



June 3, 2026

FOR YOUR INFORMATION

To: Mayor and Members of City Council

From: Sheryl M. M. Long, City Manager *SM*

Subject: Recommended FY 2027 Budget Update – Q&A #2

This memo includes responses to questions that the Office of Budget and Evaluation has received regarding the Recommended FY 2027 Budget Update. The content is for your information. Follow-up questions can be directed to Andrew Dudas, Budget Director, at extension 1562 or Andrew.Dudas@cincinnati-oh.gov.

1. CORRECTION: Q&A Memo #1 Issued May 27, 2026:

In [FYI Memo #4608 - Budget Q&A #1](#), issued on May 27, 2026, the memo incorrectly identified the amount of the lump sum payment to the Cincinnati Retirement System (CRS) from the City's various Restricted Funds. The amount included in the City Manager's Recommended FY 2027 Budget Update for this payment is \$1.5 million, not \$2.0 million. \$1.5 million is the amount included in the City's proposed modifications to the Collaborative Settlement Agreement and Consent Decree governing the City's pension system, which were recently approved.

2. Bond Retirement Fund Transfer In Correction

The City Manager's Recommended FY 2027 Budget Update included a transfer in of \$8,725,000 in judgment bond proceeds to the Bond Retirement Fund with a corresponding one-time budget exception in the same amount to provide resources to pay one or more final judgments rendered against the City, including settlements of claims approved by a court. After consulting with the Law Department and the Department of Finance, judgment bond proceeds will be receipted into and paid from Judgment Bond Fund 815 in keeping with past practice. The Restricted Funds FY 2027 Budget Update Operating Budget Ordinance will reflect this change for Bond Retirement Fund 151.

3. Please provide more information about the City's various home repair programs, which programs are most efficient at getting money out the door and potential areas of expansion.

The Department of Buildings & Inspections currently manages four home repair and adjacent programs funded with City resources.

- **Essential Services Program:** This program provides assistance to property owners to prevent the displacement of tenants within a residential rental structure as a result of Vacate Violation Orders. This program is intended as a last resort when property owners cannot abate the violations in a timely fashion and is used to avoid tenant displacement and related relocation services and expenses. The abatement costs are then recouped via invoice and/or a property tax lien.
 - The Approved Fiscal Year 2024-2025 Biennial Budget included the initial \$500,000 appropriation to this program. \$500,000 was subsequently transferred out from the General Fund to Emergency Remediation of Defects in Rental Housing Fund 346 in support of this program in Fiscal Years 2025 and 2026. On June 11, 2025, the City Council approved [Ordinance No. 0158-2025](#), which transferred an additional \$400,000 from the General Fund to Emergency Remediation of Defects in Rental Housing Fund 346. This was done to address a failing private sewer line for the apartment complex at 5469 Kirby Avenue in Mt. Airy which required emergency replacement.
 - The funding for this program was always intended to revolve, with the resources being largely recaptured and redeployed. As of April 30, 2026, the Emergency Remediation of Defects in Rental Housing Fund 346 has \$1,891,595 in equity. The program has spent \$535,163 and returned \$519,895 in revenue.

- **Residential Rental Repair Program:** This program provides resources to assist multi-family property owners make necessary repairs to alleviate code compliance violations. This program is part of the Neighborhoods in Focus Initiative.
 - The Approved Fiscal Year 2024-2025 Biennial Budget appropriated \$550,000 to capital improvement program project account no. 980x211x242100, "Small Scale Rental Rehab Loan Program." Through April 30, 2026, this program has spent \$402,735.
 - Unlike the Essential Services Program, the resources for this program are not revolving. Resources granted to property owners are not repaid to the City. There are no further planned resources for this program.

- **Landscape Program:** This program assists property owners to make necessary landscape improvements to limit damage to structures and obstructions to right-of-way, targeting features that are directly visible from the right of way, which are potentially hazardous, and which may cause damage to the owner’s property or to adjacent property structures. This program is part of the Neighborhoods in Focus Initiative.
 - On November 19, 2025, the City Council approved [Ordinance No. 0365-2025](#) which appropriated \$75,000 to the Landscape Program, but there have been no expenditures to date. Three streets in Avondale have been identified for this program.
 - Funding for this program was a one-time appropriation from the City Council.

- **Housing Assistance Repair Building Order Remission (HARBOR):** This program addresses housing code violations and funding gaps for homeowners that cannot fund repairs and do not qualify for other programs. This program is a subproject included in the Neighborhoods in Focus Initiative.
 - The aforementioned [Ordinance No. 0365-2025](#) also appropriated \$200,000 of General Fund resources to the HARBOR program, with Avondale identified for this tranche of funding. \$13,667 of this General Fund appropriation has been spent to date.
 - In addition to the above described General Fund resources, the HARBOR program is funded annually through the Federal entitlement grants program—primarily the Community Development Block Grant (CDBG) program. For this upcoming fiscal year, \$4,125,000 in Federal entitlement resources are planned to be allocated to “Housing and Building Quality Programs ‘26” which includes HARBOR.

The Department of Buildings & Inspections administers additional Housing Services programs funded through Federal entitlement grants. Questions regarding these programs or resources can be directed to the Office of Grant Administration and Government Affairs.

4. What is the Cincinnati Police Department’s Recommended FY 2027 overtime budget?

Budgeted overtime for the Cincinnati Police Department (CPD) in FY 2027 is \$23,312,564, which includes \$14.0 million in reimbursable overtime due to the recent changes related to off-duty detail revenue flowing through the City. Reimbursable overtime may include Police off-duty details, task forces, and grant reimbursements. Off-duty details are now paid to officers on their City paycheck with revenue being received by the City from the vendors. This change requires that the City account in

City finances for both the revenue received and for the expense of paying that revenue to officers.

The Cincinnati Police Department's budget increased from \$188,549,180 in FY 2026 to \$217,140,230 in the City Manager's Recommended FY 2027 Budget Update, an increase of over \$28 million. The additional off-duty detail expenses budgeted in FY 2027 account for a significant portion of this annual budgetary increase.

5. How much money is in the aggregate of excess service payments from TIF Projects under ORC Section 5709.40(B)?

The City Manager recommended that \$4.5 million from the Ohio Revised Code (ORC) 5709.40(B) source be used for the Farmer Music Center. That is the maximum amount currently available from this source, when accounting for other existing debt obligations.

With the Mayor's subsequent proposed reduction to \$2.0 million of the 40(B) resource allocated to the Farmer Music Center, there would be \$2.5 million remaining from the 40(B) source. Those are the funds that are targeted to be used for the land acquisition discussed by the Mayor on the parcel adjacent to the Farmer Music Center. At this time, there is no determined purchase price for that land, as that will be subject to continued discussion and negotiation with Music & Event Management, Inc. (MEMI). Therefore, it is unknown what portion of the remaining \$2.5 million will be needed for that contemplated acquisition.

6. Please provide the number of leveraged support applications by category.

A total of 120 applications were received across the three leveraged support categories:

- Arts: 38 applicants
- Environment: 17 applicants
- Equity and Inclusion: 65 applicants

7. How is the Sports Commission recommended funding from the Convention Center Fund?

The City Manager's Recommended FY 2027 Budget Update includes \$200k from the Convention Center Fund to support the Cincinnati Regional Sports Commission. Support for the Regional Sports Commission will serve to drive future sports related event bookings at the Convention Center (First Financial Center) which will generate future revenue for the Convention Center Fund. Due to this connection, this is an appropriate use of Fund 103 resources related to expenses for Convention Center operations.

8. Please provide a comparison of status of Fleet from May 2025 to May 2026.

The City Manager's Recommended FY 2026-2027 Biennial Budget State of the Fleet presentation was presented to the Budget and Finance Committee on May 27, 2025 ([File No. 202501087](#)). Per the presentation, as of April 2025 there were 127 vehicles meeting all three replacement criteria that did not have a replacement on order. As of May 2026, per the City Manager's Recommended FY 2027 Budget Update State of the Fleet presentation ([File No. 202601664](#)), there are 119 vehicles that meet all three replacement criteria and do not have a replacement on order.

9. What are the permissible uses of Recreation Special Activities Fund 323?

The purpose of Recreation Special Activities Fund 323 is to account for money received from charges for special activities such as gym classes, folk dance classes, tennis classes, swimming classes, photography classes, handicraft classes, caretaker services, and the cost of using the facilities of the Board of Education of the Cincinnati School District. Expenditures from this fund may be made to pay for the expenses incurred in rendering these services.

10. What scope of work is included in the Neighborhood Development Fund?

As indicated on page 338 of the Recommended FY 2027 Budget Update, under "Neighborhood Development Funding – Capital" the description states, "This project will provide resources to support the development of housing, commercial and mixed-use structures, and public improvements that catalyze development within the City, with an emphasis on investing in transit corridors; neighborhood business districts; creation of homeownership opportunities; and areas of the City where there are not alternative sources for investment, there has been historic disinvestment, or that lack strong market activity." The purpose states, "The purpose of this project is to enhance housing supply and economic development activity within the City of Cincinnati."

As indicated on page 462 of the Recommended FY 2027 Budget Update, under "Neighborhood Development Funding – Housing SHPIF" the description states, "This project will provide resources for strategic investment to housing projects throughout the City's neighborhoods. The program will support the rehabilitation or new construction of market rate, workforce, and affordable rental and home ownership units as well as permanent supportive housing." The purpose states, "The purpose of this project is to provide leveraged investment in City neighborhoods in order to create diverse housing options to residents at all stages of life."

Based on [Motion No. 202601565](#), passed by the City Council on May 20, 2026, the Administration has been engaging with key stakeholders, including the Cincinnati Development Fund (CDF), to further refine the parameters for the deployment of the Neighborhood Development Fund resources. Based on that engagement, the Administration will be presenting a proposed framework to the City Council before the end of the fiscal year and as part of the remaining budget deliberation process.

11. Page 180 shows \$282,700 in funding for the Human Services Fund. Please explain the total amount of funding included for the Human Services Fund.

The allocation for the Human Services Fund increases from \$8,550,700 in FY 2026 to \$9,277,000 for FY 2027. The \$282k amount shown on Page 180 of the City Manager’s Recommended FY 2027 Budget Update is part of that total increase and is based on additional General Fund revenue included in the budget after targets were determined. The additional resources are necessary to ensure that the City Human Services Fund expenditure represents 1.5% of General Fund Operating Budget revenues, as stipulated in [Ordinance No. 0153-2017](#).

12. Please provide the CRC pool usage data used to determine opening and closing dates.

CRC largely bases its pool schedule around the Cincinnati Public Schools (CPS) summer break. The CPS summer break affects both the demand for pools and the level of staffing available as a significant portion of the CRC seasonal staff consists of CPS students and paraprofessionals. In 2026, the summer break started a week later than the previous year (i.e., the week following the week of Memorial Day). The Cincinnati Recreation Commission (CRC) used the below data regarding pool attendance for the week of Memorial Day in 2025 to determine the 2026 pool opening schedule.

OPEN SWIM										
Day	SATURDAY	SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	WEEKLY	AVERAGE
Date	5/24	5/25	5/26	5/27	5/28	5/29	5/30	5/31	TOTALS	DAILY
High Temp	71	67	73	63	71	79	68	73	BY	ATTENDANCE
Weather	mostly sunny	cloudy	partly sunny	cloudy/rainy	cloudy	partly cloudy	rainy	sunny	POOL	
Program	Open Swim	Open Swim	Open Swim	Open Swim	Open Swim	Open Swim	Open Swim	Open Swim		
Bond Hill									0	0.00
Bush									0	0.00
Camp Washington									0	0.00
Dempsey									0	0.00
Dickman									0	0.00
Dunham	50	44	50	0	58	72	0	50	324	46.29
Evanston									0	0.00
Filson									0	0.00
Hanna									0	0.00
Hartwell									0	0.00
Hirsch									0	0.00
LeBlond									0	0.00
Lincoln									0	0.00
Madisonville									0	0.00
McKie	40	11	48	0	5	40	0	33	177	25.29
Millvale									0	0.00
Mt. Adams	9	3	23	0	0	13	0	37	85	12.14
Mt. Washington									0	0.00
Oakley	9	10	46	0	0	21	0	47	133	19.00
Pleasant Ridge	8	3	50	0	0	50	0	45	156	22.29
Ryan									0	0.00
SGV									0	0.00
Winton Hills									0	0.00
Daily Total	116	71	217	0	63	196	0	212	875	125.00
Notes				CLOSED	CLOSED @ 4		CLOSED			

In 2025, CRC opted for a staggered approach to opening pools, which entailed opening five pools during the first week of the CPS summer break and opening the remaining pools during the second weekend of the CPS summer break. CRC contemplated a similar staggered schedule for 2026. However, after examining the pool usage data

for the first week of the CPS summer break in 2025, CRC concluded that attendance was relatively low and resources should be prioritized for later in the pool season when utilization is higher.

Since the original pool schedule was released, CRC has since modified the schedule to open two pools early now that the weather forecast has improved. The modification entails opening both the Dunham and Pleasant Ridge pools a week early, on May 30, 2026. The remaining outdoor pools will open as scheduled on June 6, 2026.

13. What General Fund departments have vacancy savings as a reduction?

Multiple General Fund departments have vacancy savings included in their Recommended FY 2027 Operating Budget Update as part of the budget reductions taken to eliminate the FY 2027 General Fund operating budget deficit. This includes Enterprise Technology Solutions, the City Manager's Office (including the Office of Budget and Evaluation, the Emergency Communications Center, the Office of Procurement, and the Office of Performance and Data Analytics), the Law Department, the Department of Finance, the Department of City Planning and Engagement, the Citizen Complaint Authority, the Cincinnati Recreation Commission, the Cincinnati Parks Department, the Cincinnati Police Department, the Cincinnati Fire Department, the Department of Economic Inclusion, and the Cincinnati Health Department.

There are two types of position vacancy savings:

- Position Specific Vacancy Savings – In this case, departments would identify specific positions from their table of organization (T.O) to hold vacant for all or a portion of the fiscal year in order to generate personnel savings.
- Lump Sum Vacancy Savings – In this case, departments are held to a total amount of vacancy savings to achieve during the fiscal year but are given the flexibility to manage how to achieve that savings during the fiscal year. This can be done through natural turnover, waiting to fill vacant positions, capturing savings from employee turnover based on salary differentials, managing announced retirements, etc.

The overwhelming position vacancy savings included in the Recommended FY 2027 General Fund Operating Budget Update is lump sum vacancy savings to provide maximum flexibility to departments to manage how the savings are achieved.

During the Fiscal Year, all requests to fill positions are subject to the Vacancy Review (VR) process. As part of that process, the Office of Budget and Evaluation will calculate current accrued vacancy savings to determine a department's progress towards achieving their vacancy savings goal for the fiscal year until the vacancy savings goal is met.

14. Under the Operating Budget Assumptions on page 17, it shows increases to fees related to planning and development. Are these the same increases that City Council voted against in the previous term?

Yes, these fees were previously presented to the City Council in [Item #202402562](#), but failed of adoption at the Budget and Finance Committee meeting on March 31, 2025. General Fund revenue for FY 2027 includes \$60,000 from this source. This fee change is being recommended in order to minimize the operating budget reduction that the Department of City Planning and Engagement was asked to achieve as part of the Administration's process of balancing the budget, ultimately preserving resources for Department operations.

The Department has only one vacancy which will help to meet their budget reduction requirement for FY 2027. Additional position vacancy is not an advisable method for reducing expenses. Reduction of filled positions is also not recommended.

15. Please explain the General Fund estimated reserves table.

In the annual closeout process, appropriate reserve levels are calculated based on actual revenues received during the full fiscal year, which will be through June 30, 2026. The Estimated General Fund Reserves table is an estimate of where reserve levels will be at the end of the fiscal year, based on an estimate of General Fund revenues for FY 2026 as of March 31, 2026 projected to the end of FY 2026, including Final Adjustment Ordinance (FAO) related transfers from the Reserve for Weather Events, Other Emergency and One-Time Needs (otherwise known as the General Fund Contingency Account).

Once FY 2026 closes, the Department of Finance will certify the actual amount of General Fund revenues for FY 2026 and recalculate the reserves and percentages based on the final General Fund revenue amount as part of the FY 2026 Closeout process.

As total revenue increases, the level of recommended reserves increases. Therefore, if actual General Fund revenues are more than what is estimated in the table, the percentage of the estimated reserve balance will be less than the 18.7% shown in the table currently. For example, as of April 30, 2026, due to strong revenues in April there is an additional \$27.6 million in General Fund revenue as compared to the amount shown in the reserves table. This would lead to an additional \$4.69 million in reserve levels above and beyond what is currently shown as necessary to achieve the 17% target. Under this example, at the end of April, the estimated reserve balance would be 17.8%. May and June revenues are not yet available but will ultimately determine the final revenue numbers for FY2026, to provide the final calculation of recommended reserve levels during the FY2026 close out process.

This table will be updated for the Approved FY 2027 Budget Update document once those final revenue numbers are available.

16. Please provide CFD overtime per day.

Daily staffing for the Cincinnati Fire Department is driven by mandatory staffing minimums, which are based on National Fire Protection Association (NFPA) standards for staffing response apparatus as codified in Article 37 of the City's collective bargaining agreement with the International Association of Fire Fighters (IAFF). Based on current apparatus in service, daily staffing requirements for the Fire Department are 195 sworn members, which is allocated by rank. When this daily minimum cannot be met within each rank, overtime is used to meet mandatory minimum staffing. The Fire Department also allows members to ride above grade (rank) in limited numbers to lower the cost burden of overtime usage.

The process for daily planned leave is managed in accordance with Article 29 of the City's collective bargaining agreement with the IAFF. Planned leave is capped at 22 members per day as requested in the annual vacation and holiday selection process. Based on daily scheduling, the department allows for additional discretionary leave of up to three additional members for a daily maximum of 25 members on planned leave. Unplanned leave and sworn members detailed to non-response assignments exacerbate the use of overtime to meet minimum staffing requirements.

Beginning with the pandemic and the related drop in staffing levels due to increased attrition and canceled recruit classes, the Fire Department's use of overtime hours increased greatly.

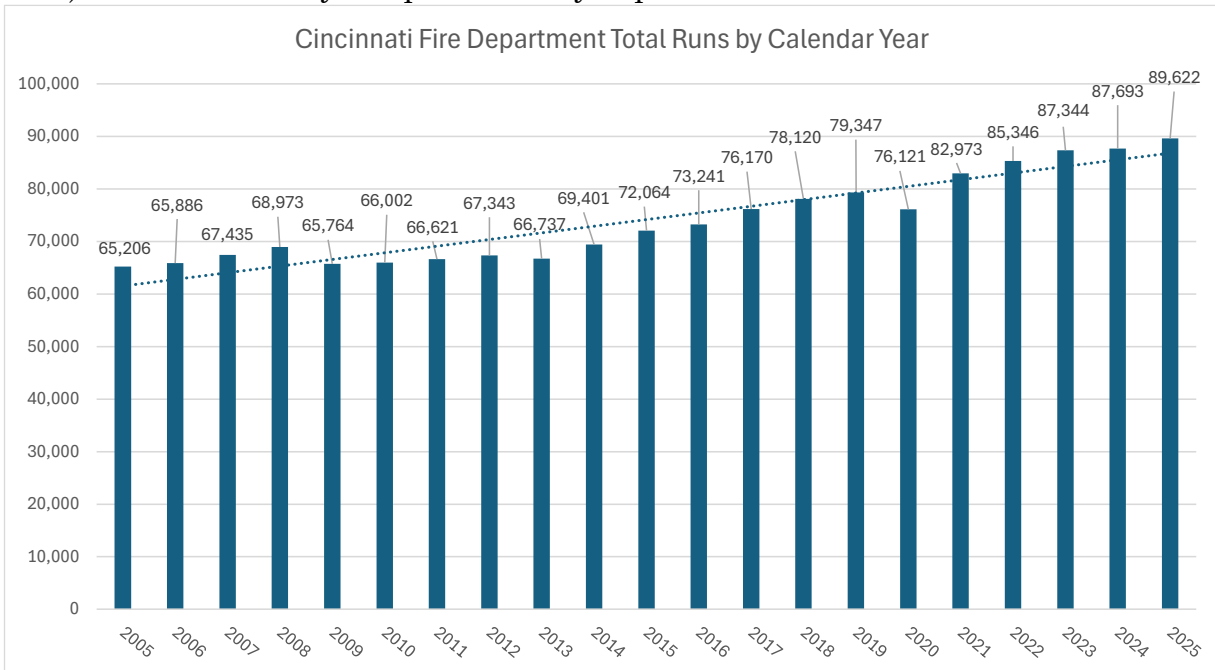
Fire Department staffing levels have increased over the last several fiscal years, due to the consistent investments by this Council and Mayor in recruit classes and careful planning of attrition rates by the Administration. Staffing levels have stabilized at or above the budgeted number for sworn staff.

However, the resulting replenishment of staffing levels did not reverse the trend in overtime usage to their historic normal level. Said another way, the drivers of overtime usage have proven to be more nuanced than simply overall staffing levels.

With the goal of unpacking the drivers of the use of overtime, the Administration and the Fire Department have established an Overtime Working Group which has been meeting regularly for the past several months to study the factors contributing to the regular reliance on overtime. Internally, the Fire Department has convened an Overtime Task Force to review internal operations as it relates to overtime expense. The primary factors being studied include looking at practices and patterns for scheduled and unscheduled leave, pay period comparisons to determine seasonality, overall staffing levels and staffing levels by classification/rank, and detail assignments. The Administration will provide additional details to the City Council of recommended next steps upon completion of this work.

17. Please provide a CFD comparison of calls for service between 2005 and today.

The graph and table below shows the total runs by calendar year for the Cincinnati Fire Department. Run data for 2004 to 2023 is provided from a report provided by CFD. Run data from 2024 to present is provided from the Computer Aided Dispatch (CAD) software used by the public safety departments.



Year	Total Runs	% Growth
2004	65,423	-
2005	65,206	-0.30%
2006	65,886	1.00%
2007	67,435	2.40%
2008	68,973	2.30%
2009	65,764	-4.70%
2010	66,002	0.40%
2011	66,621	0.90%
2012	67,343	1.10%
2013	66,737	-0.90%
2014	69,401	4.00%
2015	72,064	3.80%
2016	73,241	1.60%
2017	76,170	4.00%
2018	78,120	2.60%
2019	79,347	1.60%
2020	76,121	4.00%
2021	82,973	9.00%
2022	85,346	2.90%
2023	87,344	2.30%
2024	87,693	0.40%
2025	89,622	2.20%
2026 (to date)	35,179	-

18. Please explain the realignment of the Fire recruit class and how it will impact overtime.

Fire Recruit Classes starting in FY 2027 have been realigned to begin annually each fall. Recruit Class 125 is now scheduled to begin in early FY 2028, in the fall of calendar year 2027. Backfill overtime is required to train recruits as members are pulled from response duty and temporarily detailed to recruit and train recruits. Realigning the recruit class calendar allows the department to have the start dates of future recruit classes avoid being scheduled over the summer months, which is traditionally a period of high casual leave usage by sworn members thereby reducing the need for backfill overtime to needed to account for recruit training. The summer months are traditionally periods of high overtime expense for CFD for casual leave which is exacerbated by the backfill overtime necessary for recruit classes. This is the type of data that has been reviewed by the Overtime Working Group. Furthermore, this schedule ensures recruits graduate in advance of the summer season, which also helps to combat overtime expense resulting from high casual leave usage as the newly graduated recruits add to the number of available sworn members to meet mandatory daily staffing minimums.

An alternative to the recommended approach would be to cancel or limit casual leave of sworn members during the summer months, to ensure adequate staffing for both response and training details. However, the recommended approach of realigning timing of the class was determined to be the better approach by the City Manager's Office, Cincinnati Fire Department leadership, and International Association of Fire Fighters (IAFF) union leadership.

cc: William "Billy" Weber, Assistant City Manager
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