or resource increases of \$11.3 million would be required in 2013. This is in addition to the \$33.1 million in expenditure decreases and/or resource increases needed to structurally balance the 2013 budget.

## REVENUE FORECAST

The major revenue categories in General Fund include the City's income tax revenue, property tax revenue, and state shared revenue. These three categories account for 87.4% of the total 2012 General Fund revenue estimate.

**Exhibit II – General Fund Revenue Forecast**

(\$ in Thousands)	2011	2012	2013	2014	2015	2016
	Actual	Estimate				
Resources						
Income Taxes*	\$233,752	\$239,600	\$244,392	\$250,502	\$258,067	\$265,886
State Shared Revenues	\$40,729	\$31,932	\$21,039	\$13,839	\$13,839	\$13,839
Property Taxes	\$26,493	\$23,993	\$31,476	\$31,333	\$33,310	\$33,160
Casino Gross Revenue Disb.	\$0	\$0	\$12,300	\$14,700	\$15,400	\$16,100
Other	\$47,511	\$42,533	\$42,135	\$42,014	\$42,204	\$42,771
Total Resources	\$348,485	\$338,058	\$351,342	\$352,388	\$362,820	\$371,757
Percentage Increase		-3.0%	3.9%	0.3%	3.0%	2.5%
<u>Note:</u>						
*Prepared by Economic Center for Education & Research						

**Income Tax**

This locally levied income tax applies to gross salaries, wages and other personal service compensation earned by residents both in and out of the City and to earnings of non-residents (except certain transients) earned in the City. It also applies to net income of business organizations for business conducted in the City. The income tax is the largest single revenue source and has increased to an estimated 70.9% of the City’s revenue in 2012

The City’s income tax of 2.1% is subdivided into four components: 1.55% for General Fund operating purposes, 0.3% for public transit, 0.15% for permanent improvements, and 0.1% for maintenance of the City’s infrastructure. The average annual increase over the next six years is projected to be 2.6%. The City’s estimated increase for 2013 is 2.0% slightly lower than the Economic Center projected increase of 2.32%. The City’s estimated increase for 2014 is 2.5% slightly lower than the Economic Center projected increase of 3.02%. The Economic Center projected increases were used by the City for 2014 and 2015 forecasts.

**State Shared Revenues**

State Shared Revenue is the second largest single source at an estimated 9.4% of the 2012 General Fund revenue. State Shared Revenues includes two major sources: the Local Government Fund and the Estate Tax. The Local Government Fund revenues consist of a portion of total State tax revenue allocated to a fund for distribution to local governments. City revenues grow based on growth in State tax revenue. Due to State legislative action, starting in 2011, the Local Government Fund was reduced by 50% over a multi-year period. In 2013, the City will receive approximately \$11.9 million less than what it received in 2010.

Similarly, due to State legislative action, starting in 2013, the Estate Tax is eliminated. However, estate tax revenues will be received in 2013 and after for estates that are settled post-2013 in relation to deaths that occur prior to the 2013 cutoff. Therefore, in 2013, the City will receive \$7.2 million less than the 2012 amount. In 2014 there will be no estate tax assumed and so the City will receive \$14.4 million less than the 2012 amount.

**Those two reductions in State Shared revenue have a \$19.1 million impact on the deficit in 2013 and a \$26.3 million impact on the deficit in 2014.**

### **Property Tax**

Historically, the property tax included real property, public utilities property and tangible personal property. In 2002, the State phased out tangible personal property tax and public utility personal property tax and reimbursed municipalities for the reduction in taxes received. In 2011, the State eliminated the reimbursement amount to the General Fund. The total amount of the elimination was \$3.3 Million. Real property consists of residential, commercial, and industrial property. The City's current property tax millage is 10.50 mills – 5.9 mills for debt service and 4.6 mills for the General Fund operating budget. The City Charter authorized millage rate for the operating budget is a maximum of 6.1 mills. In recent years City Council has approved the rollback of property taxes such that the City collected \$28.9 million in property tax annually. However, in 2012, City Council kept the millage rate at 4.6 mill unchanged from 2011. Due to declining property values and the elimination of the State reimbursement amount, revenues are estimated at only \$23.9 million. This is reduction of \$5 million.

The forecast assumes that the property tax rollback will be eliminated for the years 2013 through 2016 and the millage rate will be set at 6.1 mills (the amount set by citizens in the City Charter). This will generate \$7.8 million in additional General Fund revenue and cost the owner of a \$100,000 home \$46 a year. When taken with the \$133 in savings realized through the City's electric aggregation for more than 53,000 households as well as small businesses, property owners could enjoy a net increase of \$87 in their pockets. The property tax is the third largest source at 7.1% of the 2012 General Fund revenue.

### **Casino Gross Revenue Distribution**

The completion of four casinos throughout Ohio (including one in downtown Cincinnati) is expected to result in a new revenue stream, showing in our forecast as beginning in 2013. Upon completion of the Casino at Broadway Commons, the most significant source of revenue to the City from that development will be derived from the tax on casino gross revenues. Construction of the casino is anticipated to be completed in 2013. The City will not receive the full amount of revenues until all four casinos are up and running. The Consultant estimates \$12.3 million in 2013 and \$14.7 million in 2014. This is a reduced estimate based on the impact of the State approved Video Lottery Terminals (VLTs). For the purposes of this forecast, casino gross revenue taxes are included in transfers out of the General Fund for each year. This reflects motions by City Council to transfer General Fund dollars generated by the casino gross revenue tax to other areas.

### **Other Revenues**

The other revenue category includes General Fund licenses and permits, fines, interest income, program fees, and charges for services. As a whole, these other sources are projected to decrease by 2.0% during the forecast period. This is due to estimated declines in miscellaneous revenue as well as variances in investment earning during the forecast period. Other revenues account for approximately 12.6% of total General Fund revenue in 2012.

## GENERAL FUND EXPENDITURE FORECAST

The General Fund expenditure forecast is developed by applying inflation escalators for personnel services and non-personnel services expenditure categories for each City department. Personnel services expenditures reflect planned merit and step increases and does not assume any cost of living increases in 2013.

### Exhibit III – General Fund Baseline Expenditure Inflation Escalators

	2013	2014	2015	2016
Non-Personnel Services	3.19%	3.31%	3.31%	3.43%

For the purpose of establishing a baseline for budget development, budgeted non-personnel expenditures in the forecast reflect the appropriated 2013 General Fund budget escalated by the percentages noted in Exhibit III. These escalators were provided by the Consultant for the general non-personnel category. In addition, higher escalators were applied to reflect extraordinary estimated increases in health care costs. Utilities and fuel had lower escalators. In fact, due to the fuel hedging program the City began in 2012, the City is expecting no inflationary increase over the 2012 budget amount. Non-personnel services also include adjustments for known factors such as the stepped up increase for the Pension contribution, repayment of the \$5 million borrowed from the TIF districts to pay the 2011 School Board Payment, City Council/Mayor election expenses and other one-time costs.

## GENERAL FUND BALANCING STRATEGY DECISIONS

The information provided in this multi-year forecast report does not reflect the potential impact of some of the 2013/2014 significant issues detailed in the 2013/2014 Biennial Budget Development document. The forecast is based on a continuation budget. A continuation budget assumes that the City provides the same level of services as 2012 with a few adjustments. For example, the Human Services Policy is funded at the 2012 level which is approximately 0.6% of General Fund revenues. The forecast does include adjustments for projected cost increases of providing the continuation services, including health cost increases, etc., and for contractual obligations. However, due to the projected deficit, 2013 does not assume any cost of living increases for City employees.

Due to the significant use of one-time sources to balance the 2012 budget, the City has basically two primary methods to balance the \$26.5 million deficit in 2013. The first is permanent expenditure reduction such as program reductions or eliminations. The second is additional revenue enhancements such as fee or tax increases.

Attachment A contains Revenue and Expenditure Forecast with Demographic and Economic Analyses prepared by the University of Cincinnati – Economics Center for Education & Research.

### **III. 2013/2014 Biennial Budget Issues**

In preparing for the development of the 2013/2014 Biennial Budget, multiple issues have been identified that may have a significant influence on the Operating, Capital, and Consolidated Plan budgets. These items are listed below and categorized by type of budget.

#### **Operating Budget Issues**

- **Cincinnati Retirement System (CRS) Funding**

*Issue.* On May 14, 2012 the actuarial report presented to the City Council Budget & Finance Committee recommended a 46.06% employer contribution rate for 2013 to resolve the City's unfunded liability. In addition to significantly impacting the General Fund and All Funds, this would also require MSD, GCWW and other Restricted Funds to increase their percentage contribution. For both MSD and GCWW, any pension contribution increase would require a reduction in other expenses, an additional rate increase, or a combination of the two.

On November 30, 2011 the City Council approved motion #201100251 that established an updated City Pension Contribution Plan to fund the City's pension obligations to current and future retirees and to gradually resolve the Retirement system's unfunded liability. This plan includes a step-up scenario with an employer contribution of 18% in 2012, 20% in 2013, 22% in 2014 and 24% in 2015 and thereafter. This four-year phased approach is consistent with the recent actions to increase the employee contribution over a four-year period from 7% to 9%.

This step-up contribution plan accomplishes the goal of getting on the right path to decrease the City's unfunded liabilities, while also being considerate of the budget impact on both taxpayers for the General Fund, and ratepayers for MSD, GCWW and other Restricted Funds.

*Impact.* The table provided outlines the contributions required for the current employer contribution and both the 20% and 22% contribution scenarios along with the dollar change from the budgeted 2012 employer contribution to CRS. These figures are based on the 2012 approved budgeted personnel.

<i>(\$ in Millions)</i>	<b>18% (Current)</b>	<b>20% (2013)</b>	<b>\$ Change From Current</b>		<b>\$ Change From Current</b>
				<b>22% (2014)</b>	
General Fund	\$13.5	\$15.1	\$1.6	\$16.6	\$3.1
All Funds	\$37.0	\$41.0	\$4.0	\$45.1	\$8.1

The actuarial report presented to the Budget & Finance Committee for 2013 recommended a 46.06% employer contribution rate. Even with the step-up pension contribution plan in place, the difference between the City's contribution rate and the recommended actuarial contribution is currently 26.06%. This difference equates to additional \$19.7 million impact on the General Fund and a \$53.4 million impact on All Funds. This unfunded liability is disclosed in MSD, GCWW and the City of Cincinnati's annual financial reports and official statements.

- **Employee Health Care Costs**

*Issue.* Due to budget pressures in previous years, healthcare funding rates were reduced below the necessary levels that would have maintained reserve funds at actuarially-sound levels and provided a cushion against a catastrophic year or years. The overall budget for Healthcare increased 35% in 2011 from 2010. Employee healthcare costs continue to be an issue for the 2013/2014 Biennium Budget because the reserve account still has not been restored to a sufficient level and health care costs continue to increase. While the economic forecast consultant has calculated regional health care costs inflation at 5.5% for 2013, the City's health care costs are projected to increase 10.25% which includes inflation costs and contributions to restore an adequate reserve in the fund balance..

*Impact.* The 2012 employer healthcare contribution for the General Fund is \$41.4 million and across All Funds is \$69.5 million. For 2013, a 10.25% increase is projected for the employer contribution to healthcare. This increased contribution results in a \$4.2 million increase in the General Fund and \$7.1 million increase across All Funds for a total employer healthcare contribution of \$45.6 million in the General Fund and \$76.7 million across All Funds in 2013.

- **Potential Cost of Contract Negotiations in 2011/2012**

*Issue.* The City will potentially face costs associated with labor contract negotiations in 2013 and 2014. During 2012, the City completed negotiations on a labor agreement with the Teamsters Local 100 union and a contract extension with the Fraternal Order of Police (FOP). The City is also negotiating with the Cincinnati Building Trades Council during 2012.

During 2013, the City will negotiate a labor agreement with Cincinnati Organized and Dedicated Employees (CODE) on a contract that expires on March 30, 2013 and also with the Association of State, County, and Municipal Employees (AFSCME) on a contract that is set to expire on August 17, 2013. The current contract with Teamsters Local 100 expires on October 12, 2013.

During 2014, the City will negotiate with the International Association of Fire Fighters (IAFF) whose current contract expires on May 24, 2014. On that same date, the City's labor agreement with the Fraternal Order of Police (FOP) will also expire.

*Impact.* The table below shows the annualized cost of a 1.0% increase for each employee group. Please note that these costs only include base salary and the related increases in costs for pensions and Medicare; costs associated with other pays such as overtime, etc. are not included. For the purposes of the 2013 Budget forecast, the Administration did not include any cost of living increases.

**Annualized Cost of Each 1.0% Increase\* by Employee Group**

<b>General Fund</b>			
	<b>Cost</b>	<b>All Funds Cost</b>	<b>Contract Expirations</b>
<b>Bargaining Unit</b>	<b>1.0% Increase*</b>	<b>1.0% Increase*</b>	
Trades	\$7,665	\$27,326	5/12/2012
CODE	\$231,738	\$723,025	3/30/2013
AFSCME	\$398,618	\$1,109,358	8/17/2013
Teamsters	\$0	\$6,327	10/26/2013
IAFF	\$701,128	\$701,128	5/24/2014
FOP	\$914,158	\$914,158	5/24/2014
Non-represented	\$264,389	\$478,704	N/A
*On Base Salary Only; Does Not Include Costs Associated with Other Pays Such as Overtime, etc.			

• **Impact of the DROP Program**

*Issue.* The Ohio Police & Fire Pension Fund (OP&F) has provided both the Police and Fire Departments with the total number of employees enrolled in the DROP program (Deferred Retirement Option Program) that will be eligible to “drop” during the 2013/2014 biennium. In the Police Department, a total of 17 employees are projected to “drop” in 2013 and a total of 14 employees are projected for 2014. In the Fire Department, a total of 11 employees are projected to “drop” in 2013 and a total of 27 employees are projected for 2014. In total, 31 employees are projected to drop within the Police Department, and 38 employees are projected to drop within the Fire Department during the 2013/2014 biennium. These numbers do not include the normal attrition predicted for both departments.

*Impact - Lump Sums.* While the OP&F will disclose the total number of employees eligible to “drop” in a current year, the entity will not release the names of those employees. This fact makes forecasting the amount required to cover the lump sum payments of employees “dropping” during 2013 and 2014 difficult. In order to approximate the required amount, the leave balances for the most senior sworn Police and Fire staff were utilized. The Police Department has 97 sworn members that could possibly “drop” during 2013. Of these 97, only 17 will be required to retire or take a financial disincentive for staying on the police force beyond 2013. It is expected that three-quarters of this latter group will leave during the first half of 2013. The other 80 sworn members could potentially go ahead and retire in 2013 or run out their leave accruals. Of these remaining 80 sworn members, 14 will be required to retire or take a financial disincentive for staying on the police force beyond 2014. Within the Fire Department, a total of 11 sworn members are expected to “drop” in 2013 and 27 are expected to “drop” in 2014.

For both Police and Fire, the projected attrition rates for 2013 match the projected attrition rates for 2012. For 2013, the budgeted lump sum payment amounts for both Police and Fire should be approximately the same as the 2012 Approved Budget amounts. For 2014, the budgeted lump sum payments for Police should also be approximately the same as the 2012 Approved Budget amounts, but additional funding for Fire may be necessary due to the increase in projected attrition compared to 2012 and 2013 attrition estimates.

*Impact - Ending Strength.* The Police Department anticipates that its beginning sworn strength as of January 1, 2013 will be 995. The anticipated ending strength as of December 31, 2013 for the department is 967 after accounting for the 17 employees that will retire under the DROP program and estimated 11 other employees that will leave for other reasons (i.e. regular retirement, medical separation, termination, etc.). This figure does not include any recruit classes. The anticipated ending strength of 967 is 161 under the authorized strength level of 1,128 authorized by the City Council. The department accepted a COPS Hiring Grant in 2009 in order to avoid the layoff of 50 Police Officers and accepted another COPS Hiring Grant in 2011. To maintain compliance with these grants, the Police Department's sworn strength may not fall below 971 through 2015. Without any recruit classes in 2012, the department's ending sworn strength as of December 31, 2012 is anticipated to be 998. While this level is 130 below the authorized strength level, it is still above the level required to avoid repayment of the COPS Hiring Grant. A recruit class will be required in 2013 to ensure that the Police Department's strength level in 2013 does not fall below the 971 level or the City will face repayment of a portion of the COPS Hiring Grant. The department's strength level is projected to fall below the 971 level by October 2013 without a recruit class. The department is currently planning a 26 week recruit class consisting of 50 recruits tentatively scheduled to begin in early 2013. The timing of this recruit class would enable the department to maintain the minimum sworn strength level required by the grant. The estimated expense is approximately \$6,800,000 over a two year period for personnel and non-personnel expenses. This may be partially offset by the available salaries/PVA from the number of positions vacated thru attrition over that same time frame. Funds will still be necessary from the 2013/2014 budget to cover a portion of the recruit process expenses.

The Fire Department's sworn strength as of April 11, 2012 is 772. The expected sworn strength as of December 31, 2012 is 765 after accounting for the 4 employees that will retire under the DROP program and the estimated 10 employees that will leave for other reasons. As of December 31, 2013 the expected ending strength is 747. An estimated 27 retirements will occur due to DROP in 2014 and an additional 8 employees may leave for other reasons for an ending strength of 712 as of December 31, 2014. These figures do not include any recruit classes. In order to minimize the gap between the 2014 ending sworn strength of 712 and Council's authorized sworn strength of 841, a 129 person shortage, the Fire Department is requesting funding for a recruit class of 40. The recruit process will last for a 24-week period, ideally beginning in August 2012 and ending in February 2013. The estimated expense is approximately \$6,000,000 over a two year period for personnel and non-personnel expenses. This may be partially offset by the available salaries/PVA from the number of positions vacated thru attrition over that same time frame. Funds will still be necessary from the 2013/2014 budget to cover a portion of the recruit process expenses. The influx of members from this recruit class will not bring the sworn strength up to Council's authorized sworn strength, so another recruit class is requested beginning in Fall of 2013 and ending in the Spring of 2014. The estimated expense is again approximately \$6,000,000 over a two year period for personnel and non-personnel expenses.

The Fire Department recently applied for a grant of approximately \$6 million through the Federal Emergency Management Agency ("FEMA") for the FY2011 Staffing for Adequate Fire and Emergency Response ("SAFER") Grant program. The grant funding would be used for a fire recruit class of up to 40 recruits and would fund the salary and benefits of the recruits for a two-year period. The grant will not fund non-personnel costs associated with the recruit class

totaling approximately \$408,000. Receiving this grant would greatly offset the requested \$6 million in funding for one new recruit class. The Fire Department will receive award notification from FEMA between May and September 2012.

- **Utility Costs**

*Issue.* Utility costs are a major component of the City's budget and in recent years, market volatility and a high degree of uncertainty in price prediction has caused utility costs to be a recurring significant budget issue. Since 2007, the City has expended on average \$28 million a year for natural gas and electric charges. Although the deregulation of the electric rates in the State of Ohio and recent energy management and conservation efforts have reduced the total cost of utilities for the City, the 2012 budget for utilities still represents a major component of the overall City budget. There are two major drivers for the City's utility costs and changes in utility costs: a) the commodity cost; and, b) consumption.

Commodity Cost:

- 1) The U.S. Energy Information Administration (EIA) is projecting a 0.9% increase in electric rates in 2012 and then a 0.9% decline in electric rates from 2012 to 2013.
- 2) Coal consumption is declining, electric power coal stocks are stable, and coal prices are declining.
- 3) The City econometric forecasters have projected utility cost increases of 1.7%.
- 4) The stores of natural gas which might be used for some electric power generation are above the 5-year average.
- 5) The production of natural gas (due primarily to shale production) has increased significantly.
- 6) EIA expects electricity generation from coal to decline by about 10 percent in 2012 as generation from natural gas increases by about 17 percent.
- 7) The price of natural gas declined by 5.1% in 2011 and is projected to decline another 3.3% in 2012 according to the EIA. However, the EIA is expecting a moderate price rebound in 2013 of 4.0%.
- 8) In recent years, the City has engaged in a competitive bid processes which have reduced commodity prices more than broader market reductions.
- 9) Finally, deregulation of electric prices in the State of Ohio have allowed for market-based pricing and motivated the City to engage in the competitive bidding process.

Consumption:

- 1) The City has been engaged in education efforts with employees to increase conservation awareness and conservation efforts.
- 2) The City has been engaged in an aggressive campaign to implement energy efficiency retrofits of City buildings through Energy Services Performance Contracts.
- 3) National Oceanic and Atmospheric Administration (NOAA) long range forecasts look favorable with moderate to normal winter/spring/fall seasons and normal summer temperatures and normal rainfall.

*Impact.* For the 2013/2014 Biennial Budget forecast, the gas and electric utilities are assumed to grow at 1.7% in 2013 and 0.86% in 2014 based on the econometric forecaster projections.

- **Fuel Costs**

Diesel and gasoline fuel costs are a major component of the City's budget. The price of diesel and gasoline has almost doubled since 2005 and spiked dramatically in 2008, 2011 and 2012. Gasoline and Diesel fuel were recently at or near record prices. Market volatility and a high degree of uncertainty in price prediction have caused fuel costs to be a recurring significant budget issue. Since 2007, the City has expended on average \$5.8 million on diesel and gasoline fuels annually. Market volatility and continual price increases are accepted as a given over the long term. Most forecasters expect gas and diesel prices to fluctuate widely but to trend significantly upward for the foreseeable future.

The City has been engaged in conservation efforts including gradually changing the fleet fuel mix by introducing alternative fuel vehicles into the City's vehicle fleet. The City currently is developing 2 propane fueling stations, acquiring nearly 30 propane vehicles, and 30 electric or hybrid electric vehicles.

In 2012, the City took the important step of contracting with a fuel hedging consultant to begin a fuel hedging program. The City now takes positions in the commodities futures market to reduce future price uncertainty. This program, by locking in the costs of fuel in advance of purchase and consumption, decreases uncertainty about future fuel costs which improves budget management. The program produces positive cash flows when market prices move higher than the hedge/budget price which offset the increase in unanticipated City's fuel expenditures. The City is currently 54% hedged. The City is hedging at a price equivalent to the budgeted price for fuel. As of March 31, 2012, the program has produced \$84,869 in realized gains in our trading account. The program is expected to produce \$293,000 in gains in 2012 (as of March 31, 2012 the program had produced \$293,000 in unrealized gains for 2012). As market conditions warrant, the level of hedging will be increased.

There are two major drivers for changes in the City's fuel costs: a) consumption; and, b) and commodity price/cost.

**Consumption:**

- 1) At the end of the first quarter, City fuel expenditures are under budget. At the current rate of fuel consumption, the City fuel budget will generate significant savings by year-end. The unanticipated savings in the fuel budget is a result of a warm winter weather and conservation efforts.
- 2) Over the last two years the City has increased the number of alternative fuel and alternative fueling stations.
- 3) National Oceanic and Atmospheric Administration (NOAA) long range forecasts look favorable with moderate to normal winter/spring/fall seasons and normal summer temperatures and normal rainfall.

**Commodity Price/Cost:**

Although over the long term gasoline and diesel prices are expected to trend upward, the U.S. Energy Information Administration (EIA) is projecting a decrease in diesel and gasoline prices in 2013 (from 2012 levels).

- 1) Also, the City's fuel hedging consultant is predicting fuel prices will moderate in 2013.

- 2) Alternative fuels, including propane, compressed natural gas, and electricity are about half the price of gasoline and are expected to remain at those levels relative to gasoline for the foreseeable future.
- 3) The market price of fuel is sensitive to a number of external factors (increased demand resulting from a rebound in global economy, disruptions in refinery capacity, political conflicts in the Mideast and elsewhere, relative currency devaluation) which could result in unanticipated price spikes over the biennium. However, the City's current 54% hedge will provide a good measure of insurance to compensate for these events/anomalies.

*Impact.* The fuel hedging consultant will expand the program for the 2013/2014 biennium. The City is currently hedged at 54% until the end of 2012. When hedging for 2013 and 2014 begins and the hedge position grows, the level of uncertainty about future fuel costs decreases. As the percent hedge grows over the biennium, the City will gain a high level of confidence that fuel costs will not exceed budget and volatility/variability in the market price of fuel will cease to be a City budget issue. The fueling hedging program combined with a continued alternative fuel initiative would bring reduced fuel budgets and bring a high level of certain certainty to fuel cost budget projections. At this time, the 2013/2014 Biennial Budget forecast assumes no increases in fuel costs from what is budgeted due to the savings already being realized in 2012.

#### • **Loss of E9-1-1 Funding**

*Issue:* The Emergency Communications Center (ECC) is facing the loss of wireless E9-1-1 funding, which currently provides approximately \$1.2 million for personnel costs and technology upgrades related to the E9-1-1 system. These funds are receipted to the 911 Cell Phone Fee Fund 364. Amended Substitute Senate Bill 129 (S.B. 129) was passed by Ohio's 127th General Assembly, effective December 30, 2008, and requires a monthly surcharge assessed to each wireless phone number assigned to an Ohio subscriber to provide a funding mechanism for wireless E9-1-1 with revenues distributed to Ohio counties. This legislation, and therefore the monthly surcharge, is due to sunset on December 31, 2012. A report issued by the Public Utilities Commission of Ohio (PUCO)'s Interim Ohio 9-1-1 Coordinator in November 2011 recommended that the funding for wireless E9-1-1 under the current statute should continue for a limited period of time (e.g. 1 year) after the December 31, 2012 sunset date for further study and ultimately be transitioned to a "Next Generation" 9-1-1 (NG911) system. It remains to be seen whether the Ohio General Assembly will consider extending the sunset date for wireless E9-1-1 funding or if there will be any proposals to change the funding formulas and the eligible uses for the funding.

*Impact:* If the legislation is allowed to sunset at the end of 2012, the loss of E9-1-1 funding will necessitate an increase in the General Fund operating budget for the Emergency Communications Center. Due to budget cuts over the past two years, the 911 Cell Phone Fee Fund 364 has been used to augment the ECC's operating budget. Nearly all of this funding will be used for personnel costs and the continued transition to a "Next Generation" 9-1-1 system. The amount of revenue received last year totaled \$1,282,056. As of March 31, 2012, the unencumbered fund balance was \$1,882,569. Once the E9-1-1 funds are exhausted, approximately \$2 million will be necessary to cover the ECC's projected operating budget shortfall starting in 2014.

- **Federal Health Reform**

*Issue:* In March 2010, the Federal Affordable Care Act (ACA) became law. The Cincinnati Health Department (CHD) has closely followed the status and requirements of the ACA since its inception and has been actively planning for ACA implementation. While the constitutional status of portions of the ACA is unclear, other portions of the law will go into effect over a number of years.

Since the ACA was adopted by Congress uncertainty has existed about whether or not key provisions of the law will be determined constitutional by the United States Supreme Court. There is also uncertainty about the extent to which ACA requirements will be adequately funded by the State and Federal Government. The CHD will closely monitor the challenges to the ACA and plan accordingly.

*Impact:* The ACA will impact a number of CHD programs, most notably in primary care services. Roughly 58 percent of CHD patients have no insurance and are not eligible for Medicaid. Unfortunately this is a number that is growing at the same time that providers offering services to the uninsured is declining. For example, the city lost the West End Health Center about a year and a half ago. At the present time, the Health Department cannot meet the demand for these services. There is a waiting time of 3-6 months for new primary care patients at City health centers.

It is anticipated that if and/or when the ACA health insurance requirements take full effect, the City could collect an additional \$2.9 to \$4.2 million dollars per year in patient revenues. The demand for primary and preventive care in the City remains high. This will allow the CHD to rely less on General Fund revenues and potentially expand access to health care.

In recent years, the CHD sought and received designation as a Federally Qualified Health Center program, invested \$1.3 million in electronic medical records, and implemented excellent management practices to maximize patient revenues and to meet the ACA requirements. For example, in 2015, ACA will operate on a pay-for-performance system and major payers will be paid on improvements to patients' conditions. CHD will be required to show measurable outcomes that it improved patients' health to receive payment for services. CHD is poised and ready to meet this requirement.

If key provisions of the ACA are struck down, or underfunded, the CHD will continue efforts to examine other mechanisms and partnerships in order to enhance the services provided to underserved populations within the City. For example, the City currently does not receive funding from the Hamilton County Indigent Care Levy. If ACA is not fully funded, this issue should be revisited with the Hamilton County Board of Commissioners.

- **Health Federal and State Grant Funding**

*Issue.* Only 46 percent of the Cincinnati Health Department's (CHD) annual budget is derived from General Fund revenues. Roughly 28 percent comes from Patient Revenues, 21 percent from Federal and State Grants, 5 percent from Contracts. Of the grant dollars, the vast majority are from the Federal government, the majority of which are passed through the State of Ohio.

As pressure on these resources continues, it is possible that program funding will be further reduced. Some federal and state funding cuts have already been proposed and more cuts are anticipated. The CHD is concerned about funding cuts in Lead Poisoning Prevention and Awareness, Women Infant and Children (WIC) programming, Medicaid Reimbursements and Public Health Emergency Preparedness programs.

At both the Federal and State levels, the political and economic situation is fluid. CHD staff will be vigilant in tracking any proposed funding cuts.

*Impact:* While certain buckets of grant funding may be at risk, the CHD is exploring funding opportunities that can fund new services or enhance services currently being offered. The CHD will continue to aggressively pursue new grant opportunities as they become available.

The CHD and Board of Health will work with the City Council, the Mayor, City Manager and the City's State and Federal lobbyists to inform our policy makers at all levels of government about the importance of these programs and potential impact of significant funding reductions.

If significant program cuts are made, the CHD will implement funding reductions in a way that limits the service impact as much as possible.

- **Sustainability of Centennial Operations Fund**

*Issue.* Centennial Two is a City owned asset that was purchased in 1992 (per Ordinance No. 512-1992) for the purpose of consolidating City agencies and reducing the amount of rent paid to private entities to house City services. The Centennial Operations Fund was established per Ordinance No. 77-1993 for the purpose of holding and retaining funds to be used in connection with the operation of Centennial Two.

Over the past few years, revenue reductions have compromised the fiscal stability of the fund. In 2009, a one-time rent reduction in the amount of \$474,999 was implemented for all General Fund agencies located within Centennial Two as part of mid-year General Fund reductions (Ordinance No. 268-2009). The last private tenant occupying Centennial Two relocated in July 2010, which resulted in an annual reduction of \$881,500 in lease revenue. In 2011, City Council approved a one-time partial year rent reduction in the amount of \$448,000 (see Ordinance No. 156-2011). Lastly, in 2013, the Police will complete their final loan repayment in the amount of \$269,980 for the Radcliff Building loan.

Sufficient revenue is not only needed to maintain fiscal stability of the Centennial Operations Fund, but also to address building repairs and improvement. Items needing immediate attention include the roof, HVAC equipment, exterior weather protection, interior finishes, and painting.

*Impact.* Declining revenues and rent reductions have led to deferred capital maintenance of the building and a rapidly declining fund balance. The following table shows no capital improvement expenditures in 2011 and that the Centennial Operations Fund is projected to have a negative fund balance of 19.3% beginning in 2016.

Centennial Operations Fund 340							
	2011	2012	2013	2014	2015	2016	2017
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<b>Revenue/Resources</b>							
Revenue <sup>1</sup>	810,606	1,564,297	1,596,654	1,359,841	1,393,837	1,428,683	1,464,400
Transfers In	-	-	-	-	-	-	-
Prior Year Unencumbered Carryover	1,463,218	898,941	847,107	785,148	442,616	89,010	(276,173)
<b>Total Revenue/Resources</b>	<b>2,273,824</b>	<b>2,463,237</b>	<b>2,443,762</b>	<b>2,144,989</b>	<b>1,836,454</b>	<b>1,517,693</b>	<b>1,188,227</b>
<b>Expenditures/Uses</b>							
Operating Expenses <sup>2</sup>	1,374,884	1,416,130	1,458,614	1,502,372	1,547,444	1,593,867	1,641,683
Transfer Out	-	-	-	-	-	-	-
Capital Improvements <sup>3</sup>	-	200,000	200,000	200,000	200,000	200,000	200,000
<b>Total Expenditures/Uses</b>	<b>1,374,884</b>	<b>1,616,130</b>	<b>1,658,614</b>	<b>1,702,372</b>	<b>1,747,444</b>	<b>1,793,867</b>	<b>1,841,683</b>
<b>Fund Balance</b>	<b>898,941</b>	<b>847,107</b>	<b>785,148</b>	<b>442,616</b>	<b>89,010</b>	<b>(276,173)</b>	<b>(653,456)</b>
<b>Ending Fund Balance as a % of Revenue</b>	<b>110.9%</b>	<b>54.2%</b>	<b>49.2%</b>	<b>32.5%</b>	<b>6.4%</b>	<b>-19.3%</b>	<b>-44.6%</b>
<b>Notes</b>							
1. Leases are increased annually by 2.5%. In 2013, Department of Police will complete their final loan repayment for the Radcliff Building in the amount of \$269,980.							
2. Operating expenses are increased annually by a 3% inflation factor.							
3. Capital Improvements include the replacement of equipment to maintain Centennial Two.							

## • Joint Utility Management

*Issue.* On October 26, 2011, Cincinnati City Council approved joint utility management of the Greater Cincinnati Water Works (GCWW), Metropolitan Sewer District of Greater Cincinnati (MSD), and Stormwater Management Utility (SMU). Joint utility management will result in rates increasing at lower levels than they would otherwise; improvement in levels of service to customers; cost savings and efficiencies; and will increase Cincinnati's opportunity to continue to grow as a national leader in water resource management.

Real dollar savings will be realized in two ways. The first is through streamlining of work functions, allowing for a reduction in the number of employees by not backfilling retirees and the elimination of some positions that are funded, but vacant without activity as of July 31, 2011. No lay-offs will occur as a result of joint utility management. The second is by improving operational efficiencies. Better coordination of projects across the utilities, common structure in key areas for the joint utility, and enhanced utilization of personnel are a few ways the joint utility will obtain efficiencies.

*Impact.* It is unclear what the budget impact will be at this time; however, long term this will save costs which will minimize rate increases for all three utilities. Joint utility management for the three utilities means coordinated leadership will be provided by the MSD Executive Director and the current Interim Water Works Director for the joint utility efforts. The three utilities are still independent legal entities with separate enterprise funds. Some services and sections that are common to all three utilities will be shared and/or integrated across the three utilities. This leadership structure and integrated services creates an efficient way to manage the utilities and common services. To facilitate implementation of the joint utility management, a 100 Day Plan has been created to assess certain functional areas to determine the degree of integration possible, start certain joint utility efforts, and build some early momentum for future joint utility integrations.

- **GCWW Operations React to Changing Economy**

*Issue.* Since 1993, the entire GCWW service area has continued to grow slightly even though water consumption by the average consumer has gradually declined over the same period. As of December 2011, overall billed consumption was down 4.9% when compared to 2010. When comparing billed consumption in 2011 to average consumption over the last seven years, residential consumption is 10% lower than average, while industrial and manufacturing consumption is down 25%. Residential usage has decreased per customer due to many factors including customer sensitivity to water rate increases, smaller average household sizes, as well as high efficiency plumbing fixtures and appliances. Many of the industrial and manufacturing customers have adopted water efficiency programs or reduced production in the area.

Utilities face a huge challenge replacing aging infrastructure, meeting regulatory requirements and maintaining fire flow while experiencing declining consumption. Interest rates on debt will likely rise in the near future while energy, chemical, and other prices remain volatile. It is imperative the utility maintain favorable credit ratings to minimize the cost of capital by keeping interest rates low. Market timing is also a factor, but a high credit rating provides the opportunity to minimize capital costs at any given time.

*Impact.* Every 1% reduction in consumption represents a decrease of approximately \$1.2 million in GCWW revenue. Every 1% increase in interest rates will cost GCWW approximately \$500,000 annually in additional debt service. As GCWW reacts to changing conditions, new revenue streams need to be created. These revenue streams can come from the sale of water and/or through the regional collaboration for services including, but not limited to, commercialized services such as billing, laboratory and maintenance services. If not for the revenues from the service expansion begun in the 1990s, rates for Cincinnati customers would be over 20% higher than current rates. While the cost to expand these services to other entities is recovered, a significant initial investment in terms of construction, hardware, software, staffing, etc., must be paid upfront by GCWW.

- **Reduced Water Consumption impact on MSD**

*Issue.* The Metropolitan Sewer District (MSD) has experienced a trend of declining water volume per customer for many years, and this trend is expected to continue, at least in the near term. Greater Cincinnati Water Works has reported that, as of December 2011, overall billed water consumption was down 4.9% when compared to 2010. Declines in water consumption impact MSD revenues as the Sewerage Service Charge consists of a minimum charge and a commodity charge rate, both of which are based on the amount of water used by the customer.

*Impact.* As customers use less water, the impact is a reduction of their Sewerage Service Charge. This, in turn, reduces MSD revenues. MSD is projecting revenue reductions between \$5 million and \$10 million for both 2013 and 2014 depending upon the amount of reduced water consumption. MSD will have the same fixed charges that will need to be covered regardless of whether water consumption is reduced or not. Increasing sewer rates to offset declines in consumption may be one solution to offset the reduced revenues.

- **Metropolitan Sewer District (MSD) Consent Decree**

*Issue.* Under the Clean Water Act, cities are required to reduce and, in some cases, stop releases of untreated wastewater into the environment through Combined Sewer Overflows (CSOs) and Sanitary Sewer Overflows (SSOs). These requirements apply to every wastewater system in the country and have had dramatic implications on systems in older communities such as Cincinnati, which have significant CSO and SSO occurrences. Resolving the issues related to CSOs and SSOs is a long-term project involving significant expense. The remediation of CSOs and SSOs, and a comprehensive Water-In-Basement (WIB) response program are key components of the Global Consent Decree that the Metropolitan Sewer District of Greater Cincinnati (MSD) filed with the United States District Court for the Southern District of Ohio, Western Division in 2004. The Consent Decree is a formal remediation program designed to eliminate SSOs and reduce CSOs. The Consent Decree is recognized and supported by the federal and state government, and was designed to be affordable for local ratepayers. The Consent Decree outlines a plan to combat CSOs and SSOs by completing projects contained in a detailed plan by 2022.

*Impact.* The projects associated with the Consent Decree for 2013 and 2014 will require significant increases in MSD's capital budget, which will result in significant increases in debt service. For 2013, debt service is expected to increase by \$10 million; for 2014, debt service is expected to increase by an additional \$20 to \$30 million. The debt service expense in 2014 is dependent upon the Lower Mill Creek Partial Remedy alternative and its approval by regulators. This will consequently impact Sewer rates. Based on the *2011 Comprehensive Wastewater Rate Study*, rates are proposed to increase between 8.0% and 10.0% through 2016.

### ***Capital Budget Issues***

- **Declining General Capital Budget Resources**

*Issue.* General Capital Budget resources are steadily declining and are woefully inadequate to meet the City's General Capital Budget needs in the upcoming 2013/2014 biennium and beyond. The table below illustrates this decline starting in 2007. In the four biennial budgets shown, General Capital Budget resources have been reduced by a total of \$40.5 million or 27.9%.

This decline is primarily attributable to reductions in income tax receipts and property tax supported debt. The City's income tax of 2.1% is subdivided into four components, one of which is 0.15% for General Capital. As receipts from the income tax have decreased or remained flat in recent years, the portion dedicated to General Capital has also decreased or remained flat. Additionally, part of this source is used to pay the debt service on income tax supported bonds, which fluctuates. The property tax supported debt has also declined in recent years, reflecting the reduction in assessed property values in the City.

General Capital Budget Resources					
	Amount	\$ Reduction from Prior Period	\$ Cumulative Reduction	% Reduction from Prior Period	% Cumulative Reduction
<b><i>Biennial*</i></b>					
<b>2007/2008</b>	<b>\$145,120,200</b>	-	-	-	-
<b>2009/2010</b>	<b>\$126,485,700</b>	<b>-\$18,634,500</b>	<b>-\$18,634,500</b>	<b>-12.8%</b>	<b>-12.8%</b>
<b>2011/2012</b>	<b>\$110,580,000</b>	<b>-\$15,905,700</b>	<b>-\$34,540,200</b>	<b>-12.6%</b>	<b>-23.8%</b>
<b>2013/2014**</b>	<b>\$104,575,000</b>	<b>-\$6,005,000</b>	<b>-\$40,545,200</b>	<b>-5.4%</b>	<b>-27.9%</b>
* Resources in 2008, 2010 and 2012 reflect the approved amount in the update year.					
** Resources for 2013 and beyond are estimated.					

*Impact.* Declining General Capital Budget resources means reduced investment in the City’s basic infrastructure such as streets and roads, City facilities, fleet and other equipment, information technology, and economic development initiatives. Insufficient resources to adequately support General Capital Budget needs will continue to negatively impact the Operating Budget with higher operating and maintenance costs. Additionally, service delivery to citizens certainly suffers when facilities and infrastructure are not adequately preserved.

• **1987 Smale Infrastructure Commission Report: Unable to Achieve Recommendations**

*Issue.* In 1987 the Smale Infrastructure Commission Report provided recommendations for improvements to the City’s infrastructure and guidelines for infrastructure maintenance. For City streets, the report recommended paving 115 lane miles annually to keep the streets in “good” condition. Since then, the City’s inventory of streets has grown 6%, increasing the number of recommended paved lane miles to 122. The Smale Report also provided recommendations for the City’s Bridge Rehabilitation Program. An annual investment increase of \$2.0 million was recommended to maintain the City’s bridge infrastructure. This recommendation was in 1988 to maintain a deck area of approximately 1 million square feet. Today, the Department of Transportation and Engineering (DOTE) maintains over 1.4 million square feet of bridge deck area.

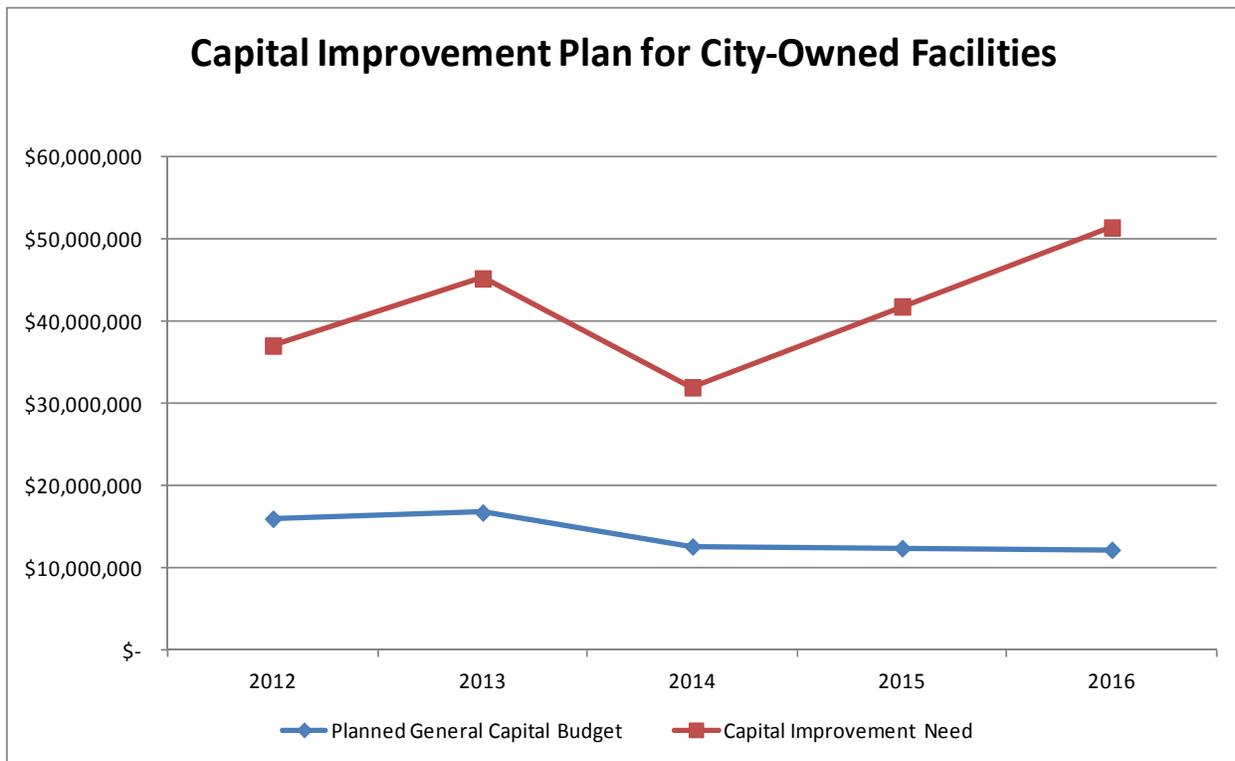
*Impact.* In recent years, funding for street rehabilitation has been reduced due to declining General Capital Budget resources and DOTE has struggled to achieve City Council’s goal of paving 100 lane miles annually. Over the past three years (2009, 2010, and 2011), DOTE has repaved 91, 107, and 63 lane miles, respectively. This is well below the Smale recommendation to pave 122 lane miles annually. DOTE continually seeks, and often secures, outside funding for street rehabilitation to help offset the reductions in General Capital Budget resources.

Funding for the City’s Bridge Rehabilitation Program in recent years has also fallen well below the recommendations in the Smale Report due to limited General Capital Budget resources. Approved funding for the program totaled \$900,000 in 2011 and \$1.4 million in 2012, while the recommendations in the Smale Report was \$2.0 million annually for 40% more bridge deck area.

- **Overall Facility Needs Unmet**

*Issue.* On June 16, 2003, the “Capital Improvement Plan for City Facilities” report (Doc. #200306339) was submitted to the City Council’s Finance Committee. This report provided an analysis of citywide General Capital Budget facility renovation needs for the Recreation, Parks, Public Services, and Health Departments. In 2003, the total estimated capital improvements need for City-owned facilities over the six-year period was \$160.6 million and the planned expenditures totaled \$78.2 million, leaving a shortfall of \$82.4 million. Renovations and improvements to existing City facilities are part of the City’s Small Infrastructure spending requirement. If the City continues to inadequately fund City facility needs, the Operating Budget will continue to be negatively impacted with higher operating and maintenance costs. In addition, outdated facilities could hinder service delivery to the citizens.

In the current six-year plan (2011-2016) the “Capital Improvement Plan for City Facilities” report was updated and the total capital improvements need for the remaining four years in the plan (2013-2016) is \$170.4 million and the planned allocation amount is \$54.1 million, generating a shortfall of \$116.3 million. In the 2013/2014 biennium, the total need is \$77.2 million, the General Capital Budget totals \$29.4 million, and the estimated shortfall for capital improvements for City facilities is \$47.8 million. The following chart shows the planned General Capital Budget expenditures and the capital improvement need from 2012-2016 for City-owned facilities.



*Impact.* In the upcoming six-year plan (2013-2018), the disparity between facility needs and planned expenditures is expected to grow. The inadequate funding of city facility needs has led to a number of deferred maintenance issues throughout the City. For example, the Department of Parks has requested \$2.0 million in additional Capital Budget resources for the upcoming

biennium to provide for the improvement of waterfront park infrastructure and facilities at Yeatman’s Cove, Public Landing, Serpentine Wall, Sawyer Point, Show Boat Majestic, and Bicentennial Commons. During this same time period, the Department of Recreation has requested approximately \$4.6 million in additional General Capital Budget resources to address the following safety-related issues resulting from deferred maintenance: wooden play ground structures in disrepair at Dunham and Pleasant Ridge, the replacement of wooden light poles with steel poles that meet current codes at Oakley and Schmidt ball fields, and the renovation of Fairview, Filson, and Ziegler pools in order to meet current codes.

A limited General Capital Budget for facilities has also impacted the ability of City agencies to replace outdated or obsolete buildings. For example, approximately \$32.0 million in Capital Budget resources for the biennium would be needed to replace the Police Department’s District Three and District Five facilities, located in East Price Hill and Clifton, respectively. These facilities are inadequate for current staffing and provide no potential for increased staffing. Due to the limited space, the Department has leased space to relieve overcrowding issues in both District Three and District Five; however, parking is still a major problem for both locations. In addition, the Department of Public Services has requested \$14.0 million in Capital Budget resources for the biennium to replace the aging Fleet Maintenance facility. This facility is unable to be renovated to become a modern fleet facility, which leads to inefficiencies and increased operating costs. The Department also experiences increased operating costs due to poor energy efficiency.

Lastly, insufficient General Capital Budget resources limit the ability of departments to protect the City’s infrastructure. The Department of Recreation has requested approximately \$310,000 in Capital Budget resources for the biennium to provide for upgrading and installing security lighting and surveillance equipment to protect the Department’s physical infrastructure (valued at approximately \$178.0 million). Lack of Capital Resources for security lighting and surveillance equipment has had a negative impact on the Operating Budget due to theft and vandalism.

The Parks, Recreation, and Police Departments have identified several deferred maintenance, facility replacement, and infrastructure replacement issues – most of these needs are not included in the planned General Capital Budget. In order to address these issues, approximately \$38.9 million would be needed in Capital Budget resources in the biennium. The table below outlines the requested projects and estimated costs.

<b>Highlighted City Facility Needs - 2013/2014 Capital Budget</b>		
<b>Department</b>	<b>Project</b>	<b>Total Estimated Cost</b>
Parks	Waterfront Parks	2,000,000
Recreation	Install New Playgrounds - Dunham and Pleasant Ridge	500,000
Recreation	Install New Steel Light Poles - Oakley and Schmidt Ball Fields	830,000
Recreation	Renovate Fairview, Filson and Ziegler Pools	3,300,000
Recreation	Security Lighting and Surveillance Equipment	310,000
Public Services/CFM	Police District Three	16,000,000
Public Services/CFM	Police District Five	16,000,000
		38,940,000

If the above projects are not supported in the General Capital Budget, the Operating Budget will continue to be negatively impacted due to higher costs, such as maintenance, vandalism, replacement due to theft, and leasing of additional space.

- **Increasing General Capital Budget Needs for Smale Riverfront Park**

*Issue:* Smale Riverfront Park broke ground in September 2008 and Phase 1 of construction was completed in May 2012. To date, the Riverfront Park project has been authorized approximately \$22.9 million in General Capital Budget resources, which is \$2.9 million more than the project's targeted amount for local funding. In addition, the Riverfront Park project has received \$10.4 million in Federal funding (\$39.6 million less than targeted), \$3.0 million in State funding (\$7.0 million less than targeted), and \$28.2 million in private funding (\$11.8 million less than targeted). While Phase I was opened in May, there are still areas south of the Banks Development and east of the Roebling Bridge that need to be completed to ensure a unified Riverfront Park, namely the Walnut Street Fountain Trellis, Main Street Fountain, River Terrace Garden, Adventure Slides, River Promenade, and Transient Boat Dock and Boathouse. Completion of these areas is critical for the City's new "front yard," which will be the link between the City's riverfront and the Banks Development.

*Impact.* Due to Federal and State resources coming in at a slower rate than targeted, the Department of Parks has requested General Capital Budget resources in the amount of \$4.1 million in 2013 and \$4.6 million in 2014 for the Riverfront Park project; a total of \$17.0 million between 2013 and 2016 has been requested for the project. At this time, the 2013-2018 Capital Investment Program does not provide General Capital Budget resources for the Riverfront Park project. If General Capital Budget resources are not identified, the above noted areas will be seeded over, and no betterments such as fountains, gardens, or walkways will be included. It should be noted that the Department is working on an Ohio Department of Natural Resources grant that may provide resources in the amount of \$1.7 million for the Transient Boat Dock and Boathouse and continues to solicit private donations and grants. In addition, the Department has requested \$4.6 million in Federal funding and \$3.0 million in State funding for 2012. The outcome of the grant, Federal, and State requests will not be known until later this year.

- **Inadequate Fleet Replacement Program**

*Issue.* The Fleet Replacement Capital Budget supports the replacement of automotive and motorized equipment for City agencies supported by the General Fund. In 2012, the Fleet Replacement capital project included resources in the amount of \$5,240,000. At this time, the 2013-2018 Capital Investment Program provides General Capital Budget resources for fleet replacement in the amount of \$4,904,400 in 2013 and \$4,940,600 in 2014. This represents a reduction from the 2012 Approved amount for fleet replacement of \$335,600 in 2013 and \$299,400 in 2014.

Currently 516 out of 1,034 vehicles in City agencies supported by the General Fund are out of lifecycle because they have exceeded the established standards for maximum mileage, age, or maintenance costs. Using out of lifecycle equipment increases maintenance and fuel costs, which is provided in each department's Operating Budget. For example, the Department of Police has found that the average cost of maintenance for a three-year-old patrol car is often less than half the cost for maintenance on a four year old patrol car and can be one fourth the cost of a five year old patrol car.

Due to limited General Capital Budget resources, the Department of Public Services' Division of Fleet Services has worked with the Cincinnati Fire Department to minimize the cost of an expanding Emergency Service fleet by recycling (remounting) a significant portion of the Fire Department's 18 medic unit vehicles. Since 2001, the remount program has saved approximately \$2.0 million in General Capital Budget resources and has involved 20 medic unit vehicles. In addition to minimizing General Capital Budget expenses, the remount program keeps the ambulance fleet in good working order and minimizes out-of-service times, equipment changeovers, and decreases inpatient care while maximizing medical response efficiencies.

Recently, Ford Motor Company has announced that they will no longer produce the E-450 Cutaway Van Chassis with a diesel engine. The chassis is the largest and newest item used in the remount program and is essential to the program. Since Ford's announcement, the Fire Department and the Fleet Services Division have researched cost-effective solutions to the elimination of the diesel E-450 Cutaway Van Chassis. This research has found that gasoline engines in medic units are not viewed as viable alternatives to diesel engines due to performance issues.

*Impact.* Approximately \$4.2 million would be needed each year for ten years to initiate a program to bring out of lifecycle vehicles in General Fund agencies into lifecycle. Due to limited General Capital Budget resources, the additional funding was not provided in the 2011/2012 biennium. Further, additional General Capital Budget resources are not included for fleet replacement in the upcoming 2013-2018 Capital Investment Plan.

Bringing the fleet into lifecycle is particularly critical for the Department of Police. The current cost for a basic patrol car is approximately \$23,500 with another \$10,000 for police equipment, for a total of \$33,500 per car. The total cost to replace 85 patrol cars in each of 2013 and 2014 would be \$2,847,500, for a total of \$5,695,000 in the biennium. These estimates are based on a three-year replacement cycle in order to keep the vehicles under factory warranty.

In order to maintain the remount program in the Department of Fire, an additional amount of \$300,000 in 2012 and \$400,000 in 2013 would be needed to replace four diesel E-450 Cutaway Van Chassis medic unit vehicles with the new F-450 Pick-up Truck type chassis. These resources will allow the Department of Fire to continue to keep the medic unit fleet within the established lifecycle. The resources in 2012 have been allocated to the Fire Department to be utilized for their remount program and can be reprogrammed to replace the new medic units; however, the resources of \$400,000 in 2013 would be in addition to the Fire Department's normal Capital Budget allocation. It should be noted that assigning \$400,000 in additional resources to the Fire Department in 2013 will lead to a reduction in resources for other Departments.

- **Insufficient Investment for Information Technology**

*Issue.* The City continually strives to remain current with information technology (IT) investments to streamline operations and reduce unnecessary costs. As these investments increase efficiencies and reduce costs within the Operating Budget, the demands on the Capital Budget continue to grow. For example, several critical infrastructure components to the 800 MHz Public Safety Radio Communication System will no longer be supported by the vendor in the near future and will soon be obsolete. This system provides day-to-day radio communication capabilities for Police, Fire, 911 Dispatch, Public Services, Parks, Greater Cincinnati Water

Works, and other organizations, and provides interoperability with other jurisdictions. The outdated 800 MHz portable radio equipment used by the departments also needs to be replaced.

Additionally, two new servers are needed to support the Computer Aided Dispatch (CAD) system, which allows the City's Emergency Communications Center (ECC) to prioritize emergency calls for service, conduct messaging with officers and firefighters in the field, track resources, and conduct many other mission critical ECC functions. New personal computers are also needed for the system.

Laptops used by inspectors in the Department of Community Development, which are the original equipment issued when inspections were automated, are slow and aging. These laptops should be replaced with more efficient mobile devices such as the slate computer for data entry at the point of collection. The Department of Public Services' asset management system, Maximo, is antiquated and the system's software, server, database, and operating system are no longer supported by the vendor. The entire system must be upgraded or replaced. Additionally, one-third of the Department of Public Services' personal computers have exceeded their lifecycle and new computers with more processing power and memory are needed to support updated software applications.

In addition to supporting the replacement of existing IT equipment, the demands on the General Capital Budget to invest in new IT equipment continue to grow. Inspectors in the Department of Community Development currently take hand written notes in the field and then the notes are typed onto a laptop. Each morning, prior to going out on inspections, inspectors must come into the office to upload data and download new work. The purchase of air cards would allow inspectors to make data entry in real time reducing duplication of note taking and eliminating upload and download time. The Department of Public Services needs a new time and attendance system to track information electronically and uniformly across all divisions within the department. This would save time, money, and help to ensure accuracy. In the Department of Planning and Buildings, a new permitting system is needed to enhance the department's ability to issue permits and expand the online permitting process.

*Impact.* Approximately \$18 million will be needed for upgrading and replacing critical components of the 800 MHz Public Safety Radio Communication System and the Fire Department estimates \$750,000 will be needed to augment grant resources to replace all outdated 800 MHz portable radio equipment in that department. New servers, personal computers, and upgrades for the Computer Aided Dispatch (CAD) system are estimated to cost \$850,200. The costs for new hardware and software related to new personal computers in the Public Services Department are estimated to be \$80,000.

Purchasing air cards for inspectors in the Department of Community Development would cost approximately \$12,000 per year and new laptops would cost \$30,000 to \$60,000. The cost of a new permitting system has not yet been determined; however, the implementation costs within the Department of Planning and Buildings are estimated to be \$462,500. These expenses would include consultant costs, tablet based computers with field entry capability for inspectors, and an interactive voice response system for inspection scheduling.

- **Demands of Economic Development Initiatives**

*Issue.* The Economic Development focus of the City continues to progress and expand. The economic development function within the City Manager's Office and the work of Cincinnati Center City Development Corporation (3CDC) continue to cultivate and develop opportunities that require resources for implementation.

In 2012 the Business Development Division in the Community Development Department merged with the Economic Development Division (EDD) in the City Manager's Office to provide a more simplified portal for those interested in development in the City. This will allow a more strategic use of staff and create a synergy that should help further the City's deal-closing results.

*Impact.* In December 2011 \$2.0 million was allocated to EDD from Convergys settlement resources for the purpose of attracting and retaining large and small businesses. EDD has indicated that a level funding stream over many years is necessary to create and sustain a successful small business development and retention program rather than a one-time resource.

- **Additional General Capital Budget Pressures: "Mega" Projects**

*Issue.* "Mega" projects in the General Capital Budget refer to large stand-alone capital projects that require funding from General Capital Budget resources, which will result in reductions to anticipated General Capital Budgets within departments. "Mega" projects typically fall outside a department's General Capital Budget allocation due to the scope and size of the project and the relatively large cost of the project.

The list of "mega" projects to be considered in the upcoming 2013/2014 Biennial Budget is long and costly; however, the projects represent significant mission critical initiatives for the City. For example, Police Districts Three and Five, located in East Price Hill and Clifton, respectively, are inadequate for current staffing levels and need to be replaced at an estimated cost of \$32.0 to \$34.0 million. Additionally, a new Fleet Maintenance facility needs to be constructed at an estimated cost of \$14.0 million. (Please see "Overall Facility Needs Unmet" above for additional information regarding the replacement of Police Districts Three and Five and the Fleet Maintenance facility.)

Two large and costly road projects confront the Department of Transportation and Engineering (DOTE) in the upcoming biennium and over the next several years. The Western Hills Viaduct project, with a total estimated cost of \$220.0 million to replace the viaduct, will most likely require City funding for project design. The estimated cost is \$11.8 million. Additionally, the Metropolitan Sewer District's Lick Run combined sewer overflow mitigation project will require the elimination of a portion of Beekman Street between Queen City and Westwood Avenues. The new transportation network for these two streets includes the improvement of Westwood Avenue to create a boulevard capable of handling high volumes of traffic and a "main street" along the eastern portion of Queen City Avenue. The estimated cost for the General Capital Budget for these improvements is \$25.0 million.

The Information Technology Reserve capital project is a large "mega" project in the upcoming biennium that would establish a pool of resources to support enterprise information technology

(IT) General Capital Budget projects. Approximately \$2.0 million would be needed for this project (\$1.0 million in each year of the biennium), which would be in the Enterprise Technology Services Department (ETS). Large IT projects frequently pose funding challenges because they deal with needs within multiple City departments and are very costly. This project would represent an attempt to address those IT needs and funding challenges. The establishment of this project would comply with the City Council directive to “scale up technology applications that will increase productivity and reduce cost” (Doc. #200900970).

*Impact.* The size and scope of “mega” projects will frequently prohibit their inclusion in the General Capital Budget. The replacement projects for the Fleet Maintenance facility and Police Districts Three and Five, along with the Western Hills Viaduct design project and the Lick Run project, are simply too costly for current General Capital Budgets with declining resources. Each of these projects represents critical infrastructure needs that are unable to be addressed due to inadequate General Capital Budget resources. However, more modest projects, such as the Information Technology Reserve project, are more likely to be considered for funding. A Customs House at Lunken Airport at an estimated cost of \$1.5 million in 2014 is another candidate for funding. This will facilitate our local employers who use the airport for international travel.

It should be noted that the 2013 General Capital Budget will include “mega” projects that have already been approved by the City Council. These projects include the following: Homeless to Homes (\$2.0 million); and the replacement of \$4.4 million in resources that were diverted from the City Facility Renovation and Repairs project (\$4.1 million) and the Replacement Facilities project (\$0.3 million) for the City Hall Courtyard Atrium project.

### ***Consolidated Plan Budget Issues***

- **Reduction in HUD Grants**

*Issue.* CDBG has been cut significantly since FY2001. In FY 2001, the program received its highest funding level ever – \$4.406 billion in formula funding. In contrast, the program received \$2.95 billion in formula funding in FY12, the lowest level since 1992. In the last two years alone, CDBG formula funding has been cut by 26%, from \$3.9 billion in FY 2010 to \$2.9 billion in FY 2012.

The Community Development Block Grant program was originally approved by the Congress in 1974 and initially funded at \$4 billion dollars. The City received approximately \$18 million per year in CDBG funding in the 70’s. Thirty Eight years later, the formula program is now funded at \$2.95 billion dollars, but due to approximately 300 communities being added to the fund and adjustments to the formula HUD follows for allocations, the City received \$11.2 million in 2012. Obviously inflation has had a tremendous effect on the buying power of the funds during that time as prices have risen 367%. For the CDBG program to have the same impact on communities it would need to be funded at \$17.1 billion instead of \$4 billion and Cincinnati would be receiving \$70.3 million annually instead of \$11.2 million. Obviously the constant reduction in funds has eroded the ability of the program to adequately address the problems of our community, but we have developed a strong internal institutional knowledge, neighborhood based development partners, improved leverage with other funds such as the State of Ohio’s Clean Ohio Fund, and other means in order to operate solid programs.

The HOME program has been cut by nearly 45% since FY09 when the program was funded at \$1.825 billion. The program now stands at its lowest level – \$1 billion. The City has been receiving around \$4 million a year and only received \$2.2 million in 2012. The home cuts result in significantly less funding available to encourage first time homeowners, develop new affordable housing, provide assistance to tenants with disabilities and other needed housing projects.

*Impact.* Reduction in funding will impact the City’s ability to fund projects in both CDBG and HOME. Projects funded with CDBG include the American Can Lofts, which has a 99% occupancy rate; Metrowest Commerce Park - 18 acres brownfield remediation which can lead to approximately 400 jobs on the site; Center Hill Commerce Park- 60 acres brownfield remediation which can lead to approximately 300 jobs on the site; Youth Employment which creates summer jobs for hundreds of City youth, and the Neighborhood Business District (NBD) Improvement Program which has assisted dozens of NBDs.

Projects funded with HOME include the Downpayment Initiative Program, which has enabled the City to help 50 families achieve homeownership each year. In addition, there are projects like the LEED certified Forest Square Apartments in Avondale, the Elberon project in the East Price Hill community and Woodburn Pointe project consists of the renovation of two significant structures located in the heart of the Evanston neighborhood. Lastly, the Jimmy Heath House was completed and is now occupied by 25 of the City's most chronically homeless citizens.

#### ***IV. Budget Policy Considerations and Strategic Recommendations***

Below are 2013/2014 policy considerations that will be addressed in the budget process. These include, but are not limited to, revenue policy, expenditure policy and financial management policy. In addition, strategic recommendations are included throughout.

##### ***Revenue Policy***

- **Tax Policy**

##### **Property Tax – General Fund Operations**

*Opportunity.* The former City Council policy was to set the property tax millage to generate \$28,988,000 in revenue, which is the 2001 revenue level. The statutory cap is 6.1 mills for operating purposes. Eleven years later, the 2012 current rate is 4.6 mills. Due to State action which impacted the personal property tax reimbursement and due to lowered property values, in 2012, the property tax revenue is estimated at \$23,933,000. For 2013, each 0.1 mill is projected to equate to approximately \$0.5 million in General Fund revenue. Reestablishing the 6.1 mill level would represent an increase of \$7.8 million in General Fund revenue for City services, while it would cost the owner of a \$100,000 home approximately \$46 a year.

*Implementation Consideration.* The property tax rate of up to 6.1 mills requires a vote of the majority of City Council. The setting of the 2012 property tax millage is done through approval of the Tentative Tax Budget that must be passed no later than July 15, 2012.

*Strategic Recommendation.* Due to the General Fund deficit and the magnitude of the issues facing the City’s General Fund operating budget as described in the Significant Issues section,

the Administration’s recommends that City Council should restore the property tax millage to the full 6.1 mills. This will reduce the budget deficit to \$26.5 million, a reduction of \$7.8 million. This will minimize the number of City programs/services that would need to be eliminated or reduced to close the deficit.

**Property Tax – General Capital Investment**

*Opportunity.* The City Charter also provides for a property tax for permanent improvements (general capital). This rate must be set by City Council at a level to cover outstanding and planned General Capital debt. The 2012 required rate is 5.9 mills and is projected to increase to a required 6.1 mills in 2013 to cover current capital spending. The increase in millage will cost the owner of a \$100,000 home approximately \$6.

Due to the enormity of needs in the General Capital budget as described in the Significant Issues section, the Administration is proposing a one-time boost to the General Capital Budget of \$27.9 million. This amount was chosen based on the City’s debt limits. This one-time increase in General Capital would be paid over 20 years and would ultimately increase the millage to an estimated high of 6.68 mills in 2014 and would be reduce over time as property values increase as projected by the Economic Center. . The 2013 millage would increase .15 mills to 6.25 mills. and the cost to an owner of a \$100,000 home would be approximately \$4 in 2013 and \$18 in 2014.

*Implementation Consideration.* The property tax rate millage increase requires a vote of the majority of City Council. The setting of the 2012 property tax millage is done through approval of the Tentative Tax Budget that must be passed no later than July 15, 2012.

*Strategic Recommendation.* The Administration is proposing the capital projects contained in the table below be funded by the increase in property tax millage.

**Proposed 2013 Additional Capital Projects**

Department	Project Title	2013 Amount	Description
Community Development	Building Demolition	\$2,300,000	Resources would be used for building demolition and would be matched "two for one" as part of a grant from the State of Ohio.
Police	Police District 3 Replacement	\$15,250,000	Police Districts Three and Five are inadequate for current staffing levels. Due to the limited space, the Department has leased space to relieve overcrowding issues in both Districts; however, parking is still a major problem for both locations. The estimated cost to replace District 3 on the west side is approx. \$16.0 million.)
Public Services	Music Hall Renovations	\$1,000,000	Resources would be used to support major renovations to Music Hall in partnership with the Music Hall Revitalization Co. A total of \$10 million would be provided over a period of time.

Department	Project Title	2013 Amount	Description
Parks	Smale Riverfront Park	\$4,000,000	Resources are needed to continue construction of Smale Riverfront Park. Development of areas south of the Banks Development and east of the Roebling Bridge should be completed to ensure a unified Smale Riverfront Park. These areas include the Walnut Street Fountain Trellis, Main Street Fountain, River Terrace Garden, Adventure Slides, River Promenade, and Transient Boat Dock and Boathouse. Completion of these areas is critical for the City's new "front yard," which will be the link between the City's riverfront and the Banks Development. A total of \$17.0 million is needed between 2013 and 2016.
Recreation	Recreation Center Renovation	\$1,200,000	These resources will primarily be used to renovate the Clifton Recreation Center.
Recreation	Roselawn Park Upgrades	\$550,000	Resources would support Phase 1 of the construction of the Cincinnati Reds Urban Academy at Roselawn Park. Phase 1 would include relocation of the existing shelter and relocation of two playgrounds.
Emergency Comm.	Computer Aided Dispatch Upgrades	\$850,000	Resources would be used to purchase two servers and necessary upgrades for the Computer Aided Dispatch (CAD) system as well as new PCs. Emergency Communications recently learned that Motorola will no longer support their existing two servers. Servers are needed to enter emergency calls for service, prioritize calls for service, track resources, conduct messaging with officers and firefighters in the field, and conduct many other mission-critical business functions.
Fire	Replace 800 MHz Radio Equipment	\$750,000	Resources would be used to augment grant resources to replace all out-dated 800 MHz portable radio equipment.
CMO/ Economic Development	Business Retention/Viable Small Business Development	\$2,000,000	Resources would be used to support retention and new growth opportunities for businesses in Cincinnati and support growth opportunities for viable small businesses within the City.
	<b>TOTAL:</b>	<b>\$27,900,000</b>	

## **Income Tax**

*Opportunity.* The City's current income tax rate is 2.1%, of which 1.55% is for General Fund operating purposes. Each 0.1% increase in the income tax would generate \$15,767,000 which could be used to mitigate the need for service reductions. For instance, if the City's Income Tax rate was increased to 2.5% and the entire 0.4% increase was dedicated to General Fund purposes there would be an increase in revenues of approximately \$63.1 million a year.

*Implementation Consideration.* Per the City Charter, an increase to the City's income tax rate would require a vote of the public. In order for a full year of revenue to be received in 2012, this decision would need to be on the November ballot. This requires either a voter referendum or an ordinance passed by at least five Councilmembers no later than the September 6, 2012 meeting (six votes are required for the emergency clause).

## **Admissions Tax**

*Opportunity.* The City's Admission Tax applies to sporting and entertainment events where an admission fee is charged. The current Admission Tax is at 3% which generates \$3.8 million for the General Fund. Each 1% increase in the Admissions tax would generate \$1.3 million and impacts a \$10 ticket by 10 cents. An increase to 8% admissions tax would generate \$6.4 million and impacts the cost of a \$10 ticket by 50 cents.

*Implementation Consideration.* An increase to the City's admissions tax rate would require an amendment to the City Charter, which requires approval by the voters. In order for a full year of revenue to be received in 2011, this decision would need to be on the November ballot. This requires either a voter referendum or an ordinance passed by at least six Councilmembers no later than the September 6, 2012 meeting.

## **• Fee Policy**

The City Council may consider changes in fees and charges for services to account for increased costs for providing the services, and to remain comparable and competitive to other jurisdictions. As part of Priority-Driven Budgeting, programs that are partially self supporting through user fees will be identified and the Administration will review if the program fees should be increased to be fully supported through user fees. In addition, lower ranked programs will be evaluated to see if fees can be established to allow the user base to keep the service.

## **Solid Waste Fee**

*Opportunity.* In November 2011, the voters approved a City Charter Amendment which prohibits the City from establishing a tax for the collection of solid waste. The City's Waste Collection program costs \$11.3 million 2012, which is completely funded by General Fund resources.

*Implementation Consideration.* If the City would like to implement a Solid Waste Collection fee it would require an amendment to the City Charter, which requires approval by the voters. In order for a fee to be included in the development of 2013 budget, this decision would need to be on the November ballot. This requires either a voter referendum or an ordinance passed by at least six Councilmembers no later than the September 6, 2012 meeting.

- **Rate Policy**

The City Council may consider changes in various rates for services within restricted funds to account for increased costs of providing the services. Considerations for 2013/2014 include water and stormwater rates. The Administration will explore the need for rate increases in these areas and provide recommendations in the City Manager's Recommended Budget.

Please note that City Council does not approve Sewer Rates.

### ***Expenditure Policy***

- **City Services**

#### **Program Eliminations or Reductions**

*Opportunity.* The primary drivers in the General Fund expenditure budget are the programs provided. City Government is a complex organization that provides multiple services to citizens. Every single program that the City funds has a constituency. The City's programs work together to achieve goals such as crime reduction. For example, to truly make a neighborhood safe involves a combination of police officers and fire fighters being available when needed; in addition to clean, maintained, well lit un-blighted streets and neighborhood business districts; with recreational and leisure activities and places for citizens to go like parks and community centers; as well as healthy citizens who have jobs and who benefit from access to health care and a clean environment. To make all that happen includes the work of the departments of Police, Fire, Public Services, City Planning & Buildings, Transportation & Engineering, Recreation, Parks, Community Development, Health and Environmental Quality.

The costs of operating these departments are manifested in the number of facilities operated, hours of operation, and staffing levels. Approximately 81% of the General Fund budget is personnel related. Program reductions and eliminations are inevitable in the 2013/2014 budget due to the projected deficit. Decisions will need to be made to determine which services to reduce or eliminate and these will be recommended in the City Manager's Recommended Budget.

*Implementation Consideration.* The City's Priority-Driven budgeting process will help evaluate the City's programs/services in relation to how relevant they are to the community's stated priorities (results). The decision tool also will help identify programs that generate revenues, are legally mandated to do, where the City is the sole provider, etc. In addition to revenue and legal considerations, employee layoffs also come with costs such as unemployment insurance and lump sum payouts. In addition, the wholesale elimination of a program could have an impact on city facilities, contractual obligations, grant requirements, etc. which need to be factored into any savings amount.

The City Manager's Recommended Budget will incorporate all of these considerations into any service reduction/elimination recommendations.

#### **Information Technology Consolidation and Investment**

*Opportunity.* The Enterprise Technology Solution's new funding model was approved by City Council in the 2010 Operating Budget. Direct funding was budgeted in the General Fund to

provide for RCC's administrative staff. The new model eliminates the need for overhead charges to be recouped through charges to users of the IT services provided by the RCC. City Council also recently approve the Administration's strategy to consolidate IT services into an Enterprise Shared Services (Hybrid) model with an IT Governance Board.

*Implementation Consideration.* Full implementation of the Hybrid model is in process, and included an IT classification study which was recently completed. This study will lead to consolidation of certain functions which will save operating costs. Savings net of implementation costs from this consolidation, will be used to foster City-wide IT standardization, leverage IT economies of scale through IT investment, and implement appropriate IT quality controls and security across City systems. Implementation of the hybrid model will ensure that IT functions are operating with maximum efficiency and will produce savings in both IT related costs and in department productivity costs long-term.

In addition, to the consolidation, the Administration recommends the creation of an Information Technology Reserve capital project at \$1.0 million in each year of the biennium. Large IT projects frequently pose funding challenges because they deal with needs within multiple City departments and are very costly. This project would represent an attempt to address those IT needs and funding challenges. The establishment of this project would comply with the City Council directive to "scale up technology applications that will increase productivity and reduce cost" (Doc. #200900970).

### **Shared Services**

*Opportunity.* There are programs like the Government Cooperation and Efficiency Project (GCEP), which is a voluntary effort designed to help local communities improve service delivery and control costs through cross-jurisdictional co-operation, sharing of services and possible service delivery consolidation. Shared service projects include bulk road salt purchasing; bulk fuel and daily fuel purchasing; bulk office supply purchasing; training and professional development; human resources; information technology service; grant coordination and acquisition; equipment sharing/contracting; specialized training (public works); fleet maintenance; fire hydrant maintenance; and street signs and markings.

*Implementation Consideration.*

In addition to GCEP, as part of Priority-Driven Budgeting process, potential partners and other providers of city services are being identified. The City Manager's Office will therefore evaluate opportunities for cost sharing with Hamilton County, the State of Ohio, surrounding jurisdictions, and non-profits. Where feasible, these opportunities will be incorporated in the development of the 2013/2014 Biennial Budget. Successful shared services take time, in some cases years, and money to study and to implement. An example is the City's own initiative to share utility management services between Water Works, Metropolitan Sewer District and the Stormwater Management Utility.

### **Across-the-Board Cuts**

*Opportunity.* The City's non-personnel budget is used to fund a broad range of City services including, but not limited to, the operation and maintenance of City facilities and vehicles and basic IT infrastructure required to run the City government. The non-personnel budget also includes funding for materials and supplies needed to provide services to citizens such as ice control on roads, medical and laboratory supplies, ammunition for Police, street lights, and

recreation supplies. Funding for expert services contracts (e.g., CIRV and Keep Cincinnati Beautiful) is another example of items included in the non-personnel budget.

*Implementation Consideration.* Unspecified across-the-board cuts to the non-personnel budget result in unintended consequences. This type of reduction to non-personnel could mean that personnel would not have the material and logistical support required to maintain operations. This would impact services since the City would not be able to provide the same level of service in 2013 as in 2012 without the non-personnel funding needed to support operations. Therefore, the Administration does not recommend across-the-board non-personnel cuts. Rather, it is recommended that using the results of the Priority-Driven budgeting process, reductions to specific services or programs be considered as reductions to the budget.

- **Specific City Council Policies**

- **Human Services Policy**

*Policy.* Human Services are those services provided directly to individuals or families for meeting their basic human needs; for help in sustaining gainful employment; for social support and interaction; for assistance in overcoming specific pathologies; and for help in gaining access to available, appropriate services. The City of Cincinnati's current Human Services Policy states that a minimum of 1.5% of the City of Cincinnati's General Fund revenue shall be allocated annually to provide funds for Human Services program grants for service providers. However since 2005, the City Administration has recommended eliminating or reducing funding for the Human Services Policy. Funding recommendations for most Human Services agencies are provided by the Mayor-appointed Human Services Advisory Committee (HSAC). The City's priority areas adopted by City Council include:

1. Meet the emergency social needs of individuals and families (30% of budget)
2. Promote self-sufficiency (40% of budget)
3. Reduce violence in the community (30% of budget)

*Impact.* The 2012 Budget includes 59 programs recommended by HSAC totaling \$1,504,840. In addition to the HSAC recommended programs, there are other Human Services related agencies such as Cincinnati Human Relations Commission and the Center for Closing the Health gap; therefore, the total for Human Services is \$2,090,840, which is approximately 0.6% of the General Fund revenues. The 2013/2014 Biennial Budget forecast assumes the same dollar figure in both years.

- **Arts Policy and Support**

*Policy.* The City's current Arts Policy, amended in 1989, states that a minimum of 0.14% of the City's General Fund revenue shall be allocated annually to provide funds for the City's Arts Grants Programs.

*Impact.* There is \$50,000 in the budget for Arts Grants. In addition, the City does provide approximately \$600,000 in the General Capital budget each year split among the Cincinnati Museum Center, Music Hall, and the Art Museum. Lastly, per a contractual arrangement, Music Hall receives \$100,000 in parking revenues from the operation of the parking garage connected by the skywalk. The 2013/2014 Biennial Budget forecast assumes the \$50,000 in General Fund resources would be allocated for Arts Policy, which is approximately 0.015% of the General Fund revenues.

### **Special Events Funding Policy**

*Policy.* The City Council approved Special Events Funding Policy includes a 10% cost share for four heritage events as follows: 1) Findlay Market Opening Day Parade; 2) St. Patrick's Day Parade; 3) Black Family Reunion; and 4) Juneteenth.

*Impact.* While the funding for the four heritage events is built into the budgets of the departments providing services for these events; additional cuts to those departments could impact their ability to continue to provide these services. The 2013/2014 Biennial Budget forecast assumes no additional funding for Special Events besides the four heritage events and therefore all other special events need to cover 100% of the costs.

### **• Administrative Charges for Projects and Outside Funding Agreements**

*Policy.* The Community Development, Economic Development, and Transportation and Engineering Departments are increasingly charging staff time to the implementation of specific Capital and Consolidated Plan projects. In many cases, staff positions are 80% funded through project resources rather than through a direct General Fund allocation. This means decisions to change Capital and Consolidated Plan project allocations affects personnel funding directly. Additionally, City Council often allocates funding through the budget process to neighborhoods or outside organizations. When this funding is allocated to outside organizations, a contract is developed with measurable outcomes. The administration of these contracts involves staff time to develop, monitor and comply with the contract. Since the departments monitoring the contracts are highly reimbursable and do not have large General Fund allocations, the staff involved in monitoring the contract or project need to have their costs covered.

*Impact.* As a result, starting in 2009, 10% of the funding allocated to each project or organization is used to support administrative expenses. As an example, if an organization is allocated \$100,000 through an approved budget motion or ordinance, that organization actually receives \$90,000. The remaining \$10,000 will be used to support expenses incurred by the department administering the contract for that funding. There may be exceptions to the 10% rule, based on the type of contract and amount of funding, but they will be determined on a case-by-case basis.

### ***Financial Management***

#### **• Budgeted Reserve for Contingencies**

*Policy.* Typically, the City appropriates \$1 million in the budget for Reserve for Contingencies each year. A budgeted reserve is a prudent budgeting tool to guard against unforeseen expenses, such as the rise in recent fuel and utility costs.

*Impact.* In 2012, the amount was increased to \$2.8 million in order to fund contingencies throughout the year including minimizing the number of brownouts in the Fire Department. The 2013/2014 Biennial Budget forecast assumes the Reserve is at the \$2.8 million level in both years.

- **Structural Balance**

*Policy.* In 2008, City Council passed an ordinance requiring the City Administration to deliver a structurally balanced budget. Structural balance is achieved when operating revenues meet or exceed operating costs. The City should strive for structural balance in order to ensure strong bond ratings and good financial health. As noted previously, unless addressed, the City's budget is forecasted to have a structural imbalance through at least 2016.

*Impact.* The City's currently has Moody's Aa1 and Standard & Poor's AA+ bond ratings. Standard & Poor's has emphasized the need to maintain structural balance and avoid operating deficits. The structural deficit for 2013 is estimated to be \$33.0 million.

*Strategic Recommendation.* Due to the significant service eliminations or additional revenue increases needed to close that gap, the Administration is recommending using \$6.5 million of 2012 General Carryover balance to help balance the 2013 budget. This would leave the minimum \$2 million balance for 2013.

- **Achieving and Maintaining a 10% Reserve Balance**

*Policy.* The City's policy is to have a minimum combined reserve balance of 10% of annual revenue. This is a generally accepted financial policy that allows for a prudent contingency for unexpected revenue decreases and expenditure increases. The City's reserve balance is made up of the carryover balance in the General Fund, the Emergency Reserve and the Working Capital Reserve Fund.

*Impact.* In order to meet the standard, the General Fund ending carryover balance requirement for 2013 would need to be \$11.3 million. Currently, the ending carryover balance is projected to be a negative \$24.5 million, a shortfall of \$35.8 million. While it is preferred to maintain a 10% reserve balance, the priority for 2013/2014 would to be to balance the budget with minimal service eliminations and tax increases.

### ***Capital Budget Policy***

- **Declining General Capital Budget Resources/Smale Infrastructure Spending Requirement**

*Policy.* The City's Smale Infrastructure spending requirement to maintain the 0.1% income tax dedicated to infrastructure maintenance as approved by the voters in 1988 continues to place significant spending pressures on the General Capital Budget. The City meets its Smale Infrastructure spending requirement within the General Capital Budget and the Operating Budget.

*Impact.* General Capital Budget resources have been steadily declining in recent years; since 2007 resources have been cumulatively reduced by a total of \$40.5 million or 27.9%. This decline is primarily attributable to reductions in income tax receipts and property tax supported debt. While General Capital Budget resources are declining, the City's Smale Infrastructure spending requirement, which fluctuates from year to year, must still be met. Therefore,

infrastructure spending as a percent of the total General Capital Budget may need to increase in order to maintain the coverage rate necessary to preserve this dedicated revenue source from the City's income tax. In the General Capital Budget, Smale Infrastructure spending includes, for example, projects related to street and bridge rehabilitation and repair, facility renovation and repair, and wall and sidewalk repair. General Capital Budget items that are not part of the City's Smale Infrastructure spending calculation typically include projects related to economic development, environment, technology and equipment, housing and neighborhood development, and new infrastructure. As spending for infrastructure increases, spending for these non-infrastructure initiatives may need to decrease.

Reductions to non-infrastructure initiatives would lessen the City's financial support of projects such as Fleet Replacements, which provides resources to replace outdated automotive equipment in General Fund agencies such as the Police and Fire Departments. Housing projects, such as Neighborhood Market Rate Housing and Strategic Housing Initiatives Program, might also experience reduced funding. Economic development projects are also non-infrastructure projects and include projects such as Retail/Commercial Opportunities and NBD Public Improvements. The City's commitment to the Port Authority in the General Capital Budget is also not included in the Smale Infrastructure spending requirement and, therefore, may also need to be reduced.

### ***Consolidated Plan Budget Policy***

- **2010-2014 Consolidated Plan**

*Policy.* The new five year Consolidated Plan was completed during 2009. City Council policies were incorporated in the development of the Consolidated Plan.

*Impact.* The 2013/2014 Recommended Consolidated Plan budget will be presented in the context of the five year Consolidated Plan.

### ***Fiscal Year Change***

Pursuant to City Council motion dated March 29, 2011 (item #201100462) signed by all members of City Council, the Administration is pursuing a fiscal year change. Right now the State legislation to change the fiscal year to a July 1 to June 30<sup>th</sup> period is pending approval of the State's Mid-Year Budget Review. The legislation has the fiscal year change starting July 1, 2013. Once the legislation is approved, the Administration will report back to City Council on the strategies for implementing the fiscal year change and its impact on the budget development timeline. The key dates and process below follow a January budget year start since regardless of the fiscal year change a budget has to be passed that starts January 1, 2013.

## ***V. Next Steps***

I ask the Mayor and City Council to consider the General Fund forecast, the outlined policy considerations, the list of significant budget issues, and my Property Tax recommendations, while deliberating on budget policy direction. While we must close the deficit, City government must also continue to invest strategically in the community and its own operations so that we are viable and expanding the tax base. Despite the national picture over the last several years, there has been investment in the City that is paying dividends. On the operating side, even with restoring the property tax rate to its historic level, the City is facing a \$26.5 million deficit. This

deficit already includes using \$6.5 million of one-time resources (General Fund carryover balance). After years of cuts to all departments including Public Safety, what remains are painful program elimination decisions. While Priority-Driven budgeting will provide a new way of reviewing the budget and making strategic decisions, it will not mean that all programs will be spared from cuts and eliminations. The property tax restoration will help the City to save \$7.8 million worth of critical programs from being reduced or eliminated.

On the capital side, the property tax increase will allow the City to strategically invest \$27.9 million in General Capital needs that will eliminate blighted buildings throughout City neighborhoods; replace an outdated and overcapacity Police District on the west side; preserve and enhance our Parks and Recreation infrastructure at The Banks, in Roselawn and Clifton; allow critical public safety communications to function; and grow our tax base which will help reduce future deficits.

Collectively, my property tax recommendations include increases to the property tax rates which will impact the \$100,000 homeowner by 50 in 2013 and \$64 in 2014. For approximately 53,000 households and additional small businesses who can participate in the City's strategic decision to have an electric aggregation program, they will save \$133. This means that the average citizen who owns a \$100,000 house will actually SAVE a net \$83 in 2013 and \$69 in 2014. This savings calculation doesn't even include the potential savings from municipal aggregation of gas, which would increase the savings amount. We are strategically preserving priority city services, investing in our community, AND savings citizens \$69 a year.

The Administration will follow the policy direction in the 2013/2014 Biennial Budget development and plans to present the impact of the identified budget policy direction in the context of the overall 2013/2014 Biennial Budget for City Council's consideration this fall.

cc: Lea D. Eriksen, Budget Director  
Executive Budget Committee

# **Attachment A**



# **Cincinnati Economic Forecast 2012**

Prepared for

**City of Cincinnati**

Prepared by the

Economics Center  
University of Cincinnati

May 2012

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## Executive Summary

### Revenues

- Income taxes, which have accounted for 67 percent of the City's revenue over the past three years, are expected to increase between 2013 and 2018 at an average annual rate of 2.8 percent. Slower growth rates than in prior years reflect long-term demographic and economic challenges.
- Forecasts for other major General Fund revenues sources indicate increasing volatility compared to previous years.
- The City's property tax revenues and estate tax revenues have decreased. The estate tax will be discontinued in 2013 per state legislative action. Moderate increases in property tax are possible, following countywide reappraisals every third year.
- Revenues from the local government fund as passed down from the state decreased by 40 percent from 2008 to 2012 per state action. There is little reason to anticipate a significant increase during the forecast period.
- The completion of four casinos throughout Ohio (including one in downtown Cincinnati) is expected to result in a new revenue stream, shown in our forecast as beginning in 2013.

### Cost Escalators

- Local inflation, measured as an increase in the Consumer Price Index (CPI), is projected to be 1.32 percent during 2012 and 1.81 percent in 2013. Local inflation is expected to be, on average, a fraction lower than the nation's projected inflation between 2013 and 2018.
- Local inflation for all items except the medical component of the CPI is projected to be 0.99 percent during 2012 and 1.40 percent in 2013. Local health insurance costs are expected to rise by 4.5 percent locally in 2012 and 5.5 percent in 2013.
- Non-personnel goods are expected to cost producers 2.69 percent more to produce in 2012 and 3.19 percent more in 2013.

## Expenditure Trends

- In response to diminishing revenues, local expenditures decreased in each of 2009 through 2011; a 5.8 percent increase in expenditures is expected in 2012, restoring current expenditures to the level attained in 2007-2008.
- Spending on benefits has increased from 8.5 percent of all expenditures in 2008 to over 14 percent in 2012. During 2013-2018, annual spending on benefits and pensions together is forecast to increase by \$48 million.

## Demographic Trends

- The population of Cincinnati proper has declined slowly since the 2000 census; it is currently estimated at 296,943. Both Hamilton County and the City of Cincinnati are projected to lose population in 2013-2018, particularly in the 0 to 14 year age group.
- The aging of the population will result in a higher "dependency ratio": currently, 29.9 percent of residents in the metro area are of retirement age or school age; by 2018, approximately 35 percent of people will be.
- Home values are continuing to fall; City of Cincinnati housing is dominated by renter-occupied housing, with more than 61 percent of all households in Cincinnati renting. Throughout the metro area, 32 percent of households rent.

## Economic Trends

- The recovery from the last recession has been weak. Future economic expansion likely will be characterized by an average annual real GDP growth rate of 2.85 percent from 2013 through 2018. Nominal personal income is expected to grow slightly faster, increasing at 3 percent in 2013 and at a rate of 4.9 percent after that. The current low interest rates are expected to hold at least until the end of 2013.
- Payroll employment declined in both the City of Cincinnati (currently 230,382 jobs) and the rest of Hamilton County (275,590 jobs) during 2009 through 2011. The City's payroll employment appears to be stabilizing, and it is expected to grow modestly during the forecast period as redevelopment takes place throughout the City.

- Strong wage growth among Hamilton County businesses has narrowed the gap between the City's average wage and that of the rest of the County. The average worker in Cincinnati earned 3.6% more in 2011.
- Downtown and Uptown are the City's major employment centers. Together, they accounted for 54.5 percent of all jobs in the City in 2011. The City continues to experience a shift away from its historical manufacturing base: among the top industry groups in terms of the number of jobs added between 2009 and 2011 are many health-care related groups while a number of manufacturing and real estate-related industries were among those with the largest employment losses in the two-year period.

## Chapter 1: Demographic Profile of Cincinnati

### Total Population

**Cincinnati Profile:** According to the US Census, the City of Cincinnati's 2010 population was 296,943. This figure is smaller than many had anticipated it would be and represents movement from the urban core to farther-reaching areas. Our estimate for 2012 based on this trend is slightly smaller: 296,150.

Cincinnati's population in 2010 is about 13.7 percent of the Metro Area's 2.16 million residents, down from 16 percent in 2000. Hamilton County continues to lose population at a rate of about 0.9 percent each year. The County's population was just above 800,000 in 2010, and fallen below that since then.

The 15 - county Cincinnati Metro Area grew beyond 2 million people by the 2000 census and continues to grow at a rate of about 0.6 percent each year. The definition of the Metro Area and the counties that comprise the area has changed over time. Population estimates are expected to increase as counties are added and comparisons over time should be interpreted with caution.

Total Population				
	2000	2010	2012	2018
Cincinnati	331,285	296,943	296,150	293,969
Hamilton County	845,303	802,374	799,617	795,625
Metro Area	2,009,632	2,130,151	2,158,868	2,207,568

(sources: US Census and EMSI)

**Outlook for the Future:** The Cincinnati population will continue to decline slowly through the year 2018, averaging an annual loss of about 360 net people or a 0.1% annual rate.

Hamilton County population will also continue to decline at a 0.5 percent annual rate. The Cincinnati Metro Area will continue to grow at an annual rate of about 0.4 percent through 2018.

## Age Distribution and Dependency Ratio

The Dependency Ratio is the ratio of economically inactive to economically active persons in the population.<sup>1</sup> The ratio measures the extent to which a population has working-age individuals versus individuals who are too young to have the skills to work effectively or who have reached retirement age. A lower Dependency Ratio reflects that there are potentially more workers across which to spread the burden of support. By definition, this statistic is not affected by the ability of workers within those ages to find employment in the labor market.

**Cincinnati Profile:** Cincinnati lost 19 percent of its 0-14 year old population and nearly 21 percent of its population 65 and older between 2000 and 2010. Projections show these decreases in both groups will stop in the near future. While the younger population will stabilize during the next decade, we anticipate growth in the number of persons age 65 and older.

Cincinnati has a lower dependency ratio than Hamilton County, because of the outmigration of both the 0 to 14 group and the 65 and older population. While the City's dependency ratio was only slightly lower than the County and Metro Area in 2000, the gap has grown noticeably since then.

		Population 0 to 14 Years and 65 Years or Older by Age Group			
		2000	2010	2012	2018
Cincinnati	0 to 14	68,781	55,762	55,697	55,997
	65 and older	40,654	31,936	32,811	37,390
	<b>"Dependent" Total</b>	<b>109,435</b>	<b>87,698</b>	<b>88,508</b>	<b>93,387</b>
Hamilton County	0 to 14	181,089	156,393	151,256	150,967
	65 and older	113,898	106,863	111,501	126,615
	<b>"Dependent" Total</b>	<b>294,987</b>	<b>263,256</b>	<b>262,757</b>	<b>277,582</b>
Metro Area	0 to 14	443,771	441,086	434,799	435,997
	65 and older	235,116	260,179	280,340	336,532
	<b>"Dependent" Total</b>	<b>678,887</b>	<b>701,265</b>	<b>715,139</b>	<b>772,529</b>

<sup>1</sup> Formally the dependency ratio equals (0 to 14 population + 65 and older population) / 15 to 64 population.

<b>Percent Population 0 to 14 Years and 65 Years or Older</b>				
	2000	2010	2012	2018
Cincinnati	33.0%	29.5%	29.9%	31.8%
Hamilton County	34.9%	32.8%	32.9%	34.9%
Metro Area	33.8%	32.9%	33.1%	35.0%

<b>Ratio of Dependent-Age to Working-Age Persons</b>				
	2000	2010	2012	2018
Cincinnati	49.3%	41.9%	42.6%	46.6%
Hamilton County	53.6%	48.8%	48.9%	53.6%
Metro Area	51.0%	49.1%	49.5%	53.8%

**Outlook for the Future:** Both Hamilton County and the City of Cincinnati are expected to experience increases in the 0 to 14 year age group and the group 65 and older through 2018. Relevant factors are the ageing of the “baby boom” generation and the outflow of young people who reach the age of maturity.

The Metro Area is projected to experience an increase in the 65 and older age group, larger than in either the County or City; however, no change is anticipated in the 0 to 14 age group in the Metro Area overall through 2018.

### Average Household Size

**Cincinnati Profile:** Cincinnati average household size declined about 1 percent from 2000 - 2010. In 2010 the average household size was 2.12 persons per household and is estimated to remain consistent through 2018. In the Cincinnati Metro Area the household size will also remain stable at about 2.5. Hamilton County also is expected to remain relatively stable at just above 2.3 persons per household.

<b>Average Household Size</b>				
	2000	2010	2012	2018
Cincinnati	2.15	2.12	2.12	2.11
Hamilton County	2.38	2.34	2.34	2.33
Metro Area	2.52	2.51	2.51	2.51

**Outlook for the Future:** Slight declines in household size are expected through 2018 for the City, County and Metro Area. Falling fertility rates and marriage rates are the major cause of this.

## Income

**Cincinnati Profile:** Cincinnati median household and per capita income suffered during the Financial Crisis and recession of 2007-2009. Although incomes are rising now, there is little indication that they will rise as quickly as they did during the early 2000's. The Cincinnati urban core has lower per household incomes than the suburbs as is true of many other cities.

Median Household Income				
	2000	2010	2012	2018
Cincinnati	\$29,493	\$33,425	\$32,209	\$39,004
Hamilton County	\$40,694	\$47,541	\$45,432	\$56,364
Metro Area	\$44,914	\$52,904	\$51,832	\$60,141

Per Capita Income				
	2000	2010	2012	2018
Cincinnati	\$19,962	\$24,215	\$22,545	\$26,111
Hamilton County	\$24,053	\$24,650	\$27,244	\$31,571
Metro Area	\$22,947	\$28,285	\$26,943	\$30,824

**Outlook for the Future:** Incomes will rise within all three geographies. This growth will come from deepening capital as well as from technological improvements, both of which increase worker productivity.

## Vacant and Rental Housing

**Cincinnati Profile:** The bursting of the housing bubble has caused a large movement of households out of owner-occupied units and into renter-occupied units. While the Federal Reserve has committed to lower interest rates for the foreseeable future, new regulations on financial institutions and continued troubles in the mortgage and financial markets have impeded a return to the vigorous home buying seen in 2005-2007. Additionally, home values are taking longer to recover than originally expected, with housing prices reaching a new low in the current year.

**Outlook for the Future:** Long-term outmigration of young people and the condensing of baby-boomer parents into fewer housing units will cause an increase in the vacancy rates.<sup>2</sup>

Vacant Housing Units				
	2000	2010	2012	2018
Cincinnati	10.8%	17.2%	17.5%	19.3%
Hamilton County	7.1%	11.5%	11.7%	13.0%
Metro Area	6.4%	9.5%	9.6%	10.6%

Renter-Occupied Housing Units				
	2000	2010	2012	2018
Cincinnati	61.0%	61.1%	61.5%	60.8%
Hamilton County	40.1%	40.5%	41.0%	40.1%
Metro Area	32.9%	32.6%	33.2%	32.3%

## Building and Construction Profile

Median Home Value					
	2000	2008	2010	2012	2018
Cincinnati	\$93,457	\$134,800	\$129,700	\$126,390	\$131,227
% of 2010 level	72	104	--	97	101
Hamilton County	\$111,028	\$153,100	\$148,200	\$143,813	\$149,317
% of 2010 level	75	103	--	97	101
Metro Area	\$114,107	\$161,200	\$156,300	\$149,684	\$155,414
% of 2010 level	73	103	--	96	99

**Cincinnati Profile:** Cincinnati residents have seen a promising rise and disappointing fall in the value of their homes, both in the past decade. The over-issuing of residential mortgages and ensuing

<sup>2</sup> The values for 2010 presented in this outlook utilize official US Census counts; in the previous 2010 economic forecast, those numbers were estimated, requiring some revision of figures from that version.

financial crisis have led to large number of distressed sales, which are forcing down property values. We present 2011 building permit and construction cost data taken from the US Census .

<b>New Privately-Owned Residential Building Permits</b>									
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Cincinnati	641	276	616	892	458	123	45	181	254
Hamilton County	2,496	2,635	3,060	1,956	1,276	582	405	549	611
Metro Area	13,137	12,674	13,423	9,447	6,884	4,145	3,592	3,206	3,369

<b>Average Construction Cost Per Residential Unit</b>									
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Cincinnati	\$82,141	\$77,657	\$71,838	\$102,429	\$78,137	\$106,809	\$154,020	\$100,439	\$94,126
Hamilton County	\$121,905	\$151,937	\$143,619	\$175,716	\$213,712	\$250,700	\$192,981	\$164,391	\$180,028
Metro Area	\$121,880	\$141,416	\$148,922	\$168,083	\$178,635	\$178,862	\$162,599	\$167,743	\$173,096

**Outlook for the future:** Going forward, we forecast values to rise slightly over time, although the increase will not keep pace with inflation.

In both Hamilton County and the region as a whole, new construction is an important force keeping home values high. Within the City of Cincinnati, the prevalence of multi-family units accounts for the lower construction cost per unit.

## Journey to Work – Worker Flows

Where do Cincinnati residents work? Where does the Cincinnati workforce live (people who work in the City)? Based on data from the 2000 Census, and the American Community Survey for 2008 and 2010, it is possible to examine where people work and live.

**Cincinnati Profile:** In 2000, 60 percent of the Cincinnati resident labor force worked in the City of Cincinnati, while 39 percent worked outside the City. In 2008, the share of resident workers had

decreased to 56 percent working in the City of Cincinnati. This decrease appears to have stabilized with about 56.5 percent of Cincinnati resident labor force working inside the City in 2010.

In 2000, 66 percent of the City workforce lived outside the City of Cincinnati. In 2008, that share decreased to 60 percent; however this does not appear to be a long-term trend. In 2010 an estimated 63 percent of Cincinnati's workforce commuted from outside the City.

<b>Journey to Work: Worker Flows</b>			
	2000	2008	2010
<b>Cincinnati Residents</b>			
Working in the City	60.4%	56.9%	56.5%
Working Elsewhere	39.6%	43.1%	43.5%
<b>Cincinnati Employees</b>			
Living in the City	33.9%	39.9%	36.7%
Living Elsewhere	66.1%	60.1%	63.3%

**Outlook for the Future:** Cincinnati currently benefits from the income tax revenues generated by non-residents who work in the City, as well as from residents who work outside the City. While there is a risk that in the future jobs will follow the workforce to the suburbs, some of these losses may be offset if households choose to live inside the City even while they work in surrounding areas. Chapter 3 will explore some of the recent employment trends in the City.

## Conclusion

The most important demographic trend facing the city is long-term population decline. An important part of this is people moving from the city out into the periphery of the MSA. This is particularly worrisome if they are following jobs outside of the city. Oftentimes, these are people who still find employment within the city. A second demographic trend is the ageing of the population, which will result in more retired persons and fewer working age persons in the future.

Although home prices are depressed because of the fallout from the real estate bubble and recession, home values will show anemic growth in the longer term. Some of this is because of the national

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trends in housing markets; some of it is because of demographic forces. Response to these long term trends will be critical if long-term planning for the city of Cincinnati is to be effective.

## Chapter 2: Cost Escalator Projections

This chapter discusses a number of cost factors that will affect future city expenditures and presents a table of forecasted cost increases between 2012 and 2018. The forecast for each cost escalator is based on a combination of recent historical trends, prevailing and expected economic trends, and the outlook for each specific area.

### Local Inflation

Local inflation is a useful indicator for projecting personnel cost increases. In this section, we present those determining factors that were accounted for in preparing our forecast of local inflation.

**US Outlook:** Based on the latest available national data and forecasts, the national Consumer Price Index (CPI) is expected to increase 1.41 percent in 2012 and 1.93 percent in 2013.

**Local Variations:** Between 2004 and 2008, the CPI for the Cincinnati Metropolitan Area as reported by the Bureau of Labor Statistics averaged 0.05 percentage points less than the national, indicating that prices rose less locally than nationally. From 2009 to 2011, Cincinnati's CPI averaged 0.05 percentage points lower than the national CPI. Thus, over the last decade the local price level has increased at a slower rate than prices nationally. Local inflation is expected to be, on average, 0.16 percentage points lower than the nation's inflation between 2012 and 2014. Inflation changes are often more volatile at the local level than at the national level.

Local inflation is appropriate to use for the personnel category beyond the existing contract periods. Based on available BLS producer price index data, this escalator will be 1.32 percent during 2012 and 1.81 percent in 2013.

Because the City provides health care benefits for its employees, it may be more appropriate to use an inflation forecast that excludes the medical component of the CPI, which will be 0.99 percent during 2012 and 1.40 percent in 2013. These numbers are also included in the table.

Inflation Cost Escalators for the City of Cincinnati (2012-18) in Percents <sup>3</sup>							
	2012	2013	2014	2015	2016	2017	2018
National inflation	1.41	1.93	2.06	2.06	2.19	2.06	1.98
Local inflation	1.32	1.81	1.93	1.93	2.05	1.93	1.85
-excluding medical care	0.99	1.40	1.32	1.50	1.59	1.49	1.41

## Health Insurance

Health insurance costs have increased both locally and nationally. This year health, general insurance costs are expected to rise by almost 4 percent nationally and about 4.5 percent locally. While the specific details of the city's arrangements are constantly evolving, ***this factor is a reasonably good indicator for projecting overall cost increases for employee benefits.***

## Utilities

Utility costs have tracked well with long-term inflation rates in the past; nevertheless volatility exists in individual yearly changes. Utility costs are fluctuating for a combination of reasons, including costs of natural gas, coal, and compliance with environmental regulations. Natural gas and electric costs are expected to decrease in 2012 by 0.94 percent (primarily due to natural electricity price decreases and the generally weak economic environment). Thereafter gas and electric prices are anticipated to grow at about 1.5 percent per year. While 2012 prices are anticipated to remain on the slightly downward trend, future increases could be substantial because of stricter environmental regulations.<sup>4</sup>

While this measure is an appropriate escalator for the City's utility costs, motor fuel costs have been considerably more volatile, showing percentage swings in the double figures in both directions recently.

## Non-Personnel Expenditures

Local governments have a wide range of non-personnel expenditures. Future increases are expected to continue the past trend. The Producer Price Index for "finished goods" is the most appropriate escalator for the non-personnel category and it will increase by 2.7 percent in 2012.

<sup>3</sup> From 2012 through 2014, the average annual local inflation rate is expected to be 1.69% (1.24%, excluding medical). From 2014 through 2016, the average annual local inflation rate is projected at 1.99% (1.54%, excluding medical).

<sup>4</sup> If and when carbon regulations are instituted, electricity prices could increase on an annual basis. Estimates of such a hypothetical increase are speculative and beyond the scope of this report.

<b>Other Cost Escalators for the City of Cincinnati (2012-18) in Percents</b>							
	2012	2013	2014	2015	2016	2017	2018
Healthcare	4.45	5.50	8.30	5.90	6.30	6.00	6.00
Natural gas & electric	-0.94	1.17	0.86	2.91	1.95	2.09	2.49
Non-personnel:							
Finished goods PPI	2.69	3.19	3.31	3.31	3.43	3.31	3.23

## Chapter 3 –Economic and Employment Trends

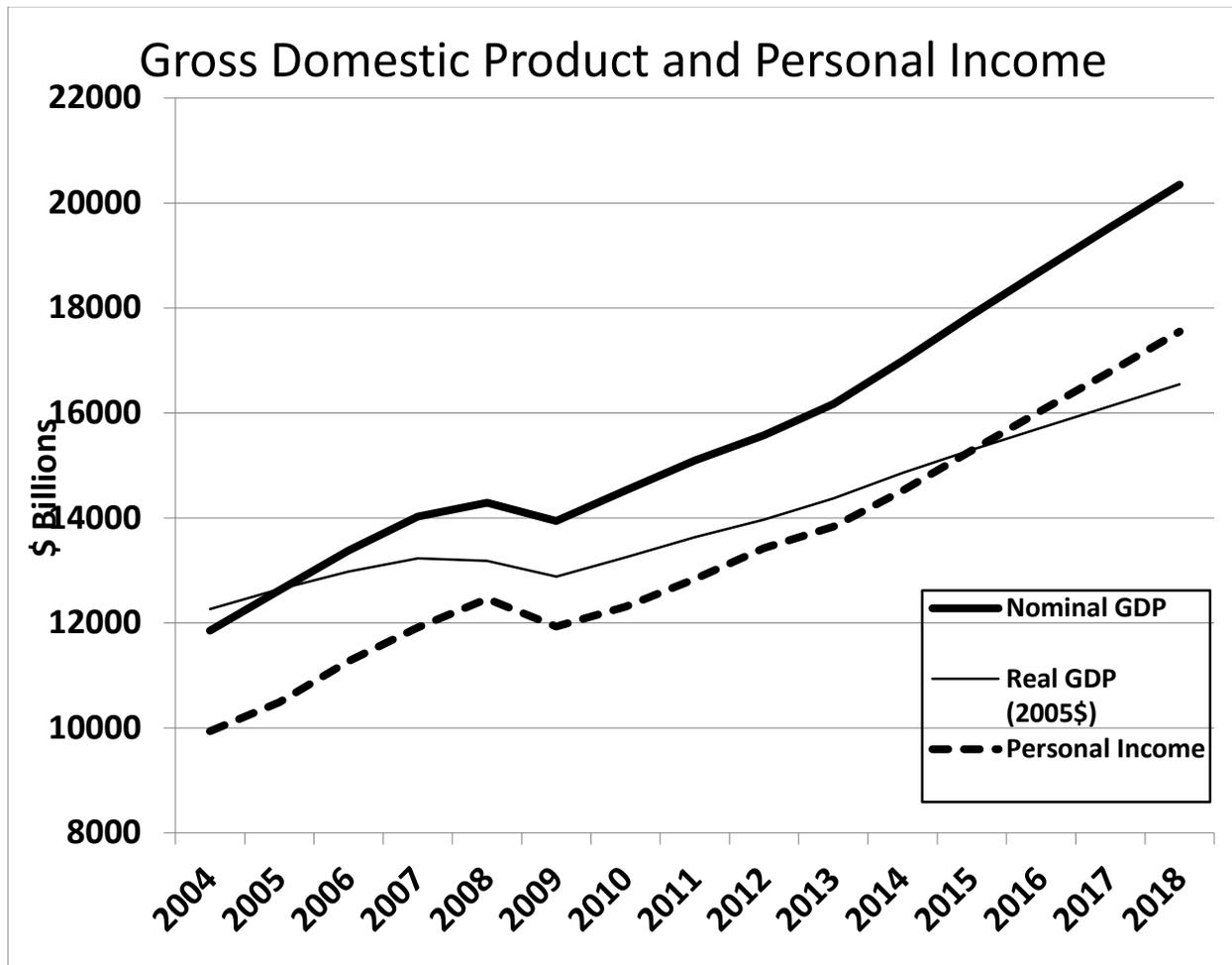
### National Economy Overview

This section provides information about national and local economic and employment trends over the past six years and an outlook for the next six years.

### Overall Economy

As seen in the chart below, the national economy experienced a severe downturn beginning in 2008. While analysts believe that the process of recovery has commenced, this recession has left consumers with a need to pay down debt that has hobbled their ability to jump-start a recovery via consumer spending. This has prevented a robust recovery from taking place as is customary following a downturn. Future expansion is expected to occur at an annual real GDP (middle/thinnest line on the chart) growth rate of 2.85 percent in 2013 through 2018. Nominal GDP (upper line on the chart) is expected to grow at an average increase of around 5 percent, while personal income (lower line on the chart) will lag, at an increase of only 3 percent in 2013 and an average increase of 4.9 percent thereafter.

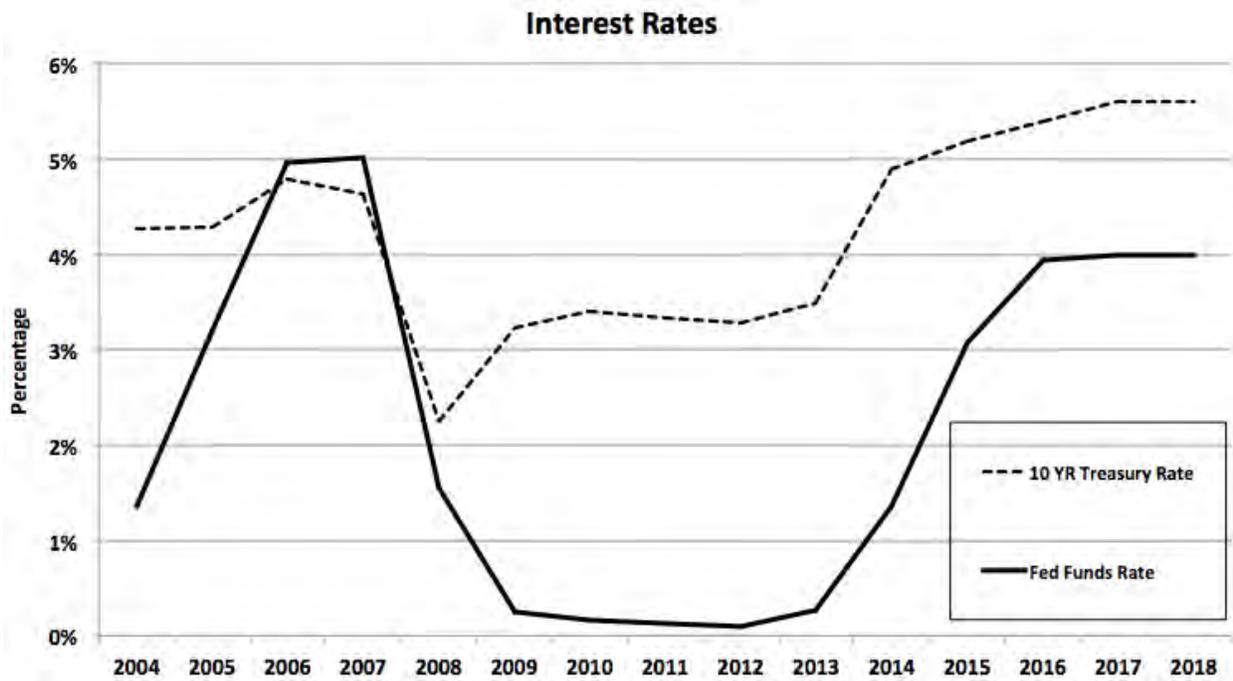
The inflation rate is expected to be substantially slower for the forecast period than it was in the years preceding the recession. Although significant policy changes at the national level may cause large price swings in particular sectors, such as the health care and energy, we anticipate the Federal Reserve will be successful in maintaining an inflation rate just above 2 percent during the period.



National Inflation Trend and Outlook in Percents							
	2006	2007	2008	2009	2010	2011	2012
US BLS Inflation Rate	3.23	2.85	3.84	-0.36	1.64	3.16	2.01
	2012	2013	2014	2015	2016	2017	2018
US BLS Forecast	2.01	2.11	2.03	2.04	2.15	2.04	2.15
<i>Consensus Forecast</i>	2.11	2.03	2.04	2.15	2.13	2.13	2.12

Motivated by monetary policy goals, interest rates declined markedly since the beginning of the recession and continue to be low today; the most recent Federal Reserve strategy—popularly called “operation twist”—involved providing a credible guarantee to maintain low interest rates well into the medium term to attempt to spur investment. The chart below shows the Federal Funds Rate and 10-year treasury note yields are at their lowest levels in the current decade. As the Fed Funds Rate

arguably cannot fall to levels lower than current, increases in both rates are anticipated for the future. Unless economic growth is rapid, it is unlikely the Federal Reserve will return the rate to conventional, pre-recession levels soon for fear of weakening the recovery.



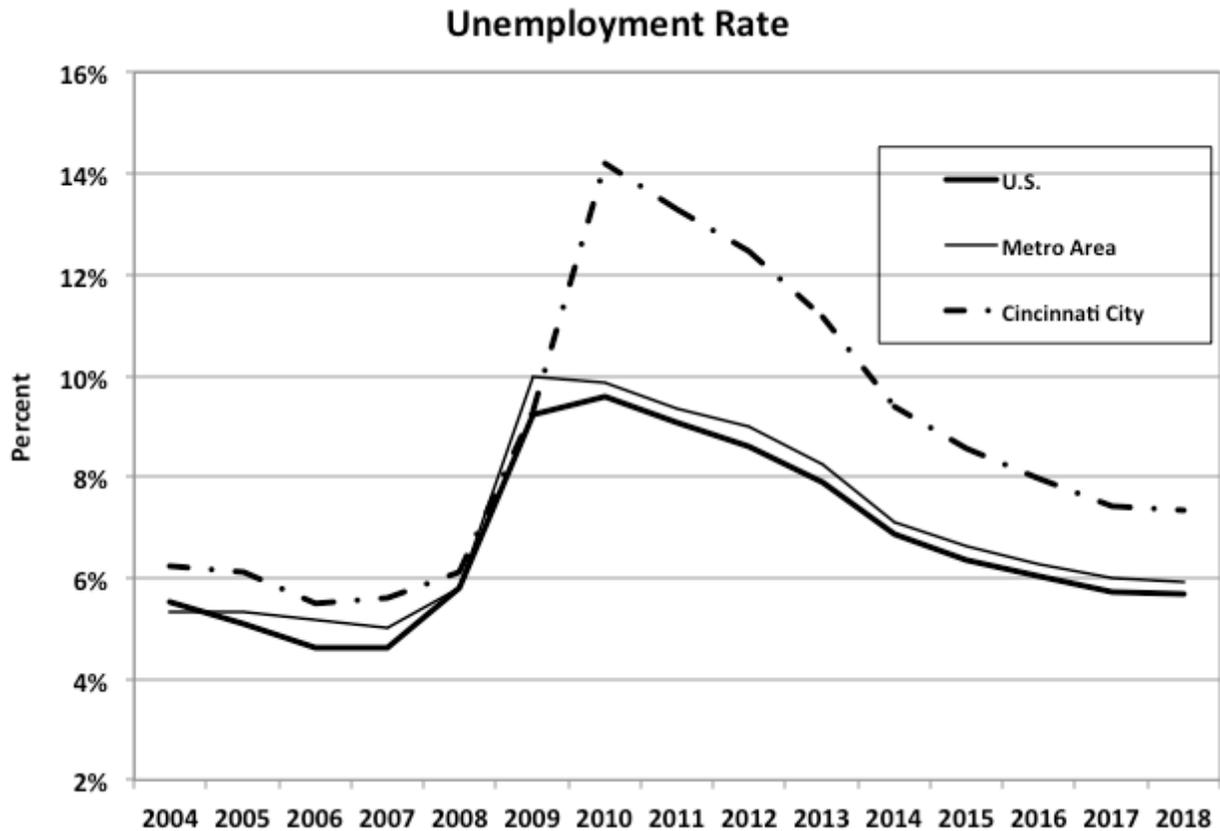
Most forecasters anticipate modest increases for both rates in 2010 and stronger growth in 2011.

Interest Rates in Percentage Terms					
	2006	2008	2010	2012	2014
Federal Funds Rate	4.97	1.55	0.16	0.10	1.35
10-Year Treasury Note	4.80	2.25	3.41	3.29	4.90

## Unemployment and Employment

While the direction of change in unemployment is similar between Cincinnati, the region, and the nation, changes in unemployment happen later within Cincinnati, and the level of unemployment is significantly worse: even today, unemployment continues to affect a higher percentage of City of Cincinnati residents when compared to the metro area or the nation. Current economic conditions have exacerbated the city's relative employment position during the last two years.

The following chart displays data indicating that the unemployment rate for the City of Cincinnati peaked between 2010 and 2011. As is typical of many urban areas, the estimated unemployment rate for the city is substantially larger than that of either the larger metro region or the nation. While recovery is anticipated to lead to reduced unemployment, the city is not expected to reach National or Metro levels.



Employment data are tracked and can be analyzed from two perspectives:

Resident employment counts workers on the basis of where they live.<sup>5</sup> Regardless of where they work, people who live in the City of Cincinnati are included in Cincinnati’s resident employment statistics. These monthly data are reported by the U.S. Bureau of Labor Statistics (BLS).

Payroll employment statistics provide a picture of where the jobs are located. Regardless of where they live, people who work within the City of Cincinnati are included in Cincinnati’s payroll employment statistics. These data are reported by the Quarterly Census of Employment and Wages.

Preliminary estimates in the table below show that modest resident employment decline is expected for the City of Cincinnati in the next six years; this decline is more a function of residents leaving the city than of a weak labor market. The rate of growth will be positive, but slower at the county and metro levels than at the national level.

	<b>Employment</b>					
	2004	2007	2010	2012	2015 Forecast	2018 Forecast
<b>RESIDENT EMPLOYMENT</b>						
U.S. (in thousands)	139,252	146,046	139,064	142,839	145,517	150,963
Cincinnati MSA	1,023,900	1,059,000	1,001,200	1,022,000	1,042,000	1,068,780
Hamilton County	397,000	411,300	371,100	373,200	366,500	368,700
Cincinnati city	145,100	154,000	130,000	130,800	128,600	129,500
<b>PAYROLL EMPLOYMENT</b>						
Hamilton County	538,941	529,434	513,763	486,058	486,702	510,666
Cincinnati city	253,860	250,455	245,374	230,811	229,975	240,906

Sources: Ohio Labor Market Information (resident employment) and EMSI (forecasts of resident employment); ES202 network data and Bureau of Labor Statistics (payroll employment)

Payroll employment in Hamilton County is greater than residential employment because the County is an economic magnet, attracting workers who live in surrounding areas. Most of this economic magnet effect is created by jobs within the City of Cincinnati, which account for the bulk of this employment differential. However, the City’s payroll employment has declined in recent years. The current

<sup>5</sup> This tabulation also counts “unemployed” persons, who are actively seeking work, in the place where they live as well; people in this category are missed by the payroll survey, as they wouldn’t be on any company’s payroll.

recession caused a sharp decline in payroll employment, which is not expected to stabilize until 2014. Modest growth is projected for the City thereafter; although gains are not anticipated to be sufficient to return payroll employment to pre-recession levels in the near future.

Resident employment is projected to decrease for both the city and the county over 2013-2018. We attribute this to there being fewer residents rather than to residents growing less likely to have a job.

## **Labor Market Overview**

The goal of this section is to build a geographic profile of the labor market in the City of Cincinnati and nearby areas in order to clarify the economic environment that affects the most significant source of City Income Tax revenue: payroll taxes. The Quarterly Census of Employment and Wages was used to build this profile of Cincinnati employment based on a comprehensive listing of workers who are covered by employment insurance and work for Hamilton County businesses.<sup>6</sup> The first step was to geocode individual employer records from the second quarters of the years 2009 through 2011. This process produced separate tabulations for the City of Cincinnati and the balance of Hamilton County. We also were able to focus on two key jobs-generating areas within the city: the Downtown District, and the Uptown District that includes medical centers and the University of Cincinnati.

## **Comparison of City and Balance of County**

Employment declined in both the City of Cincinnati and the rest of Hamilton County at similar rates. The city's share of total Hamilton County employment in 2011 was 45.5 percent, a figure that has been declining by an average of 0.2 percentage point a year since 2002.

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<sup>6</sup> Payroll employment data specific to the City of Cincinnati is not generally available. The national economic census is only conducted every five years, and a complete report on the 2007 census is not yet available. The best source of current payroll employment data (statistics based on where workers' jobs are) is the Quarterly Census of Employment and Wages, but access to most of this data is restricted. Through its participation in the Ohio Economic Development Information Network, the University of Cincinnati's Economics Center has access to Ohio's ES202 database, which contains this information on nearly all employers with paid employees in the state. Because of inconsistencies in the Geocoding as provided by the ES202 network, we have had to make adjustments, resulting in some discrepancies between the data reported by BLS, the US census, and this report. These adjustments mean that there are slight differences in reported series in some tables. Viewers are urged to focus on growth rates as the series are *internally* consistent.

In 2000, the average annual wage of all jobs located in Cincinnati was approximately 2 percent higher than the average for jobs in the rest of the county. Strong wage growth in the City had opened that gap up to 7% by 2009, but recent wage and job growth in employment centers such as Blue Ash have allowed the balance of the county to narrow that gap during the past two years. Wages have continued to increase despite the weak labor market because of productivity gains, a phenomenon frequently observed during recessions as workers are able to work with more capital and remaining workers take on responsibilities of those who are separated.

<b>Cincinnati and Balance of County Employment Trends</b>				
	2009	2010	2011	Change
<b>Cincinnati</b>				
Employment	223,926	220,895	230,382	2.88%
Avg. Annual Wage	\$47,560	\$49,352	\$50,080	5.30%
<b>Balance of County</b>				
Employment	268,679	262,179	275,590	2.57%
Avg. Annual Wage	\$44,216	\$45,292	\$48,304	9.25%

## Comparison of City Sub-Areas

To gain an understanding of how the employment picture might differ from one part of the City of Cincinnati to another, City employment data was further segmented into three sub-areas: Downtown, Uptown, and other neighborhoods. The following table contains the results of this analysis, presenting data for the totality of the city followed by the three segments.

Cincinnati Employment Trends by Sub-Area				
	2009	2011	Change	% Change
City Total				
Employment	223,926	230,382	6,456	2.88%
Avg. Annual Wage	\$47,560	\$50,080	\$2,520	5.30%
Downtown				
Employment	71,911	73,424	1,513	2.10%
Avg. Annual Wage	\$61,664	\$65,780	\$4,116	6.67%
Uptown				
Employment	50,946	52,742	1,796	3.53%
Avg. Annual Wage	\$51,696	\$56,280	\$4,584	8.87%
Other Neighborhoods				
Employment	101,069	104,217	3,148	3.11%
Avg. Annual Wage	\$40,588	\$42,104	\$1,516	3.74%

Downtown (including the Central Business District, Over-the-Rhine, and the West End), which had 32 percent of all jobs in the City in 2009, has the highest average annual wage. Nevertheless, it experienced the highest rate of job loss of the three areas before 2009 and the slowest rate of job growth afterward.

Uptown (consisting of the six Uptown Consortium neighborhoods) accounted for 22 percent of the City's employment. The average wage in Uptown rose faster than in any other area.

Other neighborhoods had the largest share of employment (45%), but these jobs are also the lowest-paying by increasing amounts over 2009 through 2011.

## Employment Trends by Industry

The table on the following page provides greater detail on the post-recession changes in City employment for each of the major industry sectors and different industry groups. It provides numbers of jobs within the sector in each year, as well as the change in *number* and *percentage terms* from 2009

through 2011. The figures here appear inconsistent with the payroll section above because we include estimates of workers beyond those covered by unemployment insurance. Using this method, the tabulated gain in jobs from 2009 through 2011 is smaller than when tabulated via payrolls.

While most of the percentage changes in the seven major sectors (in bold) were small, some industry groups—such as real estate and professional/technical/scientific services—experienced large shifts in percentage terms.

### Hamilton County Employment Trends, 2009-2011

Industry	2009	2010	2011	Change	% Change
<b>Goods Producing</b>					
Agriculture, Mining, & Uncl	886	837	862	(24)	(3%)
Utilities	1,286	1,289	1,287	1	0%
Construction	26,520	24,944	25,495	(1,025)	(4%)
Manufacturing	52,008	48,462	51,659	(349)	(1%)
<b>Sales &amp; Distribution of Goods</b>					
Wholesale Trade	24,855	24,022	24,541	(314)	(1%)
Retail Trade	50,477	50,012	49,530	(947)	(2%)
Transportation and Warehousing	12,735	12,584	13,287	552	4%
<b>Business &amp; Professional Services</b>					
Information	9,853	9,423	9,491	(362)	(4%)
Real Estate and Rental and Leasing	21,185	21,576	16,975	(4,210)	(20%)
Professional, Scientific, and Technical Services	47,925	47,775	51,077	3,152	7%
Management of Companies and Enterprises	30,105	31,223	32,045	1,940	6%
Administrative and Support and Waste Management and Remediation Services	38,150	37,048	35,925	(2,225)	(6%)
Finance and Insurance	34,551	34,869	33,882	(669)	(2%)
<b>Education, Health Care &amp; Social Services</b>					
Educational Services (Private)	15,118	15,479	15,863	745	5%
Health Care and Social Assistance	87,342	87,559	92,878	5,536	6%
<b>Recreation, Hotels, Restaurants &amp; Other Services</b>					
Arts, Entertainment, and Recreation	12,255	12,439	11,374	(881)	(7%)
Accommodation and Food Services	38,841	38,448	38,537	(304)	(1%)
Other Services (except Public Administration)	29,886	29,323	30,131	245	1%
Unclassified Industry	155	112	153	(2)	(1%)
<b>Government</b>	<b>59,733</b>	<b>58,862</b>	<b>59,582</b>	<b>(151)</b>	<b>0%</b>
<b>TOTAL</b>	<b>593,866</b>	<b>586,286</b>	<b>594,574</b>	<b>708</b>	<b>(0.1%)</b>

Source: Economic Modeling Specialists, EMSI data

The table that follows shows which detailed industries experienced the greatest *numerical* gains and losses between 2009 and 2011.

Hamilton County Employment Gains and Losses	
<b>Top Ten Industry Groups with Employment Growth, 2009-2011</b>	
Corporate, Subsidiary, and Regional Managing Offices	1,931
General Medical and Surgical Hospitals (Private)	1,885
Colleges, Universities, and Professional Schools (State Government)	1,638
Federal Government, Civilian, Excluding Postal Service	1,204
Offices of Physicians (except Mental Health Specialists)	947
Home Health Care Services	612
Computer Systems Design Services	588
Marketing Research and Public Opinion Polling	548
Child Day Care Services	518
Other Individual and Family Services	489
<b>Top Twenty Industry Groups with Employment Loss, 2009-2011</b>	
Professional Employer Organizations	-1,811
Lessors of Residential Buildings and Dwellings	-1,105
Local Government, excl. Education and Hospitals	-929
Offices of Real Estate Agents and Brokers	-906
Aircraft Engine and Engine Parts Manufacturing	-657
US Postal Service	-643
All Other Outpatient Care Centers	-529
Lessors of Nonresidential Buildings (except Mini-warehouses)	-514
Colleges, Universities, and Professional Schools	-513
Warehouse Clubs and Supercenters	-501
Telemarketing Bureaus	-470
Elementary and Secondary Schools	-447
Electric Power Distribution	-375
Other Activities Related to Real Estate	-373
Insurance Agencies and Brokerages	-371
Commercial and Institutional Building Construction	-360
Independent Artists, writers, and performers	-355
State Government, excl. Education and Hospitals	-341
Homes for the Elderly	-335
Nonhazardous Waste Treatment and Disposal	-323

Source: Economic Modeling Specialists, EMSI data

Note that a number of service industry groups, particularly those associated with health care, show employment gains over the past two years, while a wide range of government-related industry groups, and a few manufacturing industry groups have been among those with the largest employment losses in the two-year period. There are several industry groups relating to the housing market that are also suffering.

## **Conclusion**

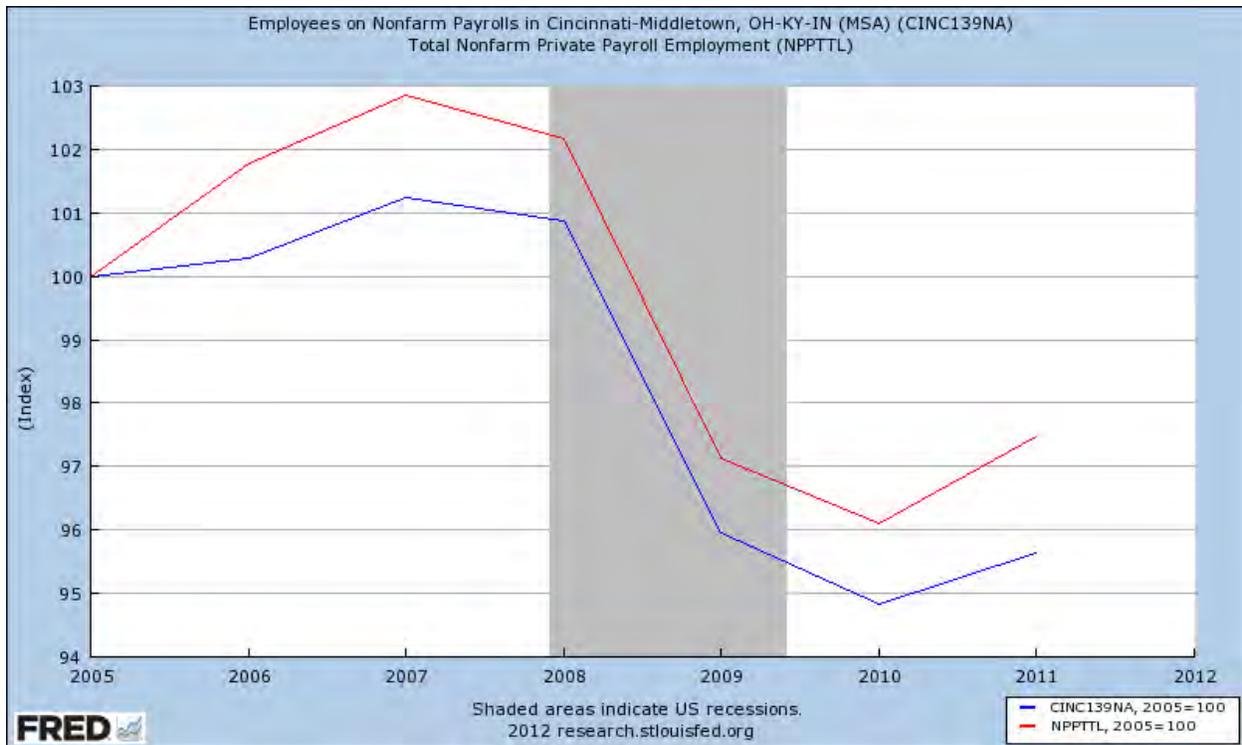
In conclusion, the economic future of the Cincinnati MSA and the Nation are closely intertwined. National forecasts are for moderate growth in the near future. The Cincinnati area will see some benefit from this growth, although the movement of residents out of the city will hamper resident employment growth. We anticipate that this benefit will be distributed unevenly throughout Cincinnati, as there are clear employment differences in downtown, uptown, and the remainder of the city. Job growth will be nonexistent in those industries that felt the largest brunt of the past recession.

## Chapter 4 –Comparison of Past Revenue Forecasts to Revenue Realized

This section provides an assessment of past revenue forecasts the Economics Center has provided, with a goal of giving economic explanations for when those forecasts have differed from what ultimately happened. Forecasts are not guaranteed predictions of future outcomes. The end goal is to provide a best guess as to what will happen. Our forecasts are based on mathematical models— informed by economic theory—of how the world works. These models illustrate relationships, but they require discernment in our choice of which available data to include and which to exclude.

### Historical Context

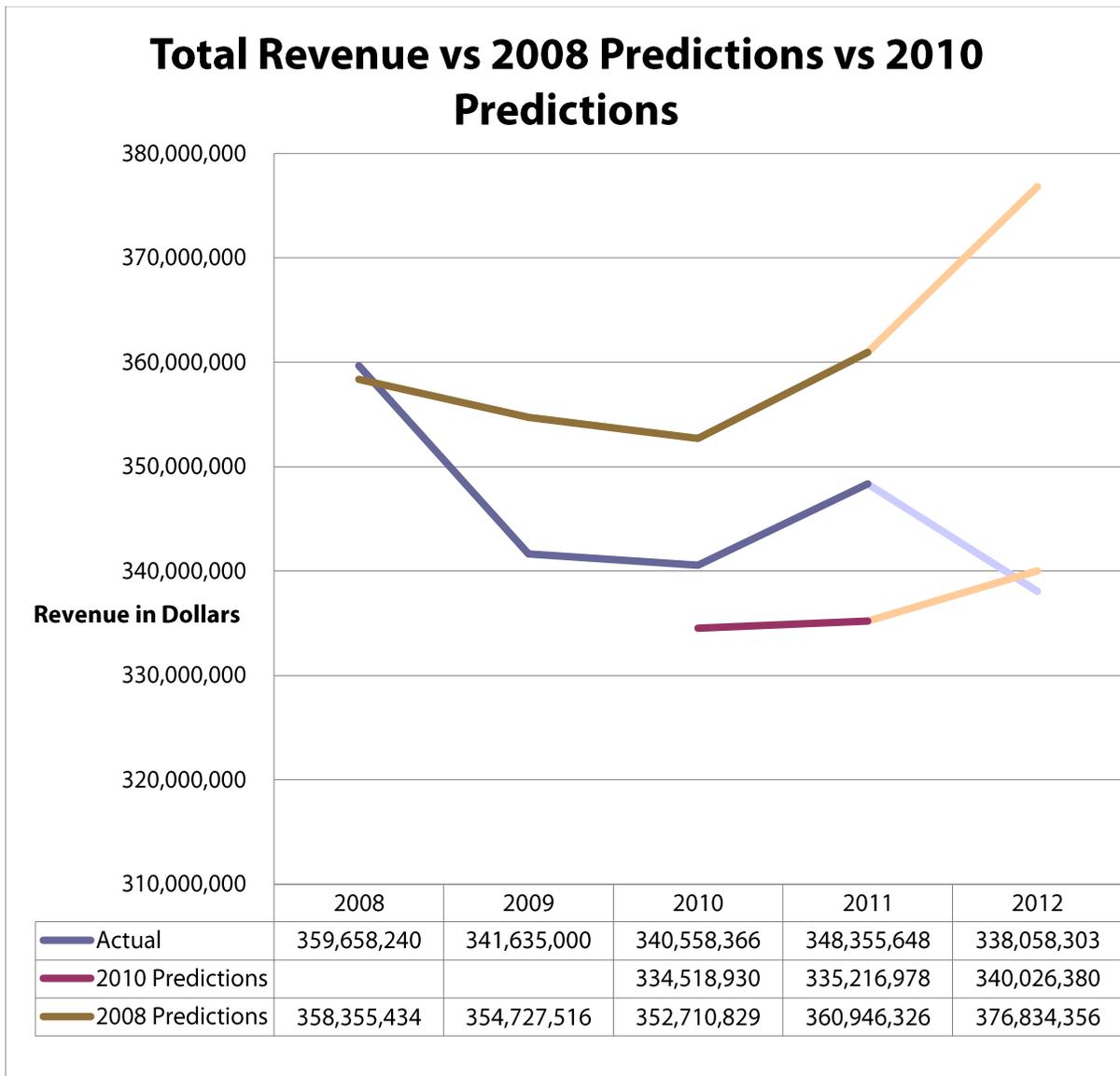
The last five years have been marred by a global financial crisis and recession that was the most disruptive event of its kind in eighty years. This recession was particularly unkind to manufacturing (in the short-term) and housing (in the long-term). Because of this, the resulting unemployment and reduction in output has been felt in Ohio more acutely than in all but a handful of other states.



The graph above shows the change in employment relative to 2005 levels for both the National Economy and for Cincinnati; Cincinnati saw a weaker increase from 2005-2007, followed by an equivalent drop during and after the recession, from 2008 to 2010. Because the withholding portion of the City Income Tax is such a large share, this drop in employment contributed to a sharp (5.0 percent) drop in total revenues for 2009 and a drop in 2010 as well.

The 2008 forecast issued by the Economics Center predicted much more revenue in ensuing years than was actually realized. The 2010 forecast over-corrected for the near term, under-predicting general fund revenues by 3.9% in 2011. Notably, two sources of City revenues have exhibited the greatest departures from forecasted—income tax revenues (which were substantially higher) and property tax revenues (which were lower). The impact of the national recession is evident in the change in forecasts between 2008 and 2010, and resulting revenues. The under-predicting in 2010-2011 came about because the models the Economics Center uses put considerable emphasis on the most recent trend, which was a dramatic drop in General Income Tax revenue from 2008-2009; this represented the largest single year drop in income tax revenue recorded by the City of Cincinnati since 1970, a time period that included six other recessions.

Remarkable pessimism around the economy was prevalent in early 2009 when the 2010 forecast was made. In particular, beginning in 2009, the later round forecasts substantially lower general fund revenues than the 2008 round. Revenues realized in 2010 and 2011 actually fell between the 2008 and 2010 estimates for those years, and the information available to us as of this writing has given little reason to expect higher total revenues in 2012-2013 than were forecast before. When considering the future beyond 2013, the dramatic decreases in secondary revenue sources make these comparisons less meaningful.



The largest component of general fund revenue is the City Income Tax, the path of which has changed considerably with the recession; although income tax revenues have exhibited considerable variability since 2004. Income tax revenues experienced a marked decline in 2009, a 5.5 percent decrease, compared to a 5 percent annual average increase from 2004 to 2008. In 2011 income tax revenues had not yet recovered their pre-recession levels.

The recession also impacted other revenue sources for the City. In particular, state-level budgetary pressures have meant that the local government fund declined by 13 percent in 2009, following 5 years of nearly no change; another decrease has appeared in the upcoming state budget, and public

statements made by the Governor of Ohio<sup>7</sup> give no indication that it will resume the levels of 2008 or earlier. As housing values were adjusted downward by re-assessments, property tax revenues began to decline in 2010, after peaking in 2006 at the height of the real estate boom.

At present, a considerable number of policy decisions at the state level could affect the revenue outlook going forward. Cessation of the estate tax, a re-negotiation of the casino arrangement, and changing in the apportionment of the local government fund could result in massive variations in the revenue available to the city, despite the small share of revenue that these sources constitute.

The most important macroeconomic discussion going forward is whether the trend established during two prior decades of growth will return under the current income tax regime (1988-2007), or whether a new, lower, rate of growth will become customary (the “new normal”). Although we are currently in economic recovery, the weakness of the recovery has led to a number of forecasts for continuing growth below the robust post-recession rate to which we have grown accustomed. In previous forecasts, the Economics Center had calculated a 3.5% growth rate as the *long-term* growth outlook. Beginning with this report, we have calculated that *long-term* growth rate to be only 3.0%.

The table below presents GDP growth rates (both real and nominal) together with Income Tax Revenue Growth realized by the City of Cincinnati.<sup>8</sup> Recalling that tax revenue is expressed in nominal terms, it is clear that the economic vibrancy of the US economy tracks closely with city revenue.

We’ve attributed differences in forecasted and realized revenue in the last few years to challenging macroeconomic conditions. For the City to maintain a robust revenue portfolio, there must be vigorous economic growth to support these revenues: if the long-term outlook for the US should improve, our optimism for economic growth in Cincinnati would improve as well, as would the revenue outlook. Going forward, we emphasize the importance of state-level decisions to revenue sources that—while small in size—may have major implications for city revenue.

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<sup>7</sup> An article appeared in the *Cincinnati Enquirer* titled “Kasich: No More for Local Governments” in May 2012.

<sup>8</sup> Nominal values include inflation, while real values have excluded the influence of inflation.

<b>City Revenues and GDP Growth</b>			
	Total Revenues	Real GDP	Nominal GDP
2001		1.1%	
2002		1.8%	
2003		2.5%	
2004		3.6%	
2005	6.0%	3.0%	6.5%
2006	4.2%	2.7%	6.0%
2007	1.6%	1.9%	4.9%
2008	1.7%	-0.3%	1.9%
2009	-5.0%	-2.3%	-2.5%
2010	-0.3%	2.8%	4.2%
2011	2.3%	2.9%	3.9%
2012		2.4%	4.5%
2013		2.9%	5.5%
2014		3.4%	6.0%
2015		3.0%	4.8%
2016		2.7%	4.7%
2017		2.6%	4.5%
2018		2.6%	4.4%

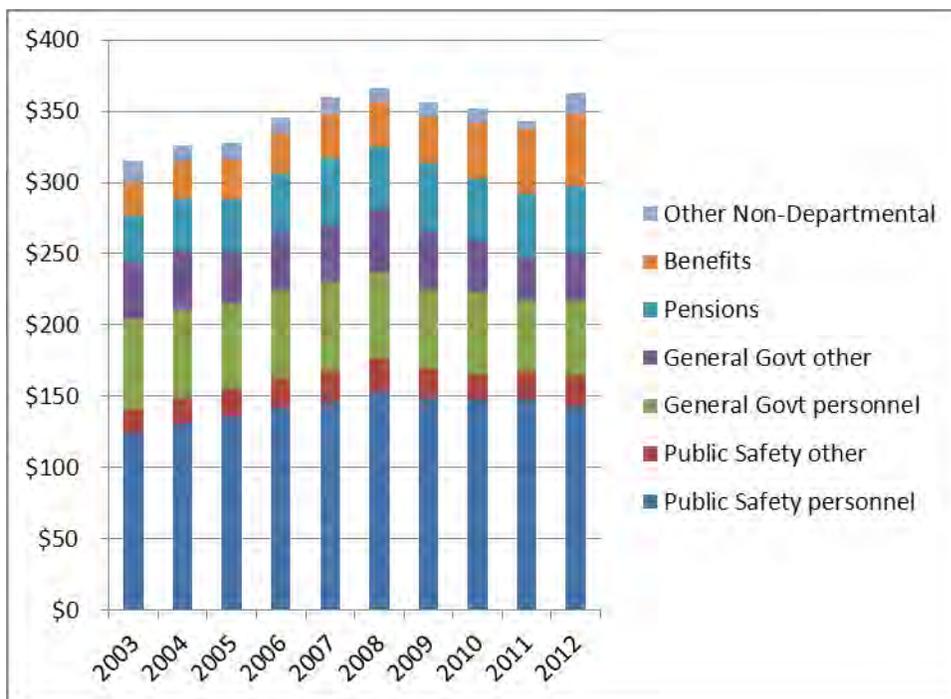
## Chapter 5: City Expenditures

This chapter contains a review of recent City of Cincinnati expenditure trends. Our goal is to provide information that will be useful in considering an expenditure outlook for the near-term.

### Expenditure Trends

In response to decreasing revenues the city has lowered expenditures, showing consecutive decreases in 2009-2011. This year's budget shows a sizable increase to levels just shy of the 2008 peak. The figure below illustrates the different patterns in various major budget categories.

**General Fund Expenditures by Type**



Spending on public safety personnel has not increased since 2008. Meanwhile, Benefits, and Other Public Safety Expenses showed double-digit percentage increases from 2010 to 2011. It's important to keep in mind that—in both the Public Safety and Government categories—personnel expenses are the single greatest expense in terms of level; the Other Expenses category shows faster growth.

With a net increase of only \$1 million (out of ~\$360 million), the City of Cincinnati has barely changed its expenditures from 2007-2012; however, the composition of those expenditures has changed dramatically. In total dollars, the increase in expenditures for Benefits over the period is the most important change. In 2007, 8.5 percent of the budget was Benefits compared to over 14% in 2012. Since the 2003 budget, expenditures on Benefits have more than doubled. We believe the most significant cause of this increase to be rising health care costs.

<b>General Fund Expenditure Trends (in millions) City of Cincinnati</b>						
	2007	2008	2009	2010	2011	2012
Public Safety personnel	\$146	\$153	\$149	\$148	\$148	\$143
Public Safety other	\$22	\$24	\$20	\$17	\$19	\$21
General Govt personnel	\$62	\$60	\$56	\$58	\$51	\$53
General Govt other	\$40	\$43	\$40	\$36	\$29	\$33
Pensions	\$47	\$45	\$48	\$44	\$45	\$47
Benefits	\$31	\$31	\$33	\$39	\$46	\$51
Other Non-Departmental	\$12	\$10	\$10	\$10	\$5	\$15
<b>TOTAL</b>	<b>\$362</b>	<b>\$366</b>	<b>\$356</b>	<b>\$352</b>	<b>\$343</b>	<b>\$363</b>
	4.70%	1.10%	-2.70%	-1.10%	-2.60%	5.80%

The following table shows the rate at which each expenditure area has *increased* or *decreased* in average annual terms. The trends for 2003-2012 are substantially different than the projected trends for the immediate future in most cases. For example, Other Non-Departmental expenses have increased rapidly in the past few years, but have only now returned to the 2003 level. While spending on benefits is expected to continue with remarkably consistent average annual increases, in the near future, benefits increases are expected to account for the majority of expenditure increases.

<b>Average Growth Rates (Trends) City of Cincinnati</b>		
	03-'12	08-'12
Public Safety personnel	1.43%	-1.35%
Public Safety other	2.11%	-2.67%
General Govt personnel	-1.73%	-2.48%
General Govt other	-2.17%	-5.29%
Pensions	3.84%	0.87%
Benefits	7.96%	9.96%
Other Non-Departmental	0.00%	8.11%
<b>TOTAL</b>	<b>1.42%</b>	<b>-0.16%</b>

The Economics Center recognizes that these budgetary expenses are incurred in order to meet specific administrative objectives as set by the city government, and the nature and scope of those objectives is beyond this report. Nevertheless, the rapid growth in expenditures on pensions and benefits far exceeds revenue growth during this period, and—should these trends continue—it will exceed future revenue growth as well.

It is our understanding that the City—based on the recommendations of approved actuarial reports—plans to increase pension contribution levels from 18 percent to 24 percent of payroll over the next five years as applied to participating employees. If we account for those plans, the rate of increase would be even larger for spending on pensions. Spending on pensions and benefits together constitute 26 percent of the 2011 budget. That portion will almost certainly increase based on rising prices associated with expenditures in these categories.

In conclusion, the City has weathered the difficult budgetary era after the financial crisis by re-arranging priorities and resources. Personnel spending, particularly on public safety personnel, may constitute the largest share of the budget, but the increasing costs of health care (benefits) and pension obligations represent substantive concerns that will have to be managed as the City moves forward.

## Chapter 6: City Revenues

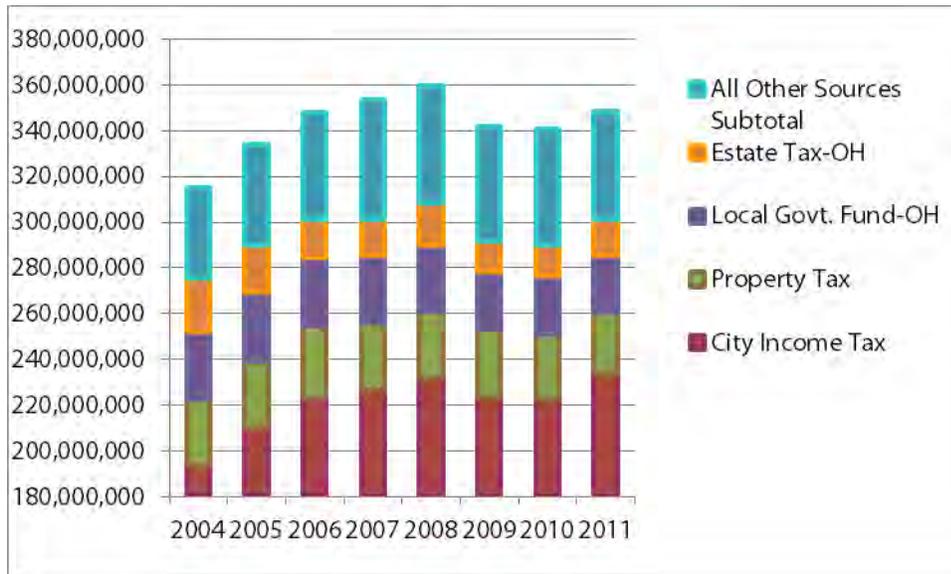
This chapter builds upon material presented earlier to provide forecasts for principal city revenue sources for the next six years. We first provide a context via recent revenue trends and then provide our analysis. We forecast revenues to grow by 3.4 percent for 2013, although longer-term prospects are less robust because of uncertainty concerning property taxes and the local government fund, and the elimination of the estate tax. This is followed by an analysis of certain aspects of the City's income tax. The chapter concludes with an examination of revenue forecasts. For a review of how recent City of Cincinnati revenue trends compared to our previous forecasts, please see Ch. 4.

### Revenue Trends

From 2004-2008, City of Cincinnati revenues increased moderately, averaging a 3.4 percent annual increase. Nevertheless, the impact of the recent recession is clear: reverse growth in the following two years, with declines in fiscal revenue from that period continuing to affect the long-term outlook.

We present total General Fund revenues in the table below. As was observed in previous reports, the City of Cincinnati's total General Fund revenues increased by over 15 percent from 2003 to 2008. The picture changed dramatically beginning with the Financial Crisis in late 2008 and the encompassing recession, which have had lasting implications to this day. With regard to city revenues, both 2009 and 2010 showed substantial decreases in city income tax receipts. These decreases far outstripped any others the city had experienced since 1970, and it has taken years for revenues to return to their pre-recession levels. In fact, it was not until the spring of 2011 that City Income Tax revenues in three consecutive months exceeded those of the equivalent months in 2007 (which were the benchmarks for the 2008 forecasts). Total revenues for 2011 were still below their peak in 2007.

## Major Revenue Sources (in \$'s)



The decreases in revenues from property tax and the local government fund happened later than the drop in income tax. While the latter was directly caused by the national economic situation, the former can be traced to state-level decisions in response to this recession. The City's revenue sources are still subject to concerns of continuing economic weakness and associated withdrawal of state support.

The majority of the City's General Fund revenue comes from the City Income Tax. Despite the recession and its impact on area employment, in 2010 and 2011 income tax revenues in the City continued to account for nearly 67 percent of all General Fund revenues. That proportion will increase in future budgets.

Moving forward, however, we suspect that extremely high volatility in other revenue sources will significantly influence the complete revenue picture, despite their low overall level. Previously, changes in income tax revenues generally determined the magnitude of changes in overall revenues, since property tax and the sum of all other revenue sources saw little change. Moving forward, these sources are subject to a number of policy decisions at all levels of government that could radically alter the revenue picture. With the exception of casino revenue, nearly all of the uncertainty is in the downward direction when compared to previous estimates.

The second largest revenue source is property taxes. As a result of past City Council actions to adjust the millage rates, these remained relatively constant at a level just shy of \$30 million from 2004 through 2010. In 2011, these began to decline because of falling property values, combined with a policy decision to hold the millage rate constant. Below, we present our forecast for property values over the next six years. While current short-term motion is downward, we anticipate values will increase modestly over time because of new construction and inflation; the revenue forecast we present later in this chapter assumes that the current millage rate will continue to be applied to these forecasted values.

<b>Forecast of Real Property Values (\$1,000s)</b>		
Year	Real Property	Real Property + Public Utility
2005	\$4,836,982	\$5,156,417
2010	\$5,653,703	\$5,940,113
2012	\$5,047,722	\$5,343,335
2013 <sup>f</sup>	\$5,025,076	\$5,319,363
2014 <sup>f</sup>	\$5,002,531	\$5,295,498
2015 <sup>f</sup>	\$5,318,058	\$5,629,503
2016 <sup>f</sup>	\$5,294,199	\$5,604,246
2017 <sup>f</sup>	\$5,270,447	\$5,579,103
2018 <sup>f</sup>	\$5,602,872	\$5,930,996

f=forecast value

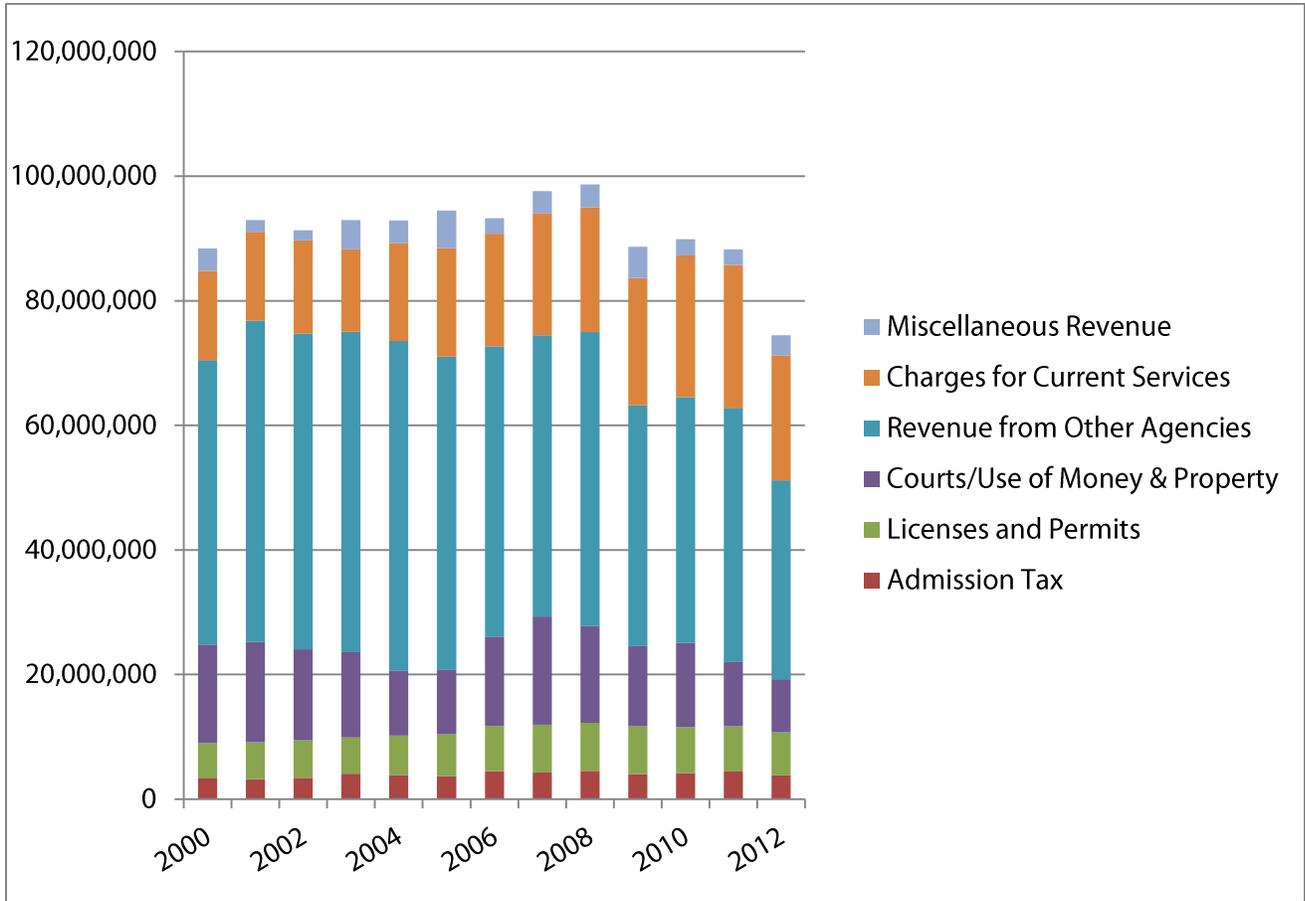
The decrease in property values has been particularly dramatic with regard to the TIF districts. Based on 2011 appraisals used for 2012 assessments, the values of these properties continue to fall, with more than half of parcels now below their base level of appraisal (meaning that their TIF assessment is zero). A breakdown of these properties is provided in the following table. Falling property values mean that more than one half of all TIF properties have declined in value such that the TIF portion is zero.

<b>TIF Properties Assessed above Base Value</b>			
Year	No	Yes	% TIF
			Properties Assessed above Base
2009	6143	7783	55.9%
2010	6259	7724	55.2%
2011	6375	7641	54.5%
2012	7392	6598	47.2%

The casinos opening in Ohio next year constitute a potential new revenue source for the City. Cincinnati can collect revenue from sites in other cities through its share as the largest city in its county as well as through its status as a “host city”. Our forecast not only includes market research provided to the Economics Center as part of a study from late 2009, but also accounts for market changes caused by the anticipated installation of 1,750 video lottery terminals at existing racing venues, as approved in 2011. Information conversations with economic development officials have led us to believe that no adjustment will be required based on the late opening date of the casino in Cincinnati.

The remaining revenue sources collectively accounted for around 26 percent of all General Fund revenues in 2009 through 2011; our projections have this share decreasing, although the exact magnitude of the decrease will depend upon state policy and budgetary changes. Among these sources, two types of tax revenues collected and distributed by the State of Ohio (the Local Government Fund and the Estate Tax) represented nearly \$41 million in 2011; the estate tax was eliminated by the State of Ohio beginning in 2013, which will remove this income from the city. The Local Government fund has also seen dramatic decreases, such that in 2013 it may feasibly be at half the level that was set from 2009 to 2011, and \$18 million below the amount of this fund during the preceding five years. The figure below provides a detailed view of the revenue from these sources. The remainder comes from a variety of sources, with the greatest decrease attributed to a decline in interest rates on Treasury investments.

## Total Revenues Excluding City Income Tax and Property Tax (in \$'s)



The following table shows the rate at which each revenue source has increased or decreased from year to year. Note that large percentage changes often occur in the smaller revenue categories. Aside from the disruption of the recession discussed above, most of these changes amount to fluctuations around trends that show modest overall change; note that the estate tax and the local government fund, are included under “Revenue from other Agencies”, meaning that large fluctuations in that category will continue in the near future. While City income taxes are expected to continue to increase in future years, the sharp declines in the local government fund and elimination of the estate tax mean that an overall decrease in these revenues is anticipated going forward.

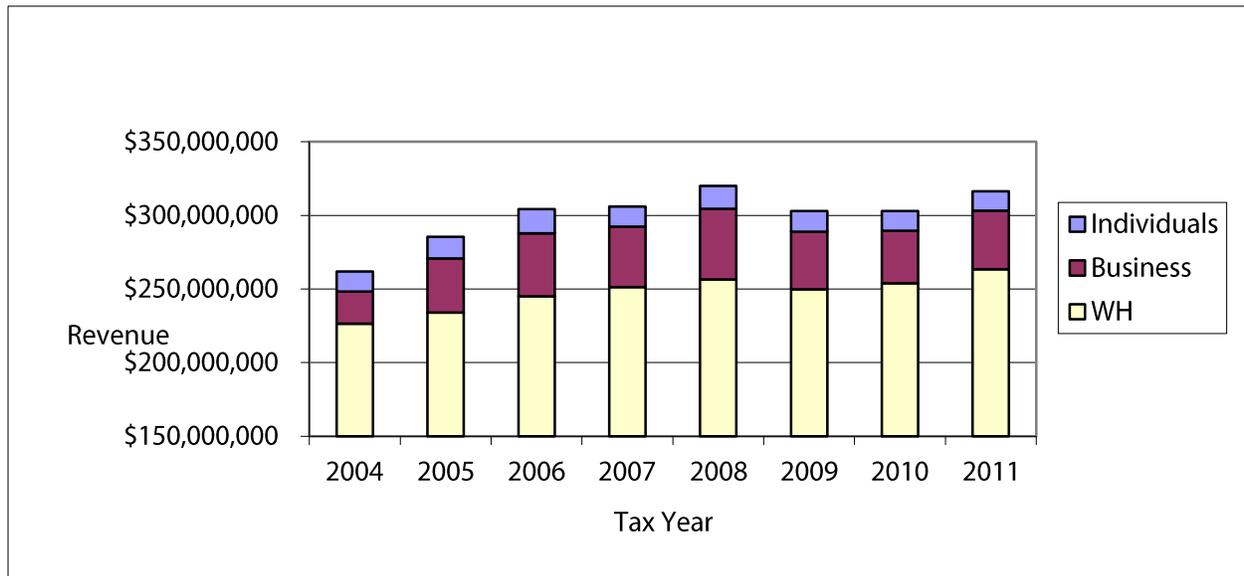
Annual Changes in City of Cincinnati Revenue, 2006 -2012 (in %'s)							
	2006	2007	2008	2009	2010	2011	2012
City Income Tax	4.0	2.7	3.0	-3.4	-0.6	5.1	2.5
Property Taxes	10.6	-7.7	-0.9	0.0	-3.6	-6.1	-9.4
Revenue from Other Agencies	-7.4	-3.2	4.6	-18.0	2.0	3.4	-21.6
Charges for Current Services	3.9	8.6	1.8	2.1	11.5	0.9	-12.6
Licenses and Permits	7.7	5.3	0.7	-0.2	-3.7	-2.2	-4.7
Courts/Use of Money & Property	39.3	21.3	-10.5	-17.4	5.1	-23.4	-17.9
Admission Tax	21.7	-4.1	6.1	-11.9	3.6	6.6	-13.4
Miscellaneous Revenue	-58.9	42.1	3.7	37.8	-48.7	-4.7	29.6
Total General Fund Revenue	3.1	2.3	2.1	-5.0	-0.3	2.3	-3.0

The recession led to reduced revenues during 2009 and 2010. Its effects are still being felt through continued pressure on various funds and on the pension system. The high percentage change in many smaller categories is overshadowed by the large magnitude of decrease in the local government fund and property taxes. Focus on these larger sources of revenue—including City Income Tax—will enhance ability to forecast the total revenue in the immediate future.

## Income Tax Analysis

Given the dominating role of the City Income Tax, it deserves a closer look. This section will examine some characteristics of the income tax, breaking down gross total receipts (not just the General Fund portion) into the three major payer categories and looking briefly at receipts from large businesses. We have also provided to the city a tax forecasting tool, which allows for rapid month-to-month updating of anticipated tax revenue.

Income Tax Revenue by Source, 2004 – 2011



The chart above shows several things clearly. First, the proportion of payroll-based withholding taxes constitutes the greatest share of income tax revenues. Second, while both categories of non-withholding taxes have shown decline since 2008, there is dramatically increased variability associated with these categories of taxes, particularly the business-based tax. Projected income tax revenues for 2012—presented in the table below—are based on a monthly forecast model developed by economists at UC and updated for this project.

### All Funds City of Cincinnati Income Tax Receipts, 2004-2012

	2004	2005	2006	2007	2008	2009	2010	2011	2012 Estimated
Withholding	\$226.5	\$234.1	\$245.1	\$251.3	\$256.4	\$249.8	\$253.9	\$263.5	\$269.9
Business	21.9	\$36.7	\$42.8	\$41.2	\$48.1	\$39.1	\$35.6	\$39.7	\$40.9
Individual	13.5	\$14.6	\$16.2	\$13.4	\$15.4	\$14.1	\$13.4	\$13.2	\$13.4
<b>TOTAL</b>	<b>\$261.9</b>	<b>\$285.4</b>	<b>\$304.2</b>	<b>\$305.9</b>	<b>\$319.9</b>	<b>\$303.0</b>	<b>\$302.9</b>	<b>\$316.4</b>	<b>\$324.3</b>
% change		9.0%	6.5%	0.6%	4.6%	-9.2%	-0.0%	4.5%	2.5%

How did each of the individual categories change?

**Withholdings** have increased steadily in most years (between two and five percent), aside from the disastrous decline of 5.6 percent in 2009. Withholdings for 2012 are projected to increase modestly, finally exceeding the peak previously attained in 2008.

**Business profits taxes** show significant volatility from year to year: analysis on these data at the monthly level suggest that this volatility is increasing with time. We are cautious about forecasting the type of large gains achieved in 2005, 2006 and 2008. We forecast a 2.0 percent increase in 2012, but this depends heavily on the profitability of the City's largest taxpayers.

**Individual income taxes** experienced growth in all years leading up to the recession. In 2010, they were anticipated to grow modestly, about 3 percent in 2010, but instead saw a decrease. This source of tax revenue is projected to remain at 2011 levels through the end of this year.

This monthly model is a "trending model" that separately analyzes each of category of taxes using variations across months rather than general measures of economic strength. It is difficult to project far into the future because future values depend on previous values. For example, to forecast a value two months into the future, the model must first forecast next month's value then forecast the following month's value based on that projection. As of this writing, data were provided for January and February of 2012, meaning that a complete 2012 forecast would require a forecast for December that itself depended on nine other projected values. The table below presents the results of executing this procedure using data for January and February of two previous years. In both years, the model forecast revenue growth was approximately 2.6 percent. That value was an over-prediction in 2010 and an under-prediction in 2011. The 2012 forecast given by this method is presented in the previous table.

**Monthly Model Predictions versus Actual (in \$Millions)**

WH + NWH - Refund							
	Actual Gain	Forecast Gain	WH Predicted	WH Actual	NWH predicted	NWH Actual	Refunds
2009				257.1		60.5	\$14.6
2010	-0.5%	2.6%	267.0	259.7	58.9	56.2	\$13.0
2011	4.1%	2.6%	264.3	268.3	59.9	60.8	\$13.0

**Role of Very Large Employers**

The top 150 employers accounted for nearly \$32 million of the total \$39 million in business profits tax receipts in 2009, and a similar proportion in 2010. The Economic Center’s data indicate that tax receipts from business profits of the top 150 employers varied considerably and accounted for nearly all of the decline in tax receipts in 2009. Similarly, nearly two-thirds of the withholding receipts derive from these 150 largest local employers; comparison of these proportions is consistent with the prediction of economic theory that larger firms are more profitable. The bottom line is that these firms have a direct impact as taxpayers, but also an indirect impact through the income taxes paid by their employees.

**Revenue Forecasts**

The following forecast of several categories of revenues for the City of Cincinnati was developed after an analysis of actual revenues for the past five years, taking into consideration local demographic and economic factors and the economic outlook presented earlier.

**Major Revenue Source Forecast for City of Cincinnati (in \$Millions)**

	2012	2013	2014	2015	2016	2017	2018
City Income Tax	\$239.6	\$245.1	\$252.5	\$260.1	\$268.1	\$276.2	\$283.7
% change	2.50%	2.32%	3.02%	3.02%	3.03%	3.03%	2.71%

Property Tax	\$23.8	\$23.7	\$23.6	\$25.1	\$25.0	\$24.9	\$26.5
% change	-10.0%	-0.5%	-0.5%	6.31%	-0.5%	-0.5%	6.31%
Casino Revenue	\$0	\$12.3	\$14.7	\$15.4	\$16.1	\$16.7	\$17.2
% change	-	-	19.7%	5.2%	4.2%	3.6%	3.50%
Local Govt. Fund (OH)	\$17.6	\$13.8	\$13.8	\$13.8	\$13.8	\$13.8	\$13.8
% change	-31.1%	-24.8%	-	-	-	-	-
Estate Tax (OH)	\$14.4	\$7.2	\$0	\$0	\$0	\$0	\$0
% change	-15.5%	-50%	-100%	-	-	-	-

As shown in the table above, the forecasts for the different types of revenue exhibit different patterns of change. A brief explanation of each one follows.

## City Income Tax

Income tax revenues for the City are expected to increase in future years, although the recession's full impact remains to be seen. The average annual increase over the next six years is projected to be 2.8 percent, which is about half the average increase from 2004 to 2008. The current estimate is based on an expected continuation of the moderately strong showing of the City in the area of payroll employment and a national forecast that anticipates a weaker economic expansion, with only modest inflation, which will tend to hold down wage growth.

## Property Tax

Our forecast uses future property values as forecast above, and assumes a constant millage rate equivalent to that currently in effect.

## Local Government Fund

As discussed above, this fund has seen sharp reductions per state legislative action. The City of Cincinnati reports that the Fund is currently at less than half of the pre-2008 funding level. The table presents numbers that simply extend the current city figure going forward, as decisions made at the state level could increase or reduce this funding level in future years.

## **Appendices**

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### **About the Economics Center**

The Research and Consulting division of the Economics Center provides the knowledge building blocks that help clients make better policy and economic development decisions. Our dynamic approach and critical data analysis empower leaders to respond to changing economic conditions, strengthen local economies and improve the quality of life for their communities.

## **Estate Tax**

The forecast for the Estate Tax has been adjusted to account for its elimination by the State of Ohio beginning in calendar year 2013 (the presence of some revenue accounts for the delay in these funds finally reaching the city caused by the lengthy probate process for larger estates; our estimate is one half of a).

## **Casino Revenue Fund**

Figures here were taken from an earlier Economics Center report titled “The Economic and Fiscal Impacts of the Ohio Jobs and Growth Plan: Analysis of the Four Proposed Ohio Casinos” published in 2009. The adjustment in these revenues from previous forecasts accounts for the installation of 1,750 video lottery terminals around the state, leading to reduced demand for casinos state-wide. We adjust the figures for the delay between gaming activities and the accrual of revenues to the city, which is anticipated to be 1-2 quarters typically. Discussions with economic development officials led us to conclude that further adjustment based on the revisions to the agreement in May 2011 or the delay in opening the Cincinnati casino were unnecessary.

## **Other Revenue Sources**

The city has access to revenue sources beyond those discussed here. In recent years, these sources have generated between \$40 million and \$50 million.

## **Conclusion**

In conclusion, we reiterate the increasing volatility of the property tax, local government fund, estate tax, and other revenue sources compared to previous forecasts. While income taxes still constitute the lion’s share of revenue, their stability is also far from assured. We forecast an average annual increase in these of 2.8% over 2013-2018, but the uncertainty from the other sources makes additional forecasts subject to many unpredictable forces beyond the City of Cincinnati’s control.

### National and Local Economic Trends and Outlook, 2004-2018

	Actual										Estimate		Forecast			
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
<b>GDP AND INCOME</b>																
US GDP, Real [ in billions of chained 2005\$]	12,264.0	12,638.0	12,976.0	13,229.0	13,184.0	12,881.0	13,248.0	13,633.0	13,966.8	14,373.3	14,855.5	15,298.6	15,718.8	16,129.8	16,545.1	
annual percent change		3.0%	2.7%	1.9%	-0.3%	-2.3%	3.2%	1.5%	2.4%	2.9%	3.4%	3.0%	2.7%	2.6%	2.6%	
US GDP, Nominal [ in billions]	11,853.0	12,621.0	13,377.0	14,028.0	14,291.0	13,939.0	14,526.0	15,094.0	15,773.2	16,640.8	17,639.2	18,485.9	19,354.7	20,225.7	21,115.6	
annual percent change		6.5%	6.0%	4.9%	1.9%	-2.5%	4.2%	3.9%	4.5%	5.5%	6.0%	4.8%	4.7%	4.5%	4.4%	
price deflator	96.4	100	103.38	106.408	109.765	109.817	114.442	118.917	124.288	131.103	138.969	145.639	152.484	159.346	166.357	
US Personal Income, Nominal [ in billions]	9,937.2	10,485.9	11,268.1	11,912.3	12,460.2	11,930.2	12,310.4	12,834.7	13,421.8	13,831.1	14,517.3	15,289.0	16,044.5	16,791.1	17,553.5	
annual percent change		5.5%	7.5%	5.7%	4.6%	-4.3%	3.2%	4.3%	4.6%	3.0%	5.0%	5.3%	4.9%	4.7%	4.5%	
<b>INFLATION &amp; INTEREST RATES</b>																
Consumer Price Index																
CPI-U (all urban consumers)	188.9	195.3	201.6	207.3	215.3	214.5	218.056	224.939	228.1	232.5	237.3	242.2	247.5	252.6	257.6	
annual inflation rate	2.66%	3.39%	3.23%	2.85%	3.84%	-0.36%	1.64%	3.16%	1.41%	1.93%	2.06%	2.06%	2.19%	2.06%	2.0%	
Interest Rates (percent, nominal)																
Federal Funds Rate	1.35%	3.22%	4.97%	5.02%	1.92%	0.16%	0.16%	0.13%	0.10%	0.26%	1.35%	3.07%	3.94%	4.00%	4.00%	
10-Year Treasury Note	4.27%	4.29%	4.80%	4.63%	3.66%	3.26%	3.41%	3.34%	3.29%	3.50%	4.90%	5.20%	5.40%	5.60%	5.60%	
<b>POPULATION</b>																
Population																
Cincinnati MSA	2,056,663	2,068,591	2,080,589	2,092,657	2,104,794	2,117,002	2,130,151	2,144,510	2,158,868	2,166,985	2,175,101	2,183,218	2,191,335	2,199,451	2,207,568	
Hamilton County	846,707	846,707	846,707	846,707	846,707	846,707	802,374	800,996	799,617	798,952	797,621	796,956	796,290	795,625	795,625	
Cincinnati city	317,075	313,619	310,201	306,820	303,475	300,167	296,943	296,547	296,150	295,787	295,423	295,060	294,696	294,333	293,969	
Population change																
Cincinnati MSA		0.58%	0.58%	0.58%	0.58%	0.58%	0.62%	0.67%	0.67%	0.38%	0.37%	0.37%	0.37%	0.37%	0.37%	
Hamilton County		0.00%	0.00%	0.00%	0.00%	0.00%	-5.24%	-0.17%	-0.17%	-0.08%	-0.08%	-0.08%	-0.08%	-0.08%	-0.08%	
Cincinnati city		-1.09%	-1.09%	-1.09%	-1.09%	-1.09%	-1.07%	-0.13%	-0.13%	-0.12%	-0.12%	-0.12%	-0.12%	-0.12%	-0.12%	
<b>EMPLOYMENT AND UNEMPLOYMENT</b>																
Unemployment Rate																
U.S.	5.8%	6.0%	5.5%	5.1%	5.8%	9.3%	9.6%	9.1%	8.6%	7.9%	6.9%	6.4%	6.0%	5.7%	5.7%	
Cincinnati MSA	5.1%	5.3%	5.3%	5.3%	5.8%	10.0%	9.9%	9.3%	9.0%	8.2%	7.1%	6.6%	6.3%	6.0%	5.9%	
Cincinnati city	7.8%	6.1%	6.2%	6.1%	6.1%	9.3%	14.2%	13.3%	12.5%	11.2%	9.4%	8.5%	8.0%	7.4%	7.3%	
Payroll Employment																
Hamilton County	538,941	536,484	531,707	529,434	524,056	515,853	513,763	505,198	486,058	481,001	479,473	486,702	495,405	503,428	510,666	
percent change		-0.5%	-0.9%	-0.4%	-1.0%	-1.6%	-0.4%	-1.7%	-3.8%	-1.0%	-0.3%	1.5%	1.8%	1.6%	1.4%	
Cincinnati city	253,860	251,829	252,029	250,455	249,953	247,920	245,374	240,667	230,811	227,962	226,881	229,975	233,707	237,491	240,906	
percent change		-0.8%	0.1%	-0.6%	-0.2%	-0.8%	-1.0%	-1.9%	-4.1%	-1.2%	-0.5%	1.4%	1.6%	1.6%	1.4%	
<b>TAX REVENUE</b>																
City Income Tax 050	193,411,104	210,536,625	222,938,000	226,509,000	236,750,000	223,800,000	222,496,944	233,752,385	239,600,000	245,146,930	252,546,690	260,179,156	268,051,917	276,172,818	283,655,185	
percent change		8.85%	5.89%	1.60%	4.52%	-5.47%	-0.58%	5.06%	2.50%	2.32%	3.02%	3.02%	3.03%	3.03%	2.71%	
Property Tax	29,002,567	28,918,928	31,985,679	29,506,921	29,250,000	29,270,000	28,199,422	26,492,626	23,841,961	23,734,998	23,628,512	25,118,842	25,006,146	24,893,958	26,464,104	
percent change		-0.29%	10.60%	-7.75%	-0.87%	0.07%	-3.66%	-6.05%	-10.01%	-0.45%	-0.45%	6.31%	-0.45%	-0.45%	6.3%	
Local Govt. Fund-OH	29,598,246	29,634,438	29,660,500	29,400,424	29,210,000	25,355,000	25,728,000	25,554,000	17,554,000	13,838,782	13,838,782	13,838,782	13,838,782	13,838,782	13,838,782	
percent change		0.12%	0.09%	-0.88%	-0.65%	-13.20%	1.47%	-0.68%	-31.31%	-21.16%	0.00%	0.00%	0.00%	0.00%	0.0%	
Casino Gross Revenue Disbursement (City Portion)										12,250,709	14,660,598	15,424,356	16,072,084	16,656,083	17,239,046	
percent change																
Estate Tax-OH	23,372,831	20,666,355	16,671,908	15,585,506	17,960,000	13,190,000	13,623,000	15,174,000	14,400,000	7,199,500	0	0	0	0	0	
percent change		-11.58%	-19.33%	-6.52%	15.24%	-26.56%	3.28%	11.39%	-5.10%	-50.00%	-100.00%	0.00%	0.00%	0.00%	0.00%	

## **Attachment B**

## **FINANCIAL MANAGEMENT POLICIES**

The City has long been recognized for its sound financial management. The Government Financial Officers Association (GFOA) has recognized the City for its annual financial report with the *Certificate of Achievement for Excellence in Financial Reporting* and for its budget document with the *Distinguished Budget Presentation Award*. The City's credit ratings are strong. What follows are the guiding financial policies for the City of Cincinnati concerning revenues, debt service, investments, accounting and auditing, reserves, and operating and capital budgeting.

### **Revenue Policies**

- The City Council levies taxes or fees as specified in the City Charter, or as authorized under the laws of the State of Ohio, to generate revenue for service delivery and capital improvement purposes.
- **Income Tax:** The City Income Tax is 2.1% of earnings by residents, non-residents who work in the City, and corporations located in the City. It is subdivided into four components: 1.55% for General Fund operating purposes, 0.3% for public transit, 0.15% for permanent improvements (capital) and 0.10% for maintenance of the City's infrastructure. The biennial budget assumes no additional income tax credits or deductions other than those currently allowed.
- **Property Tax:** The City property taxes total 10.50 mills per \$1,000 of assessed value. Property tax is subdivided into two components: 4.60 mills for General Fund operating purposes, and 5.90 mills for debt requirements of the Capital Improvement Program.
- Intergovernmental revenues are sought from State, Federal, and other sources. The City is not obligated to continue financial support for non-City funded programs and projects after non-City funding has lapsed, except as agreed to as a condition of acceptance of intergovernmental revenues.
- The City ensures revenue collection through efficient collection systems.

### **Debt Policies**

- The City will issue bonds for capital improvements and not for recurring operating expenditures.
- The City publishes an Official Statement for each bond and note issue in accordance with rules promulgated by the Security and Exchange Commission.
- The City fulfills all obligations for secondary market disclosure to keep bond market participants informed of significant financial activities of the City.
- The City primarily utilizes dedicated property tax proceeds to support debt service payments on general obligation bonds and notes. It also levies taxes on property based on debt limitations in the Ohio Revised Code and the City Charter as follows:

- As a result of a prior Court decision, the City has the right to levy property taxes without limitation to support its lawfully issued bonds and notes, and the City’s ability to incur debt will be limited only by the arithmetical (percentage) limitations set forth under Section 133.05 of the Ohio Revised Code. The City’s long-standing policy has been to maintain a tax millage of 5.36 mills for debt service requirements.
- Section 133.05 of the Ohio Revised Code provides that the principal amount of both voted and unvoted debt of the City may not exceed 10.5% of the City’s assessed valuation, and that the principal amount of unvoted debt may not exceed 5.5% of the City’s assessed valuation. The Code also provides several exemptions of debt from the 5.5% and 10.5% limitations.
- The City retires approximately 75% of outstanding debt within 10 years.
- The City strives to maintain the City’s bond rating in financial markets. The City is rated Aa1 by Moody’s and AA+ by Standard & Poor’s.

### **Investment Policies**

- The City’s investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio in accordance with State and Federal law. Accordingly, deposits are either insured by federal depository insurance or collateralized. An investment policy has been approved by the City Council.

### **Accounting and Auditing Policies**

- The financial statements of the City of Cincinnati are prepared in accordance with standards promulgated by the Governmental Accounting Standards Board (GASB). These standards include the effective pronouncements of the National Council on Governmental Accounting and the American Institute of Certified Public Accountants that are considered to be generally accepted accounting principles for state and local entities.
- The City performs periodic financial, program and contract internal audits to insure departmental compliance of City policies and to improve the overall operating efficiency of the organization.
- An independent audit is performed annually to render an opinion on the City’s general-purpose financial statements.
- A Comparative Statement of Revenue and Expenditure is presented to the City Council monthly.
- Once the budget is approved by the City Council, Council may not enact any additional spending unless it at the same time enacts offsetting expenditure reductions or identifies new revenue sources.
- For appropriation and expenditure control purposes, budgeted expenditure classifications that may not be exceeded are personnel service, non-personnel service, capital outlay, and debt service. The City Council must approve revisions of or transfers between expenditure classifications.

- The City maintains a Working Capital Reserve to assure a strong financial position and to protect the City's general obligation bond rating during periods of fiscal stress. The policy calls for achievement of a minimum reserve level, for emergency needs of a catastrophic nature, of no less than 5% nor more than 8% of general operating revenues by the end of the year.

### **Working Capital Reserve and General Fund Balance**

The Government Finance Officers Association (GFOA) "recommends, *at a minimum*, that general-purpose governments, regardless of size, maintain unreserved fund balance in their General Fund of no less than 5 to 15 percent of regular General Fund revenues, or of no less than one to two months of regular General Fund operating expenditures." The City's stated minimum standard reserve is 10% of General Fund revenues.

The City includes three components as part of the emergency reserve amount – the General Fund carryover balance, the emergency reserve account, and the Working Capital Reserve account. The Mayor and City Council created the Working Capital Reserve in 1984 as a reserve against emergency and catastrophic needs. The reserve balance at the end of 2011 was \$44.7 million (composed of \$20.0 million in the Working Capital Reserve account, \$2.4 million in the emergency reserve account, and \$22.3 million in carryover fund balance) and represented 12.8% of actual 2011 General Fund revenues, a decrease of \$1.6 million from 2010.

For 2012, the reserve balance is estimated to be \$32.1 million (composed of \$21.2 million in the Working Capital Reserve account, \$2.4 million in the Emergency Reserve account, and the estimated \$8.5 million in carryover fund balance based on the original 2012 budget appropriation), or 9.5% of 2011 General Fund revenues, which is below the City's recommended target of 10%.

### **Operating Budget Policies**

- The City prepares a General Fund Multi-year Forecast every two years, which provides estimates of income tax and property tax revenue changes and expenditure changes for the forecast period. Explanations of revenue and expenditure assumptions will also be included in the forecast.
- A mid-year budget monitoring exercise is conducted each year to identify budget issues at the department level to ensure budgets remain within their appropriated funding level.
- The City prepares Final Adjustment Transfer Ordinances for General Fund and Principal Restricted Fund accounts at the end of each year for the purpose of realigning accounts and providing funds for the on-going needs of City departments in order to ensure that all departments have balanced budgets by year-end.
- At the beginning of budget development, targets are established for Operating Budget expenditures that reflect adjustments for program changes, increases in salaries and wages, and inflationary increases in non-personnel services. Budgetary requests in excess of the target amounts are considered exceptions and must meet one of the following criteria: legal mandates, City Council mandates, and City Manager initiatives.
- The City strives for a structurally balanced budget for each Principal Fund where annual total expenditures and encumbrances are equal to or less than the annual revenue estimate for the fund. In addition, the City tries to maintain at least a 10% carryover fund balance for each fund.

- A budget that provides for a positive net carryover balance in the fund at the end of the fiscal year is considered a balanced budget in order to comply with State Law.

### **Capital Budget Policies**

In addition to other review considerations, the criteria listed below are used in developing the Capital Budget. A Capital Budget is for the improvement, construction, or purchase of City assets that costs \$10,000 or more and lasts at least five years. The criteria in descending priority are as follows:

- Hazard elimination: to eliminate or reduce definite and immediate health and safety hazards.
- Legal mandates: to comply with a court order or other specific legal directive (consent decree, etc.).
- Regulatory compliance: self-initiated improvement in compliance with a Federal, State, or local rule or regulation affecting capital assets.
- Project completion: to finish phased projects with related and already committed or expended funding.
- Prevent Failure: to systematically, and according to schedule, improve assets which if not periodically improved would fail.
- Extend useful life: to improve an asset by making a capital investment to increase the asset's service life.
- Cost-Benefit justified: to make a capital investment which is supported by benefits equal to or greater than the cost of investment (e.g., benefits may be in jobs, revenue, cost savings, matching funds, etc.).
- Service betterment: to accommodate growth in service demand, or to otherwise increase the quality of service provided by the capital asset.

### **BUDGET DEVELOPMENT PRINCIPLES**

The Biennial Budget development process emphasizes budget policy review, budget education, and citizen involvement. The following principles guide the development of the City's Biennial Budget:

- The City will annually balance the budget.
- The City government encourages citizen participation in budget development.
- The City government reflects efficiency and effectiveness in service delivery, asset maintenance, and capital improvements in the budget.
- The City government at all times emphasizes sound financial planning and management.
- The 2013/2014 Biennial Budget will include a multi-year General Fund forecast.

## **Budget Development Policies**

- The City maintains its infrastructure assets in order to meet the Smale Commission mandates for the repair, upkeep, and improvements of City streets, bridges, parks, recreation areas, and buildings. As recommended by the Smale Commission in 1987 and approved by the voters in 1988, an income tax rate of 0.1% is imposed annually on earned income for infrastructure maintenance. Continuation of the tax is contingent upon an indexed annual appropriation and expenditure amount for infrastructure improvements and other ongoing maintenance with special emphasis on streets, city facilities, especially recreation facilities and City fleet.
- The City encourages competition for the allocation of City funds. To this end, the City commits to the continued use of the following allocation processes: Cincinnati Neighborhood Business Districts United (CNBDU) for the Neighborhood Business District Improvement funding, and an advisory committee to review the Human Services Policy funding. The City Administration prepares a Budget Monitoring report to provide the City Council with the status of the City's Budget as of mid-year to note any significant variances, and to provide related recommendations.
- A Sunset Review is conducted each year for the Capital and Consolidated Plan Budgets to recapture unused funds from departments and make them available for other budget priorities.
- The City's Capital Budget describes to what extent capital spending will increase Operating Budget costs for current and future periods.
- During the Capital Budget Process, the City reviews City physical assets and suggests facilities for consolidation.

## **Attachment C**

## Cincinnati Priority-Driven Budgeting Stakeholder Engagement

A primary goal of the Cincinnati Priority-Driven Budgeting process is to engage a large and diverse segment of the community in an effort to articulate the strategic priorities for the City of Cincinnati. To that end, the consultants working for the City of Cincinnati (*The Novak Consulting Group and the Center for Priority Based Budgeting*) employed multiple communications, recruitment, and facilitation approaches to engage a broad segment of City's stakeholders in the process.

In March, the City began its Priority-Driven Budgeting process with a meeting of the City's organizational leadership. A summary of that meeting is included as Appendix A. In order to solicit broad input on the fundamental strategic priorities of Cincinnati City Government, The Novak Consulting Group facilitated a series of community meetings and focus group sessions throughout the greater Cincinnati area from April 9<sup>th</sup> through April 18<sup>th</sup>. These meetings included focus groups with targeted populations, as well as open to the public sessions. In preparation for these meetings, the consultants reviewed previous planning documents, including Plan Cincinnati's Initiative Areas, the Green Cincinnati Plan, and other background information.

Focus group sessions were held with the following targeted populations:

- City Board and Commission members
- Community Council leaders
- Large employers
- SME/MBE
- Socially disadvantaged
- United Way service recipients
- Health Clinic patients
- Senior Citizens

Open to the public meetings were held at various locations throughout the City, including:

- Main Library (Downtown)
- Pleasant Ridge Recreation Center
- Hartwell Recreation Center
- Dunham Recreation Center (West Price Hill)
- Avondale Library
- College Hill Recreation Center

As a result of this effort, 241 people attended the sessions outlined above. Of that amount, 102 people attended the focus groups, and 139 people attended the open public meetings. The complete recordings of this outreach effort are included as Appendix B to this document. The results of those meetings were used to develop the strategic priorities that will drive the City's Priority-Driven Budgeting process.

## Strategic Priorities

Based on the information gleaned during the public engagement portion of this process, seven strategic priorities have been identified for the City of Cincinnati. These are the critical areas the community indicated they rely on City Government to provide.

### 1. Inclusive, Thriving, and Livable Community

Cincinnati is a community comprised of **healthy, attractive, and livable neighborhoods** that **embrace our diversity** and offer a **variety of housing options** for all ages and income levels. The City **cares for our most vulnerable populations** by ensuring health, welfare, and social services are provided **equitably** across the community. The City provides **quality parks** and a variety of **recreational opportunities** and **cultural amenities** that contribute to a high quality of life.

### 2. Well Planned and Developed Infrastructure

Cincinnati provides for **timely maintenance, repair, and replacement of our physical assets**. Adequate planning, funding, and **construction oversight** is provided to ensure our infrastructure remains **safe and accessible**. Affordable and reliable **multi-modal transportation** is planned for and promoted, and density is encouraged near transportation hubs.

### 3. Safe Community

Cincinnati recognizes that creating a safe community requires a **holistic approach to crime prevention**. In addition to maintaining **professional and responsible public safety** services, the City provides opportunities for **positive youth development, enforcement of chronic nuisance ordinances, neighborhood preservation**, and well-maintained infrastructure.

### 4. Sustainable Built and Natural Environment

Cincinnati has developed a reputation for **high environmental standards** by implementing and encouraging **sustainable practices** and exploring new **green technology**. Our **historical assets are properly maintained**, and a **proactive code enforcement** program ensures our residents live in safe and healthy buildings. Education and opportunities for **citizen and business participation** in environmentally sensitive initiatives is provided. The City aggressively **maintains its active and passive open spaces** and **leverages its natural assets** to beautify the City.

## 5. Commerce and Jobs

Cincinnati maintains an **attractive and thriving environment for businesses of all sizes**. The City invests in programs, incentives, and technology that support economic development and **business retention**. **Small businesses are fostered**, including those that directly support the basic needs of neighborhoods. The City is a leader in **regional development opportunities**, particularly those that result in **job creation** and encourage more individuals to locate and stay in our City. **Transportation networks** help Cincinnati residents get to their places of employment.

## 6. Leadership and Financial Stewardship

Cincinnati's leaders model **civility, cooperation, and open-mindedness** in seeking **long term financial solutions** that benefit the community. Our leaders instill **trust**, demonstrate **accountability**, and exercise **stewardship** as they deliberate with **transparency**, ensuring that all residents have **equal access to information** about their City government. The City **supports our public education system** and **works collaboratively with other elected officials** from all government sectors throughout the region to identify long-term regional solutions. They actively engage with the community and recognize the value of **citizen input and interaction**. The City **fosters and supports aspiring leaders** throughout the community.

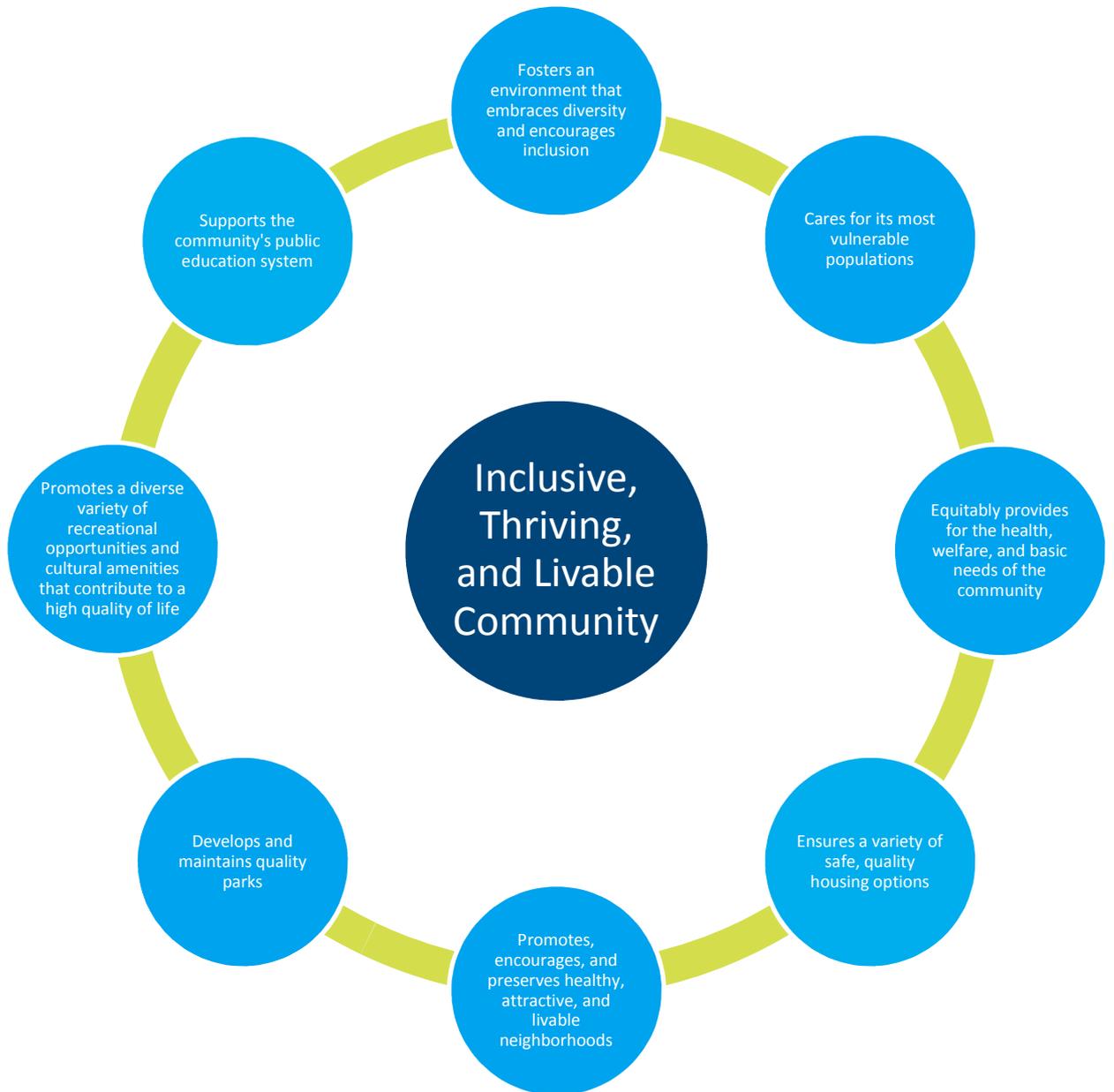
## 7. Efficient and Effective Basic Services

Cincinnati ensures the delivery of **high quality basic services** by maintaining an **effective, efficient and well-trained workforce**, regularly **investing in technology, equipment** and other resources, and **communicating with residents and businesses regularly** to understand how responsiveness may be enhanced to meet the needs of the community. The City makes decisions to increase its operational efficiency and reduce redundancies based on **data and proven results**. This includes **regularly reporting on performance indicators** and pursuing **alternatives methods of service delivery** when they are in the community's best interest.

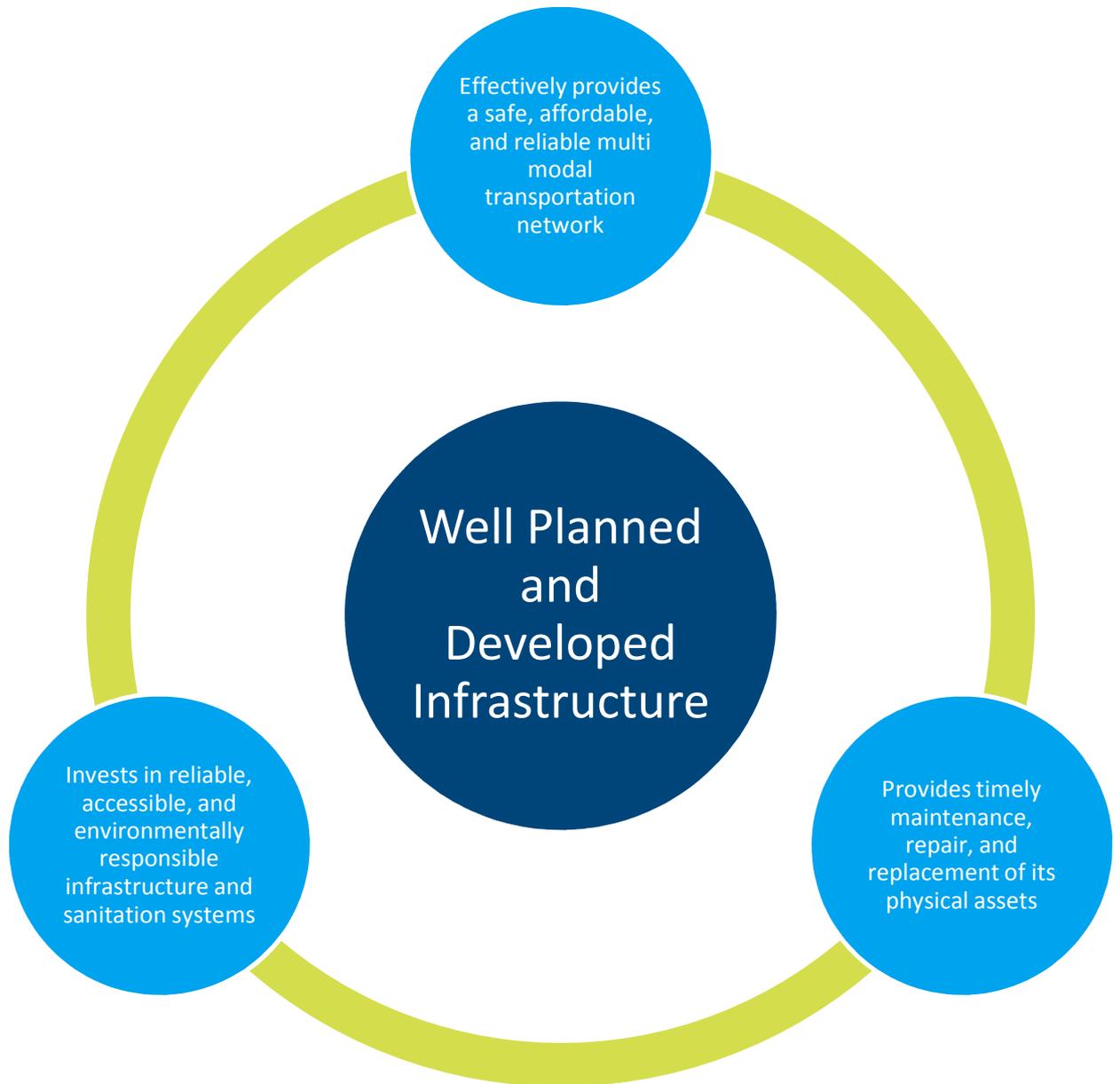
## Strategy Maps

The Strategy Maps are designed to demonstrate the strategies the City can use to achieve each of the seven strategic priorities developed through community input.

## 1. Inclusive, Thriving, and Livable Community



## 2. Well Planned and Developed Infrastructure



### 3. Safe Community



#### 4. Sustainable Built and Natural Environment



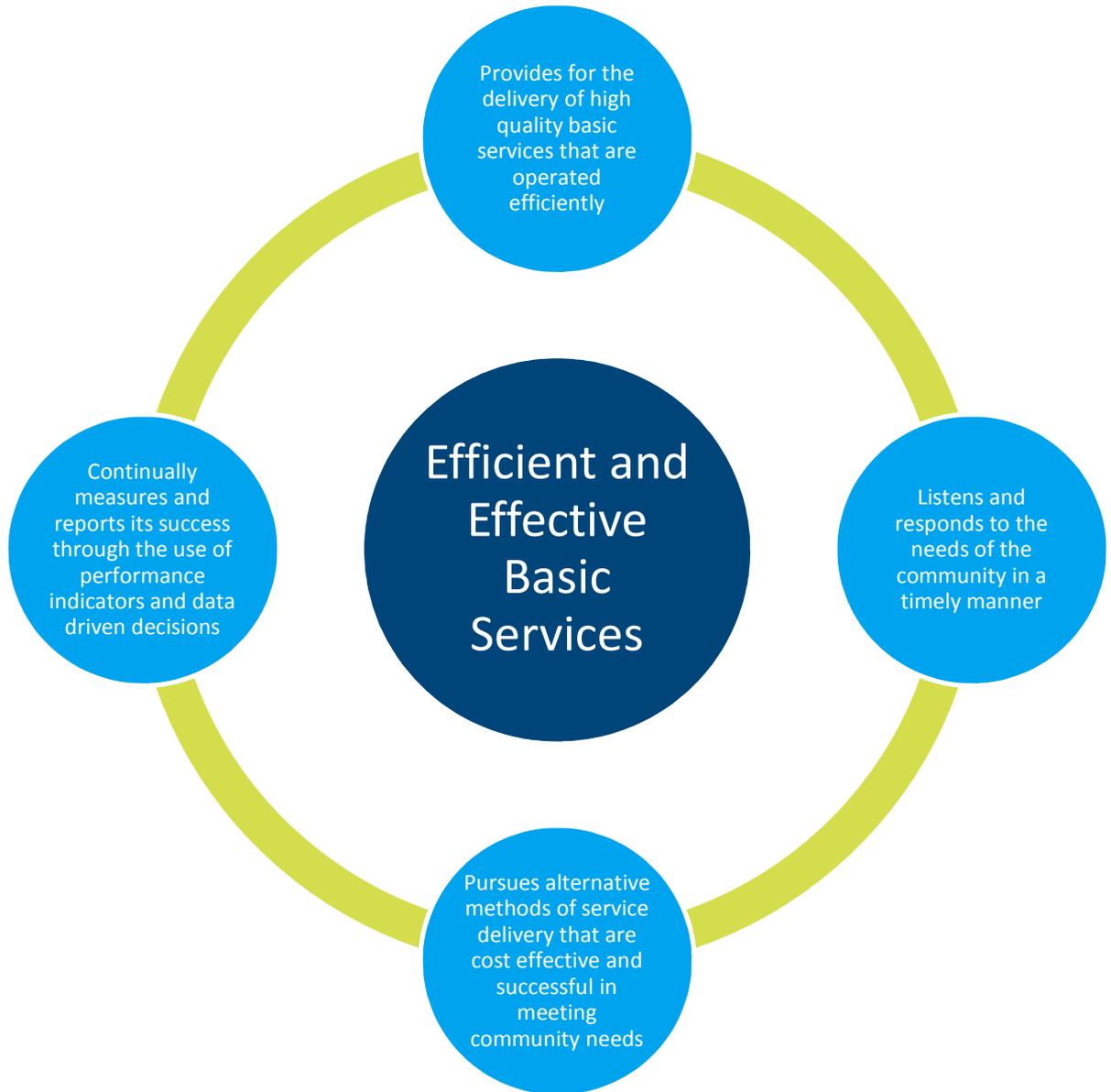
## 5. Commerce and Jobs



## 6. Leadership and Financial Stewardship



## 7. Efficient and Effective Basic Services



**CITY OF CINCINNATI, OHIO**  
**Program Inventory Listing**  
**May, 2012**



DEPARTMENT NAME	AGENCY NAME	PROGRAM NAME	Type of Program	PROGRAM DESCRIPTION
Citizen Complaint and Internal Audit	Citizen Complaint and Internal Audit	<b>Investigations, Research and Evaluation</b>	<b>Governance</b>	To provide the community with an investigation that is clear, concise, focused, and understandable.
Citizen Complaint and Internal Audit	Citizen Complaint and Internal Audit	<b>Community Relations</b>	<b>Governance</b>	To enhance the public's awareness of both the role and complaint process of the CCA. To initiate community dialogue and disseminate information that will educate citizens on ways to avoid negative conflict and interactions with the police.
Citizen Complaint and Internal Audit	Citizen Complaint and Internal Audit	<b>Internal Audit</b>	<b>Governance</b>	Performs operational and performance audits in order to examine and evaluate the effectiveness and efficiency of management controls in all City departments and independent boards and commissions.
Citizen Complaint and Internal Audit	Citizen Complaint and Internal Audit	<b>Departmental Administration</b>	<b>Admin</b>	To provide administrative support to the Internal Audit and Citizen Complaint Investigative staff
Clerk of Council	Clerk of Council	<b>City Council and Committee Sessions</b>	<b>Governance</b>	Prepares the agenda and calendar for each regular and special session of council and council committees. Provide staffing, take minutes, and take roll call for votes at meetings as well. Serve as the parliamentarian at the sessions.
Clerk of Council	Clerk of Council	<b>City Council Record Maintenance</b>	<b>Governance</b>	Maintains and preserves all official records and documents of City Council
Clerk of Council	Clerk of Council	<b>City Bulletin</b>	<b>Governance</b>	Prepares, copies and distributes the weekly City Bulletin which is the official publication of the City containing ordinances, resolutions, motions, and various legal notices.
Office of the Mayor	Office of the Mayor	<b>Office Of The Mayor</b>	<b>Admin</b>	Presides at the City Council meetings and is responsible for conducting the business of the City Council in an orderly and efficient manner. The Mayor appoints the Vice-Mayor and Council Committee Chairs.
City Council	City Council & City Council Member Offices	<b>City Council</b>	<b>Admin</b>	Provides legislative oversight, policy direction and budget appropriation for all City departments and agencies.
City Manager	Office of the City Manager	<b>Cincinnati Initiative to Reduce Violence</b>	<b>Community</b>	Provides administrative oversight and grant funding to the Cincinnati Initiative to Reduce Violence (CIRV) program, which works to reduce the frequency of gang/group-related street violence.
City Manager	Office Of Environmental Quality	<b>Recycling Programs</b>	<b>Community</b>	Provides an enhanced curbside recycling program that increases citizen participation and landfill diversion rates while minimizing overall costs to the City government; and provides recycling services for wastes generated in City buildings and at City functions.
City Manager	Office Of Environmental Quality	<b>Promoting Sustainability</b>	<b>Community</b>	Promotes sustainability to the public via website, speaking engagements, newsletters, phone calls and emails; and manage the Green Cincinnati Plan which establishes goals for significantly reducing regional greenhouse gas emissions while preserving both economic development and transportation options throughout the region
City Manager	Office Of Environmental Quality	<b>Environmental Economic Development</b>	<b>Community</b>	Provides leadership and management for environmental issues in economic development projects including managing high profile Brownfield projects; enforcing Title X of the City Code, which prohibits air emissions constituting a nuisance; providing environmental review of cut and fill permits to reduce contaminated soil risks; and managing green roof incentive program.
City Manager	Economic Development	<b>Administration</b>	<b>Community</b>	Overall administration and management of citywide economic development services, business recruitment and retention, development project management and fiscal oversight.
City Manager	Economic Development	<b>Small Business Assistance</b>	<b>Community</b>	Provides various programs and services for small businesses, including loans, capacity development, business education and coaching, entrepreneurial training, incubation, and technical assistance.
City Manager	Economic Development	<b>Strategic Program for Urban Redevelopment/Go Cincinnati</b>	<b>Community</b>	Provides for the redevelopment of abandoned, vacant, or underutilized industrial, commercial and residential sites in accordance with the priorities set by the GO Cincinnati plan.
City Manager	Economic Development	<b>Neighborhood Business Development</b>	<b>Community</b>	Provides assistance to neighborhood business districts and community councils to create capital improvements, tax-increment financing projects, and commercial development.
City Manager	Economic Development	<b>Central Business District Development - Downtown/OTR Development</b>	<b>Community</b>	Works with regional partners (Chamber, 3CDC, Port Authority, Findlay Market, etc.) to provide vibrant development in Downtown and Over-the-Rhine neighborhoods.
City Manager	Economic Development	<b>Quality of Life Programs Administration</b>	<b>Community</b>	Manages sidewalk & mobile food vendors, Capital Arts funding, Future Blooms, Film Commission and other programs.
City Manager	Office Of Environmental Quality	<b>Environmental Compliance</b>	<b>Governance</b>	Assure that City Government achieves and maintains compliance with applicable environmental laws and regulations and conforms to Best Management Practices through periodic environmental audits and in house environmental consulting.
City Manager	Office Of Environmental Quality	<b>City Energy Management</b>	<b>Governance</b>	Leads the City's efforts in department-wide energy management education, development of tools to reduce City's energy use, and form department-wide collaboration to share ideas on energy reduction; and administer federal Energy Efficiency and Conservation Block Grant funds to save energy and promote other City objectives.
City Manager	Office Of The City Manager	<b>Office Of The City Manager</b>	<b>Governance</b>	Chief Executive Officer providing overall leadership and top-level management of City operations.
City Manager	Office of Communications	<b>Public Information</b>	<b>Governance</b>	Provides resources for disseminating strategic communications that are delivered professionally through channels that are most timely, effective, and efficient.
City Manager	Office of Communications	<b>Citicable</b>	<b>Governance</b>	Provides oversight of the City's franchise agreement with Time Warner Cable and broadcasts of City Council meetings and other programming via Citicable and Media Bridges.

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City Manager	Office of the City Manager	<b>Contract Compliance</b>	<b>Governance</b>	Administers and enforces the Small Business Enterprise (SBE), Equal Employment Opportunity (EEO) and the Living Wage Programs, Prevailing Wage laws, and Meet & Confer provisions to promote full and equal business opportunities with the City.
City Manager	Budget & Evaluation	<b>Budget Development</b>	<b>Governance</b>	Prepares biennial operating and capital budget with accurate and relevant information in an easily understood manner to foster sound decision-making.
City Manager	Budget & Evaluation	<b>Budget Monitoring</b>	<b>Governance</b>	Reviews and analyzes fiscal status of the organization by conducting quarterly budget to actual reviews, preparing all fiscal related ordinances, reviewing and approving vacant positions, analyzing the impact of policies on operating costs, and ensuring compliance with established codes, policies and procedures.
City Manager	Budget & Evaluation	<b>Housing and Urban Development Compliance</b>	<b>Community</b>	Ensures fiscal and programmatic compliance with HUD funded grant activities, including managing database, preparing ordinances, approving contracts, and staying abreast of regulation changes.
City Manager	Budget & Evaluation	<b>Special Projects and Policy Research</b>	<b>Governance</b>	Provides analysis of management operations, research of best practices, and manage city-wide special projects to improve the quality and effectiveness of City services.
City Manager	Budget & Evaluation	<b>Budget Administration</b>	<b>Admin</b>	Provides administrative support to the Office of Budget and Evaluation to assist the City Manager in the allocation of fiscal, organizational, human and tangible resources for the organization.
Community Development	Community Development Administration	<b>Human Services Policy</b>	<b>Community</b>	Manages City's Human Services Policy grant administration process and monitors partner agencies that receive funding.
Community Development	Community Development Administration	<b>HUD Compliance and Monitoring</b>	<b>Community</b>	Provides monitoring for programs funded by the US Housing and Urban Development.
Community Development	Housing Development	<b>Housing Rental Programs</b>	<b>Community</b>	Manages rental unit rehabilitation projects and programs.
Community Development	Housing Development	<b>Housing Home Ownership Opportunities</b>	<b>Community</b>	Manages Homeownership programs including down payment assistance, new construction, CitiRama, and other programs.
Community Development	Housing Development	<b>Housing Owner Rehabilitation</b>	<b>Community</b>	Provides assistance to rehabilitative home owner occupied housing units.
Community Development	Housing Development	<b>Housing Support Programs</b>	<b>Community</b>	Provides homeless and housing support programs funded by the Emergency Solutions Grant and Housing Opportunities for Persons with Aids funded by the US Department of Housing and Urban Development.
Community Development	Housing Development	<b>Neighborhood Stabilization Program</b>	<b>Community</b>	Administers the activities and programs of the Neighborhood Stabilization Program funded by the US Department of Housing and Urban Development.
Community Development	Property Maintenance Code Enforcement	<b>Property Maintenance Code Enforcement</b>	<b>Community</b>	Provides inspections and follow up enforcement for all property maintenance and code enforcement actions for buildings in the City.
Community Development	Community Development Administration	<b>Department Administration</b>	<b>Community</b>	Provides administrative leadership for the Department of Community Development.
Community Development	Community Development Administration	<b>Human Resources and Fiscal Management</b>	<b>Community</b>	Provides management of human resources and fiscal management of department.
Community Development	Housing Development	<b>Housing Programs Administration</b>	<b>Community</b>	Provides management of human resources and fiscal management of department.
Community Development	Property Maintenance Code Enforcement	<b>Property Maintenance Code Enforcement Administration</b>	<b>Community</b>	Provides management of human resources and fiscal management of department.
Enterprise Services	Convention Center Division	<b>Duke Energy Convention Center</b>	<b>Community</b>	This program consists of the operation, maintenance, and management of over 750,000 square feet of convention, exhibition space, meeting rooms and ballroom space within the Duke Energy Convention Center.
Enterprise Services	Convention Center Division	<b>Convention Center Administration</b>	<b>Community</b>	This program oversees the management agreement and serves as liaison between contract management company, Global Spectrum, LP, and the City of Cincinnati.
Enterprise Services	Parking Facilities Division	<b>On-Street Parking</b>	<b>Community</b>	This program consists of enforcement, collection, maintenance, and management of over 5,700 single space and multi-space pay-and-display meters located in the downtown area and neighborhood business districts.
Enterprise Services	Parking Facilities Division	<b>Off-Street Parking</b>	<b>Community</b>	This program consists of the operation, maintenance, and management of over 4,400 parking spaces located at six City-owned parking garages and six surface lots throughout downtown Cincinnati.
Enterprise Technology Solutions	City County Information Systems (CITCO)	<b>Information Systems Security</b>	<b>Governance</b>	Ensures the safety of City's hardware and software assets against threats such as physical damage, intrusions, hacking, etc. by maintaining and enforcing the City's Information Security Policy.
Enterprise Technology Solutions	City County Information Systems (CITCO)	<b>Enterprise Email Support</b>	<b>Governance</b>	Maintains hardware and software related to the enterprise email system. Provides support to customers when problems are identified, including support to staff using wireless devices synchronized with City systems.
Enterprise Technology Solutions	City County Information Systems (CITCO)	<b>Data Center Support</b>	<b>Governance</b>	Supports to all systems housed in the two enterprise data centers; customer virtualization of servers into the enterprise servers; and the City IT Governance Board.
Enterprise Technology Solutions	City County Information Systems (CITCO)	<b>Cincinnati Financial System Support</b>	<b>Governance</b>	Provides support for Citywide finance related systems such as the Cincinnati Financial System (CFS), purchasing systems, and interfaces to various systems requiring interaction with the financial system.
Enterprise Technology Solutions	City County Information Systems (CITCO)	<b>E-Government Support</b>	<b>Governance</b>	Supports hardware and software related to the City's Internet and Intranet presence. In addition, develop and support software for various special project and enterprise applications.

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Enterprise Technology Solutions	City County Information Systems (CITCO)	<b>City Miscellaneous IT Services</b>	<b>Governance</b>	Provides support to the enterprise and to customers in areas such as development, system support, and PC support.
Enterprise Technology Solutions	City County Information Systems (CITCO)	<b>CHRIS System</b>	<b>Governance</b>	Maintain and support the Cincinnati Human Resources Information System (CHRIS) and related applications, including interfaces with other applications such as payroll.
Enterprise Technology Solutions	Communication Tech Services (CTS)	<b>Communication Technology Services (CTS) Administration</b>	<b>Governance</b>	Provide support for City's Communication Technology Services (CTS) programs, maintaining radio communications, data communications infrastructure and the City's telephone network.
Enterprise Technology Solutions	Communication Tech Services (CTS)	<b>Communication Technology Services (CTS) Telephone System</b>	<b>Governance</b>	Maintain and support the enterprise telephone system, support desktop telephones, wireless telephones, and data cards. Staff the enterprise contact center.
Enterprise Technology Solutions	Communication Tech Services (CTS)	<b>Fiber Communications</b>	<b>Governance</b>	Designs, implements and support the Installs and maintenance of over 120 miles of fiber optic cabling, electronics and other infrastructure used to support the Metropolitan Area Network, privately owned telephone systems, 800MHz Radio System, firehouse dispatching, DOTE Computerized Traffic Control System, video conferencing, and various services at the City's E911 Center including ARTIMIS. Also performs moves adds and changes to telephones systems owned by the City.
Enterprise Technology Solutions	Communication Tech Services (CTS)	<b>800 MHZ Communications System</b>	<b>Governance</b>	Supports the City's 800 MHz radio system used by Police, perform various repairs on individual mobile and portable radios for Police Fire, and other Departments, maintains City owned outdoor weather sirens, repair police vehicle cameras, mobile data computer support for CPD, and various electronics equipment. (should be noted that over 50% of the budget goes to a Motorola support contract).
Enterprise Technology Solutions	Communication Tech Services (CTS)	<b>Data Communications Infrastructure</b>	<b>Governance</b>	Tasked with the design and maintenance of the Metropolitan Area Network. Tasking includes design, implementation, maintenance and replacement of various networking equipment including routers, hubs, switches, SONET, and other data network transport equipment to provide data connectivity to all City facilities and to over 60 locations in support of City and County Law Enforcement.
Enterprise Technology Solutions	City County Information Systems (CITCO)	<b>Hamilton County IT Services</b>	<b>Governance</b>	HAMCO (Hamilton County) provides support to various enterprises in the Hamilton County administration.
Enterprise Technology Solutions	Cincinnati Area Geographic Information System (CAGIS)	<b>Cincinnati Area Geographical Information System</b>	<b>Governance</b>	The Cincinnati Area Geographical Information System develops and supports applications for government entities Countywide. Examples of applications could include permitting, zoning, project coordination, infrastructure database, etc.
Enterprise Technology Solutions	Cincinnati Area Geographic Information System (CAGIS)	<b>Customer Service Request (CSR) System Support</b>	<b>Governance</b>	The Customer Service Request system supports Citizen reporting of problems and service requests to various City and County government agencies. Particularly, the enterprise call center in Public Services accept requests for any service and forwards them to the appropriate entity.
Enterprise Technology Solutions	Cincinnati Area Geographic Information System (CAGIS)	<b>CAGIS City Permits</b>	<b>Governance</b>	Develops and supports permitting applications for various government entities. NOTE: The City and County Permits functions are funded through reimbursements by the various government agencies using the CAGIS-developed permitting applications. It should be noted that CAGIS staff costs are not reimbursed, only related non-personnel costs.
Enterprise Technology Solutions	Cincinnati Area Geographic Information System (CAGIS)	<b>Hamilton County Permits</b>	<b>Governance</b>	Develops and supports permitting applications for various government entities. NOTE: The City and County Permits functions are funded through reimbursements by the various government agencies using the CAGIS-developed permitting applications. It should be noted that CAGIS staff costs are not reimbursed, only related non-personnel costs.
Enterprise Technology Solutions	ETS Administration	<b>Administrative Services</b>	<b>Admin</b>	Provides overall policy direction, procurement, accounts payable, accounts receivable, human resources, and budget support for Enterprise Technology Solutions.
Enterprise Technology Solutions	City County Information Systems (CITCO)	<b>CITCO Administration</b>	<b>Admin</b>	Provides administration to CITCO functions.
Enterprise Technology Solutions	CLEAR	<b>CLEAR</b>	<b>Fixed Cost</b>	CLEAR LEVY
Finance	Accounts and Audits	<b>Financial Operations</b>	<b>Governance</b>	Provides timely, accurate and accessible financial information to managers and policy-makers, and assists managers and policy-makers in making sound financial and business decisions.
Finance	Accounts and Audits	<b>Infrastructure Reporting</b>	<b>Governance</b>	Maintains accurate financial reports to assure compliance with goals outlined by the Smale Commission for spending on infrastructure.
Finance	Accounts and Audits	<b>Financial Reporting</b>	<b>Governance</b>	Prepares the City's Comprehensive Annual Financial Report and Tentative Tax Budget, coordinates the preparation of the annual Cost Allocation Plan and indirect cost rates for Federal grants, and prepares monthly reports for the City Retirement System.
Finance	Accounts and Audits	<b>Payroll Processing</b>	<b>Governance</b>	Processes biweekly payroll for approximately 6,500 employees, interprets and implements government regulations, and reconciles all employee deductions and tax deposits.

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Finance	Accounts and Audits	<b>HUD Financial Reporting</b>	<b>Governance</b>	Monitors HUD transactions to assure timely and proper expenditure of funds, reports City activity to HUD and draws down funds as needed to cover expenditures.
Finance	Accounts and Audits	<b>Tax Increment Finance District Reporting</b>	<b>Governance</b>	Tracks and reports on all TIF Districts and projects.
Finance	Treasury	<b>Debt Management</b>	<b>Governance</b>	Manages general obligation debt repayment.
Finance	Treasury	<b>Cash Management</b>	<b>Governance</b>	Provides assistance to all City agencies to facilitate and is responsible for managing the City's investment portfolio.
Finance	Treasury	<b>Delinquent Accounts</b>	<b>Governance</b>	Pursues delinquent collections after City agencies have been unsuccessful in collecting for provided services.
Finance	Treasury	<b>Community Development Block Grant Loan Management</b>	<b>Governance</b>	Monitors loan repayments and escrow payments of the City's Community Development Block Grant.
Finance	Risk Management	<b>Administration/Insurance Program</b>	<b>Governance</b>	Protects the City from Employee Theft, Forgery, Robbery, and protects City buildings and other personal properties from direct physical loss or damages.
Finance	Risk Management	<b>Employee Safety</b>	<b>Governance</b>	Provides employee safety services to departments in field audits and training.
Finance	Risk Management	<b>Employee Health Services</b>	<b>Governance</b>	Provides employee health services.
Finance	Risk Management	<b>Administration/ Workers' Compensation</b>	<b>Governance</b>	Manages workers' compensation rates.
Finance	Income Tax	<b>Taxpayer Service</b>	<b>Governance</b>	Provides the public with information and assistance needed to comply with the City's tax requirements.
Finance	Income Tax	<b>Compliance and Administrative Hearings</b>	<b>Governance</b>	Audits tax returns and issues refunds.
Finance	Income Tax	<b>Delinquency Resolution</b>	<b>Governance</b>	Collects outstanding tax liabilities.
Finance	Income Tax	<b>Document Management</b>	<b>Governance</b>	Processes incoming tax returns and maintains the electronic tax system.
Finance	Purchasing	<b>Procurement</b>	<b>Governance</b>	Promotes timely and cost efficient purchasing for supplies, services, and equipment.
Finance	Purchasing	<b>Printing Stores</b>	<b>Governance</b>	Provides printing, mail, and central store/warehouse services to all City agencies.
Finance	Office of the Director	<b>Office of the Director</b>	<b>Admin</b>	Provides overall management of the Finance Department.
Finance	Treasury	<b>Business Licensing Processing</b>	<b>Community</b>	Provides for the accurate and timely revenue collection for approximately 45 licenses issued by the City.
Finance	Treasury	<b>Parking Revenue Management</b>	<b>Community</b>	Collects and receipts parking revenues.
Fire	Administration	<b>Homeland Security</b>	<b>Community</b>	Responsible for maintaining, coordinating, and accounting for homeland security assets purchased via U.S. Dept. of Homeland Security grant funds. CFD has several million dollars worth of grant-funded assets including mass casualty incident response units, decontamination units, explosive ordnance units, weapons of mass destruction hazardous materials units, and communications assets that require continuous maintenance, calibration, training, and involvement in regional exercises.
Fire	Administration	<b>Dispatch and Communication</b>	<b>Community</b>	Serves as CFD liaison to the Emergency Communications Center for daily functions and large scale emergencies. Supports all line and staff employees by providing digital telephones, pagers, radios, and blackberries as well as support of fire station notification devices such as ZETRON and fire station speakers. Directly supports all fire apparatus communications including fire apparatus radios which are used for both voice and data communications necessary for Fire, EMS, and all emergency runs.
Fire	Administration	<b>Equipment Maintenance</b>	<b>Community</b>	Responsible to maintain records of all equipment deployed throughout CFD including 26 fire stations and 6 other locations used in support of the CFD mission. Responsible for accounting for and track all CFD tools, equipment, and supplies. This program physically (hands-on) prepares new equipment for distribution/deployment, and repairs firefighting/EMS equipment (not apparatus) that has been damaged or is in need of preventive maintenance. Contributes to firefighter injury prevention, better patient outcomes, saves funds for the City by the careful inspection and preventive maintenance of firefighting/life-saving equipment critical to CFD operations and other CFD programs. Directly supports the City's investment in firefighter personal protective equipment such as firefighting personal protective equipment (PPE) through regularly scheduled cleaning/maintenance/repair. Ensures maintenance/upkeep and operational readiness of sophisticated monitor/detection equipment as well as self contained breathing apparatus (SCBA).
Fire	Fire Prevention	<b>Environmental and Safety Service Management</b>	<b>Community</b>	Provides overall management for the Fire Department's inspection program and the Right to Know Program. Also provides management support for the Fire Investigation Unit, the Hazardous Materials Code Enforcement Unit, the Fire Specialist Inspection Program.
Fire	Fire Prevention	<b>Fire Code Maintenance, Code Enforcement and Community Outreach</b>	<b>Community</b>	Inspects occupancies including places of assembly, business, education, institutional, mercantile, residential, storage, and utilities. Prepares inspections and reports for the Hazard Abatement/Public Nuisance Hearings. Issues maximum occupancy posting signs for Places of Assembly. Witnesses and verifies acceptance at building suppression systems tests. Represents the Fire Department on the Board of Buildings Appeals. Participates in the City's Code Enforcement Response Team (CERT). Responsible for the Fire Prevention Board of Appeals as outline in the Cincinnati Fire Prevention Code.

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Fire	Fire Prevention	<b>Right to Know and Environmental Crime</b>	<b>Community</b>	Responsible for the coordination of hazardous materials accidents, spills, releases and abandonment issues within the City of Cincinnati.
Fire	Fire Prevention	<b>Fire Investigation</b>	<b>Community</b>	A highly trained, very effective group of investigators who concentrate their activities upon determination of fire cause and origin.
Fire	Fire Prevention	<b>Juvenile Firesetter</b>	<b>Community</b>	Responsible for evaluating juveniles referred to the program to determine the best course of action and/or intervention that will change the juvenile's fire setting behavior.
Fire	Fire Prevention	<b>License and Permits</b>	<b>Community</b>	Works with the Building Department at the City's Building Development and Permit Center; known as One Stop Shop to ensure that all fire codes and issues are addressed during pre-development, renovations, and construction phases.
Fire	Fire Prevention	<b>Special Events</b>	<b>Community</b>	Provides crowd management and life safety guidelines, ensuring adequate fire/life safety protection as well as emergency medical service availability for special events.
Fire	Fire Prevention	<b>Schools Fire Prevention and Community Education</b>	<b>Community</b>	Educates approximately 35,000 children on Fire Safety and other safety concerns. Among these include participation in Safety Fairs, Fire Drills, School Programs and other Children events.
Fire	Fire Prevention	<b>Child Seat Installation</b>	<b>Community</b>	Provides citizens instructions on how to safely install car seats.
Fire	Personnel and Training	<b>Safety and Risk Management</b>	<b>Community</b>	Includes many functions related to the safety of the Cincinnati Firefighters and the conditions in which they work. Responds to numerous emergencies during the normal workweek and extra alarm emergencies after hours.
Fire	Personnel and Training	<b>Training</b>	<b>Community</b>	Provides the highest quality training and instruction for Cincinnati Firefighters. The Training Bureau's goal is to prepare Cincinnati Firefighters to serve their community in the most efficient and effective means possible, and to ensure firefighter safety.
Fire	Personnel and Training	<b>Internal Investigations</b>	<b>Community</b>	Handles complaints relative to employee conduct and performance and providing an effective way of dealing with citizens complaints.
Fire	Operations	<b>Suppression</b>	<b>Community</b>	Provides a continuity of service related to fire control and suppression.
Fire	Operations	<b>Emergency Medical</b>	<b>Community</b>	Provides advanced life support, basic life support and all needed emergency medical assistance.
Fire	Operations	<b>Heavy Rescue</b>	<b>Community</b>	Provides technical rescue operations such as trench rescue, vehicle entrapments, rope rescue, confined space, elevator emergency rescue, and rapid firefighter rescue team.
Fire	Operations	<b>River Rescue</b>	<b>Community</b>	Responds to all emergencies including boat fires, run away barges and other various floating vessels. Rescue of victims stranded in the river. Helps fight fires at dock side facilities. Assists in mitigating hazardous material spills in the river. Critical infrastructure inspections in coordination with the United States Coast Guard.
Fire	Operations	<b>Hazardous Materials</b>	<b>Community</b>	Responds to all emergencies related to hazardous material spills and leaks. Monitors the air for chemical/radiological releases or discharges.
Fire	Operations	<b>Bomb Squad</b>	<b>Community</b>	Responds to all emergencies related to explosive ordnance including devices, letters, hand grenades, meth labs, and fireworks. Provides bomb sweeps during visits from dignitaries and special events.
Fire	Operations	<b>Hydrant Inspections</b>	<b>Community</b>	Performs hydrant inspections and maintenance on a regular basis throughout the year.
Fire	Operations	<b>Building Inspections</b>	<b>Community</b>	Performs building inspections for both new and existing buildings throughout the year for compliance with the fire code and life safety. Performs pre-fire planning and familiarization inspections.
Fire	Executive Office	<b>Financial Management and Financial Planning</b>	<b>Admin</b>	Provides fiscal oversight, planning, management of the Fire Department's annual budget. Researches and applies for external grant funding to support Department's strategic goals.
Fire	Administration	<b>Administrative Support Services</b>	<b>Admin</b>	Provides direction, guidance, and oversight for all things purchased and maintained by CFD to complete the CFD mission. This program analyzes the value/opportunity cost of products, equipment, and technologies in the context of the available budget making the final determination whether or not equipment, products, services, or technologies are procured in keeping with respective responsible City Departments (i.e. Fleet, Facilities, Purchasing, etc.). This program has a significant impact and directly manages/strategizes for all logistics programs and services within the CFD.

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Fire	Administration	Information Technology	Admin	Program is responsible for identifying fire department emerging technologies, guaranteeing data integrity, ensuring uniform system security, recommendation/procurement of equipment, and the maintenance, usability and sustainability of technological assets. Program coordinates with Enterprise Technology Solutions (ETS) and performs technology support, implementation, and ongoing education/training using a fire department-centric approach. Fire department technology projects and ongoing support include emergency 24/365 support of the City/County Regional Operations Center and CFD Mobile Command Vehicle. Other ongoing projects include the Urban Area Regional Broadcast (UARB) system, fire personnel staffing module, fire apparatus computers/programs, training program computers/software, State mandated incident data reporting and ongoing coordination/assistance with ETS programs that impact the City (and CFD). Fire IT directly supports IT needs for over 100 fire vehicles, 32 fire facilities, and 800 fire department members.
Fire	Administration	Central Stores	Admin	Responsible for the execution of all purchases of equipment and supplies for CFD. Responsible for keeping CFD compliant with Small Business Enterprise (SBE) goals/objectives, procurement of tools/equipment used by firefighter-medics critical to the CFD mission of planning, preparedness, response, and recovery for CFD and the City. This program is also responsible for the coordination and management of several specialized multi-year projects for CFD including dock facilities project x 2, regional fire training center project, new fire stations, and new CFD headquarters.
Fire	Personnel and Training	Human Resources Management	Admin	Responsible for personnel matters. Some of the responsibilities of the Divisions are: Personnel safety, transfers, discipline, recruiting, and in service training.
Fire	Personnel and Training	Recruiting	Admin	Works with the City of Cincinnati's Civil Service Department to promote diversity within the rank and file of the Cincinnati Fire Department.
Health	Health Commissioner	Emergency Preparedness and Disease Surveillance	Community	Manages city-wide response to health risks, including bio-terrorism, communicable disease control, emergency preparedness, and communication with the federal Center for Disease Control.
Health	Community Health & Environmental Services	Administration & Health Promotion	Community	Provides administration for delivery of community & environmental health services, including health education and health promotion programs.
Health	Community Health & Environmental Services	Lead Based Paint Hazard Prevention and Treatment	Community	Includes administration, testing, inspections and prevention of lead based paint hazards to children and families in multi-family residential properties.
Health	Community Health & Environmental Services	Public Employee Assistance Program	Community	Provides management and oversight of employee assistance program for all City employees. All program costs are reimbursed by internal funds via cost allocations.
Health	Community Health & Environmental Services	Environmental Health Inspections	Community	Enforces health and safety codes including the weed and litter control program, and infractions that affect health and safety throughout the City. Responds to complaints and enforces orders to comply with municipal code.
Health	Community Health & Environmental Services	Restaurant and Food License Inspections	Community	Inspects restaurants for compliance with the state and local health codes; inspects all temporary food license holders; issues corrective orders, including fines and closures if needed.
Health	Community Health & Environmental Services	Waste Related Inspections	Community	Enforces state and local regulations related to solid waste, swimming pools, landfills, and junk vehicles.
Health	Community Health & Environmental Services	Vital Statistics	Community	Collects and disseminates birth and death certificates, analyzes vital statistics to provide insight on public health issues or concerns.
Health	Maternal & Infant Health	Women, Infants and Children	Community	Provides county-wide programs and services, such as blood tests, nutrition counseling, and administration of the WIC Food Grant Program to ensure healthy pregnancies and healthy children.
Health	Maternal & Infant Health	Reproductive Health & Wellness	Community	Provides county-wide reproductive health services - grant funded services - used to go to Planned Parenthood.
Health	Primary Care Programs	Community Nursing	Community	Provides home visits by nurses for services to maternal and infant health patients as well as home-bound adult population.
Health	Primary Care Programs	Bureau for Children with Medical Handicaps	Community	Provides case management and home visits for children with medical handicaps, including enrollment in Medicaid, referrals for other service needs and follow up care.
Health	Clinical Services & Population Health	Sexually Transmitted Disease Prevention and Treatment	Community	Provides screening, notification and treatment for persons with sexually transmitted diseases.
Health	Clinical Services & Population Health	Dental Administration and Sealants	Community	Provides administration of dental services at health centers and dental sealants program to 4,000 children via schools.

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Health	Clinical Services & Population Health	<b>Health Centers - Dental Services</b>	<b>Community</b>	Dental services are provided to all Cincinnatians who are uninsured or underinsured via the Crest Smiles Shoppe, most health centers and dental van for homeless.
Health	Clinical Services & Population Health	<b>Health Center - Medical Services</b>	<b>Community</b>	Provides wellness, preventative and sick visits for children and adults including pediatric care for children, primary care services for adults, and obstetric and gynecological services for women.
Health	Clinical Services & Population Health	<b>Health Centers - Pharmacy Services</b>	<b>Community</b>	Provides pharmacy services for all children and adults using City health centers.
Health	School & Adolescent Health	<b>School Nursing Program</b>	<b>Community</b>	Provides vision and hearing screenings, health assessments, medical referrals, immunizations, lead testing, and follow up for children who attend 43 targeted Cincinnati Public Schools.
Health	School & Adolescent Health	<b>School Based Health Centers</b>	<b>Community</b>	School-Based Health Centers provide a comprehensive range of clinical services that specifically meet the serious health problems of young people in the community. Nurse practitioners provide acute health care visits, as well as preventative care and wellness services, including: routine physical exams; asthma and other chronic illness diagnosis and management; prescriptions; lab tests; health and nutrition education; and referrals to other services.
Health	Health Commissioner	<b>Health Department Administration</b>	<b>Admin</b>	Provides professional, technical, management and administrative support to the Board of Health and staff, including Health Commissioner, Board Clerk, Medical Director, Public Information Officer.
Health	Health Commissioner	<b>Human Resources</b>	<b>Admin</b>	Manages all human resources related issues for the Health Department.
Health	Technical Resources	<b>Fiscal and Information Technology Management</b>	<b>Admin</b>	Provides fiscal management, information technology management and maintenance services for Health Department.
Health	Technical Resources	<b>Property Maintenance Services</b>	<b>Admin</b>	Provides routine and preventative maintenance of all Health Department facilities, and manages contractual work as needed.
Health	Community Health & Environmental Services	<b>Environmental Health Services Administration</b>	<b>Admin</b>	Manages overall environmental health programs including all inspection programs.
Health	Primary Care Programs	<b>Nursing Administration</b>	<b>Admin</b>	Provides oversight, training, management of nursing program.
Health	Clinical Services & Population Health	<b>Administration</b>	<b>Admin</b>	Elm Street, Cann, Millvale, Northside, Price Hill and Clement Health Centers provide safety net preventive and primary care services to all Cincinnatians who are uninsured or underinsured.
Health	School & Adolescent Health	<b>School Health Administration</b>	<b>Admin</b>	Administration of school health programs including school nursing program and school based health centers .
Human Resources	Human Resources	<b>Civil Service Testing and Selection</b>	<b>Governance</b>	Prepares and administer civil service exams, posts transfer bulletins and job announcements, verify applications, determine seniority calculations, and notify applicant of seniority points and test dates.
Human Resources	Human Resources	<b>Classification and Compensation</b>	<b>Governance</b>	Maintains the classification plan and perform job analysis and studies.
Human Resources	Human Resources	<b>Civil Service Commission</b>	<b>Governance</b>	Administers staff to Civil Service Commission, prepare docket items, and schedule disciplinary hearings.
Human Resources	Human Resources	<b>Professional/Staff development</b>	<b>Governance</b>	Facilitates city-wide training by providing registration, course offerings, and reporting.
Human Resources	Human Resources	<b>Labor Relations</b>	<b>Governance</b>	Responsible for negotiating and administering five labor contracts and maintaining and administering the City's Personnel Policies and Procedures.
Human Resources	Human Resources	<b>Employee relations</b>	<b>Governance</b>	Responsible for investigating and mediating employee complaints of discrimination and complaints more general in nature. Assists departments in complying with the Americans with Disabilities Act and Family Medical Leave Act.
Human Resources	Human Resources	<b>Cincinnati Human Resource Information System (CHRIS) Administration</b>	<b>Governance</b>	The Cincinnati Human Resource Information System (CHRIS) is responsible for human resources information processing as well as providing reports and information as requested. CHRIS is also responsible for administering the City's compensation program.
Human Resources	Human Resources	<b>Administration</b>	<b>Admin</b>	Responsible for the leadership of the Human Resources Department.
Law	Law	<b>General Counsel</b>	<b>Governance</b>	The General Counsel Division is responsible for implementing City Council and City Administration policy directives through drafting necessary legislation. Its attorneys protect the City from adverse legal consequences by providing appropriate legal advice to City Council, the City Administration, to all departments under the City Manager, and to City Boards and Commissions. The General Counsel Division proactively ensures that City elected and appointed officials and employees are aware of their obligations under state law by providing training on the requirements of Ohio's public records, open meetings, and ethics laws. Attorneys in the division also review and/or negotiate the majority of all contracts for the City except those related to economic development projects. General Counsel attorneys regularly assist City Boards, Commissions, and various ad hoc task forces and working groups by providing legal advice and drafting necessary legislation to effect the recommendations of those groups, thereby improving the quality of life for Cincinnati residents. The General Counsel attorneys regularly interface with City Council, City departments, the news media, and the public in relation to monitoring

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Law	Law	<b>Labor and Employment</b>	<b>Governance</b>	The Labor and Employment Division provides legal representation for City Departments for all labor and employment matters. This includes representation before the Civil Service Commission, labor arbitration panels, administrative agencies, and suits filed in State and Federal court. This section also handles all Workers' Compensation suits, as well as Workers' Compensation subrogation claims.
Law	Law	<b>Property Management and Real Estate</b>	<b>Governance</b>	Working under the Economic and Community Development Division, the Property Management Section is responsible for the inventory, management, and disposal of all City-owned or City-leased real property. Property Management is also responsible for issuing Revocable Street Privileges and the payment of all City Real Estate Tax bills. The Real Estate Section is responsible for the appraisal, negotiation, and acquisition of all real property needed by the City. This includes all property needed for economic development and transportation projects and all easements needed for the Greater Cincinnati Water Works and the Metropolitan Sewer District.
Law	Law	<b>Civil Litigation - Courts and Administration</b>	<b>Community</b>	The Litigation Division represents the City in civil litigation in Federal and State courts, defends against and prosecutes claims on behalf of the City, its officials, and employees, and provides representation at various hearings.
Law	Law	<b>Civil Litigation - Claims &amp; Collections</b>	<b>Community</b>	Litigation's Claims and Collections Section investigates and processes claims related to damages to personal or real property filed by citizens against the City and is also responsible for the collection of debts owed the City.
Law	Law	<b>Civil Litigation - Chronic Nuisance</b>	<b>Community</b>	Litigation's Chronic Nuisance section coordinates with the Police Department to identify properties that are chronic nuisance sites throughout the City, work with property owners to resolve the nuisance problems, and enforce violations of the ordinance.
Law	Law	<b>Administrative Hearings</b>	<b>Community</b>	The Office of Administrative Hearings hears cases from Notice of Civil Offenses and Civil Fines issued by the City of Cincinnati's Health Department, Department of Transportation, Fire Department, Police Department, and Buildings. The office addresses neighborhood quality of life and public safety concerns such as building code violations, litter, abandoned cars, illegal dumping, and weed control.
Law	Law	<b>Administrative Hearings - Zoning Hearings</b>	<b>Community</b>	The Office of Administrative Hearings also includes the Zoning Hearing Examiner which considers and decides applications for relief from the strict requirements of the zoning code. The application review process includes visiting sites, conducting public hearings, timely notifying all interested parties of the hearings, and issuing written decisions. The position ensures that development in the City strikes a careful balance between private and public interests.
Law	Law	<b>Community Prosecution</b>	<b>Community</b>	The Community Prosecution Section coordinates issues among City departments actively involved in addressing safety and quality of life issues critical to the stability of the community. Community Prosecution focuses on aggressively addressing blight in neighborhoods and prosecuting negligent property owners in Housing Court for building code, safety, and health violations that negatively impact their surrounding area. This section also handles all matters regarding liquor permits within the City before the Ohio Division of Liquor Control and the Liquor Control Commission.
Law	Law	<b>Economic and Community Development Legal Services</b>	<b>Community</b>	The Economic and Community Development Division provides City agencies with legal services associated with residential, commercial, and mixed-use development projects in the City that involve public funding, including the acquisition and disposition of real estate associated with such projects. Attorneys in Economic and Community Development also draft professional service contracts for the funding of human services, as well as a wide variety of contracts and other legal documents involving housing, transportation, real estate, and management of City-owned parking facilities, recreational facilities, and other City-owned properties. Economic and Community Development attorneys staff the City Planning Commission and Zoning Board of Appeals and assist the attorneys in the Civil Litigation Division with disputes that involve development issues, zoning, and other real property and land use matters.
Law	Law	<b>Prosecution</b>	<b>Community</b>	The City Prosecutor's Office is responsible for prosecuting all misdemeanors, including all traffic and criminal cases brought before the Municipal Court for violation of criminal offenses occurring within the City. The Prosecution Division employs a part-time Domestic Violence Victim Advocate to assist domestic violence victims. In addition, the City Prosecutor's Office hears appeals of public vehicle license denials and is responsible for nuisance abatement initiatives. The Prosecutor's office also provides training and legal counsel to the Police Department and related agencies.

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Law	Law	Law - Director's Office	Admin	Manage and direct all departmental functions of the entire department.
Non Departmental Accounts	Non Departmental Accounts	<b>Hamilton County Clerk of Court Fees</b>	<b>Community</b>	Payment for collection of parking fines according to contractual agreement.
Non Departmental Accounts	Non Departmental Accounts	<b>Board of Election Election Expense</b>	<b>Community</b>	City's share of election costs according to contractual agreement.
Non Departmental Accounts	Non Departmental Accounts	<b>Mayor's Office Obligations</b>	<b>Community</b>	Discretionary budget funds for unanticipated contingencies.
Non Departmental Accounts	Non Departmental Accounts	<b>Manager's Office Obligations</b>	<b>Community</b>	Discretionary budget funds for unanticipated contingencies.
Non Departmental Accounts	Non Departmental Accounts	<b>Downtown Special Improvement District</b>	<b>Community</b>	Contractual payments for the downtown Special Improvement District.
Non Departmental Accounts	Non Departmental Accounts	<b>Cincinnati Public School Reserves</b>	<b>Community</b>	Annual support provided according to contractual agreement.
Non Departmental Accounts	Non Departmental Accounts	<b>Cincinnati Music Hall</b>	<b>Community</b>	Annual support provided according to contractual agreement.
Non Departmental Accounts	Non Departmental Accounts	<b>Port Authority of Greater Cincinnati</b>	<b>Community</b>	Contractual payments for economic development services.
Non Departmental Accounts	Non Departmental Accounts	<b>Property Investment Reinvestment Agreements</b>	<b>Community</b>	Payments made for multi-year job creation agreements.
SORTA	SORTA	<b>Southwest Ohio Regional Transit Authority Support</b>	<b>Community</b>	Annual support provided according to contractual agreement.
Non Departmental Accounts	Non Departmental Accounts	<b>Contribution To City Pension</b>	<b>Fixed</b>	Fixed Cost
Non Departmental Accounts	Non Departmental Accounts	<b>Contribution To Police Pension</b>	<b>Fixed</b>	Fixed Cost
Non Departmental Accounts	Non Departmental Accounts	<b>Contribution To Fire Pension</b>	<b>Fixed</b>	Fixed Cost
Non Departmental Accounts	Non Departmental Accounts	<b>Workers' Comp Insurance</b>	<b>Fixed</b>	Fixed Cost
Non Departmental Accounts	Non Departmental Accounts	<b>Police &amp; Fire Fighters' Ins</b>	<b>Fixed</b>	Fixed Cost
Non Departmental Accounts	Non Departmental Accounts	<b>State Unemployment Comp</b>	<b>Fixed</b>	Fixed Cost
Non Departmental Accounts	Non Departmental Accounts	<b>General Fund Overhead</b>	<b>Fixed</b>	Fixed Cost
Non Departmental Accounts	Non Departmental Accounts	<b>Indirect Costs</b>	<b>Fixed</b>	Fixed Cost
Non Departmental Accounts	Non Departmental Accounts	<b>Judgments Against The City</b>	<b>Fixed</b>	Fixed Cost
Non Departmental Accounts	Non Departmental Accounts	<b>HUD Section 108 Debt Service</b>	<b>Fixed</b>	Fixed Cost
Non Departmental Accounts	Non Departmental Accounts	<b>Reserve For Contingencies</b>	<b>Fixed</b>	Fixed Cost
Non Departmental Accounts	Non Departmental Accounts	<b>Lump Sum Payment</b>	<b>Fixed</b>	Employee payouts of accrued leave balances.
Non Departmental Accounts	Non Departmental Accounts	<b>Audit And Examiner's Fees</b>	<b>Governance</b>	Required fees to comply with state law and municipal code.
Non Departmental Accounts	Non Departmental Accounts	<b>Hamilton County Treasurer &amp; Auditor Fees</b>	<b>Governance</b>	Required fees to compensate for expenses associated with moneys collected by the County Treasurer and Auditor for the City of Cincinnati.
Non Departmental Accounts	Non Departmental Accounts	<b>Enterprise Software and Licenses</b>	<b>Governance</b>	Fees for City-wide software and licenses. An example is a fee for CHRIS, the Human Resources computer system used city-wide.
Non Departmental Accounts	Non Departmental Accounts	<b>Memberships &amp; Lobbyists</b>	<b>Governance</b>	Fees for City-wide memberships, lobbying and consulting services.
Parks	Parks Operations and Facility Management	<b>Park Operations and Maintenance</b>	<b>Community</b>	This program provides the on-going maintenance of the 5,200 acre park system which includes mowing, trimming, weeding, planting, watering, and litter control.
Parks	Parks Operations and Facility Management	<b>Park Land Management</b>	<b>Community</b>	This program provides the on-going maintenance of the green infrastructure of the park system including management of invasive plant species, deer management, natural prairies, controlled burns, habitat management, trail management, natural watershed, and pruning according to the Park Board's maintenance standard guidelines. This program handles public safety and keeping sustainable green infrastructure with in our community.
Parks	Parks Operations and Facility Management	<b>Tree Maintenance</b>	<b>Community</b>	This program manages the tree population within the park system, which is over 5,200 acres. Staff remove dead and dying trees in order to mitigate hazards and invasive insects such as Emerald Ash Bore Beetle and the Long Horned Beetle.
Parks	Parks Operations and Facility Management	<b>Greenspace</b>	<b>Community</b>	This program provides the ongoing maintenance of the community and business district, and highway greenspace within the city, which includes mowing, trimming, weeding, planting, watering, litter control and pruning according to the Park Board's maintenance standard guidelines. This program is important for the livability of the community, business districts, and highway greenspace that welcome citizens and visitors to Cincinnati. These areas promote an inviting city and encourage that citizens and visitors are in a safe and well maintained area.
Parks	Parks Operations and Facility Management	<b>Urban Forestry</b>	<b>Community</b>	This program manages the City's Street Tree program. There are over 80,000 street trees between the curb and the sidewalk throughout the city. This program manages the annual assessment collected and spent to maintain these trees on a six-year cycle. This program promotes the livability of our city. The Park Board and the City have received the Tree City USA Award for 31 years. It is a proven fact that citizens receive \$85.12 in benefits per tree a each year.

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Parks	Parks Operations and Facility Management	<b>Summer Youth</b>	<b>Community</b>	This program provides the summer youth employment in the park system, which includes mowing, trimming, weeding, planting, watering, litter control and pruning according to the Park Board's maintenance standard guidelines. Each youth is paired with Park Board employees and receives training and work experience delivering park series to the public. The goal is to ready these youth to secure jobs in the future, as well as give them some experience in the working world. We also include training courses to enhance the youth's experience in following directions, being timely, accountable, writing a resume, basic customer service, and follow up.
Parks	Parks Admin and Program Services	<b>Planning &amp; Design</b>	<b>Community</b>	This program provides for on-going capital improvements to all park infrastructure assets. It also is responsible for implementing the Park Board's overall Master Plan. This program provides for hard and green infrastructure that supports public safety, sustainably built infrastructure, supports natural environments, and promotes commerce and jobs through out the park system.
Parks	Parks Admin and Program Services	<b>Krohn Conservatory</b>	<b>Community</b>	This program manages the on-going operations of the Krohn Conservatory, which includes over 5,000 plants, and multiple events annually including six unique floral shows each year.
Parks	Parks Admin and Program Services	<b>Warder Nursery</b>	<b>Community</b>	This program operates the greenhouses at Warder Nursery. This program provides the plant propagation for the Krohn Conservatory shows and permanent collection.
Parks	Parks Admin and Program Services	<b>Nature Education &amp; Centers</b>	<b>Community</b>	This program provides more than 1,500 nature programs to the citizens of Cincinnati each year. The programs are a combination of free and paid and reach all social economic levels, and reaches citizens of the region. This program is all about recycling materials into educational tools, using nature as your entertainment, and getting outside. This program promotes "no child left inside," and combats behavioral issues with children.
Parks	Parks Admin and Program Services	<b>Parks Facility Maintenance</b>	<b>Community</b>	This program provides for reliable facilities and structures throughout the park system. This program performs over 1,300 preventive & predictive maintenance tasks each year, addresses emergency maintenance issues, and provides contractual oversight when needed.
Parks	Parks Admin and Program Services	<b>Customer Service</b>	<b>Community</b>	This program provides oversight of customer service requests and special permitting, and manages the rental process of park sites including premier facilities. This program provides public safety through good customer service. When citizens and visitors have a great experience they provide for a presence in the park system, through this presence the bad elements stay out and make the Police Department's job much easier. This program is responsible for shelter & facility rentals, parking permits, photo permits, special event permits, special use permits, wedding permits, managing the 22 Park Advisory Councils, and delivering training throughout the park system. This program keeps our neighborhoods livable through the customer service delivery of our employees, as well as the service the citizen's receive when they enter our park system.
Parks	Parks Admin and Program Services	<b>Park Special Events</b>	<b>Community</b>	This program provides staffing and management of special events that occur throughout the park system.
Parks	Parks Admin and Program Services	<b>Financial &amp; Business Services</b>	<b>Admin</b>	This program provides for the financial and business oversight for the Park Board, which includes budgeting, finance, human resources, safety, training, procurement, technology, and oversight of the department's utilities, phones, and sewer charges. This program ensures financial planning and efficient and effective management. This program provides support for all programs and services of the Park Board. It also measures the financial efficiency of the department as well as the return on tax payer dollars each year. Moreover this program provides for the compilation of the Park Board's Annual Report each year. It also prepares all presentations to potential donors, City Council, and the Mayor.
Parks	Parks Operations and Facility Management	<b>Operations Administration</b>	<b>Admin</b>	This program provides administration for Parks Operations and Facility Management.
Parks	Parks Office of the Director	<b>Director's Office</b>	<b>Admin</b>	The Director's Office manages the entire department according to the Park Board's Annual Business Plan approved by the Board of Park Commissioners. The Plan focuses on the Park Board's Basic Principles; Clean, Safe, Reliable, Green, Beautiful, and Enriching.
Planning and Buildings	Planning	<b>Land Use Planning</b>	<b>Community</b>	This program maintains efficient review for subdivisions, zone changes, text changes, planned developments, conditional uses, variance special exceptions, hillsides, design review districts, and the sale or lease of city owned property.
Planning and Buildings	Planning	<b>Historic Conservation</b>	<b>Community</b>	This program maintains historic districts, provides environmental reviews of activities, particularly federally funded program reviews for historic properties, manages historic preservation federal tax credits, and conducts heritage & historic research.
Planning and Buildings	Buildings	<b>Permit Center Customer Service</b>	<b>Community</b>	This program manages permit issuance and customer service for the Permit Center.
Planning and Buildings	Buildings	<b>Plan Examination</b>	<b>Community</b>	This program reviews applications, plans, and specifications for residential and commercial buildings to ensure code compliance.
Planning and Buildings	Buildings	<b>Building Inspection</b>	<b>Community</b>	This program performs all construction inspections with exception of plumbing, including structural, electrical, HVAC, etc.
Planning and Buildings	Buildings	<b>Plumbing Inspections</b>	<b>Community</b>	This program performs all plumbing construction inspections.
Planning and Buildings	Buildings	<b>Elevator Inspections</b>	<b>Community</b>	This program provides for the inspection of all elevators, escalators, and other assorted equipment within the City of Cincinnati.

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Planning and Buildings	Planning	<b>Planning Administration</b>	<b>Admin</b>	This program includes all leadership and administrative staff for the Department of Planning and Buildings.
Planning and Buildings	Buildings	<b>Buildings Administration</b>	<b>Admin</b>	This program includes all leadership and administrative staff for the Department of Planning and Buildings.
Police	Neighborhood Policing	<b>Patrol Services</b>	<b>Community</b>	Routinely provides police services, including 24 hours/day, 7 days/week, city-wide response to emergency calls and non-emergency calls for service. These officers are the first responders who initiate neighborhood problem solving, crime prevention initiatives, investigation of crime offenses, and address quality of life issues such as noise violations, animal issues, abandoned vehicles, abandoned buildings, and persons dealing with mental health issues, by serving as the conduit to other City services.
Police	Neighborhood Policing	<b>Marine Patrol Squad</b>	<b>Community</b>	Provides police patrols on the Ohio River during events and activities occurring on the riverfront such as Riverfest and dignitary visits. The Marine Patrol Squad's primary function is to protect life and property on the river and its associated boundaries, while enforcing laws and ordinances when necessary. There are no officers assigned to this squad full time. Officers are detailed on an as needed basis.
Police	Neighborhood Policing	<b>Mounted Patrol Squad</b>	<b>Community</b>	The Mounted Patrol Squad provides an added dimension to policing: crowd control, visibility, public relations, mobility, and travel into areas not accessible by other vehicles. Mounted Patrol Squad officers patrol all areas of the City, including the downtown business district with emphasis on Fountain Square and the Central Riverfront. The unit is also available to provide service to the five districts upon request.
Police	Neighborhood Policing	<b>Neighborhood Liaison Units</b>	<b>Community</b>	Officers assigned to the Neighborhood Liaison Units serve as a primary contact for the community to address recurring crime problems and quality of life issues. Citizens can contact these officers via e-mail or the 24-hour Community Problem Oriented Policing (CPOP) cell phone. These officers take the lead in applying the components of problem solving and community policing to address community concerns.
Police	Neighborhood Policing	<b>Investigative Units</b>	<b>Community</b>	These officers investigate crimes within their assigned districts such as such as robberies, burglaries, copper theft, theft from autos, domestic violence, and assaults. When necessary, these units coordinate these investigations with other district investigative units and the Criminal Investigations Section (CIS).
Police	Neighborhood Policing	<b>Violent Crimes Squads (VCS)</b>	<b>Community</b>	The Violent Crimes Squads (VCS) are non-uniform officers who concentrate on responding to and investigating patterns of violent crimes and crimes within targeted district hotspots. These officers also serve outstanding warrants to arrest and incarcerate the subjects committing these violent crimes.
Police	Neighborhood Policing	<b>Special Events Unit</b>	<b>Community</b>	Coordinates planning for city-wide events and various special events with vendors and other City departments, processes permit applications and not withstanding ordinances, and manages the Police Department's participation during these events (possibly simultaneous events.) Examples of major events include Riverfest and Cincinnati Reds Opening Day, as well as smaller events like church festivals, parades, walks, races, neighborhood street parties, etc.
Police	Neighborhood Policing	<b>School Crossing Guards</b>	<b>Community</b>	Part-time civilian employees serve as school crossing guards providing critical service by ensuring the safety of school children during peak traffic periods. This program is fully reimbursed by the schools.
Police	Special Operations	<b>Special Weapons and Tactics (SWAT) &amp; Tactical Planning Unit</b>	<b>Community</b>	Performs tactical planning and training for City and department personnel. Available for special weapons and tactics (SWAT) response to critical incidents and high risk search warrants on a 24 hours/day, 7 days/week basis. This unit is augmented for emergency responses by other Special Weapons and Tactics (SWAT) trained personnel. Serves as liaison with local, state, and federal resources related to homeland security and all types of emergency preparedness for the City and surrounding communities.
Police	Special Operations	<b>Safe Streets Unit</b>	<b>Community</b>	Provides department-wide enforcement of an intensive, zero-tolerance approach to street crimes, drug trafficking, and quality of life issues. Services include seeking out and arresting both minor and major criminal offenders by enforcing every law and employing every tool available to inconvenience criminals. This includes the use of uniform patrols, mountain bike officers, plainclothes officers, and confidential informants (CIs). Also assists the districts by targeting hot spots and providing additional uniform presence during high profile community events.
Police	Special Operations	<b>Parks Unit</b>	<b>Community</b>	Provides patrol of the City's 141 park areas, which encompass 4,765 acres of land. Provides a visible police presence, response to citizen requests for assistance, enforcement of criminal and traffic laws, regulation of non-criminal conduct, investigation of criminal activity, and enforcement of park rules. The Parks Unit also represents the department on matters concerning the planning and coordination of events within the City's parks.

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Police	Special Operations	<b>Canine Squads</b>	<b>Community</b>	The Canine Squads include patrol canines, narcotic detection canines, and explosive device detection canines and their associated handlers. The Patrol Canine Squad is responsible for assisting district officers in high-risk search situations, including natural disaster response, for rescue and recovery services, and the tracking of felony suspects, suspects reasonably believed to be armed, and suspects of other crimes of violence. The Detection Canine Squad is responsible for the completion of two distinct missions: 1) The narcotic detection teams are responsible for assisting officers in detecting and locating illegal narcotics; these teams respond to scenes as requested; and 2) The explosive device teams are responsible for assisting officers in locating explosive devices. The Detection Canine Squad will respond to calls for service, be available for planned events, and conduct proactive searches such as sweeps prior to dignitary visits. The Canine Squads work in conjunction with other law enforcement agencies within Hamilton County through mutual aid agreements.
Police	Special Operations	<b>Traffic Unit</b>	<b>Community</b>	Responsible for coordinating the department's traffic enforcement efforts. The unit includes sworn personnel operating both marked patrol vehicles and motorcycles. Provides selective enforcement and other specialized traffic-related services including: radar and intoxilyzer training and certification, fatal accident investigation, assisting the Federal Aviation Administration (FAA) and the Ohio State Highway Patrol (OSHP) in aircraft crash investigations, and assisting the Ohio Department of Natural Resources (ODNR) Division of Watercraft, in boat crash investigations. The unit also acts as a liaison and an implementation site for state programs such as the seat belt and holiday drunk driving programs. Additionally, this unit utilizes civilian staff to provide public vehicle inspections and to regulate the Private Police commissioned by the Police Chief.
Police	Special Operations	<b>Violent Crimes Enforcement Team (VCET)</b>	<b>Community</b>	The Violent Crimes Enforcement Team (VCET) is a task force sponsored by the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF). The team is comprised of agents from the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF), Cincinnati police officers, and Ohio parole officers. Violent Crimes Enforcement Team (VCET) officers target illicit gun traffickers, prohibited-convicted felons who possess firearms, offenders identified in the Cincinnati Initiative to Reduce Violence (CIRV) program, and conduct gang investigations.
Police	Special Investigations	<b>Narcotics and Vice Unit</b>	<b>Community</b>	The Narcotics and Vice Unit is comprised of three squads: Drug Major Violators Squad, the Vice Regulatory Enforcement Squad, and the Drug Enforcement Administration Agency Squad. These squads coordinate department activity related to general vice and drug enforcement, including laws related to liquor, prostitution, gambling, drugs, obscenity, pornography, and regulatory violations.
Police	Special Investigations	<b>Intelligence Unit</b>	<b>Community</b>	Gathers, analyzes, stores, and disseminates information concerning organized crime, terrorist activity, and criminally violent groups. Monitors threats against public safety, threats against public officials, and threats against police officers. Oversees firearm investigations, fencing of stolen property, pawn shop coordination, auto theft coordination, and the coordination of city-wide investigative efforts for burglary offenses. Maintains a network of communication with regional and national intelligence organizations.
Police	Special Investigations	<b>Intelligence Unit: Special Task Forces</b>	<b>Community</b>	This Intelligence Unit is tasked with participating in special task forces as required by the department. For example, the Southern Ohio Fugitive Apprehension Strike Team (SOFAST) is a multi-agency task force headed by the United States Marshals Office designed to locate and apprehend those persons wanted for violent felonies. This partnership formed by the participation of multiple agencies combines resources and allows for ease in crossing jurisdictional boundaries to locate and apprehend fugitives. Another task force, Project Disarm, involves a partnership between the department, the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF), the Hamilton County Prosecutor's Office, and the United States Attorney's Office to investigate and prosecute those engaged in the illegal possession and trafficking of firearms. Cases involving persons arrested for the illegal possession of firearms by Cincinnati police officers are reviewed, and those who have a high propensity for violence are designated for prosecution under Project Disarm. Those cases are then prosecuted federally where the sentences tend to be much stricter. These efforts work hand in hand with the Cincinnati Initiative to Reduce Violence
Police	Special Investigations	<b>Criminal Investigations Section: Homicide Unit</b>	<b>Community</b>	Investigates homicides, all violent or suspicious deaths, fire deaths, police shootings, police use of force resulting in hospitalization, prisoner deaths while in custody, potentially fatal assaults, felony patient abuse and neglect cases, kidnappings and abductions. Maintains a central file of confiscated weapons. Administers the department's Robbery Apprehension Program (RAP) which provides alarms for residents and businesses that are subjects of repeat robbery offenses. This unit also serves as the department's liaison with the Hamilton County Coroner's Office and is responsible for the direct supervision of the Criminalistics Squad which provides crime scene processing and evidence analysis.

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Police	Special Investigations	<b>Criminal Investigations Section: Personal Crimes Unit</b>	<b>Community</b>	Investigates rapes and other sexual assault offenses, missing persons, child stealing, and certain other crimes against children. Acts as a liaison with the Hamilton County Juvenile Court and other social support organizations. Coordinates and schedules all polygraph and computer voice stress analyzer examinations.
Police	Special Investigations	<b>Criminal Investigations Section: Major Offenders Unit</b>	<b>Community</b>	Responsible for the operation of the Financial Crimes Squad, which conducts investigations of financial institution robberies, fraud, forgery, credit card fraud, identity theft, check fraud, embezzlement, extortion, and coercion and bribery offenses. This unit also administers the Rapid Indictment Program (RIP) which utilizes designated officers to present cases directly to the Hamilton County Grand Jury. This program is a court overtime cost savings measure.
Police	Special Investigations	<b>Crime Analysis &amp; Problem Solving</b>	<b>Community</b>	Responsible for coordinating the department's efforts in the application of problem solving methodologies. Transforms raw information and data into intelligence for police deployment and to facilitate tactical, strategic, and administrative decision making. Acts as a liaison between external and internal sources of information regarding issues affecting both local and regional law enforcement. Coordinates the collection, processing, and dissemination of relevant data throughout the department. Coordinates training for district crime analysts, reviews new information sources for possible use by the department, and coordinates department wide reports for use by the command staff. These services are supported by the Project Coordination Squad and the Real Time Crime Center (RTCC) / Crime Stoppers.
Police	Operations Support	<b>Evidence &amp; Property Management Section: Court Property Unit</b>	<b>Community</b>	Tracks, maintains custody, and disposes of items found, confiscated, forfeited, or held as evidence. Responsible for the disposal of unclaimed property and the destruction of drugs and weapons.
Police	Operations Support	<b>Evidence &amp; Property Management Section: Impound Unit</b>	<b>Community</b>	Receives, secures, and disposes of impounded and seized vehicles. Auctions off unclaimed and forfeited vehicles and exercises supervision of private towing companies on the police rotation towing list.
Police	Operations Support	<b>Evidence &amp; Property Management Section: Supply Unit</b>	<b>Community</b>	Orders, receives, stores, and distributes items needed by the department to maintain normal operations. This responsibility includes office supplies, report and administrative forms, firearms and related equipment, as well as uniform orders and maintenance. This unit directs an annual inspection of uniform parts and other department issued equipment.
Police	Operations Support	<b>Evidence &amp; Property Management Section: Fleet Management Unit</b>	<b>Community</b>	Manages current vehicular needs and plans for future vehicular needs, maintains a liaison with the Division of Fleet Services, and monitors vehicle usage by department personnel. Maintains records of mileage, service, accidents, and damage involving department vehicles, as well as from periodic and special reports.
Police	Operations Support	<b>Police Records</b>	<b>Community</b>	Receives, reviews, and maintains most criminal offense reports, auto accident reports, and related records. Responsible for maintaining the department's computerized criminal and traffic court dockets, court information sheets, and statistical reports. Processes traffic violation citations, Ohio Crash Reports, and applications for firearm transfer and registration. Responds to all public records requests.
Police	Operations Support	<b>Police Records: Telephone Crime Reporting Unit (TCRU)</b>	<b>Community</b>	Receives and processes minor complaints and offense reports by telephone for the department.
Police	Planning and Professional Standards	<b>Professional Standards Section</b>	<b>Community</b>	Responsible for investigating citizen complaints of a serious nature, complaints of alleged police misconduct, alleged misconduct of department civilian employees and use of force incidents that result in serious injury or death. This section coordinates pre-disciplinary hearings in conjunction with the department hearing officer(s) and coordinates the investigation of complaints referred by the Citizens Complaint Authority (CCA).
Police	Planning and Professional Standards	<b>Inspections Section</b>	<b>Community</b>	Monitors the activity of the department through staff inspections and unannounced inspections conducted on a random basis, including the department's random drug-testing program. At the annual uniform inspection, the condition of issued equipment is monitored, and compliance with department dress and grooming standards is ensured. Conducts critical reviews of all use of force incidents and serves as the department's central record repository for all use of force incidents.
Police	Planning and Professional Standards	<b>Planning Section</b>	<b>Community</b>	Develops policies and procedures to implement best practices and professional standards. Responsible for planning, research, and development of programs that maximize the effective use of department personnel and resources. Responsible for long-range planning, developing and maintaining forms and procedures, conducting legal research, and tracking civil litigation involving the department and its members. Serves as the department's liaison with the City Solicitor's Office.

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Police	Personnel Training and Support	<b>Human Resources Section: Training Unit</b>	<b>Community</b>	Develops and conducts training programs, including recruit, in-service, and firearms training with the Firearms Training Simulator (FATS). Conducts training in the areas of supervision, management, physical fitness, self-defense, officer survival, interpersonal skills, legal issues, and current topics. Coordinates numerous outside training requests, Federal Bureau of Investigation (FBI) training programs, and computer training programs. Produces training bulletins, memos, and video programs for department use at roll calls. Conducts the Citizen Police Academy and Student Police Academy.
Police	Personnel Training and Support	<b>Human Resources Section: Firearms Training Unit</b>	<b>Community</b>	Responsible for the department's live firearms training. Conducts annual firearms qualifications for all sworn personnel and firearms instruction for police recruits. This unit inspects, repairs, and evaluates department firearms and makes recommendations on appropriate ammunition for department use.
Police	General Administration and Support	<b>Police Chief's Community Liaison</b>	<b>Community</b>	Coordinates the department's Police Community Relations Efforts including Community Liaison Officers, School Resource Officers, Citizens on Patrol, Police Cadets, Police Explorers, and other department youth initiatives.
Police	Technology Support	<b>Technology and Systems Section</b>	<b>Community</b>	Assists and supports all levels of the department in the planning, installation, and utilization of information technology. Facilitates the collection, storage, and distribution of electronic data. Responsible for the implementation and operation of special applications such as mobile vehicle recorders, surveillance camera systems, and automated license plate reader technology. Provides liaison staff to the Emergency Communications Center (ECC).
Police	Emergency Communications Center	<b>E9-1-1 Call Handling</b>	<b>Community</b>	ECC processes approximately 35,000 E9-1-1 calls per month. These calls may be for police emergencies, fire emergencies, or medical emergencies. The call-taker inputs the incident into the Computer Aided Dispatch (CAD) system for police or fire dispatch. If the call is for a medical emergency, the call-taker will activate the Emergency Medical Dispatch software which involves going through a scripted protocol with the caller, determining the nature of the medical emergency, and providing pre-arrival or post-dispatch instructions to the caller.
Police	Emergency Communications Center	<b>Administrative Call Handling</b>	<b>Community</b>	ECC handles approximately 21,000 administrative or non-emergency calls per month. These calls may be requests for information, requests for directions, inquiries related to old incidents, or for any other purpose.
Police	Emergency Communications Center	<b>Police Dispatch</b>	<b>Community</b>	Police Dispatchers dispatch approximately 37,000 police incidents per month. These dispatchers also are tasked with updating the Computer Aided Dispatch (CAD) system, staying in radio contact with officers in the field, and handling officer requests for National Crime Information Center (NCIC) and Regional Crime Information Center (RCIC) information.
Police	Emergency Communications Center	<b>Fire Dispatch / Emergency Medical Services (EMS) Dispatch</b>	<b>Community</b>	Fire Dispatchers dispatch approximately 6,300 fire incidents per month including 4,500 medical incidents. These dispatchers are responsible for maintaining contact with firefighters in the field, making emergency notifications, acting as back-up to E9-1-1 call-takers for Emergency Medical Services (EMS) Dispatch, and activating the civil defense sirens.
Police	General Administration and Support	<b>Administration</b>	<b>Admin</b>	Provides executive leadership, management, and administration of department programs and services. Provides information to the public via various media outlets and the department website.
Police	Personnel Training and Support	<b>Human Resources Section: Personnel Unit</b>	<b>Admin</b>	Maintains employee personnel records, coordinates personnel assignments, and maintains a liaison between department employees, the City physician, the police psychologist, and the City's Human Resources Department. It also processes Family Medical Leave Act (FMLA) requests, coordinates Americans with Disabilities Act (ADA) requests, monitors the injured with pay (IWP) process, coordinates the sick leave request process, monitors the grievance process, and maintains records concerning the department's Affirmative Action Plan. Assists department employees engaged in the retirement or resignation process. Provides a liaison to the Ohio Police & Fire Pension Fund (OP&F) Board and the City's Retirement Office.
Police	Personnel Training and Support	<b>Human Resources Section: Recruitment and Background Squad</b>	<b>Admin</b>	Provides recruitment outreach, testing, and selection of personnel for sworn recruit classes and provides background investigation services for the Police Department and the Emergency Communications Center (ECC).
Police	General Administration and Support	<b>Fiscal Affairs</b>	<b>Admin</b>	Develops and manages the department budget; provides data entry for police requisitions and certifications; and processes accounts payable and accounts receivable. Compiles and processes payroll information. Manages federal and state grants, federal and state asset forfeiture funds, and other special funds. Ensures compliance with Federal, State and City statutes, ordinances, and policies relative to fiscal issues. Enforces provisions of the False Alarm Ordinance.

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Police	Emergency Communications Center	<b>Administration</b>	<b>Admin</b>	ECC responsibilities focus on public safety by directly supporting the mission of emergency responders, including law enforcement, fire, and emergency medical services. This program provides support for the Emergency Communications Center's (ECC) operations by handling budget and finance issues, training, policy and procedure development, resource management, information technology support, reporting, and quality assurance / quality improvement efforts.
Public Services	Traffic and Road Operations	<b>Winter Operations</b>	<b>Community</b>	This program provides safe roadways during snow and ice events and addresses isolated icing when weather conditions warrant.
Public Services	Traffic and Road Operations	<b>Traffic Control</b>	<b>Community</b>	This program maintains safe traffic flow by maintaining over 150,000 traffic signs and over one million lines of pavement markings in the roadway. This program also provides traffic control during special events as well as roadway emergencies. Lastly, this program manufactures and designs signage.
Public Services	Traffic and Road Operations	<b>Pavement Maintenance</b>	<b>Community</b>	This program provides repair and maintenance for potholes, pavement, gutters, and traffic speed bumps.
Public Services	Traffic and Road Operations	<b>Structure Maintenance</b>	<b>Community</b>	This program maintains city walls, bridges, steps, guardrails and attenuators. This program also maintains inlets and storm drains.
Public Services	Traffic and Road Operations	<b>Traffic Signal Systems</b>	<b>Community</b>	This program provides repair and maintenance for all roadway signals such as, traffic signals, school crossing signals, and crosswalk signals.
Public Services	Traffic and Road Operations	<b>Roadway Lighting Systems</b>	<b>Community</b>	This program provides repair and maintenance for all roadway lighting in the Central Business District and for all light poles owned by the City.
Public Services	Division of Neighborhood Operations	<b>Keep Cincinnati Beautiful Support</b>	<b>Community</b>	This program educates the public on beautification, litter prevention, waste reduction, and recycling.
Public Services	Division of Neighborhood Operations	<b>Solid Waste Curbside Collection</b>	<b>Community</b>	This program provides weekly curbside collection of solid waste.
Public Services	Division of Neighborhood Operations	<b>Tire Collection</b>	<b>Community</b>	This program provides curbside tire collection on a weekly basis with a four tire per address limit.
Public Services	Division of Neighborhood Operations	<b>Street Sweeping Code Enforcement</b>	<b>Community</b>	This program issues parking citations to illegally parked cars interfering with street sweeping services.
Public Services	Division of Neighborhood Operations	<b>Central Business Area Cleaning</b>	<b>Community</b>	This program utilizes a crew of inmates overseen by a sheriff to clean debris from the right of way in the Central Business District and in Over-The-Rhine.
Public Services	Division of Neighborhood Operations	<b>Dead Animal Removal</b>	<b>Community</b>	This program removes dead animals from the right-of-way. This program also provides the staffing necessary for response to Winter Operations.
Public Services	Division of Neighborhood Operations	<b>Graffiti Abatement</b>	<b>Community</b>	This program paints over and/or cleans graffiti from the public right of way. This program also provides the staffing necessary for response to Winter Operations.
Public Services	Division of Neighborhood Operations	<b>Neighborhood Right-Of-Way Cleaning</b>	<b>Community</b>	This program provides resources to remove debris and litter, dumped materials such as tires, yard waste, construction and roofing materials and unwanted furniture, from alleys and the right of way. This program also empties corner trash cans through Neighborhoods. Lastly, this program also provides the staffing necessary for response to Winter Operations.
Public Services	Division of Neighborhood Operations	<b>Citywide Dumpster Program</b>	<b>Community</b>	This program maintains yard and run roll off boxes to remove trash, yard waste, metal and tires. This program also provides roll off containers for community clean up events. Employees also drive trucks for snow removal during the winter. Lastly, this program also funds the tipping fees for all debris collected in all City dumpsters.
Public Services	Division of Neighborhood Operations	<b>Customer Service</b>	<b>Community</b>	This program is the 591-6000 Call Center that is responsible for taking customer calls for all City agencies. This program also provides notification to the Divisions in the Department of Public Services of matters that need immediate attention. For example, missed garbage collection, customer notification for dead animal removal and customer concerns regarding Winter Operations.
Public Services	Division of Neighborhood Operations	<b>Greenspace &amp; Lots</b>	<b>Community</b>	This program includes cutting grass and removing weeds, debris and litter in right-of-ways, steps, walls and guardrails. This program also provides funding for staffing during Winter Operations.
Public Services	Division of Neighborhood Operations	<b>Cemetery Management</b>	<b>Community</b>	This program is the result of a court order to provide grass mowing and necessary maintenance to the Wesleyan Cemetery.
Public Services	Division of Neighborhood Operations	<b>Street Sweeping</b>	<b>Community</b>	This program supports the Street Sweeping Program by removing vehicles that would impede street sweeping. This program is also responsible for the removal of signs on City owned property and in the right-of-way.
Public Services	Division of City Facility Management	<b>Fountain Square/Skywalk System</b>	<b>Community</b>	This program funds the maintenance, utilities and other operational costs to assist 3CDC in the daily operations of Fountain Square by monitoring and overseeing the various contracts.

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Public Services	Office of the Director of Public Services	<b>Administration</b>	<b>Admin</b>	This program oversees the administration and operation of the Public Services Department.
Public Services	Office of the Director of Public Services	<b>Financial &amp; Quality Control</b>	<b>Admin</b>	This program manages strategic planning, reporting, financial accounting and budgeting and systems.
Public Services	Office of the Director of Public Services	<b>Human Resources</b>	<b>Admin</b>	This program manages human resources and employee safety.
Public Services	Traffic and Road Operations	<b>Administration</b>	<b>Admin</b>	This program oversees the administration and operation of the Traffic and Road Operations Division.
Public Services	Division of Neighborhood Operations	<b>Administration</b>	<b>Admin</b>	This program oversees the administration and operation of the Neighborhood Operations Division.
Public Services	Division of City Facility Management	<b>Property Management</b>	<b>Governance</b>	This program funds the costs to oversee and support private entities operating City owned assets such as Fountain Square, City Hall, Findlay Market, and Centennial Two or private groups which occupy City buildings such as the Art Museum and Music Hall.
Public Services	Division of City Facility Management	<b>Maintenance Services</b>	<b>Governance</b>	This program provides daily repair and operational maintenance of 911, all Police and Fire Stations, City Hall, and all other general fund buildings. This program also provides oversight of State mandated testing and maintenance of building safety systems. This program provides the necessary management of Energy Performance Contracts.
Public Services	Division of City Facility Management	<b>Energy Costs</b>	<b>Governance</b>	This program provides for the payment of Utility Bills for gas and electric.
Public Services	Division of City Facility Management	<b>City Hall Operations</b>	<b>Governance</b>	This program provides staffing and material costs to seamlessly operate City Hall so occupants and citizens can function effectively. This also includes overseeing the daily functions of private contractors and frequent interaction with City Administration.
Public Services	Division of City Facility Management	<b>Architecture Design Services</b>	<b>Governance</b>	This program provides management, architectural services and maintenance of all city-owned buildings.
Public Services	Division of City Facility Management	<b>Building Rehabilitation</b>	<b>Governance</b>	This program provides management, architectural services and maintenance of all city-owned buildings that are in need of repair or rehabilitation.
Public Services	Division of Fleet Services	<b>Operations</b>	<b>Governance</b>	This program performs all functions necessary to maintain a safe and effective level of vehicles and equipment for City operations. These functions include evaluating and inspecting the condition of vehicles and equipment and performing the necessary repairs and maintenance.
Public Services	Division of Fleet Services	<b>Fuel System</b>	<b>Governance</b>	This program performs all functions necessary to maintain 19 fueling sites throughout the City. Some of these functions include the procurement of gasoline, diesel fuel and E-85. This program is also responsible for maintaining databases regarding fuel key issues.
Public Services	Division of Fleet Services	<b>Parts Inventory</b>	<b>Governance</b>	This program provides the efficient and effective distribution of vehicle and equipment parts to the staff performing repairs and maintenance on the equipment.
Public Services	Division of Fleet Services	<b>Equipment Service</b>	<b>Governance</b>	This program evaluates and inspects all new vehicles and performs all functions needed to place these vehicles in service.
Public Services	Division of Fleet Services	<b>Administration</b>	<b>Admin</b>	This program oversees the administration and operation of the Fleet Services Division.
Recreation	Community Center Operations	<b>Youth Programming</b>	<b>Community</b>	Provides year-round recreational programs and activities for children, youth, and teens. These programs include instruction in the arts, nature education, health and wellness programs and involvement in organized athletic activities. Recreation centers also provide after school and summer care for working families and select employment opportunities for youth and teens.
Recreation	Community Center Operations	<b>Adult Programming</b>	<b>Community</b>	Provides year-round recreational programs and activities for adults. These programs include opportunities for participation in cultural and health and wellness activities and organized fitness and athletic programs.
Recreation	Community Center Operations	<b>Senior Programming</b>	<b>Community</b>	Provides year-round recreational programs and activities for seniors. These programs include opportunities for seniors to become involved in art and cultural activities, participate in health and wellness workshops, and in organized athletic activities. Recreation centers also provide hot lunch programs and health screenings for senior members.
Recreation	Community Center Operations	<b>Recreation Center Maintenance</b>	<b>Community</b>	Provides for year-round janitorial building support at individual recreation centers. This includes daily trash removal, general building janitorial care, floor care, building safety inspections and landscaping.

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Recreation	Community Center Operations	<b>Recreation Center Operations</b>	<b>Community</b>	Provides for the general supervision, program planning, and budget monitoring for year-round recreational programs and activities for children, youth, and teens at 24 recreation centers. This program level functions as a liaison to the local schools, non-profits, and community groups.
Recreation	Indoor/Facility Maintenance	<b>Indoor/Facility Maintenance</b>	<b>Community</b>	Provides infrastructure support to a network of neighborhood recreation centers, aquatic facilities, tennis operations, rental shelters, and numerous outbuildings. This division provides expertise in areas such as electrical, HVAC, roofing, carpentry, plumbing, painting, masonry, and glasswork. This division ensures that department facilities are safe, comfortable and aesthetically attractive for participants.
Recreation	Outdoor Maintenance	<b>Outdoor Maintenance</b>	<b>Community</b>	Provides maintenance support to a network of neighborhood recreation centers, aquatic facilities, tennis courts, rental shelters, athletic fields, basketball courts, and playgrounds. This division provides services such as mowing, trash pick-up, mulching, curb appeal aesthetics, playground equipment inspection and repair, sport fields upkeep, and general maintenance. This division ensures that these areas are safe, playable, and aesthetically attractive for participants.
Recreation	Golf	<b>Golf</b>	<b>Community</b>	Provides full service, high quality, and value-driven golf experiences to the citizens of Cincinnati.
Recreation	Athletics	<b>Athletics</b>	<b>Community</b>	Provides fun, safe, and quality athletic and physical fitness programs including sports leagues, lessons, camps, and clinics.
Recreation	Therapeutic Recreation	<b>Therapeutic Recreation</b>	<b>Community</b>	Provides high quality support services, training, advocacy, and therapeutic recreation programs with specialized and inclusive programming for adults and youth.
Recreation	Seniors	<b>Seniors</b>	<b>Community</b>	Provides high quality recreation and leisure experiences to senior citizens including a variety of social, athletic, cultural, educational, and recreational activities.
Recreation	Aquatics	<b>Aquatics</b>	<b>Community</b>	Provides open swimming sessions at neighborhood pools, as well as swim team, water aerobics, swim lessons, and youth lifeguard training programs.
Recreation	Support Services	<b>Design, Communications, and Marketing</b>	<b>Community</b>	Provides public relations, communications, marketing, videography and post production, and website and social media maintenance for the department.
Recreation	Arts	<b>Arts Administration</b>	<b>Community</b>	Provides administrative support for the arts grants programs funded by the City.
Recreation	Technical Services Division	<b>Planning and Development</b>	<b>Community</b>	Provides guidance and management of the Capital Improvement Program to provide safe and attractive recreation facilities throughout the City.
Recreation	Support Services	<b>Director's Office</b>	<b>Admin</b>	Manages the entire department, setting of policies, and working with Cincinnati Recreation Commission to provide leadership to the department.
Recreation	Support Services	<b>Financial Management and Information Technology</b>	<b>Admin</b>	Provides comprehensive financial management and information technology system management for the department.
Recreation	Support Services	<b>Human Resources</b>	<b>Admin</b>	Manages all human resources functions including hiring, staff training and development, and maintenance of all personnel records; ensures compliance with Federal and State laws and collective bargaining agreements.
Metropolitan Sewer District (MSD)	Stormwater Management Utility (SMU)	<b>Planning &amp; Design</b>	<b>Community</b>	This program includes Capital Improvement Project (CIP) planning and design in the Stormwater Management Utility (SMU).
Metropolitan Sewer District (MSD)	Stormwater Management Utility (SMU): Operations and Maintenance	<b>Routine Maintenance</b>	<b>Community</b>	This program inspects and cleans all street inlets every other year (50% each year); inlets in sag areas are cleaned and inspected each year; all off road intakes are inspected twice per year and cleaned as needed; critical locations, both on and off road, are inspected weekly and after each storm and cleaned as needed. Programs will be developed later this year for the routine inspection and cleaning of ditches and culverts which are now inspected and cleaned on a reactive basis.
Metropolitan Sewer District (MSD)	Stormwater Management Utility (SMU): Operations and Maintenance	<b>Remedial Maintenance</b>	<b>Community</b>	This program repairs or improves existing facilities based on the results of structural inspections. Structural inspections may be generated as part of a customer service response, as part of a routine cleaning program, or as part of the Stormwater Management Utility's (SMU) condition assessment program.
Metropolitan Sewer District (MSD)	Stormwater Management Utility (SMU): Operations and Maintenance	<b>Customer Service</b>	<b>Community</b>	The Stormwater Management Utility (SMU) usually responds to customer service requests related to problems with street inlets and road intakes the same day they are received, but at least within two working days. The timeline for the complete resolution of a request depends upon the complexity of any additional work that must be completed. Some requests are resolved by the initial responder while he/she is on site; other requests could take weeks to fully resolve if design and construction must be scheduled.

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Metropolitan Sewer District (MSD)	Stormwater Management Utility (SMU): Operations and Maintenance	<b>Condition Assessment</b>	<b>Community</b>	The Stormwater Management Utility (SMU) is modifying its program to systematically inspect and inventory each facility in the system on a multi-year recurring cycle. In addition, the inlets and connections in each street paving project are inspected for structural integrity and repaired or modified prior to paving. Condition assessment can also occur as part of a customer service response or can be related to a routine cleaning program.
Metropolitan Sewer District (MSD)	Stormwater Management Utility (SMU)	<b>National Pollutant Discharge Elimination System (NPDES) Compliance</b>	<b>Community</b>	This program includes regulation, permitting, and enforcement services in the Stormwater Management Utility (SMU) to guarantee compliance with the Clean Water Act's (CWA) National Pollutant Discharge Elimination System (NPDES) permit program. The National Pollutant Discharge Elimination System (NPDES) permit program controls water pollution by regulating point sources that discharge pollutants into waters of the United States of America (USA).
Metropolitan Sewer District (MSD)	Stormwater Management Utility (SMU)	<b>Flood Control</b>	<b>Community</b>	This program includes facility planning, major improvements, rehabilitation, repair, and facility operations and maintenance for the City of Cincinnati's flood control facilities maintained by the Stormwater Management Utility (SMU).
Metropolitan Sewer District (MSD)	Division of Wastewater Engineering: Project & Business Development	<b>Strategic Asset Planning</b>	<b>Community</b>	Manages, reviews, and approves projects for inclusion in the Capital Improvement Program (CIP). This program also develops alternatives for the business case evaluation process which looks at alternative solutions for capital projects.
Metropolitan Sewer District (MSD)	Division of Wastewater Engineering: Project & Business Development	<b>Modeling and Monitoring</b>	<b>Community</b>	Manages and updates the system wide wastewater treatment model and the wastewater treatment plant models. Responsible for monitoring rain gauges and flow meters and reviewing data from them for use in the models.
Metropolitan Sewer District (MSD)	Division of Wastewater Engineering: Project & Business Development	<b>Development Services</b>	<b>Community</b>	Reviews and approves building permits and issues tap permits to connect to the sewer system. Maintains Metropolitan Sewer District (MSD) permit records and performs Geographic Information Systems (GIS) editing to ensure that all sewers are identified in the system.
Metropolitan Sewer District (MSD)	Division of Wastewater Engineering: Project Delivery	<b>Easement Acquisitions</b>	<b>Community</b>	Acquires property and/or property easements in support of Metropolitan Sewer District (MSD) capital projects.
Metropolitan Sewer District (MSD)	Division of Wastewater Engineering: Project Delivery	<b>Engineering &amp; Quality Assurance</b>	<b>Community</b>	Develops standardized processes, procedures, and training for capital project managers. Additionally, this program tracks performance metrics on Capital Improvement Program (CIP) service providers and construction contractors.
Metropolitan Sewer District (MSD)	Division of Wastewater Engineering: Project Delivery	<b>Project Management/Construction Management (PM/CM) Team 1</b>	<b>Community</b>	Provides Project Management (PM) oversight for the entire capital program.
Metropolitan Sewer District (MSD)	Division of Wastewater Engineering: Project Delivery	<b>Project Management/Construction Management (PM/CM) Team 2</b>	<b>Community</b>	Provides Construction Management (CM) oversight for the entire capital program.
Metropolitan Sewer District (MSD)	Division of Wastewater Engineering: Project Delivery	<b>Program and Project Control</b>	<b>Community</b>	Provides program control support for the capital program: guarantees control of costs, schedules, and estimates for all capital projects.
Metropolitan Sewer District (MSD)	Wastewater Administration	<b>Safety</b>	<b>Community</b>	Delivers the Safety program to entire Department, including training and guaranteeing safety compliance.
Metropolitan Sewer District (MSD)	Wastewater Administration	<b>Contract Administration</b>	<b>Community</b>	Provides expert services contractual procurement support for entire department. Provides construction contract procurement support for entire department. Provides contract compliance for all contracts. Supports Small Business Enterprise (SBE) participation for contracts.
Metropolitan Sewer District (MSD)	Division of Wastewater Treatment (All Facilities)	<b>Liquid Stream Treatment</b>	<b>Community</b>	This process involves all stages of treatment of the wastewater liquid stream at the six wastewater treatment facilities within the Metropolitan Sewer District (MSD). The process includes: 1) Primary Treatment- removes grit from wastewater, 2) Secondary Treatment - biological treatment of wastewater, and 3) Tertiary Treatment - final filtration and disinfection of wastewater.
Metropolitan Sewer District (MSD)	Division of Wastewater Treatment (All Facilities)	<b>Solids Stream Treatment / Disposal</b>	<b>Community</b>	This process involves all stages of processing and disposal of the wastewater solids stream at the six wastewater treatment facilities within the Metropolitan Sewer District (MSD). The process includes: 1) Dewatering, 2) Hauling Solids (other than at the Little Miami or Mill Creek wastewater facilities), 3) Incineration, and 4) Ash Lagoon Dredging / Ash Hauling.
Metropolitan Sewer District (MSD)	Division of Wastewater Treatment (All Facilities)	<b>Maintenance</b>	<b>Community</b>	Provides centralized maintenance to all wastewater treatment facilities and pump stations.
Metropolitan Sewer District (MSD)	Wastewater Collection	<b>Customer Service</b>	<b>Community</b>	Addresses complaint calls from customers concerning collections and treatment issues throughout the service area.
Metropolitan Sewer District (MSD)	Wastewater Collection	<b>Maintenance and Cleaning</b>	<b>Community</b>	Provides work crews and materials for cleaning and minor repairs of the wastewater collection infrastructure throughout the service area. (More extensive repairs are funded out of the capital budget.)
Metropolitan Sewer District (MSD)	Wastewater Collection	<b>Combined Sewer Overflow (CSO) Maintenance</b>	<b>Community</b>	Performs minor maintenance of the combined sewer overflow (CSO) structures (More extensive repairs are funded out of the capital budget.)
Metropolitan Sewer District (MSD)	Wastewater Collection	<b>Sewer System Evaluation</b>	<b>Community</b>	Provides work crews and materials for closed circuit television evaluation of the wastewater collection infrastructure. Sewer maintenance is prioritized through activities in this program.

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Metropolitan Sewer District (MSD)	Wastewater Collection	<b>Special Projects</b>	<b>Community</b>	Provides work crews and materials to administer special projects as determined by the leadership of the Wastewater Collection Division.
Metropolitan Sewer District (MSD)	Wastewater Collection	<b>Repair and Rehabilitation</b>	<b>Community</b>	Provides work crews and materials for the repair and rehabilitation of the wastewater collection infrastructure.
Metropolitan Sewer District (MSD)	Wastewater Collection	<b>Maintenance Shop</b>	<b>Community</b>	Provides centralized equipment repairs for the Wastewater Collection Division.
Metropolitan Sewer District (MSD)	Division of Industrial Waste	<b>Permits and Compliance</b>	<b>Community</b>	Issues permits to commercial and industrial customers throughout the service area.
Metropolitan Sewer District (MSD)	Division of Industrial Waste	<b>Surcharge and Surveillance</b>	<b>Community</b>	Monitors the industrial waste discharge of the permitted industries for permit violations and high strength surcharging.
Metropolitan Sewer District (MSD)	Division of Industrial Waste	<b>Laboratory</b>	<b>Community</b>	Performs testing as required by federal, state, and local regulations. Performs studies to support Wastewater Treatment Division process improvements.
Metropolitan Sewer District (MSD)	Water-In-Basement	<b>Water-In-Basement Response Program</b>	<b>Community</b>	Provides customer relief for capacity related wastewater water-in-basement (WIB) problems through cleanup assistance for basement backups, including reimbursements for property damage. Enables the installation of measures to prevent wastewater backups in basements.
Metropolitan Sewer District (MSD)	Office Of The Director	<b>Administration</b>	<b>Admin</b>	Sets the strategic vision and provides leadership for the Metropolitan Sewer District (MSD). Provides centralized support services.
Metropolitan Sewer District (MSD)	Stormwater Management Utility (SMU)	<b>Financial Management</b>	<b>Admin</b>	Oversees the operational and financial functions of the Stormwater Management Utility (SMU).
Metropolitan Sewer District (MSD)	Division of Wastewater Engineering: Project & Business Development	<b>Administration</b>	<b>Admin</b>	Provides leadership and administrative support for the Project & Business Development Division. Responsible for planning capital projects throughout the service area.
Metropolitan Sewer District (MSD)	Division of Wastewater Engineering: Project Delivery	<b>Administration</b>	<b>Admin</b>	Provides leadership and administrative support for the Project Delivery Division. Responsible for designing and constructing capital projects throughout the service area.
Metropolitan Sewer District (MSD)	Wastewater Administration	<b>Administration</b>	<b>Admin</b>	Provides leadership and administrative support for the Wastewater Administration Division.
Metropolitan Sewer District (MSD)	Wastewater Administration	<b>Personnel</b>	<b>Admin</b>	Provides centralized human resources support to entire Department, including recruiting, hiring, retention, training, and personnel development.
Metropolitan Sewer District (MSD)	Wastewater Administration	<b>Accounting</b>	<b>Admin</b>	Provides centralized accounting support to entire Department, including management of accounts payable for both capital and operating budgets, accounts receivable, and payroll.
Metropolitan Sewer District (MSD)	Information Technology	<b>Computer Services</b>	<b>Admin</b>	Maintains information technology / computer infrastructure and business systems for entire department.
Metropolitan Sewer District (MSD)	Division of Wastewater Treatment (All Facilities)	<b>Administration</b>	<b>Admin</b>	Provides leadership and administrative support for all Wastewater Divisions that are responsible for treating wastewater at all wastewater treatment facilities and pump stations in all sewer sheds within the Metropolitan Sewer District (MSD). Facilities include: Millcreek, Little Miami, Muddy Creek, Sycamore, Taylor Creek, and Polk Run.
Metropolitan Sewer District (MSD)	Wastewater Collection	<b>Administration</b>	<b>Admin</b>	Provides leadership and administrative support for the Wastewater Collection Division. Responsible for all sewers, interceptors, and combined sewer overflow (CSO) structures.
Metropolitan Sewer District (MSD)	Division of Industrial Waste	<b>Administration</b>	<b>Admin</b>	Provides leadership and administrative support for the programs of the Industrial Waste Division.
Transportation & Engineering		<b>Transportation &amp; Engineering -Public Record Management</b>	<b>Community</b>	This program manages the department's 96 record types (series) in accordance with the State of Ohio's Open Government Laws, including storing, indexing, archiving, retrieving, copying, and legally disposing.
Transportation & Engineering	Transportation Planning & Urban Design	<b>Vehicular Planning &amp; Impact Studies</b>	<b>Community</b>	This program is responsible for the short- and long-term planning of the city's vehicular transportation systems, including participation in regional corridor and local transportation studies; review and coordination of traffic impact studies and development plans; research, review, and coordination of innovative transportation practices; and geometric design for street and safety improvements.
Transportation & Engineering	Transportation Planning & Urban Design	<b>Bicycle &amp; Pedestrian Planning &amp; Studies</b>	<b>Community</b>	This program is responsible for the short- and long-term planning of the city's bicycle and pedestrian transportation systems, including participation in regional corridor and local transportation studies; review and coordination of traffic impact studies and development plans; research, review, and coordination of innovative transportation practices; and geometric design for street and safety improvements.
Transportation & Engineering	Transportation Planning & Urban Design	<b>Traffic Study Analysis and design</b>	<b>Community</b>	This program coordinates with Traffic Engineering, Police, and ODOT for engineering solutions to transportation safety problems, which may include signing, signals, markings, and geometric design.

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Transportation & Engineering	Transportation Planning & Urban Design	<b>Rail Planning &amp; Studies</b>	<b>Community</b>	This program is responsible for the short- and long-term planning of the city's rail transportation systems, including participation in regional corridor and local transportation studies; review and coordination of traffic impact studies and development plans; research, review, and coordination of innovative transportation practices; and geometric design for street and safety improvements.
Transportation & Engineering	Transportation Planning & Urban Design	<b>Transportation Grant Management</b>	<b>Community</b>	This program is responsible for research, coordination, prioritization, application, and management of state and federal transportation grant opportunities.
Transportation & Engineering	Transportation Planning & Urban Design	<b>Street Calming</b>	<b>Community</b>	This program includes the management, coordination, and implementation of the street calming program using various types of street calming strategies.
Transportation & Engineering	Transportation Planning & Urban Design	<b>Streetscape Improvement</b>	<b>Community</b>	This program provides professional architectural and urban design, environmental graphic design, and project management services to support streetscape improvement projects, façade improvements, context sensitive infrastructure, and other public asset improvement projects.
Transportation & Engineering	Transportation Planning & Urban Design	<b>Community Parking Lot Design</b>	<b>Community</b>	This program provides professional architectural and urban design, environmental graphic design, and project management services to support community parking lot improvement projects.
Transportation & Engineering	Transportation Planning & Urban Design	<b>Downtown and Neighborhood Gateways</b>	<b>Community</b>	This program provides professional architectural and urban design, environmental graphic design, and project management services to downtown and neighborhood gateways and community identity features. These services are provided to improve the mobility, environment, and quality of life of Cincinnati's citizens, workers and visitors.
Transportation & Engineering	Transportation Planning & Urban Design	<b>Skywalks</b>	<b>Community</b>	This program provides professional architectural and urban design, environmental graphic design, and project management services to support skywalk improvement projects.
Transportation & Engineering	Transportation Planning & Urban Design	<b>Graphic Design Services</b>	<b>Community</b>	This program provides professional graphic design and environmental design services to the departments projects as well as services to other City agencies such as the City Manager's Office, Finance Department, etc.
Transportation & Engineering	Engineering	<b>Street Rehabilitation</b>	<b>Community</b>	This program preserves the condition of Cincinnati's 940 miles of roadway having a total area of 3,000 lane-miles and a replacement value of \$2.5 billion. This program includes all personnel, non-personnel, and capital costs necessary to systematically reconstruct, rehabilitate, and repair pavement and curbs. Activities of this program include managing, inventorying, evaluating, inspecting, prioritizing, coordinating designing, surveying and administering contracts.
Transportation & Engineering	Engineering	<b>Pavement Condition Rating</b>	<b>Community</b>	Activities of this program include inventorying, evaluating, inspecting, prioritizing, and coordinating conditions of streets.
Transportation & Engineering	Engineering	<b>Curb Ramps</b>	<b>Community</b>	This program improves the accessibility at intersections in accordance with the current American with Disabilities Act (ADA). It funds construction, repair, and replacement of curb ramps throughout the City in concert with streets that are being repaired under the Street Rehabilitation Program. These curb ramps, constructed at intersections, improve pedestrian access along City streets for citizens with disabilities. This program funds labor, materials, and technologies needed to plan, design, build, survey, and inspect this construction.
Transportation & Engineering	Engineering	<b>Bicycle Infrastructure</b>	<b>Community</b>	This program funds activities that enhance and improve bicycle/pedestrian transportation, safety and access citywide and as part of the larger regional effort. Specific improvement projects may include bicycle safe inlets, bicycle lanes, sharrows, bike racks, parking, signage, railroad crossings, traffic improvements, safety projects and multi-use paths/trails. This project helps fund labor, materials, and technologies needed to plan, design, acquire right-of-way, build, survey, and inspect the proposed improvements.
Transportation & Engineering	Engineering	<b>Client Services - Project Design and Engineering</b>	<b>Community</b>	This program provides professional engineering design, architectural design services for various City projects, community development projects, parking facility projects, transportation improvement projects, aviation improvement and asset preservation projects. The program provides effective services to the Department's programs as well as to the Departments external customers in an effort to ensure the timely, cost-effective delivery of transportation, neighborhood, parking and economic development projects.
Transportation & Engineering	Engineering	<b>Client Services - Project Management Support</b>	<b>Community</b>	This program provides effective project management services to the Department's programs as well as to the Departments external customers in an effort to ensure the timely, cost-effective delivery of transportation, neighborhood, parking and economic development projects.
Transportation & Engineering	Engineering	<b>Surveying</b>	<b>Community</b>	This program supports City real estate functions through surveying and subdivision platting and review, and surveying for design support and construction layout.
Transportation & Engineering	Engineering	<b>Spot Infrastructure Repairs</b>	<b>Community</b>	This project funds the replacement of deteriorated infrastructure not covered under other capital projects, including curb replacements and major pavement repairs on streets not requiring rehabilitation, and median reconstruction. This project also funds pavement treatments, including pavement rejuvenation, crack sealing, and micro surfacing needed to supplement and extend the Street Rehabilitation Program. This project funds labor, materials, and technologies needed to plan, design, acquire right-of-way, build, survey, and inspect the proposed improvements.

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Transportation & Engineering	Engineering	<b>Street Improvements</b>	<b>Community</b>	This program improves the safety and capacity on roadways with documented safety or congestion issues. Improvements are often performed in conjunction with new housing and/or economic development.
Transportation & Engineering	Engineering	<b>Bridge Inspection</b>	<b>Community</b>	This program is responsible for the inspection and evaluation of the City's 65 bridges, the maintenance of a bridge condition inventory, and assures regulatory compliance with Section 723.54 of the Ohio Revised Code which mandates the inspection of these bridges.
Transportation & Engineering	Engineering	<b>Bridge Rehabilitation</b>	<b>Community</b>	This program is responsible for preserving, improving, and enhancing Cincinnati's 65 bridges that carry 1.4 million square feet of streets. This program prioritizes, coordinates, designs, and prepares contract documents for the repair, rehabilitation, and reconstruction of these assets.
Transportation & Engineering	Engineering	<b>Retaining Wall Inspection</b>	<b>Community</b>	This program strives to effectively inspect and manage the City's retaining wall assets totally 50 miles in length with a replacement value of over \$225 million.
Transportation & Engineering	Engineering	<b>Retaining Walls</b>	<b>Community</b>	This program is responsible for preserving, improving, and enhancing Cincinnati's 1,542 retaining walls that stabilize 50 miles of embankments along Cincinnati's transportation system. This program evaluates wall conditions; maintains a condition inventory, and prioritizes, coordinates, designs, and prepares contract documents for the repair, rehabilitation, and reconstruction of these assets.
Transportation & Engineering	Engineering	<b>Landslide Stabilization</b>	<b>Community</b>	This program is responsible for the inventory, inspection, and investigation of the numerous unstable hillsides as well as the development of stabilization and mitigation solutions for landslides.
Transportation & Engineering	Engineering	<b>Hillside Stairways</b>	<b>Community</b>	This program is responsible for preserving, improving, and enhancing Cincinnati's 347 sets of hillside stairways that climb more than 5,000 feet up Cincinnati's hillsides. This program evaluates stairway conditions; maintains a condition inventory; as well as prioritizes, coordinates, designs, and prepares contract documents for the repair, rehabilitation, and reconstruction of these assets.
Transportation & Engineering	Engineering	<b>Construction Management of Transportation Assets</b>	<b>Community</b>	This program provides professional contract review, administration, and quality assurance inspection services for construction of City projects, including street rehabilitation, street improvements, streetscapes, bridge rehabilitation, retaining wall reconstruction, improvement of parking, aviation, and bus facilities, site clearance for redevelopment, and other public asset preservation and improvement projects.
Transportation & Engineering	Engineering	<b>Client Services - Construction Management</b>	<b>Community</b>	This program provides professional construction management services for other City departments to ensure the transportation aspects of the project are constructed in accordance with the construction documents.
Transportation & Engineering	Engineering	<b>Permits Issued for Activities with the Right of Way</b>	<b>Community</b>	Permits issued for temporary construction or use activities in the right-of-way such as street opening, barricades, heavy material hauling, lane closures, equipment setup, or other construction activities.
Transportation & Engineering	Engineering	<b>Sidewalk Inspection</b>	<b>Community</b>	This program is responsible for inspecting Cincinnati's public sidewalk system, which includes sidewalk safety and ADA inspection.
Transportation & Engineering	Engineering	<b>Sidewalk Preservation</b>	<b>Community</b>	This program is responsible for the preservation of Cincinnati's public sidewalk system, which includes issuance of orders for repair/replacement, and sidewalk assessments.
Transportation & Engineering	Engineering	<b>Utility Coordination</b>	<b>Community</b>	Coordination of utility construction in the right-of-way to promote safety, convenience to the public, collaborate work and mitigate conflicts between public and private facilities, and to preserve Cincinnati's transportation infrastructure.
Transportation & Engineering	Engineering	<b>Review and coordinate request for permanent use of Right of Way</b>	<b>Community</b>	This program coordinates the review of Coordinate Reports (CR) and Revocable Street Privileges (RSP) for DOTE, as a support arm for the City Real Estate Division, for requests for private uses of the City's Rights-of-Way.
Transportation & Engineering	Engineering	<b>Subdivision/Private Improvement Right of Way</b>	<b>Community</b>	This program oversees the development of new subdivisions that will include future rights-of-way and private improvements within existing rights-of-way to ensure compliance with City rules, regulations, and construction standards.
Transportation & Engineering	Airport	<b>Airport Flood Control</b>	<b>Community</b>	This program is responsible for operating the pumping stations to insure that the airport is functional during flood events.
Transportation & Engineering	Airport	<b>Airport Winter Operations</b>	<b>Community</b>	This program is responsible for keeping the runways free and clear of ice and snow. The runways are kept clear by a large motorized broom and liquid de-icing chemicals.
Transportation & Engineering	Airport	<b>Airfield Maintenance</b>	<b>Community</b>	This program is responsible for keeping the runways free from over grown grass and weeds; performing spot repairs to the runways; as well as maintaining the approach lights.
Transportation & Engineering	Airport	<b>Airport Operations</b>	<b>Community</b>	This program is responsible for the operation of the airport and serving as the liaison with the Federal Aviation Administration (FAA) as well as current and future airport tenants. There are multiple tenants in the main terminal and well as the corporate hangars and various rental hangars. This program is responsible for contracting out security services at the airport
Transportation & Engineering	Airport	<b>Airport Buildings Maintenance</b>	<b>Community</b>	This program is responsible for the cleaning and repairs to the main terminal building, including the restaurant and leased spaces.
Transportation & Engineering	Traffic Engineering	<b>Maintenance of Traffic</b>	<b>Community</b>	This program is responsible for the design, review and supervision of traffic control services that include event and construction maintenance of traffic and detours.
Transportation & Engineering	Traffic Engineering	<b>Curb Control Signage &amp; Evaluation</b>	<b>Community</b>	This program evaluates and signs curb areas (parking, truck loading, bus stops, valet, taxi zones, etc.) to balance needs of adjacent businesses, residents, and the traveling public.

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Transportation & Engineering	Traffic Engineering	<b>Traffic Controls - Regulatory Signs and Markings</b>	<b>Community</b>	This program is responsible for the design, operation, and management of all signs, pavement markings, raised pavement markers, and other Ohio Manual of Uniform Traffic Control Devices (OMUTCD) approved on-street devices used to regulate, warn, or guide vehicular and pedestrian traffic on City streets.
Transportation & Engineering	Traffic Engineering	<b>Traffic Studies</b>	<b>Community</b>	This program investigates and studies the flow of traffic by utilizing traffic count, accident information, and other techniques. In close coordination with the Public Services Department, this program evaluates traffic control mechanisms to promote transportation safety.
Transportation & Engineering	Traffic Engineering	<b>Street Lights</b>	<b>Community</b>	This program is responsible for the design, rehabilitation and installation of non-assessed street lighting assets including 26,084 street lights, duct banks, and service points. Program staff also review street lighting systems designed and installed by developers and other City agencies. This program evaluates public requests for additional street lighting and coordinates service and new light requests for Duke owned street lights. Staff reviews billing and works to get the best possible rates and appropriate funds for energy and capital costs.
Transportation & Engineering	Traffic Engineering	<b>Gas Street Lights</b>	<b>Community</b>	This program is responsible for the management of the contract for gas light maintenance and input into the City's outsourcing of natural gas supplier.
Transportation & Engineering	Traffic Engineering	<b>Assessed Street Lights</b>	<b>Community</b>	This program works with the Law Department to prepare all correspondence, reports and ordinances to notify and assess property owners for the current 2,677 special street lights per the Ohio Revised Code. Staff assists in the development of new and ongoing street lighting assessment districts.
Transportation & Engineering	Traffic Engineering	<b>Traffic Signals installation and Renovation</b>	<b>Community</b>	This program designs and installs traffic signals, audible devices, crosswalk and other overhead warning signs, illuminated signs, and school flashers. The program replaces equipment that is at the end of its useful life or that can no longer be maintained. There are currently 758 signalized intersections in the City. Program work also includes timing changes for traffic signals, and replacement or upgrade of equipment as required by the State of Ohio and Manual of Uniform Traffic Control Devices (OMUTCD) requirements. Program is also responsible for the replacement of incidental items to the traffic signal system construction including installation of roadway lighting, handicap ramps and crosswalk/ geometry changes.
Transportation & Engineering	Traffic Engineering	<b>Computerized Traffic Control System</b>	<b>Community</b>	This program maintains and updates the City's copper and fiber optic interconnect system. This program includes Traffic Engineering staff time as well as staff from other City agencies that are tasked with making timing changes, connections to the new and existing systems. This program upgrades or replaces system specific hardware and software required to keep the system in operation. The program aims to maintain an interconnected and responsive traffic signal system.
Transportation & Engineering	Traffic Engineering	<b>LED Traffic and Pedestrian Signal Replacement</b>	<b>Community</b>	This program replaces incandescent traffic and pedestrian signals with energy efficient and longer life LED style sources. Program includes replacement of the complete signal or retrofit existing units if practical. The program replaces costly incidental hardware that is no longer serviceable or cannot be reused for the new signals.
Transportation & Engineering	Traffic Engineering	<b>Traffic Signal Controller and Detector Upgrades</b>	<b>Community</b>	This program replaces obsolete and outdated traffic signal controllers and detectors that are at the end of their useful life. Due to the addition of equipment necessary for deployment of new technologies the city is currently undertaking, the city has begun the search for cabinets with additional interior space to accommodate interface equipment for video detection, fiber optic switches and new technologies such as rail detection and wireless receivers.
Transportation & Engineering		<b>Transportation &amp; Engineering Administration - (Director's Office)</b>	<b>Admin</b>	This program provides leadership; establishes and manages relationships with citizens, City Council, community leaders, other City departments, and relevant local and regional organizations; and responds to customer and City Council requests.
Transportation & Engineering		<b>Transportation &amp; Engineering - Accounting Support</b>	<b>Admin</b>	This program coordinates and prepares the department's operating and capital budget, processes the payment of vouchers, maintains the contractual agreements for the department, maintains the project numbering system for the department's payroll system, and monitors budget expenditures.
Transportation & Engineering		<b>Transportation &amp; Engineering - Support Services</b>	<b>Admin</b>	This program provides administration for department, including human resources management, purchasing, policy development, payroll, safety, training, fleet management, and communications.
Transportation & Engineering	Transportation Planning & Urban Design	<b>City Architect Administration</b>	<b>Admin</b>	This program oversees the administration and operation of the City's Transportation Planning and Urban Design.
Transportation & Engineering	Engineering	<b>City Engineer Administration</b>	<b>Admin</b>	This program oversees the administration and operation of the City's Engineering Division.
Transportation & Engineering	Airport	<b>Airport Administration</b>	<b>Admin</b>	This program oversees the administration and operation of the City's Aviation Division.
Transportation & Engineering	Traffic Engineering	<b>Traffic Engineering Administration</b>	<b>Admin</b>	This program oversees the administration and operation of the City's Traffic Engineering Division.

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Water Works		<b>Customer Contact Center</b>	Community	The Customer Contact Center Section provides customer service through the Interactive Voice Response system & email correspondence. The Contact Center provides service to Cincinnati water customers as well as MSD and 12 other local jurisdictions through billing services and contact center services. Over 600,000 calls were received and nearly 6,000 emails were responded to in 2010. In addition, over 215,000 outbound automated calls were made to customers.
Water Works		<b>Billing System Processing, Payments, and Collections</b>	Community	This program is dedicated to billing, recording, and collecting all payments. Face to face customer contact is handled by the Billing Ops staff through the staffing of a walk-in pay station in the lobby of GCWW. In 2010, over 12,300 customers visited the GCWW facility to make payments. Billing operations is also responsible for the oversight of the mailing of bills. In 2010, 1,718,551 bills were mailed to GCWW customers.
Water Works		<b>Premise Services &amp; Delinquent Service Orders</b>	Community	This program is responsible for performing field maintenance on small meters, obtaining scheduled and final meter readings and turning water service on/off at customer premises for payment/policy enforcement or due to customer request. In 2010, this section completed nearly 106,000 service orders.
Water Works		<b>Water Meter Auxiliary Services</b>	Community	This program is responsible for testing, maintaining, inspecting & replacing large meters as well as testing small meters.
Water Works		<b>Premise Support Services</b>	Community	This section is responsible for coordinating the specialized investigation of reported water leaks, vandalism, and system tampering; ensuring backflow code compliance; and issuance of temporary use permits for construction purposes.
Water Works		<b>Meter Reading &amp; New Account</b>	Community	This section is responsible for obtaining meter readings for the 241,000 accounts billed by GCWW and for setting up new services in the billing system after the branch connection has been inspected.
Water Works		<b>Client Services</b>	Community	This section manages the Department's client service partnerships through relationship building, care and communication with all business partners as well as new and renewal contract discussions, development, processing and maintenance. This section manages 32 retail, 10 wholesale and 11 standby water service contracts, 12 billing and contact center services contracts, 4 laboratory testing services contracts, 3 fire hydrant maintenance contracts, 2 distribution system operations and maintenance contracts and 4 water tower space lease agreements for cell phone providers.
Water Works		<b>Supply - Operations</b>	Community	This program is responsible for the 24/7 operation of 2 treatment facilities including a granular activated carbon contacting facility, an on-site multiple hearth furnace thermal regeneration facility, 24 unmanned pump stations, 33 water storage facilities and multiple building facilities. The treatment plants deliver close to 50,000 million gallons of water to the distribution system.
Water Works		<b>Supply - SCADA</b>	Community	The SCADA (Supervisory Control and Data Acquisition) section is responsible for the 24 hour technical support of the graphical user interface and is responsible for programming all related remote field devices.
Water Works		<b>Supply - Facility, Equipment, and Infrastructure Maintenance</b>	Community	This program is responsible for the preventative, predictive and reactive maintenance for the plants, pump stations, elevated storage tanks and building facilities. Electrical, mechanical and physical plant maintenance is included.
Water Works		<b>Distribution Support Services</b>	Community	Support Services section is responsible for the installation, maintenance and repair of nearly 12,000 fire hydrants within the City of Cincinnati, Village of Arlington Heights, Mason & Lincoln Heights.
Water Works		<b>Distribution - Maintenance &amp; Repair</b>	Community	This program is responsible for the maintenance and repair of the water distribution system including underground 3,132 miles of water mains, service branches, main line and branch valves and appurtenances within the right-of-way. In 2010, the maintenance & repair section responded to over 1,270 leaks and breaks.
Water Works		<b>Distribution - Valve Section</b>	Community	The valve section is responsible for the operation and preventative maintenance of the 34,146 main line valves in the distribution system.
Water Works		<b>Water Quality &amp; Treatment</b>	Community	This program is responsible for the daily water quality and treatment and source water protection activities for the two water treatment plants and for source water protection of the Mason Water Treatment Plant. This section also performs applied research projects to improve water quality and optimize costs at the treatment plants.

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Water Works		<b>Water Quality - Distribution System</b>	Community	This program is responsible for water quality activities throughout the distribution system. Monitoring, studies and research are conducted to ensure that the high quality of water produced at the two treatment plants is maintained through the distribution system to the customer's tap at an optimized cost. This section is also responsible for the performance of sophisticated analyses covered under the microbiological, organic, and inorganic analytical programs as well as contracted lab services. In 2010, there were 123,000 analyses performed for compliance and operations; 96,000 for operational purposes and 27,000 for regulatory requirements.
Water Works		<b>Engineering - System Facilities Unit</b>	Community	The System Planning and Modeling team is responsible for developing the distribution system short and long range plans for the Utility by using hydraulic water models in the support of system expansion and analysis.
Water Works		<b>Engineering - Plant Facilities Unit</b>	Community	Plant Facilities Section is responsible for the engineering aspects of above ground facilities including treatment plants, pump stations and storage tanks. Also maintains plant facility records and plant accounting/fixed assets.
Water Works		<b>Internal Business Services &amp; Administration</b>	Admin	The Business Services Section is responsible for personnel management, securing financing for the Capital Program, accident prevention and safety programs for all GCWW employees and for insuring compliance with all City, State & Federal requirements concerning occupational safety and health. The accounting staff handles the budgeting, disbursements, and financial record keeping of the entire Department. The security program is responsible for security of GCWW water and facilities.
Water Works		<b>Fleet Maintenance</b>	Admin	Manages procurement, management, disposal and maintenance of fleet vehicles and motorized equipment. There are 400 pieces of equipment and motorized vehicles in GCWW's fleet that is managed by this section.
Water Works		<b>Inventory Program / Storerooms</b>	Admin	This program is dedicated to managing the Department's central support services including managing inventory at multiple locations. This program operates 7 storerooms that house general supplies, treatment chemicals, parts for GCWW equipment and the pipe yard.
Water Works		<b>Distribution Administration</b>	Admin	Administration is responsible for the oversight of the Division's CIP, Risk Management, Budget & Dispatch functions.
Water Works		<b>Engineering - Administration</b>	Admin	This program is responsible for the administration of the 6-year CIP; design and construction of water mains including inspection, survey and field investigations and contract administration.
Water Works		<b>IT Service Desk and Program Management Services</b>	Admin	Provides direct customer service to our internal customer, the GCWW staff, and business partners. They are the single point of contact for the utilities for incident management and service request fulfillment. In addition, this section provides support to the utilities strategic IT programs and projects. Utility wide purchasing of hardware, software, maintenance, and IT professional services are coordinated in this section. Standard practices for project management and business analysis are defined and developed for use throughout the department.
Water Works		<b>Infrastructure &amp; Client Support Services</b>	Admin	This section is responsible for the operation and enhancement of the IT infrastructure throughout the department. They maintain and expand the local and wide area networks, install and maintain servers and storage, and install and maintain utility databases and operating systems. In addition, they maintain the virus protection software and signatures, operating system patches, and system/data backup and recovery for the utilities.
Water Works		<b>Water Works Debt Service (Fixed Cost)</b>	Fixed	Manages debt service of the agency.

## **Attachment D**

**Goal:** To assist the department with increasing productivity and lowering operational costs in the services provided to ETS's clients.

**Objective:** Implement a new cost billing system that can accommodate changing City and County needs and priorities.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of clients satisfied with the new cost billing system.	Percentage	100	95	95	95

**Target** The 2011 target was achieved. Improvements to the system included incorporating Cincinnati Financial System (CFS) expenses as a trigger for non-personnel billings thus increasing efficiency and accuracy. For example, Communication Tech Services (CTS) could demonstrate the accuracy of a bill to a customer by providing a CFS download of the actual expense line items to a customer. This link should also improve the Reconciliation process.

**Results:**

**Program: CLEAR Operations**

**Goal:** Provide a system that assists all Hamilton County law enforcement personnel in the safe and successful performance of their duties.

**Objective:** Maintain and ensure compliance with state and national security rules, policies, and procedures relevant to law enforcement systems, data, and networks by conducting 40 audits per year.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of audits with positive compliance findings.	Percentage	100	95	100	95

**Target** The 2011 target was exceeded by five percent. The CLEAR Division (also known as the Regional Crime Information Center (RCIC)) modified its audit process to mirror the methodology used by Law Enforcement Automated Data System (LEADS) and the National Crime Information Center (NCIC), which are the State and National crime information data providers. CLEAR staff conducted over 40 audits for compliance with RCIC/LEADS/NCIC policies and procedures. Eight agencies had no discrepancies and five agencies had to address concerns and reply. Three agencies were re-visited to follow up on the 2010 Audits to assure that they were meeting compliance. Of these three, one agency was required to address concerns and reply. Staff worked with agency personnel to correct deficiencies and bring them in compliance.

**Results:**

**Program: CAGIS Consortium Operations**

**Goal:** Keep the existing system upgraded to meet the needs of the organization, while providing minimal disruption to existing business operations.

**Target Results:** The 2011 target was exceeded by one improvement. Some departments that benefited include the Cincinnati Real Estate program, which created a new City Property Ownership Tracking Process that streamlined the spatial tracking of city property needs. The City of Cincinnati Health Department implemented an automated Healthy Homes Assessment automated workflow. Also, the City of Cincinnati Customer Service Request System (CSR) Online created and implemented a Public Web Site for City Service Request Intake. Other departments that benefited include the Cincinnati Department of Transportation and Engineering, the City of Cincinnati Casino Project, the Cincinnati Health program, City Fire, and the Cincinnati Planning and Buildings program.

**Program: CIT-CO Operations**

**Goal:** The overall goal of this program is to keep expenditures as low as possible while providing necessary, no-direct billable services required for CIT-CO to operate.

**Objective:** Reorganize staffing and duties within the CINSY, ETS, and HAMCO sections into a higher efficiency model, which will result in increased service levels and lower costs.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Amount of savings due to increase in CINSY, ETS, and HAMCO model efficiencies.	Dollar Amount	107,000	25,000	38,980	25,000

**Target Results:** The 2011 target was exceeded by 56 percent. As Hamilton County's demand for City of Cincinnati IT services continues to decrease, ETS could no longer justify maintaining chargeback staff available for all County support. ETS diverted funded staff to work part-time for County support and billed 38,980 dollars for 522.5 hours in support of County projects, which was used to offset shortfalls elsewhere in the Department.

**Program: CTS Operations**

**Goal:** Ensure reliable delivery for email messages to and from internal and external users. Provide one point of contact for customers to report problems or ask questions.

**Objective:** Conduct a detailed review of telecommunication expenses Citywide in order to eliminate unneeded services.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Amount of realized savings per month due to elimination of services that are no longer needed.	Dollar Amount	1,040	1,000	7,191	1,000

**Target Results:** The 2011 target was exceeded by \$6,191, which will result in similar savings going forward. ETS works with departments to monitor expenses, as well as identify and eliminate unnecessary services.

**Goal:** Encourage and grow new business and economic development opportunities that will positively impact Cincinnati.

**Objective:** Develop retail and commercial opportunities in the central business district.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of 25 retailers and/or developers who Economic Development met with at the International Council of Shopping Centers Trade Show and Deal Making conference.	Percentage	100	100	N/A	N/A

**Target:** The 2011 target was not achieved. The city did not attend the ICSC conference in 2011.

**Results:** Attendance at the ICSC was in support of recruiting efforts for The Banks project which is now being filled under the efforts of the developer. At this time, it is not anticipated that regular city attendance is required at this event.

**Objective:** Facilitate the completion of loan products for small businesses. Provide networking opportunities and assistance with marketing to existing small business through non-profit agencies. Provide direct assistance to small and emerging businesses.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of 175 businesses assisted.	Percentage	N/A	100	274	100

**Target:** The 2011 target was exceeded by 174 percent. This is due to a total of 480 businesses receiving assistance in loan products, networking opportunities, and assistance with marketing to existing small businesses through non-profit agencies. On average, the Economic Development Division expects to complete five direct loans annually.

**Objective:** Identify, purchase, and prepare sites for redevelopment.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of 5 acres prepared for development each year.	Percentage	N/A	100	500	100

**Target:** The 2011 target was exceeded by 400 percent with a total of 25 acres being prepared.

**Results:**

**Objective:** Implement seven new neighborhood business district improvement projects, such as streetscapes and other public improvements. Also, work with communities to apply and implement minor projects through the Neighborhood Business Support Program.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of 7 new Neighborhood Business District projects implemented.	Percentage	N/A	100	200	100

**Target:** The 2011 target was exceeded by 100 percent with a total of 14 projects being implemented.

**Results:**

provided technical service assistance/issue resolution services to in the last year.

Percentage 202 100 155 100

**Target** The 2011 target was exceeded by 55 percent without factoring in utilization of the Economic Development Division's outreach efforts via the Quarterly Newsletter and website unique contacts (www.choosecincy.com).  
**Results:** When factoring these contacts into the equation, this performance measure totaled 1,223 unique subscribers, excluding city employees. This plus the 155 individuals personally contacted amount to 1,378 citizens/clients, achieving 2,656 percent above the 2011 target.

**Objective:** Maintain existing employment base and create new employment opportunities in the City of Cincinnati.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of 25 major (50+ employees) employers Economic Development conducted Business Retention Visits with in the past year.	Percentage	153	100	100	100

**Target** The 2011 target was achieved.  
**Results:**

**Objective:** Promote economic growth in the City of Cincinnati.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Leverage private capital at an average ratio of 3:1 for each dollar of City funding received on projects each year.	Percentage	N/A	N/A	7	3

**Target** The 2011 target was exceeded by a ratio of 4.1. A total of \$28,899,159 in City financial support  
**Results:** leveraged \$108,205,355 in private capital.

**Program: Office of Communications**

**Goal:** Implement proactive, effective public communications regarding City initiatives and operations, including media relations, Citicable broadcasts, dissemination of information via the internet, and preparing communications for specific audiences.

**Objective:** Improve departmental participation in the electronic communications resource center for City departments and agencies.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage increase in agency participation.	Percentage	15	10	10	10

**Target** The 2011 target was achieved.  
**Results:**

that are resolved. Percentage 100 95 95 95

**Target** The 2011 target was achieved.  
**Results:**

**Program: Office of Budget and Evaluation**

**Goal:** Develop the operating, capital, and consolidated plan budgets for the City of Cincinnati. Provide management support to initiatives that enhance service delivery, improve responsiveness and communications, and reduce the cost of service delivery.

**Objective:** Attainment of the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) every two years.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage decrease in the number of 'Does Not Satisfy' ratings received from GFOA.	Percentage	N/A	2.5	100	N/A
Percentage increase in the number of 'Outstanding' ratings received from GFOA.	Percentage	N/A	2.5	260	N/A

**Target** The target for percentage increase in the number of "Outstanding" ratings received by the GFOA was exceeded by 257.5 percent as the number of ratings in this category increased from five to 18. The target for percentage decrease in the number of "Does Not Satisfy" ratings received by the GFOA was exceeded by 97.5 percent as there were no ratings in this category. Many improvements were made to the budget document that resulted in the improvements in the reviewers' ratings. The overall performance objective was achieved through the attainment of the Distinguished Budget Presentation Award from the GFOA for the Approved 2011/2012 Biennial Budget presentation.

**Program: Office of Environmental Quality**

**Goal:** Effectively and efficiently carry out the environmental duties charged to the Office of Environmental Quality, including the development and administration of the Energy Management Team as well as performing environmental outreach and communication.

Percentage of the Climate Protection Action Plan's recommendations implemented in accordance with the schedule contained therein.

Percentage 59 80 70 60

**Target** The 2011 target for LEED certified buildings was exceeded by 272 percent. The number of LEED certified green buildings in Cincinnati increased from 146 to 572.

The 2011 target for the Climate Protection Action Plan's recommendations implemented was not achieved. The percentage of Green Cincinnati Plan recommendations that are proceeding on schedule increased in 2011, but remained short of the 80 percent goal. The pace of plan implementation has been impacted by the absence of an allocation for the Green Cincinnati Plan in the City budget.

**Objective:** Enhance city-wide energy management and climate protection practices by developing the City's Energy Management Plan.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Reduce energy use from non-renewable sources by City departments by 1% per year.	Percentage	1.3	1	N/A	1

**Target** The City's use of natural gas declined 15 percent in 2011 compared to 2010 from 176,000 ccf to 149,000 ccf. A portion of this change is attributable to milder winter weather. Data for electricity usage is not yet available.

**Objective:** Promote a green fleet throughout the City.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Achieve a 1% reduction in City government fuel usage each year by operating vehicles in a fuel efficient manner.	Yes/No	0.2	Yes	Yes	Yes

**Target** The 2011 target was exceeded. The City reduced its motor fuel usage in 2011 by 3.9 percent.  
**Results:** Fuel use dropped from 2,046,000 gallons to 1,966,000 gallons, a difference of 80,000 gallons.

**Objective:** Promote environmental regulatory compliance throughout the City.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of City Facilities where an environmental compliance audit was completed in the past calendar year.	Percentage	36	40	22	50

**Target** The 2011 target was not achieved. Environmental compliance audits were performed at 41 City facilities in 2011. The goal to audit 40 percent of City facilities was not achieved due to staffing reductions at the Office of Environmental Quality. An additional factor reducing the number of facilities audited is that several of the largest, most complex facilities were included in the 2011 list, and these sites are substantially more resource intensive than typical sites.

**Target** The 2011 target was exceeded by 144 percent. In 2011, the City internal recycling program collected 204.4 tons of material, including: 185.3 tons of paper and single stream recyclables; and 19.1 tons of obsolete electronics. In 2010, the City collected 83 tons of material, including: 69.0 tons of paper and single stream recyclables; and 14.0 tons of obsolete electronics.

**Objective:** Provide city-wide environmental outreach and communication.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage increase in the number of individuals receiving OEQ communication each year.	Percentage	565	100	5	100

**Target** The 2011 target was not achieved. The newsletter distribution list grew from 2,262 to 2,379 individuals. While a significant number of new addresses were added to the list, this growth was nearly offset by the purging of obsolete information from the list.

**Program: Office of Contract Compliance**

**Goal:** Ensure proper compliance to City contracts.

**Objective:** Administer, enforce, and monitor the Small Business Enterprise (SBE) Program; the Equal Employment Opportunity (EEO) Program; the Prevailing Wage laws; the Living Wage Program; and the Meet and Confer provisions to promote equal business opportunities.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of four Outreach Activities to SBE vendors completed.	Percentage	100	100	200	100

**Target** The 2011 target was exceeded by 100 percent. The Office of Contract Compliance participated in over 8 outreach activities to SBE vendors.

**Objective:** Identify and determine appropriate Prevailing Wage classification(s) and rates for all City construction projects.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of vendor payroll reports submitted to Contract Compliance for examination that were reviewed.	Percentage	90	90	95	90

**Target** The 2011 target was exceeded by five percent.  
**Results:**

contain appropriate language.

Percentage	95	95	100	95
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**Target** The 2011 target was exceeded by five percent.  
**Results:**

**Goal:** To improve the delivery of service to citizens, conserve City expenditures, and increase City revenues by competently and expeditiously reviewing and processing all claims against the City and collecting all debts due the City.

**Objective:** To efficiently and fairly resolve citizens' claims within 90 days of receipt of the claim.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of all claims resolved within 90 days of receipt.	Percentage	80	80	85	80

**Target** The 2011 target was exceeded by five percent.

**Results:**

**Program: Administrative Hearings**

**Goal:** Address neighborhood blight issues by increasing compliance of civil code and environmental regulations through the use of administrative hearings, thereby providing due process for those charged with civil violations.

**Objective:** Process civil code and environmental violations within 90 days of receipt of the violation.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of all civil code and environmental violations resolved within 90 days of receipt.	Percentage	70	60	75	60

**Target** The 2011 target was exceeded by 15 percent. Organizational changes and more efficient

**Results:** processes have allowed Law to exceed the performance measure.

**Program: Community Prosecution**

**Goal:** Assure decent, safe and sanitary housing by aggressively prosecuting negligent property owners for building code, safety, and health violations that negatively impact neighborhoods; assist in training community groups to address blighted communities.

**Objective:** Process all court filings for blight and building code violations in a timely manner and aggressively prosecute building, health and fire code violations in Housing Court; and aggressively defend contested public nuisance appeals and equity actions.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of criminal review filings completed by Law within 24 hours after notification by the inspectors from Community Development, Fire and Health.	Percentage	80	80	80	80

**Target** The 2011 target was achieved.

**Results:**

**Program: Economic and Community Development**

Complete Request for Legal Services from Community Development, Economic Development, and Transportation & Engineering by due date to timely assist the departments with development initiatives for neighborhoods.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of all requests for legal services, from stated departments, completed by the promised due date.	Percentage	80	70	70	70

**Target** The 2011 target was achieved.

**Results:**

**Program: General Counsel**

**Goal:** Provide timely legal advice and legislation to Council and all City departments; ensure all City agencies receive training regarding City's legal responsibility and liability; explain role of Solicitor's Office to citizens and City agencies.

**Objective:** Conduct five training sessions: including one session on Council Rules/parliamentary procedure with Law, Council and Clerk of Council; two presentations to Citizens' Government Academy or similar agencies to inform about the role of Solicitor's Office.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of five yearly presentations and training sessions conducted for City agencies and citizens groups regarding the functions and role of the Solicitor's Office and other legal topics.	Percentage	80	80	80	80

**Target** The 2011 target was achieved.

**Results:**

**Objective:** Ensure a clear and transparent City government to all citizens by responding to Public Record requests from the general public, the media and public agencies.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of 3 yearly Ohio Public Records Act training sessions conducted for City departments and agencies.	Percentage	100	100	100	100

**Target** The 2011 target was achieved.

**Results:**

**Objective:** Provide timely legal advice, opinions, and legislation to City Council and all City departments and agencies.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of all requests for legal services completed by the promised due date.	Percentage	70	70	70	70

**Target** The 2011 target was achieved.

**Results:**

**Program: Labor and Employment**

Performance Measure	Unit	Actual	Target	Actual	Target
Percentage of 5 yearly training sessions conducted for City agencies and departments on best employment practices, including employee rights and employee obligations.	Percentage	N/A	50	N/A	50

**Target:** The 2011 target was not achieved. The Law Department has not provided training in 2011. The Law Department does discuss OCRC and EEOC issues routinely with departments on an individual basis as cases arise. The Law Department is currently working with Human Resources in creating a training session pertaining to EEOC and OCRC.

**Program: Prosecution**

**Goal:** Ensure safe neighborhoods by effectively prosecuting misdemeanor cases and facilitate positive communication between communities and Police by providing training to Police Department and advising community councils on Police training programs.

**Objective:** Enhance Police staff awareness of targeted crime reduction strategies.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of 30 yearly training sessions conducted for Police and community groups in target crime reductions areas.	Percentage	100	100	100	100

**Target:** The 2011 target was achieved.  
**Results:**

**Program: Property Management and Real Estate/Relocation**

**Goal:** Assist in the provision of decent, safe and sanitary housing for Cincinnati's citizens by providing service to citizens displaced due to building and health code violations, or other emergency situations, through Relocation's Normal Code Program.

**Objective:** Continually focus on transfer opportunities of City-owned property to outside interests for development or redevelopment.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Number of ordinances related to property transfers submitted for City Council approval.	Whole Number	N/A	N/A	N/A	10

**Target:** This is a new performance measure. Data will be collected for the first time at the conclusion of the 2012 fiscal year.  
**Results:**

**Goal:** Work effectively with departments to perform job analyses, determine appropriate skills, develop and administer exams, and develop study guides.

**Objective:** Develop a process to streamline the examination process to decrease the backlog of requested examinations to be administered for Open to the Public and Promotional exams.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of exams that have been administered within 180 days of request.	Percentage	83	75	75	75

**Target:** The 2011 target was achieved. HR is changing the process to initiate an exam to be proactive rather than reactive, by self-initiating the process in anticipation of a list expiring rather than waiting for departments to submit a requisition. Changes in HB153 have had an impact on testing.

**Results:**

**Objective:** Develop current classification specifications on-line with suggested feedback capabilities.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of classification specifications posted online.	Percentage	N/A	25	N/A	25

**Target:** The 2011 target was not achieved. This project was suspended while the viability of acquiring NEOGOV is explored. NEOGOV would be utilized in making the specs available on line.

**Results:**

**Program: Professional/Staff Development**

**Goal:** Provide effective training and development opportunities for executive, management, mid-management, and union represented employee groups.

**Objective:** Increase percentage of overall workforce receiving training.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Average number of training events/sessions completed per employee.	Whole Number	3.2	2.5	3.6	3

**Target:** The 2011 target was achieved.

**Results:**

**Program: Labor Relations**

**Goal:** To improve relationship between labor unions and management.

**Objective:** Increase the number of grievances resolved prior to Arbitration.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of grievances resolved prior to arbitration.	Percentage	95	75	97	75

**Target:** The 2011 target was achieved. In 2011, there were only 3 grievances that went to arbitration.

**Results:**

**Objective:** Increase the percentage of employee complaints of discrimination deemed appropriate for investigation by Human Resources to be addressed within 90 days.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of complaints investigated within 90 days.	Percentage	84	75	62	100

**Target:** The 2011 target was not achieved. Case resolution is not always controlled by the HR Department. Some complaints are ongoing in nature and do not have a specific end date.

**Objective:** Increase the percentage of employees satisfied with the complaint resolution process.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of employees satisfied with complaint resolution process.	Percentage	N/A	50	N/A	50

**Target:** There has not been an effective means of measuring this objective. The Employee Relations section will resolve this issue in 2012.

**Program: Human Resources Information System**

**Goal:** To ensure accurate reporting within the Cincinnati Human Resource Information System (CHRIS), monitor departmental compliance with policies and procedures, and provide reports and information as needed.

**Objective:** Identify source/cause of reporting errors in the Cincinnati Human Resource Information System and inform agencies of correct policies and procedures.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage decrease in number of CHRIS reporting errors.	Percentage	61	50	50	50

**Target:** This 2011 target was achieved.

**Results:**

**Goal:** To contribute to the financial strength of the City by being a strong steward of public financial services and to provide quality financial services to customers.

**Objective:** To maintain general obligation bond ratings of Aa1/AA+ or better each year. Aa1 and AA+ are Moody's and Standard & Poor's rating symbols, respectively, for high quality.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
General Obligation Bond ratings of Aa1/AA+ or better.	Yes/No	Yes	Yes	Yes	Yes

**Target** The 2011 target was achieved.

**Results:**

**Program: Financial Reporting and Monitoring**

**Goal:** To strengthen City government by providing financial information to stakeholders and to be responsible financial stewards through the monitoring of certain revenues and expenditures and through the reporting of the City's financial information.

**Objective:** To annually receive an Unqualified (Clean) Audit Opinion for the Comprehensive Annual Financial Review.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Unqualified (Clean) Audit Opinion for the Comprehensive Annual Financial Review (CAFR).	Yes/No	Yes	Yes	Yes	Yes

**Target** The 2011 target was achieved.

**Results:**

**Program: Payroll Preparation**

**Goal:** To provide professional accounting support to agencies to allow for timely processing of payroll.

**Objective:** To issue all payroll checks on the established pay dates.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of payroll checks issued on established pay dates.	Percentage	100	100	100	100

**Target** The 2011 target was achieved.

**Results:**

**Program: Debt Management**

**Goal:** To maintain all records related to bonds and notes issued by the City of Cincinnati.

**Target Results:** The 2011 target was achieved. All 2011 debt service payments were paid on the due date.

**Program: Cash Management/Banking**

**Goal:** To enhance City revenues by earning investment returns in excess of the U.S. Treasury benchmark and improve operating efficiencies by increased use of electronic payments.

**Objective:** To earn a return equivalent to or exceeding the moving average return on two-year U.S. Treasury Notes (benchmark).

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Rate of return on invested City funds verses benchmark (BM) rate of return on U.S. Treasury Notes.	Yes/No	Yes	Yes	1.16	Yes

**Target Results:** The 2011 targets were achieved. As of 12/31/2011, the weighted portfolio yield exceeded the 2 year Treasury Note rate which was 0.36 percent.

**Objective:** To increase the number of vendor payments made electronically.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of all payments made electronically.	Percentage	26	30	29.6	35

**Target Results:** The 2011 target was not achieved by 0.4 percent, due to the implementation of a payables rebate program in 2009. Instead of paying vendors with a traditional electronic funds transfer (a direct deposit to their bank account), now the preferred method of payment is to pay vendors with a Visa credit card. If a vendor is willing to accept this type of payment (and incur costs associated with accepting credit cards), the City receives a rebate from PNC Bank (the administrator of the program). Since the implementation of this program, the emphasis has shifted from paying vendors by EFT to paying with a Visa card through the Payables Rebate Program.

**Program: Delinquent Accounts**

**Goal:** To improve collections by more promptly referring delinquent accounts to the Law Department or outside collection agencies.

**Objective:** To obtain City agency approval to refer past due collections prior to 120 days past due.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Ratio of past due accounts referred between 120 and 130 days to the total number of past due accounts.	Percentage	90	75	80	75

**Target Results:** The 2011 target was exceeded by 5 percent. Treasury has increased the frequency of referrals of delinquent accounts in the ARS(Accounts Receivable System) to the Law Department or a collection agency to twice per month.

Percentage of license applications mailed 30 days prior to license expiration.	Percentage	98	98	99	98
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**Target:** The 2011 target was exceeded by one percent. All owners of licenses administered by the Treasury Division were forwarded their license renewal application at least 30 days in advance of the renewal application date.

**Results:**

**Program: Parking Revenue Collections**

**Goal:** To ensure parking revenues are collected and receipted securely and accurately and delivered by armored car contractor in a timely manner.

**Objective:** To ensure parking meter revenues are accurately counted and delivered by armored car contractor to bank within one business day from the date of collection.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of days deposits are delivered within one day relative to total number of business days.	Percentage	97	97	97	97

**Target:** The 2011 target was achieved. Parking meter revenues are counted either the same day as collection or the next day and delivered to the bank via armored car services the same day the coins are counted. The only exception might be inclement weather that could prevent pickup and/or drop off of the deposit.

**Results:**

**Program: Risk Management**

**Goal:** To maintain current levels of insurance protection, to continue the employee safety program, to provide medical management services to all injured City employees, to seek ways to improve employee health, and to manage workers compensation costs.

**Objective:** To effectively manage the City's Commercial Insurance Program by renewing insurance policies at the same or lower premiums.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of renewals where premium amount remained the same or was reduced.	Percentage	90	50	100	75

**Target:** The 2011 target was exceeded by 50 percent. The City was able to seek competitive prices due to our long-term relationship with insurers, the City's low loss history, and the City's insurance brokers.

**Results:**

**Target** The 2011 target was exceeded by \$.82 per \$100 of payroll. The City had a reduction of 103  
**Results:** OSHA recordable injuries in 2011 compared to 2010 that contributed to the reduced spending in workers compensation. In addition, increased monitoring from safety staff in Risk Management to raise awareness and the internal control offered by our in-house Employee Health Services function also contributed to the reduction.

**Objective:** To implement and maintain an incentive based employee health and wellness program.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of employees participating in health and wellness program (an intra-City partnership).	Percentage	51	60	61	65

**Target** The 2011 target was exceeded by one percent. The one percent increase can be attributed to  
**Results:** efforts to increase participation from the Police and Fire departments which had low participation numbers in prior years.

**Program: Income Tax**

**Goal:** To ensure taxpayer compliance through education and service excellence.

**Objective:** To provide timely and effective customer service.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of customers who were satisfied or very satisfied with the Income Tax Division's services as indicated by the Customer Satisfaction Survey.	Percentage	89	85	85.5	85
Percentage of incoming calls answered within 30 seconds.	Percentage	95	90	93.7	90

**Target** The 2011 target for customer satisfaction was exceeded by 0.5 percent. The 2011 target for calls  
**Results:** answered was exceeded by 3.7 percent. The customer service survey was completed in the winter of 2011.

**Program: Procurement**

**Goal:** To assist all City agencies in the procurement of products and services by using appropriate management techniques, best price policy implementation, and monitoring of purchases in accordance with City of Cincinnati Municipal Code and State statutes.

Percentage of contracts awarded within 90 days from start of bid process.	Percentage	75	90	78	75
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**Target** The 2011 target was not achieved. A reduction in staffing levels is the primary reason that  
**Results:** contracts were not awarded after 90 days from the start of the bid.

**Program: Printing and Stores**

**Goal:** To effectively manage the City's printing, mail, and stores operations.

**Objective:** To provide high quality efficient supply ordering services to all City departments.

<b>Performance Measure</b>	<b>Unit</b>	<b>2010 Actual</b>	<b>2011 Target</b>	<b>2011 Actual</b>	<b>2012 Target</b>
Percentage of office supply orders delivered within two business days of the purchase.	Percentage	97	95	98	95

**Target** The 2011 target was exceeded by three percent. Office supply orders in the amount of 3,320  
**Results:** were placed in 2011 and 98 percent of those orders were delivered within two business days.

**Goal:** Collaborate with community stakeholders to improve services provided by non-profits that receive City resources.

**Objective:** Maximize the effectiveness of agencies supported by Human Services funding through enhanced monitoring via the United Way contract.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of Human Services agencies that meet or exceed performance goals outlined in the contract.	Percentage	90	90	90	90

**Target** The 2011 target was achieved.

**Results:**

**Program: Housing Development**

**Goal:** Increase sustainable homeownership and the quality of the owner occupied and rental housing stock throughout the City.

**Objective:** Serve 4,550 households through programs targeted for the homeless and special needs population.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of 4,550 households served through Emergency Shelter Grant and Housing Persons With AIDS programs.	Percentage	97	100	99.82	100

**Target** The 2011 target was not achieved. A total of 4,542 households were assisted through programs

**Results:** targeted for the homeless and special needs population, which resulted in target results falling short by only 0.18 percent.

**Objective:** Strengthen the quality of the existing housing stock throughout the City.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of 100 households or housing units assisted through Rental Programs.	Percentage	799	100	200	100
Percentage of 1,500 owner occupied housing units rehabilitated through City programs.	Percentage	99.6	100	100.8	100

**Target** The 2011 target for the Rental Rehabilitation Program (RRP) was exceeded by 100 percent due to a higher demand for funding for market rate rental projects. This is, in part, due to the downturn in the market for single family units.

**Results:**

The 2011 target for owner occupied housing was slightly exceeded. There were 1,512 owner occupied housing units rehabilitated through city programs.

**Program: Community Development Operations**

**Goal:** Provide leadership and administrative oversight, including budget, fiscal, and human resources support, for the Department of Community Development.

Rate of leveraged funds to city funds each year.

Percentage

2010

2011

2011

2012

**Target** The 2011 target was exceeded by .76 to 1 due to an increase in LEED (Leadership in Energy and Environmental Design) and CRA (Community Reinvestment Area) tax abatements which are more expensive to build.  
**Results:**

**Program: Property Maintenance Code Enforcement**

**Goal:** Inspect existing residential and commercial buildings to ensure that the buildings are safe, sanitary, and conform to the Property Maintenance and Zoning Codes.

**Objective:** Re-inspection of the properties, meetings with the owner and other contact to encourage voluntary compliance with the code.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of code violations brought into voluntary compliance prior to initiation of administrative or judicial action.	Percentage	33	40	35	40

**Target** The 2011 target was not achieved by five percent. The poor economy has made it difficult to persuade property owners to spend money on property repairs and maintenance; thus, compliance is more difficult to achieve.  
**Results:**

**Objective:** To barricade open vacant buildings within 15 days of the completion of the required owner's notification.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of buildings barricaded within 15 calendar days.	Percentage	98	95	98	95

**Target** The 2011 target was exceeded by three percent. The goal was exceeded slightly due to increased efficiencies and additional follow-up.  
**Results:**

**Goal:** Ensure that all processes and procedures stated in the Zoning Code for zoning hearings are followed.

**Objective:** Provide timely disposition of land use casework.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of zone change requests submitted to City Planning Commission in 90 days and percentage of casework completed in 60 days or less.	Percentage	90	90	90	90

**Target** The 2011 target was achieved.

**Results:**

**Objective:** To provide timely and effective customer service and to provide an added value through premium customer service whenever possible.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of hearings where a decision is issued within five days of the close of the hearing, when ten days is the standard requirement.	Percentage	80	80	80	80

**Target** The 2011 target was achieved.

**Results:**

**Program: Historic Conservation**

**Goal:** Maintain effectiveness of Historic Preservation functions and the work of the Historic Preservation Board.

**Objective:** Conduct all historic preservation reviews in a timely manner.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of reviews for Certificates of Appropriateness processed in fifteen days or less.	Percentage	95	95	95	95

**Target** The 2011 target was achieved.

**Results:**

**Program: Plan Examination**

**Goal:** Enforce state-mandated building codes and standards in order to provide a safer community, encourage economic development, and provide excellent customer-oriented services.

**Target** The 2011 target was exceeded by 23 percent. This was accomplished by adding two temporary  
**Results:** Plans Examiners.

**Objective:** Complete requests for zoning verification/rebuild letters within three business days.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of zoning requests completed in three business days or less.	Percentage	80	70	66	80

**Target** The 2011 target was not achieved due to staff reductions.  
**Results:**

**Objective:** Complete residential plan review in seven days or less.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of plan reviews completed in seven days or less.	Percentage	80	70	93	70

**Target** The 2011 target was exceeded by 23 percent. This was accomplished with the addition of two  
**Results:** temporary Plans Examiners.

**Objective:** To maintain a maximum of fifteen working days for completion of all other projects not exceeding \$1,000,000 in valuation.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of plan reviews completed in fifteen working days or less.	Percentage	80	70	76	80

**Target** The 2011 target was exceeded by six percent.  
**Results:**

**Objective:** To maintain a maximum of ten working days for completion of residential plans with twenty-one or fewer dwellings.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of plan reviews completed in ten working days or less.	Percentage	80	70	97	80

**Target** The 2011 target was exceeded by 27 percent. This was accomplished with the addition of two  
**Results:** temporary Plans Examiners.

**Objective:** To provide 10 day notices for residential permits with 20 dwelling units or less

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage completed within timeframe	Percentage	98	98	97	80

**Target** The 2011 target was not achieved due to staff reductions.  
**Results:**

**Program: Building Construction Inspections**

Performance Measure	Unit	Actual	Target	Actual	Target
Percentage of complaints and requests investigated and resolved	Percentage	80	80	10	10

**Target** The 2011 was not achieved. This is due to staff being assigned additional tasks to be incorporated into the Service Request System. This additional workload has made this performance measure unattainable at present staffing levels. A percentage of the complaints are currently being investigated on the next business day, but the department prioritizes the work based on whether it is a hazard or threat to public safety.

**Results:**

**Objective:** Review various city and state licenses such as liquor, dance hall and parking lot licenses for compliance within 10 days, resulting in approval or orders issued.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage completed in time frame	Percentage	80	80	77	75

**Target** The 2011 target was not achieved. The license review process is recommended to be automated in conjunction with the Treasury Division of Finance. Automation would improve performance, which is critical due to the reduction in staff.

**Results:**

**Objective:** To assure compliance with the Cincinnati-Ohio Base Building Code for all structural and mechanical components of new buildings and existing commercial buildings by providing inspections within two working days of request.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of inspections completed in 2 working days.	Percentage	90	90	88	95

**Target** The 2011 target was not achieved due to reductions in staffing levels.

**Results:**

**Objective:** To perform five new construction inspections, per inspector, per day.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of inspectors performing five new construction inspections per day.	Percentage	100	100	100	100

**Target** The 2011 target was achieved.

**Results:**

**Target** The 2011 target was not achieved. This is due to steady or slightly increased Permit Center work load while staff levels have declined by 20%. In addition, tracking of non-registered contractors has been added to the Service Request System (SRS). This has increased our service requests by 16 percent. Complaints and orders related to electrical systems have also been added to the SRS. This has increased our service requests by 26 percent. In addition to the added workload, there has been an overall increase in general complaints of about 3 percent.

**Results:**

**Objective:** Up-to-date licensing and certification of staff

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Number of staff compliant with requirements	Whole Number	100	100	100	100

**Target** The 2011 target was achieved.

**Results:**

**Program: Elevator Inspection**

**Goal:** Protect the public safety as it relates to lifts, elevators, and escalators.

**Objective:** Perform plan exam functions and inspections for new installations, modernizations, and repairs of elevators, escalators, and other assorted equipment.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of inspections completed within one day of a request for permits issued for all new elevators, escalators and other assorted equipment.	Percentage	75	75	100	100

**Target** The 2011 target was exceeded by 25 percent due to the addition of an Elevator Inspector in 2011.

**Results:**

**Program: Administration**

**Goal:** Ensure that all administrative needs of the Department of Planning and Buildings are met in a smooth and efficient manner.

**Objective:** Respond to all customer calls within one business day.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percent of customer calls responded to within one business day.	Percentage	90	90	90	95

**Target** The 2011 target was achieved.

**Results:**

**Goal:** To be on call 24-7 to investigate serious interventions by police officers, including shots fired, deaths in custody and major uses of force.

**Objective:** To complete complainant, officer, and witness interviews, information gathering, and analytical reports on all investigations within 60 days of serious intervention.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of investigations completed within 60 days.	Percentage	100	100	100	100

**Target Results:** The 2011 target was achieved. The agency reviewed 324 complaints in 2011. Of those complaints, 253 were referred to the CPD in accordance with the Citizen Complaint Resolution Process, 66 cases were investigated and completed within 60 days by the Department of Citizen Complaint & Internal Audit, and 5 were classified as criminal or non-jurisdiction complaints.

**Program: Administration**

**Goal:** To maintain agency records and files, and to ensure intake, assignment and investigation procedures are in compliance with the Collaborative Agreement.

**Objective:** To provide administrative support to the federal court mandated investigative staff.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of investigations assigned within 48 business hours of initial complaint.	Percentage	100	100	100	100

**Target Results:** The 2011 target was achieved. The support staff provided administrative support by processing 324 complaints and forwarded 100% of the case information to complainants and the Cincinnati Police Department within 24 hours of receipt.

**Program: Community Relations**

**Goal:** To inform neighborhood councils, local community organizations, and citizens about the services CCA offers and its role within the City organization.

**Objective:** To increase the amount of Public Relations information that is distributed, which clearly explains how CCA operates and how to access its services.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of increased Public Relations efforts.	Percentage	15	15	15	15

**Target Results:** The 2011 target was achieved. The Citizen Complaint section's (CC) investigative data was distributed in a timely manner to the community and CPD. The City Administration, community and CC Board was informed on the activities of the agency through our website and Facebook updates. CC continues to support the International Leadership Program by providing presentations on oversight and conflict resolutions.

**Program: Internal Audit**

Organization.

<b>Performance Measure</b>	<b>Unit</b>	<b>2010 Actual</b>	<b>2011 Target</b>	<b>2011 Actual</b>	<b>2012 Target</b>
Percentage of audit recommendations substantially agreed to by departments.	Percentage	90	90	N/A	90

**Target** The 2011 target was not achieved. Since the Internal Audit Division has been undergoing  
**Results:** considerable transition, this target was not met.

**Goal:** Increasing the quality of life by providing both quality and affordable recreation programs for citizens citywide.

**Objective:** Implement the FISH customer service program to improve staff professionalism and friendliness.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of customers rating staff friendliness and courteousness good to excellent.	Percentage	99	95	97	96

**Target** The 2011 target was exceeded by two percent.

**Results:**

**Objective:** Provide both quality and affordable recreation programs for citizens citywide.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Increase community center attendance over previous year statistics.	Percentage	-3.8	1	1.6	1
Percentage of participants who rate good or excellent program value for the money.	Percentage	95	90	94	92

**Target** The 2011 target for attendance was exceeded by 0.6 percent. The 2011 target for the rating of

**Results:** program value was exceeded by four percent.

**Objective:** To provide both quality and affordable programs for youth and teens citywide.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of customers rating programs good to excellent.	Percentage	95	90	97	90

**Target** The 2011 target was exceeded by seven percent. Program offerings have been tailored to better

**Results:** meet consumer demand.

### Program: Support Services

**Goal:** The Support Service Division develops services that will promote a positive department and City image, enhance credibility, and encourage greater private sector financial support and neighborhood volunteer support of the department's programs.

**Objective:** To respond effectively and efficiently to interdepartmental inquiries and requests.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of staff who responded that they were satisfied or extremely satisfied with the services provided by the Support Services Program in a biennial survey.	Percentage	N/A	90	81	85

**Target** The 2011 target was not achieved. This was a new performance measure for 2011, so the

**Results:** results will serve as a benchmark. Administrative support staffing has been reduced over the last ten years due to budget reductions, which has impacted internal service delivery.

Promote participation of individuals with disabilities in general recreation (inclusive) programs through advocacy and support services

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Number of internal training programs offered by Therapeutics staff to other departmental staff	Whole Number	8	8	9	10

**Target** The 2011 target was exceeded by one program.

**Results:**

**Objective:** To provide high quality recreational programs designed to meet the needs and interests of individuals with disabilities.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Program evaluation and percent of participant satisfaction.	Percentage	90	90	90	90

**Target** The 2011 target was achieved.

**Results:**

### Program: Youth & Family Services

**Goal:** Through the Youth & Family Services Division, attention is given to the creation and maintenance of leadership and development opportunities for youth.

**Objective:** To expand participation of teen programming within community center activities and citywide teen social events.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of teen participation over previous year statistics.	Percentage	-21.3	2	0.3	1

**Target** The 2011 target was not achieved. Staffing reductions due to reduced funding have impacted the results with fewer teen programs being offered, which affects teen participation. Though the 2011 target was not met, teen participation has increased over 2010, which is a positive trend.

**Results:**

### Program: Seniors

**Goal:** The Senior Division partners with the Department's community centers to offer excellent senior programs directly in the neighborhoods where participants live.

**Objective:** To expand senior program opportunities in recreation centers.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of customers rating all senior programs good to excellent.	Percentage	95	90	97	90

**Target** The 2011 target was exceeded by seven percent. Program offerings have been tailored to better meet consumer demand.

**Results:**

Performance Measure	Unit	Actual	Target	Actual	Target
Percentage of work orders completed.	Percentage	93	100	97	97

**Target** The 2011 target was not achieved. The three percent in open work orders are ones created in December, require contractors, or are lower priority projects that will be completed as staff schedules permit.

**Objective:** To offer clean, safe and well-maintained facilities for public use.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of customers rating facilities good to excellent.	Percentage	97	95	95	95

**Target** The 2011 target was achieved.  
**Results:**

**Program: Outdoor Maintenance**

**Goal:** The Outdoor Maintenance Division is dedicated to keeping all of the Department's grounds and properties clean, mowed and safe.

**Objective:** To complete work orders related to outdoor maintenance in a timely manner.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of customers rating facilities good to excellent.	Percentage	97	95	95	95
Percentage of work orders completed.	Percentage	95	100	95	95

**Target** The 2011 target for the rating of facilities was achieved. The 2011 target for completed work orders was not achieved. The five percent in open work orders are ones created in December or are lower priority projects that will be completed as staff schedules permit.

**Objective:** To ensure playground safety via the playground safety team inspection program.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Number of weekly inspections conducted on playgrounds.	Whole Number	2	1	1	1

**Target** The 2011 target was achieved.  
**Results:**

**Objective:** To offer clean, safe and well-maintained outdoor facilities for public use.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of customers rating outdoor facilities good to excellent.	Percentage	97	95	95	95

**Target** The 2011 target was achieved.  
**Results:**

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage change in the number of rounds played at the seven municipal golf courses over previous year statistics.	Percentage	-4.4	3.6	-16.2	6

**Target:** The 2011 target was not achieved. The city experienced record breaking rainfall in 2011, which impacted the number of rounds played.

**Objective:** To offer clean, well-maintained, quality golf courses for the citizens of Cincinnati.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of customers rating golf facilities good to excellent.	Percentage	85	90	N/A	90

**Target:** The 2011 target was not achieved due to the annual survey not being conducted in 2011. The position that would have conducted the survey became vacant mid-season and was not filled by the contractor. The position was not filled due to budgetary reductions needed to meet the financial goals given the unfavorable weather conditions and low revenue.

**Program: Athletics**

**Goal:** The Athletics Division is dedicated to providing customer friendly environments and affordable and diverse activities.

**Objective:** To expand the youth athletic program by offering additional youth athletic opportunities.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage change in the number of youth athletic programs over previous year statistics.	Percentage	-20.6	2	2	2

**Target:** The 2011 target was achieved.

**Objective:** To offer affordable and quality adult athletic programs for the citizens of Cincinnati.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage change in adult program attendance.	Percentage	0.3	2	3.9	2

**Target:** The target was exceeded by 1.9 percent. Program offerings have been tailored to better meet consumer demand.

**Program: Aquatics**

**Goal:** The Aquatics Division provides safe and clean aquatic facilities for the enjoyment of the citizens of Cincinnati.

**Target** .....  
**Results:** .....

**Objective:** To offer safe and affordable aquatic programs for the citizens of Cincinnati.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Increase attendance at pools over previous year statistics.	Yes/No	8.7	2	-4.7	N/A

**Target** The 2011 target was not achieved. The record rainfall reduced the number of available days that  
**Results:** the swimming pools could be open.

**Program: Planning & Development**

**Goal:** Administer the Capital Improvement Program by prioritizing capital needs of the City's assets and improving the sites as allowed within the approved capital budget target.

**Objective:** To complete capital projects within budget and capital program time frame.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of capital projects completed on time and within budget.	Percentage	100	100	100	100

**Target** The 2011 target was achieved.  
**Results:** .....

**Goal:** To manage and direct all departmental functions of the City's park system and serve as secretary to the Cincinnati Board of Park Commissioners.

**Objective:** Prepare an annual business plan that establishes performance targets that are reported quarterly.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of business plan performance targets met annually.	Percentage	98	80	98	80

**Target** The 2011 target was exceeded by 18 percent.

**Results:**

**Program: Operations & Facility Management**

**Goal:** To manage the City's park system within the resources allocated according to the Park Board's established maintenance schedules.

**Objective:** Meet the weekly maintenance schedules for litter collection, mowing, facility cleaning, playground inspections, trail maintenance, and floral bed maintenance.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of park maintenance according to weekly maintenance schedules.	Percentage	100	100	100	100

**Target** The 2011 target was achieved.

**Results:**

**Objective:** To offer a clean, safe, and well-maintained venue for special events and general enjoyment.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage increase in Park attendance over previous year statistics.	Percentage	3	2	2	2
Percentage of customers rating facilities good to excellent.	Percentage	98	95	98	95

**Target** The 2011 target for Park attendance was achieved. The 2011 target for customer satisfaction

**Results:** was exceeded by three percent.

**Program: Urban Forestry**

**Goal:** To build a healthy urban tree canopy in all Cincinnati neighborhoods.

**Target** The 2011 target was achieved.

**Results:**

**Program: Planning & Design**

**Goal:** To provide for capital replacement, new park construction, and implementation of the Park Board's Master Plan through the management of capital construction and renovation contracts/projects at multiple Park Board sites.

**Objective:** Complete on a yearly basis at least 70 construction, renovation, or replacement projects.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of the 70 construction, renovation, or replacement projects goal completed.	Percentage	100	100	100	100

**Target** The 2011 target was achieved.

**Results:**

**Program: Financial & Business Services**

**Goal:** To manage all financial and business services for the department.

**Objective:** Administer in-house training programs related to safety, communication, and finances by providing at least 10 hours of yearly training to each employee.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of employees receiving at least 10 hours of training each year.	Percentage	100	100	100	100

**Target** The 2011 target was achieved.

**Results:**

**Program: Krohn Conservatory**

**Goal:** To provide a regional destination, which generates more than \$25 million a year to the region.

**Objective:** Sustain high customer satisfaction for the Krohn Conservatory.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Krohn Conservatory attendee rating of satisfied or very satisfied by 90% of customers surveyed.	Percentage	98	90	98	90

**Target** The 2011 target was exceeded by eight percent.

**Results:**

Performance Measure	Unit	Actual	Target	Actual	Target
Nature Education participant rating of satisfied or very satisfied by 90% of customers surveyed.	Percentage	99	90	99	90

**Target** The 2011 target was exceeded by nine percent.  
**Results:**

**Program: Facility Maintenance**

**Goal:** To provide for reliable park structures, buildings, and playgrounds that are safe and enjoyable.

**Objective:** Perform 1,300 maintenance tasks on a yearly basis to Park's infrastructure including buildings, trails, overlooks, playgrounds, sidewalks, and retaining walls.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of the 1,300 maintenance tasks goal completed.	Percentage	100	100	100	100

**Target** The 2011 target was achieved.  
**Results:**

**Program: Customer Service**

**Goal:** To provide rock solid customer service, manage park concerts and events, and manage contracts and special permit requests.

**Objective:** Provide timely and quality customer service in response to citizen requests for service, facility reservations, and special use permits.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of applications for reservations processed within 10 days of receipt.	Percentage	95	95	98	95
Percentage of reservation and permit application forms issued within 24 hours of request.	Percentage	100	100	100	100
Percentage of service requests, complaints, and referrals responded to within five days of receipt.	Percentage	100	100	100	100

**Target** The 2011 target for application processing was exceeded by three percent. The 2011 targets for issuing application forms and response to service requests were achieved.  
**Results:**

**Goal:** Make Cincinnati safer by utilizing resources and strategies to reduce traffic violations and congestion, reduce violent crime and vice, apprehend fugitives, and to prevent, protect, and recover from terrorist attacks, natural disasters, and hazardous events.

**Objective:** IMPROVE PATROL FUNCTION - Utilize personnel, resources, and information analysis to improve the Patrol Function in order to optimize deployment, response time, and traffic safety.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage reduction in Auto Accidents.	Percentage	1	4	1	2

**Target Results:** The 2011 target was not achieved. However, there was a decrease of one percent in auto accidents. An increase in weather related auto accidents contributed to the department not achieving the target.

**Objective:** REDUCE CRIME - Implement strategies including the formation/continuation of partnerships and emphasis on enforcement, prior offenders, and offenses using firearms that will facilitate the reduction of overall crime and specifically violent crime.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage change in violent crime from prior year.	Percentage	-13	-5	-11	-5

**Target Results:** The 2011 target was exceeded by six percent. This was due to continued policing vigilance by the department.

**Objective:** REDUCE ILLEGAL DRUG TRAFFICKING - Utilize new organization structure, partnerships, and techniques to reduce illegal drug trafficking.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage change in calls for service related to drug offenses from prior year.	Percentage	-17	-4	2	-4

**Target Results:** The 2011 target was not achieved. There was a two percent increase in drug related calls for service. This was due to departmental efforts focusing on increasing citizen awareness to report illegal drug activity.

**Objective:** REDUCE VICE RELATED OFFENSES - Utilize civil penalties, reverse prostitution stings and liquor license enforcement to reduce vice related offenses and increase neighborhood peace and safety.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage change in prostitution complaints from prior year.	Percentage	16	-5	51	-5

**Target Results:** The 2011 target was not achieved. There was a 51 percent increase of complaints for prostitution from 2010 to 2011. This was the result of several department initiatives that actually worked with the communities to identify prostitution problems in order to address these problem areas. These initiatives also resulted in a 15 percent increase in prostitution related arrests.

**Program: Community Partnerships**

citizen participation in public safety by expanding community involvement in courtwatch, and other programs and increase Police-Citizen communication.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of community problems resolved.	Percentage	55	45	N/A	45

**Target** The 2011 target cannot be measured at this time. The department no longer maintains data that would allow the tracking of this measurement. This measure should no longer be used in the future.

**Objective:** ENHANCE PUBLIC EDUCATION ON POLICE OPERATIONS - Improve Community/Police relationships by expanding educational efforts for public understanding of Police Operations.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage change in citizens trained in Police-related curriculum from prior year.	Percentage	N/A	2	-5	2

**Target** The 2011 target was not achieved. This is partially due to the Citizen's Police Academy being reduced from quarterly sessions to only two sessions in 2011 due to lack of citizen enrollment.

**Program: Personnel Development**

**Goal:** The goal of the Personnel Development program is to insure the department's standards for professionalism and efficiency are maintained or expanded.

**Objective:** INCREASE PROFESSIONAL STANDARD - Facilitate and encourage department members to increase professionalism through completion of certification and higher education programs.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of CALEA professional standards obtained.	Percentage	100	100	100	100

**Target** The 2011 target was achieved. The department will not be participating in CALEA in 2012; the membership was cancelled as it was determined that the cost of membership was not cost effective for the benefits derived.

**Program: Resource Management**

**Goal:** The goal of Resource Management is to secure, allocate, and account for the financial and material resources necessary for department operations. This includes strategies to reduce costs and increase funding from outside sources.

secured.	Percentage	16.9	10	14	5
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**Target** The 2011 target was exceeded by four percent. This represents an increase of total department revenue of almost \$2.0 million in 2011, primarily as a result of increased grant funding.

**Results:**

**Program: Technological Advancement**

**Goal:** The Police Department strives to utilize technology to improve public safety and enhance public service while balancing cost to insure efficiency.

**Objective:** DEVELOP TECHNOLOGY FOR MORE EFFICIENT DAILY OPERATIONS - Implement solutions for technology issues in daily operations.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of paper process eliminated or replaced with electronic data collection.	Percentage	15	10	55	20

**Target** The 2011 target was exceeded by 45 percent. The implementation of the records management system allowed for entering several reports such as Contact Cards, Case Reports, Warrants, etc. Several more reports are programmed for implementation in 2012 as part of the records management system.

**Results:**

**Program: Department of Emergency Communications**

**Goal:** The goal of the Emergency Communications Center is to enhance safety for residents, visitors, and businesses of Cincinnati and emergency response personnel through better utilization of resources via strategy implementation designed to prioritize, process, and disseminate information in a timely manner to appropriate units responsible for resolution of emergencies.

**Objective:** Maintain an effective level of fire protection to all citizens of Cincinnati by quickly processing incoming calls.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of fire requests, from call to dispatch, with processing times of less than 50 seconds.	Percentage	82	90	64	90

**Target** The 2011 target was not achieved. The data was collected by the Fire Department. Moving forward, the Emergency Communications Center will use their own set of data to establish measurable goals for the department.

**Results:**

processed in less than 90 seconds.	Percentage	72	90	91	90
Percentage of police calls, from call received to dispatch, processed in less than 90 seconds.	Percentage	N/A	90	6.82	90

**Target** The 2011 target was achieved for the Fire Department. The 2011 target was not achieved for the

**Results:** Police Department. Only seven percent of police calls, from call received to dispatch, were processed in less than 90 seconds based on information provided by the Police Department's IT Section. Moving forward, the Emergency Communications Center will use their own set of data to establish measurable goals for the department.

**Goal:** Lead, manage, and oversee the work of the Department of Transportation and Engineering to accomplish the departmental Business Plan consistent with the vision of the City Manager and policy direction received from the City Council.

**Objective:** Implement the Departmental Business Plan.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of Business Plan Implemented.	Percentage	86	80	85	80

**Target** The 2011 target was exceeded by five percent.

**Results:**

**Program: Transportation Planning and Urban Design**

**Goal:** Improve safety, mobility, and appearance of Cincinnati's transportation system consistent with available resources.

**Objective:** Complete downtown and neighborhood gateway projects that meet the needs of the stakeholders (workgroup participants).

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of stakeholder group satisfaction with downtown, business district streetscape, and neighborhood gateway projects.	Percentage	90	80	85	80

**Target** The 2011 target was exceeded by five percent.

**Results:**

**Program: Engineering**

**Goal:** Preserve the condition of Cincinnati's transportation system assets, including pavements, curbs, bridges, retaining walls, sidewalks, and stairways.

**Objective:** Maintain the condition of city bridges at a standard consistent with public safety and available funding.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of city bridges that are open with no load restrictions. (Indicates that bridge is at least in 'fair' condition meaning that all primary structural elements are sound.)	Percentage	98	95	98	95

**Target** The 2011 target was exceeded by three percent.

**Results:**

Percentage of transportation assets in good or better condition based on industry standard criteria.

Percentage	64	60	62	57
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**Target** The 2011 target was exceeded by two percent.

**Results:**

**Objective:** Maximize the amount of roadway rehabilitated with appropriated resources to meet or exceed the City Council approved goal of rehabilitating 100 lane miles.

<b>Performance Measure</b>	<b>Unit</b>	<b>2010 Actual</b>	<b>2011 Target</b>	<b>2011 Actual</b>	<b>2012 Target</b>
Percentage of the 100 lane-mile goal completed.	Percentage	107	67	63.1	75

**Target** The 2011 target was not achieved primarily due to the record-setting rainfall in 2011. Additionally,  
**Results:** the cost per lane mile for street rehabilitation work within the central business district was higher than average.

**Objective:** Review permit applications (e.g., street openings, sidewalk barricades, etc.) and issue permits within specified timeframe.

<b>Performance Measure</b>	<b>Unit</b>	<b>2010 Actual</b>	<b>2011 Target</b>	<b>2011 Actual</b>	<b>2012 Target</b>
Percentage of permits issued within three weeks after application date.	Percentage	86	80	86	80

**Target** The 2011 target was exceeded by six percent.

**Results:**

**Program: Traffic Engineering**

**Goal:** To manage the City's traffic signal, traffic control, and street lighting systems to encourage safe and efficient travel, enhance the quality of life for residents, and encourage and sustain economic development.

**Objective:** Respond to council referrals and close CSRs by stated deadlines.

<b>Performance Measure</b>	<b>Unit</b>	<b>2010 Actual</b>	<b>2011 Target</b>	<b>2011 Actual</b>	<b>2012 Target</b>
Percent of responses that meet deadlines.	Percentage	92	90	90	90

**Target** The 2011 target was achieved.

**Results:**

**Program: General Aviation**

**Goal:** Maintain aviation facilities that are an integral part of a national transportation system providing for the safe and efficient movement of people and property enhancing the economic opportunities and well being of the City of Cincinnati.

**Target** Lunken Airport operated at 24 percent above target due to expenses being approximately  
**Results:** \$250,000 below budget and revenue collection exceeding the revenue projection by over \$55,000.

**Goal:** To manage all contracts related to the use of the convention center and to responsibly handle all financial and administrative functions including scheduling events and developing new customers at the center.

**Objective:** Increase community or intra-City partnerships that increase department efficiency and effectiveness in solving recurring problems each year.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage utilization of Small Business Enterprise firms based on contract values.	Percentage	44.3	30	43	30

**Target:** The 2011 target was exceeded by 13 percent. This increase was due to staff efforts to utilize Small Business Enterprise firms (SBEs) and encourage SBEs to register with the City.

**Objective:** Maintain program self-sufficiency by maintaining a fund balance that is five percent of revenue.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Convention Center Fund balance.	Percentage	14.6	5	25.1	5

**Target:** The 2011 target was exceeded by 20.1 percent. This increase was due to additional events being booked during the year.

**Objective:** Obtain a customer satisfaction rating of 4.5 from a possible 5.0 on post event customer surveys.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Customer satisfaction rating of 4.5 or more of customers surveyed.	Whole Number	4.4	4.5	4.57	4.5

**Target:** The 2011 target was slightly exceeded.

**Objective:** Reduce the amount of energy used by the Convention Center by four percent each year by implementing the department's Energy Management Plan.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage reduction in the amount of energy used by the Convention Center within one year.	Percentage	-8.24	4	10	4

**Target:** The 2011 target was exceeded by six percent. Due to the Energy Management Plan, actual costs in 2011 for chilled water, gas and electric were approximately ten percent lower than 2010.

**Program: On-Street Parking**

**Goal:** To ensure increased mobility for the motoring public and encourage vehicle turnover that supports retail enterprise in the central and neighborhood business districts.

**Target** The 2011 target was achieved.  
**Results:**

**Program: Off-Street Parking**

**Goal:** To create aesthetic, safe, and efficiently operated parking facilities and increase utilization to support economic development in the downtown community.

**Objective:** To increase the availability of visitor parking in Downtown Cincinnati by monitoring the number of daily cars parked compared to the number of available spaces (turnover ratio).

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Turnover ratio.	Percentage	1.21	1.28	1.22	1.24

**Target** The 2011 target was not achieved. The number of monthly parking customers increased in 2011  
**Results:** resulting in fewer spaces available for transient parking customers.

**Program: Parking Business Services**

**Goal:** To provide timely and excellent customer service through proper stewardship of funds and assets managed by the Parking Facilities Division.

**Objective:** Provide timely and quality customer service in response to citizen requests.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of special event parking applications processed within 24 hours of receipt.	Percentage	100	100	100	100

**Target** The 2011 target was achieved.  
**Results:**

**Objective:** Reduce the length of citizen complaint response time as reported in the customer service response system.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage response to customer service requests within 24 hours.	Percentage	100	100	100	100

**Target** The 2011 target was achieved.  
**Results:**

**Goal:** To provide outstanding automotive and other motorized equipment service to all City agencies that supports public health and safety for the citizens of Cincinnati.

**Objective:** Maintain operation of essential Police, Fire and Public Service equipment at full capacity.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of ambulances available for operation at full capacity.	Percentage	100	100	100	100
Percentage of fire fighting equipment available for operation at full capacity.	Percentage	100	100	100	100
Percentage of police beat cars available for operation at full capacity.	Percentage	89	100	100	100
Percentage of solid waste equipment available for operation at full capacity.	Percentage	82	100	97	100

**Target:** The 2011 target was achieved for police beat cars, fire fighting equipment and ambulances. The  
**Results:** 2011 target was not achieved by three percent for solid waste equipment due to 45 percent of solid waste equipment being out of life cycle and requiring additional repairs.

**Objective:** Reduce the amount of energy used by the Fleet Services Division each year by implementing the department's Energy Management Plan.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage reduction in the amount of energy used by the Fleet Services Division within one year.	Percentage	4.1	4	8.63	4

**Target:** The 2011 target was exceeded by 4.63 percent. This was due to a mild winter and the use of two  
**Results:** used-oil burners.

**Program: Winter Maintenance**

**Goal:** To promote public safety for travelers of city streets during winter storms.

**Objective:** To make all streets passable from snow and ice within 24 hours after an ordinary snowstorm.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of all streets passable within 24 hours.	Percentage	90	90	95	90

**Target:** The 2011 target was exceeded by five percent.  
**Results:**

**Program: Energy Management**

**Goal:** To achieve service excellence by protecting the environment and conserving natural resources and following the precepts of the Kyoto Protocol.

construction of all new City buildings and major renovations. Percentage 100 100 100 100

**Target** The 2011 target was achieved.

**Results:**

**Objective:** Assist the department with lowering operational costs by establishing procedures for staff to reduce energy consumption through various conservation methods.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage reduction in the amount of energy used by Public Services within one year.	Percentage	2	2	10	2

**Target** The 2011 target was exceeded by eight percent. This decrease represents reductions in both

**Results:** electric and gas usage due to a combination of weather conditions, energy plans, and installation of performance contracting measures.

**Program: Director's Office**

**Goal:** To promote service excellence through effective administration, structured processes, and improved management systems.

**Objective:** Establish an open-door policy to help facilitate open communication among the various departments the Public Services department interacts with by increasing intra-city partnerships.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Achieve a 20 percent increase in intra-City partnerships that increase department efficiency and effectiveness in solving recurring problems.	Percentage	20	20	20	25

**Target** The 2011 target was achieved.

**Results:**

**Program: Traffic Control, Pavement & Structure Maint.**

**Goal:** To promote neighborhood investment, public safety and economic development through effective traffic control, pavement, and structure maintenance programs.

**Objective:** Promptly correct reported traffic signal outages within 48 hours.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of traffic signal outages made safe within 48 hours.	Percentage	90	90	100	90

**Target** The 2011 target was exceeded by ten percent.

**Results:**

**Target** The 2011 target was not achieved due to under staffing and pothole repair crews being assigned to snow removal.  
**Results:**

**Program: Waste Collections**

**Goal:** To promote neighborhood investment, public safety and service excellence by managing the City's many waste collection efforts in an environmentally and cost effective manner.

**Objective:** Provide efficient and effective collection of residential tires.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percent collected within 2 weeks of request.	Percentage	95	100	99	100

**Target** The 2011 target was not achieved by one percent.  
**Results:**

**Program: Neighborhood Investment Services**

**Goal:** To promote neighborhood investment, economic development, and public safety by providing an aesthetically pleasing appearance throughout the community by maintaining clean right-of-ways, green spaces, streets, gateways, and thoroughfares.

**Objective:** Maintain clean aesthetically pleasing right-of-ways and green space by maintaining a quality rating of 2.0 for high visibility routes including certain gateways and thoroughfares.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
A litter index rating of 2.0 or lower.	Whole Number	1.9	2	1.55	2

**Target** The 2011 target was exceeded by a 0.45 litter index rating.  
**Results:**

**Objective:** Provide efficient customer service to the citizens utilizing the Customer Service Communication Center.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of phone calls answered by the Customer Service Communication Center employees within 35 seconds or less.	Percentage	45	90	N/A	90

**Target** The 2011 target was not achieved as no calls were answered within 35 seconds (the average response time was 1:23 minutes). This is due to staffing levels being reduced by 73 percent in the 2011 Approved Budget. In addition, the remaining staff are managing the same level of calls (approximately 17,000 calls per quarter).  
**Results:**

**Program: Property Management**

**Goal:** To manage City assets as long term investments in order to achieve service excellence.

their facilities.

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Percentage

90

90

90

90

**Target** The 2011 target was achieved.

**Results:**

**Goal:** To assist the Board of Health and staff through providing professional, technical, and administrative support to manage operational and program needs.

**Objective:** Provide timely and quality customer service in response to citizen complaints regarding Health Department Services.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of customer service complaints responded to within 72 hours of receipt.	Percentage	100	100	100	100

**Target:** The 2011 target was achieved. There are many locations and phone numbers for which City residents and businesses contact the City of Cincinnati Health Department. This performance measure of responding to 100% of all requests within 72 hours includes requests for all inspections related to environmental nuisances, including: litter, weeds, rodents, and other issues. The environmental unit responded to every such complaint within 48 hours of receipt in 2009. However, reduced staffing levels changed this standard to 72 hours in 2010, especially during the spring and summer months.

**Results:**

**Program: Health Centers**

**Goal:** Provide safety net preventive and primary health care services to uninsured and underinsured Cincinnatians who otherwise do not have access to primary care services.

**Objective:** Provide safety net preventive and primary care services to all Cincinnatians who are uninsured or underinsured.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of patients rating Nurses and Medical Assistants as Friendly and Helpful at the good or excellent level on the Patient Satisfaction Survey.	Percentage	95	95	N/A	95

**Target:** The 2011 target was not achieved as a survey was not performed in 2011. A survey is scheduled for March 2012.

**Results:**

**Program: Home Health Nursing Services & Comm. Nursing**

**Goal:** Improve the health of elderly residents and the Cincinnati community by providing home nursing and rehabilitation services, inspections, and maternal care to new mothers and their babies.

**Target Results:** The 2011 target was not achieved due to 25 percent of nursing positions being reduced from this program in 2011. In addition, the number of home health care visits went from 7,590 in 2010 to 6,090 in 2011.

**Objective:** To provide lead screening of children residing in high-risk neighborhoods or in housing containing lead based paint; provide nursing case management for children with elevated blood levels; and provide environmental assessment of their homes.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage increase in blood lead level screenings.	Percentage	-4	1	10	1

**Target Results:** The 2011 target was exceeded by 9 percent with a total of 13,918 screenings in 2011. This includes screenings conducted by all area services providers, not just those conducted by the Health Department.

**Program: School & Adolescent Health**

**Goal:** Delivery of health services and health education, which directly contribute to a student's education, as well as the health of the family and community.

**Objective:** Provide immunizations for children who attend 43 targeted Cincinnati Public Schools.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of children receiving the recommended immunizations.	Percentage	96	95	96	93

**Target Results:** The 2011 target was exceeded by 1 percent.

**Objective:** Provide vision and hearing screenings, health assessments, medical referrals, immunizations, lead testing, and follow up for children who attend 43 targeted Cincinnati Public Schools.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of referrals resolved or in process.	Percentage	91	93	88	85

**Target Results:** The 2011 target was not achieved due to budget reductions in the school nursing program.

**Program: Dental Hygiene**

**Goal:** Provide primary dental services to uninsured and underinsured Cincinnatians who otherwise do not have access to dental care services.

Percentage of patients satisfied or very satisfied with dental services according to Health Department Client Satisfaction Survey results.

Percentage	95	95	N/A	95
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**Target** The 2011 target was not achieved as a survey was not performed in 2011. A survey is scheduled  
**Results:** for March 2012.

**Goal:** To follow financial practices that support long-term goals and commit the Fire Department to fiscal responsibility.

**Objective:** To increase alternate funding sources for the Fire Department, allowing the department to do more without an increased reliance on the General Fund.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of grants applied for that do not require matching funds.	Percentage	87.5	80	83	80

**Target** The 2011 target was exceeded by three percent. Of the twelve grants that were applied for during 2011, only two required a cost share match.

**Results:**

**Program: Support Services**

**Goal:** To remain progressive in providing quality products and services to the Fire Department while adhering to sound budgetary practices.

**Objective:** Maintain an effective level of Emergency Medical Service (EMS) to the citizens of Cincinnati by arriving at the scene of service request quickly.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of Advanced Life Support (ALS) runs responded to within 8 minutes or less.	Percentage	84	90	91	90

**Target** The 2011 target was exceeded by one percent.

**Results:**

**Objective:** Maintain an effective level of Emergency Medical Service (EMS) to the citizens of Cincinnati by quickly responding at the scene of service.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of Basic Life Support (BLS) runs responded to within five minutes or less.	Percentage	72	90	64	90

**Target** The 2011 target was not achieved. Fire company brownouts were a contributing factor to the department missing its 2011 target. When a fire company brownout occurs, especially in high volume call areas, fire companies from other neighborhoods have to cover for the browned out fire company.

**Results:**

**Program: Prevention and Community Education**

**Goal:** To anticipate, prepare for and prevent future emergency events.

completed (goal is 92,000).	Percentage	100	100	87	100
Percentage of requests for the education of school children met (goal is 8,000 children).	Percentage	100	100	168	100

**Target** The 2011 target was not achieved for structure inspection. Fire companies perform approximately 95 percent of the department's fire inspections. Due to brownouts, fire companies were not able to perform as many routine fire inspections. Fire inspections are prioritized by category, with high hazard occupancy inspections being completed first.

The 2011 target was exceeded by 68 percent for school children education. Fire Safety was able to educate approximately 13,500 children on fire education during 2011.

**Program: Human Resources**

**Goal:** To build individual capacity, increase professionalism, and enhance personal skill sets by employing leadership development and team building.

**Objective:** Maintain a low employee injury rate.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage change in recordable injuries based upon National Fire Protection Association (NFPA) standards.	Percentage	-8	-22	-3	-15

**Target Results:** The 2011 target was not achieved. During 2011, there were 65 reported injuries, which represent a three percent decrease from the 67 injuries reported in 2010. Though the 2011 target was not met, the Fire Department injury rate continues to decline, which is a positive trend.

**Program: Response**

**Goal:** To minimize the loss of life and property due to emergency events.

**Objective:** Maintain an effective level of fire protection to all citizens of Cincinnati by arriving at the scene of an emergency quickly.

Performance Measure	Unit	2010 Actual	2011 Target	2011 Actual	2012 Target
Percentage of occurrences where fire response time is five minutes or less.	Percentage	79	90	74	90
Percentage of time 14 firefighters are on the scene of initial alarm in less than 9 minutes.	Percentage	83	90	70	90

**Target Results:** The 2011 targets were not achieved. Fire company brownouts are a contributing factor to the department missing its 2011 targets. When a fire company brownout occurs, especially in high volume call areas, fire companies from other neighborhoods have to cover for the browned out fire company.

**Goal:** Optimize the use of fiscal resources; develop a workforce and work environment; provide customer focused services to the region; and provide overall leadership and direction to the organization.

**Objective:** Maintain (or upgrade) bond ratings.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Bond ratings from Standard & Poor's (AAA) and Moody's (Aaa). Each bond rating represents 'high quality.'	Yes/No	Yes	Yes	Yes	Yes

**Target** The 2011 target was achieved.

**Results:**

**Objective:** Promote a safe work environment for GCWW employees by achieving 100 percent participation in the annual Safety Action Plan.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage completion of safety goals.	Percentage	100	100	99	100

**Target** The 2011 target was not achieved by one percent. The Division of Departmental Support Services was not able to complete training on Confined Space due to equipment problems. New equipment was purchased at the end of 2011. Confined Space training will be part of the 2012 Safety Action Plan. In 2011, GCWW employees were provided training in Trenching and Shoring as a substitute.

**Program: Commercial Services**

**Goal:** Provide outstanding customer service and build positive relationships between the public and GCWW.

**Objective:** Maximize the number of customers satisfied with the way GCWW handles questions or problems.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of customers who have had dealings with GCWW that are very satisfied or somewhat satisfied with the way their question or problem was handled.	Percentage	86	N/A	N/A	85

**Target** The 2011 target was not applicable due to the Customer Survey being conducted every other year.

**Results:**

**Target Results:** The 2011 target was not achieved by 12 percent. In 2011, the GCWW Customer Contact Center (CCC) answered 68 percent of all calls in less than 35 seconds, falling short of meeting the target of 80 percent. Performance in first quarter 2011 improved over 2010, reaching service levels as high as 80 percent in February, 79 percent in March and 75 percent in January.

This objective is critically dependent upon staffing. The Customer Contact Center began 2011 with reduced staffing in preparation for a call volume reduction expected in 2011 with the completion of the Butler County Contact Center service contract, which concluded in December 2010. While Butler County calls were removed, GCWW calls to Customer Relations Representatives (CRR) increased in 2011 by six percent to 305,617 calls. Retirement of a Supervisor in 2011 resulted in a temporary transfer assignment which ultimately resulted in the loss of a full CRR. Staffing was also affected by increased mandatory training in 2011 as well as significant staff investment in business process design, technology testing, and training development in preparation for a Contact Center Technology and Business Process Enhancement project. This project is scheduled for completion in the third quarter of 2012. While requiring heavy time investment, these enhancements are anticipated to lead to further improvements in the service levels once fully implemented.

**Program: Water Supply, Treatment and Distribution**

**Goal:** To protect public health, support and promote economic development, and provide sufficient fire flow by optimizing our water treatment and distribution system to provide high quality water to all our customers.

**Objective:** Achieve the highest level of regulatory compliance in water quality assurance.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of water quality samples taken from the treatment plants that meet regulatory compliance.	Percentage	100	100	100	100

**Target Results:** The 2011 target was achieved.

**Objective:** To minimize the amount of time a customer is without water services during maintenance and repair activities.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Average number of hours a customer is without water service during maintenance and repair activities.	Whole Number	4.2	6	4	6

**Target Results:** The 2011 target was achieved.

**Goal:** Economically maintain, expand, and enhance our processes and facilities to provide quality services.

**Objective:** Ensure the accuracy of all Stormwater Management Utility billing accounts.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of customer billing inquiries investigated and resolved with feedback provided to the customer within five working days.	Percentage	99	99	99	99

**Target** The 2011 target was achieved.

**Results:**

**Program: Stormwater - Planning/Design**

**Goal:** Ensure a safe public right-of-way and reduce receiving stream flooding and erosion, and improve water quality of receiving streams.

**Objective:** Incorporate sustainable infrastructure into drainage projects where feasible.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of projects where environmentally friendly strategies were evaluated for sustainable infrastructure solutions.	Percentage	66	10	75	10

**Target** The 2011 target was exceeded by 65 percent. The Stormwater Management Utility is committed to improving the environment, as described in the City's National Pollution Discharge Elimination System (NPDES) Permit, through the utilization of Best Management Practices (BMPs) and Green Solutions.

**Program: Stormwater - Operations & Maintenance**

**Goal:** Clean and maintain public stormwater related infrastructure.

**Objective:** Minimize the occurrence of street flooding due to blocked inlets through inlet inspection.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of total inlets inspected and cleaned annually.	Percentage	57	50	51	50

**Target** The 2011 target was exceeded by one percent.

**Results:**

**Program: Stormwater - NPDES Compliance**

**Goal:** The Stormwater Management Utility will meet and exceed all Federal standards under their National Pollutant Discharge Elimination System (NPDES) Permit and all requirements under the Clean Water Act (goal is 100% of requirement met).

**Target** The 2011 target was achieved.

**Results:**

**Program: Stormwater - Flood Control**

**Goal:** Maintain critical flood control facilities and ensure that flood control levees, walls, gates, valves, and pumps are ready for an emergency.

**Objective:** Receive an acceptable rating for all items inspected by the USACE during annual inspection.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of critical maintenance work and capital improvements projects identified and completed each year.	Percentage	100	99	99	99

**Target** The 2011 target was achieved.

**Results:**

**Program: Office of the Director/Administration**

**Goal:** Provide excellent internal and external customer service, and human resources development.

**Objective:** Provide timely service to external customers.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Average time in minutes from when a MSD crew arrives at customer property to the time the MSD crew finishes the water-in-basement investigation.	Whole Number	62	100	47	100
Percentage of water-in-basement responses within four hours of request.	Percentage	95	95	87	95

**Target** The 2011 target pertaining to investigation time was exceeded by an average of 53 minutes. The

**Results:** 2011 target pertaining to response time was not achieved. This was due to record annual rainfall for Cincinnati in 2011 which led to a 30 percent increase in the number of customer requests for service for water-in-basement investigations which negatively impacted response time.

**Program: Wastewater Engineering**

**Goal:** Ensure timely compliance with the Consent Decree, which requires meeting the project milestones set by the Department of Justice.

**Target** The 2011 target was exceeded by 10 percent. This was due to all projects being completed by original milestones or within approved time extensions in order to comply with the legal requirements of the Consent Decree.  
**Results:**

**Program: Information Technology**

**Goal:** Provide a reliable and secure network environment to improve MSD's business efficiency.

**Objective:** Provide a highly reliable information technology system infrastructure for managing MSD business.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage availability of critical business systems maintained by the IT division.	Percentage	99.9	99.9	99.9	99

**Target** The 2011 target was achieved.  
**Results:**

**Program: Wastewater Treatment**

**Goal:** Operate and maintain seven water reclamation facilities (WRFs) and associated pump stations.

**Objective:** Meet or exceed the regulatory compliance established through National Pollutant Discharge Elimination System (NPDES) permit.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of NPDES reporting data met or performed better than the limits set by Environmental Protection Agency (EPA).	Percentage	99.8	99.8	99.8	99

**Target** The 2011 target was achieved.  
**Results:**

**Program: Wastewater Collection**

**Goal:** Operate and maintain 3,100 miles of pipe proactively.

**Objective:** Minimize sewer overflows and deterioration with a systematic preventive maintenance program.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Percentage of collection system assets, including a total of approximately 90,000 sewer segments and approximately 90,000 manholes, to which criticality rankings are assigned.	Percentage	100	100	100	100

**Target** The 2011 target was achieved.  
**Results:**

Average total cost per analysis performed by Division of Industrial Waste (Total laboratory costs include salaries, wages, benefits, chemicals, equipment, and supplies.)

Dollar Amount	11.03	22	11.41	13
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**Target** The 2011 target was exceeded by an average cost of \$10.59 per analysis performed by the Division of Industrial Waste. The 2011 actual was computed based on direct 2011 laboratory section costs including personnel, benefits, laboratory supplies, as well as an allocation of administrative costs. The 2011 target was established based on an average cost for the entire division; the 2012 target has been adjusted to reflect an average cost solely for the laboratory section.

**Program: Water-In-Basement**

**Goal:** Comply with Consent Decree requirements for response and assistance to Water-In-Basement (WIB) customers.

**Objective:** Respond with WIB service in compliance with the Consent Decree to minimize sewerage outflow into basements.

Performance Measure	Unit	2010	2011	2011	2012
		Actual	Target	Actual	Target
Average cost for each water-in-basement cleanup that is the responsibility of MSD.	Dollar Amount	3,659	3,500	3,614	4,000

**Target** The 2011 target was not achieved. The average cleanup cost was \$114 or 3.3 percent higher than the anticipated target due to record annual rainfall for Cincinnati in 2011.