

BK-1



December 13, 2022

Honorable Board of County Commissioners
Hamilton County, Ohio
% Mr. Jeff Aluotto
Hamilton County Administrator
Todd B. Portune Center for County Government
138 E. Court Street, Room 603
Cincinnati, Ohio 45202

Honorable Commissioners:

Enclosed for your consideration are resolutions by the City of Cincinnati, through its Department of Sewers (the "City"), as the sole management agency for the operation and maintenance of the sewer system on behalf of the Metropolitan Sewer District of Greater Cincinnati ("MSD"), to authorize the adoption of a revised 2023 MSD Operating Budget.

This resolution has been revised from the version previously submitted to the County on November 21, 2022 to correct the debt service obligation to \$84M (a \$5M increase) and to reduce the proposed 2023 MSD Operating Budget by \$4M based on direction from the County, following two public hearings held December 1 and 8, 2022. The revised legislation includes a breakdown of the budget request by MSD division. The total revised 2023 MSD Operating Budget is \$231,485,854.

We are not fully confident this reduced amount will be sufficient to meet the operational needs of the District for 2023. As we have continued to reiterate, MSD operations are not immune from inflationary pressures and have been significantly impacted by increasing costs of labor, energy, chemicals, and disposal. These items are integral to the collection and treatment of wastewater, which is MSD's core function and a service that is critical to environmental and public health. Such costs can only be reduced to a certain point before negatively impacting essential operations. While MSD will undertake all reasonable efforts to provide the same level of service using the decreased funding provided by this revised 2023 Operating Budget, we make no representation that a subsequent appropriation of additional operating funds will not be necessary to support MSD's critical operations throughout 2023.

Approved:

Diana R. Christy
Director, MSD

Approved:

Sheryl M. M. Long
City Manager

Provided to Hamilton County on _____
Reviewed by Henry Christy, and recommended by County Administration.
On motion of Mr. Sumner Dumas, seconded by Mr. Driehaus, the following resolution was adopted...

MSD RESOLUTION

APPROVING AND ADOPTING A 2023 OPERATING BUDGET FOR
THE METROPOLITAN SEWER DISTRICT OF GREATER CINCINNATI

HAMILTON COUNTY, OHIO

WHEREAS, the Director of the Metropolitan Sewer District of Greater Cincinnati ("MSD") and the City of Cincinnati Department of Sewers did, on November 21, 2022, submit to the Board of County Commissioners of Hamilton County, Ohio (the "Board") an MSD operating budget for calendar year 2023; and

WHEREAS, this Board, after public notice, conducted public hearings on December 1, 8, and 13, 2022; and

WHEREAS, this Board did, on December 15, 2022, conclude said public hearings; and

WHEREAS, the County has requested MSD to revise the 2023 MSD operating budget submitted November 21, 2022 to correct the Debt Payment amount, a \$5M increase, and reduce the other budget line items by a total of \$4M; and

WHEREAS, the Director of MSD did, on December 13, 2022, submit a revised 2023 MSD operating budget with said correction and \$4M reduction incorporated, as set forth below and made a part hereof; and

WHEREAS, this revised 2023 MSD operating budget request (1) continues to be organized by funding for MSD personnel and non-personnel divisional expenses for eight MSD Divisions (Office of the Director, Wastewater Engineering, Wastewater Administration, Information Technology, Wastewater Collection, Wastewater Treatment, and Compliance Services, as well as for the Sewer Backup (SBU) Program; (2) includes funding for other non-personnel program expenses for Fleet, General Fund Overhead (GFOH), Office, Technology and Equipment Allowance (OTEA); and (3) includes funding for non-personnel expenses for SBU and Debt Payment; and

WHEREAS, estimated operating revenues for the calendar year beginning January 1, 2023 through December 31, 2023 and unappropriated funds available for use by MSD are deemed to be sufficient to meet the requirements of the aforesaid operating budget.

NOW THEREFORE BE IT RESOLVED, by the Board of County Commissioners of Hamilton County, Ohio, that the aforesaid revised MSD operating budget for the calendar year beginning January 1, 2023 through December 31, 2023, be and hereby is adopted and appropriated as follows:

PERSONNEL		\$64,680,380.00
Office of the Director		\$2,118,370.00
Wastewater Engineering		\$6,058,110.00
Wastewater Administration		\$4,888,181.00
Information Technology		\$3,804,648.00
Wastewater Treatment		\$25,490,160.00
Wastewater Collection		\$14,064,575.00
Compliance Services		\$7,397,773.00
Sewer Backup Program*		\$858,563.00
NON-PERSONNEL		\$65,951,209.00
Office of the Director		\$769,605.00
Wastewater Engineering		\$802,414.00
Wastewater Administration		\$7,251,388.00
Information Technology		\$4,750,231.00
Wastewater Treatment		\$34,571,784.00
Wastewater Collection		\$10,266,540.00
Compliance Services		\$7,539,247.00
OTHER NON-PERSONNEL		\$5,641,000.00
	GFOH	\$2,600,000.00
	FLEET	\$1,816,000.00
	OTEA	\$1,225,000.00
SUB TOTAL		\$136,272,589.00
(w/o SBU Non-Personnel & Debt Payment)		
	SBU Non-Personnel	\$11,213,265.00
	Debt Payment	\$84,000,000.00
GRAND TOTAL		\$231,485,854.00

* Although the Sewer Backup Program (SBU) is not an MSD division, its personnel and non-personnel budgets are treated as one for purposes of clarity and transparency.

BE IT FURTHER RESOLVED, that the Clerk of this Board be and hereby is directed to certify copies of this resolution to Jeff Aluotto, Hamilton County Administrator; Sheryl M. M. Long, Cincinnati City Manager; and Diana R. Christy, Director of the Metropolitan Sewer District of Greater Cincinnati.

CERTIFICATE OF CLERK

IT IS HEREBY CERTIFIED that the foregoing is a true and correct transcript of a resolution adopted by the Board of County Commissioners in session this 15 day of December, 2022.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the Office of the Board of County Commissioners of Hamilton County, Ohio this 15 day of December, 2022.



Leslie Hervey, Clerk
Board of County Commissioners
Hamilton County, Ohio