

October 6, 2021

TO: Mayor and Members of City Council

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FROM: Paula Boggs Muething, City Manager

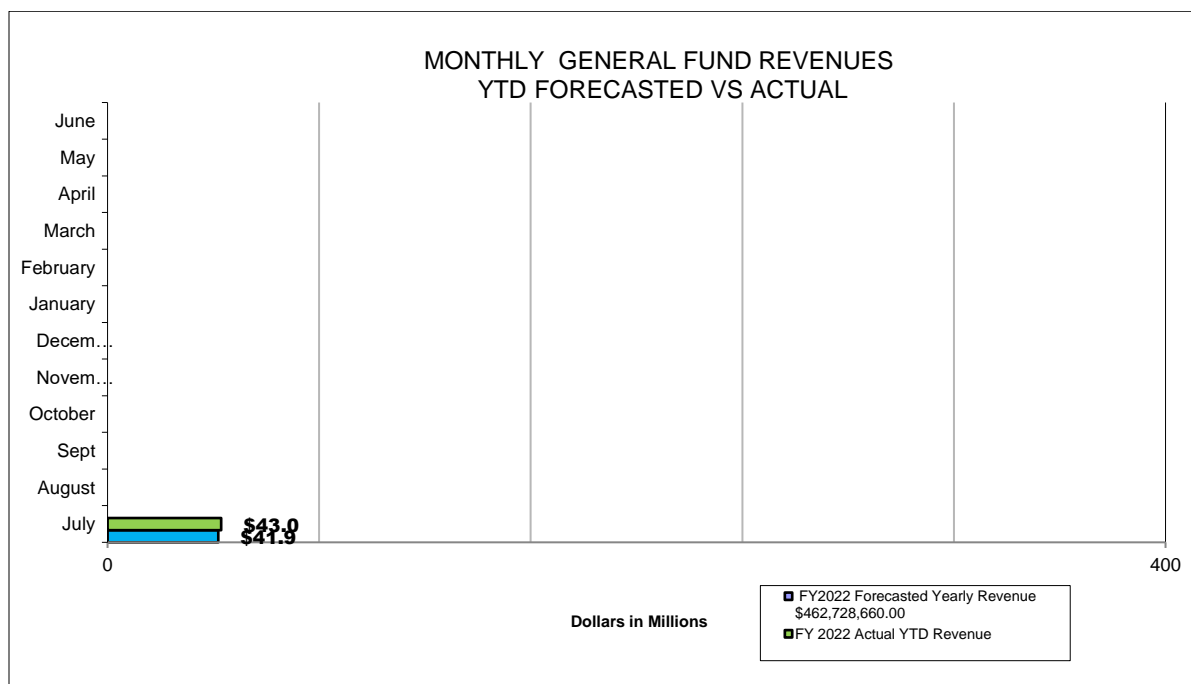
SUBJECT: Department of Finance Reports for the Month Ended July 31, 2021

***JULY 2021
MONTHLY FINANCIAL REPORTS***

The following report provides an update on the City of Cincinnati's financial condition as of the month ending July 31, 2021. This report represents the first report for the new 2022 fiscal year, which began on July 1, 2021 and ends on June 30, 2022. Variances are based on current year estimates and prior year activity in attached schedules.

A more detailed explanation of revenues and expenditures is attached for review, including reports comparing current year actual revenue vs. forecasted revenue and prior year actual revenue vs. current year actual revenue. Both of those reports are presented on a monthly and year to date basis.

The chart below portrays the performance of actual revenue collected against the forecasted revenue collected through July 31, 2021 and shows that actual revenues of \$43.0 million was above forecasted revenues of \$41.9 million by \$1.1 million.



The major revenue components of the General Fund are listed in the table below. This table highlights the year-to-date variance (favorable and unfavorable) in General Fund revenue collections as compared to forecasted revenue collections. Each major category that differs significantly from forecasted collections will be discussed in further detail.

	FAVORABLE VARIANCE	(UNFAVORABLE) VARIANCE
General Property Tax		(\$74,160)
City Income Tax	\$84,143	
Admissions Tax	\$34,876	
Short Term Rental Excise Tax	\$199,832	
Licenses & Permits	\$7,189	
Fines, Forfeitures & Penalties	\$65,922	
Investment Income		
Local Government	\$459,105	
Casino	\$566,152	
Police		(\$91,174)
Buildings and Inspections		(\$46,720)
Fire	\$55,340	
Parking Meter	\$50	
Other		(\$161,482)
	\$1,472,609	(\$373,536)
Difference	\$1,099,074	

General Fund (favorable variance) is \$1.1 million above the amount forecasted thru July in the FY 2022 Budget. This is the first month's report for the new fiscal year. What follows is an explanation of significant variances of individual General Fund revenue components.

Income Taxes (favorable variance) is \$84k above the forecasted amount. Income Tax projections have been adjusted to reflect an increase in remote work by nonresidents. This is the first month of the new fiscal year and as such there is not enough data to discern any trends.

Short Term Rental Excise Tax (favorable variance) is \$200k above projections. This positive variance reflects the increase in travel and economic activity in the city.

Local Government (favorable variance) is up \$459k. The favorable variance is the result of increased revenue collection from the State of Ohio General Revenue tax sources.

Casino (favorable variance) is up \$566k. The casino revenue is outperforming current estimates which have been set at pre-pandemic levels.

Restricted Funds:

Convention Center (unfavorable variance) is down \$125k. As events resume, the convention center is trending closer to monthly estimates. This is only the first month of reporting for the fiscal year, Administration will continue to monitor and report, as necessary.

Recreation Special (unfavorable variance) is down \$313k. The Cincinnati Recreation Commission continues to experience a reduction in revenue due to the cancellation of recreation center programs as a result of the pandemic.

Riverfront Park (favorable variance) is \$134k above the forecasted amount. As more activities and events are held, the Riverfront Park Fund is experiencing an increase in revenue.

Submitted herewith are the following Department of Finance reports:

1. Comparative Statement of Revenue and Expenditures (Actual, Forecast and Prior Year) as of July 31, 2021.
2. Statement of Balances in the various funds as of July 31, 2021.

By approval of this report, City Council appropriates the revenues received in the various restricted funds on the attached Statement of Balances and as stated in greater detail on the records maintained by the Department of Finance, Division of Accounts & Audits. Such revenues are to be expended in accordance with the purposes for which the funds were established.

c: William "Billy" Weber, Assistant City Manager
Karen Alder, Finance Director