

May 28, 2026

TO: Mayor and Members of City Council

202601660

FROM: Sheryl M.M. Long, City Manager

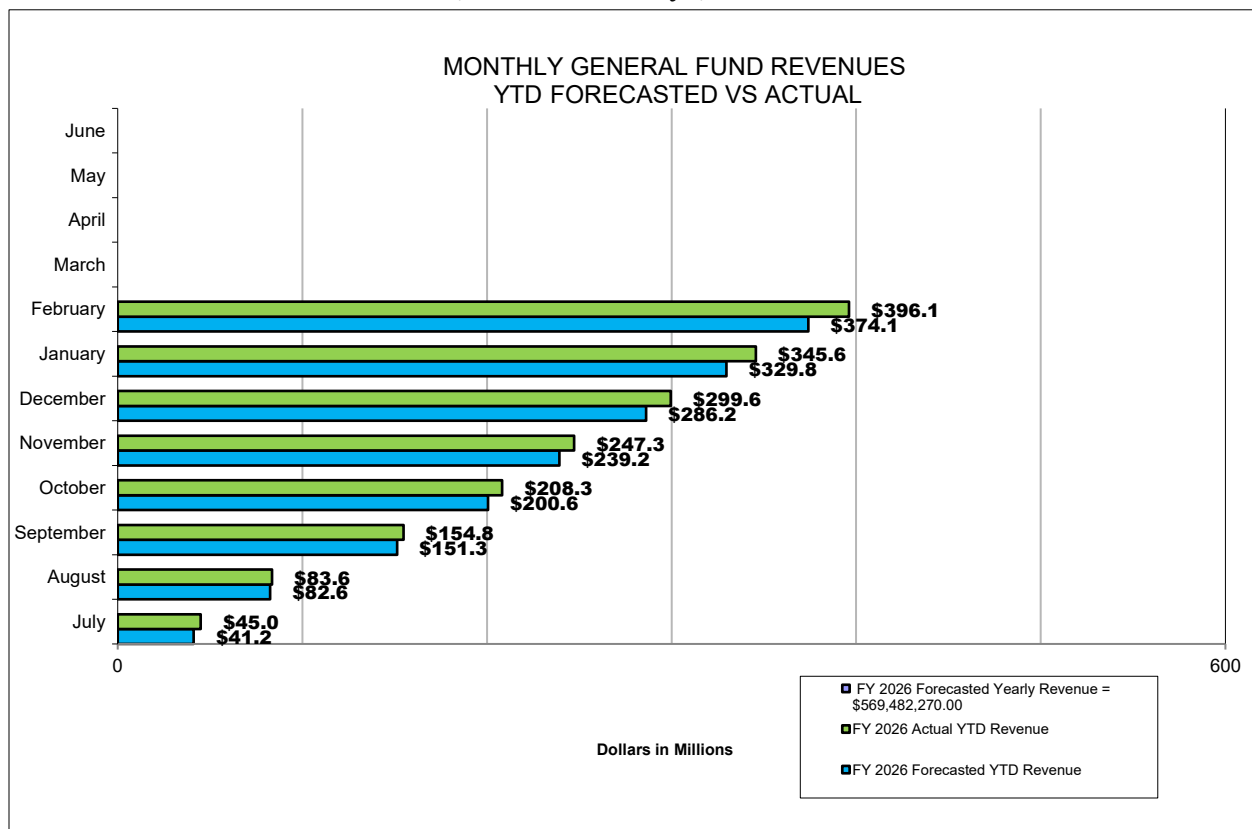
SUBJECT: Department of Finance Reports for the Month Ended February 28, 2026

**FEBRUARY 2026
MONTHLY FINANCIAL REPORTS**

The following report provides an update on the City of Cincinnati’s financial condition as of the month ending February 28, 2026. This report represents the eighth report for the new 2026 fiscal year, ending June 30, 2026. 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 the current year’s actual revenue vs. forecasted revenue and prior year’s 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 February 28, 2026 and shows that actual revenue of \$396.1 million was above forecasted revenue of \$374.1 million by \$22.0 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.

GENERAL FUND REVENUE SOURCES

	FAVORABLE VARIANCE	(UNFAVORABLE) VARIANCE	PERCENTAGE VARIANCE
General Property Tax	159,617		0.46%
City Income Tax	7,210,423		3.07%
Admissions Tax	1,864,324		23.88%
Short Term Rental Excise Tax	253,461		16.60%
Licenses & Permits	392,004		1.81%
Fines, Forfeitures, & Penalties		(435,513)	-11.90%
Investment Income	2,784,075		19.34%
Local Government	3,404,460		30.35%
Casino	199,530		2.69%
Police	6,246,215		94.08%
Buildings and Inspections		(6,691)	-0.16%
Fire	771,410		11.53%
Parking Meter	100		0.01%
Other		(832,346)	-4.39%
	23,285,618	(1,274,550)	
Difference	22,011,068		

General Fund (favorable variance) is \$22.0 million above the amount forecasted through February in the FY 2026 Budget. This is the eighth month's report for the new fiscal year. What follows is an explanation of significant variances of individual General Fund revenue components.

Income Tax (favorable variance) is \$7.2 million above the forecasted amount. Positive variance includes a claw back of ~\$4.5m that will be reclassified to "Other" in the March report. Finance will continue to monitor income tax trends closely.

Admissions Tax (favorable variance) is \$1.9 million above the forecasted amount. This is due to extended seasons for the Reds and FC Cincinnati as well as higher ticket prices for other events.

Fines, Forfeitures & Penalties (unfavorable variance) is \$436k below the forecasted amount. Civil fines and moving violations are trending lower than estimated. Finance will work with Law to keep an eye on this category.

Investment Income (favorable variance) is \$2.8 million above the forecasted amount. This is due to earnings being generated on a portfolio balance that is higher than previously anticipated.

Police (favorable variance) is \$6.2 million above the forecasted amount. The department's detailed estimate was understated; therefore, we project this category finishing well above estimate for the year.

Fire (favorable variance) is \$771k above the forecasted amount. Fire's EMS third party vendor has received collections from prior periods as they continue to recover from their cyberattack.

Restricted Funds:

Convention Center (unfavorable variance) is \$1.0 million below the forecasted amount due to a delay in receipting funds from the management contractor. This variance will be corrected as they get caught up.

General Aviation (favorable variance) is \$634k above the forecasted amount. The department's detailed estimate was understated because of the timing of execution of a third-party collection contract. They expect to finish the fiscal year with a favorable variance of ~\$275k.

Golf (favorable variance) is \$1.1 million above the forecasted amount. Staff have caught up on receipting, and weather conditions have been better than anticipated.

CAGIS (unfavorable variance) is \$934k below the forecasted amount. Due to contract changes billing has not been able to be sent out yet this year. Once the contract is resolved and billings are initiated and paid, the variance should level out.

Streetcar (unfavorable variance) is \$578k below the forecasted amount. This is due to a delay in drawing down grant revenue for preventive maintenance reimbursements. This will be resolved once the reimbursements are received.

CLEAR (unfavorable variance) is \$802k below the forecasted amount. This is due to a timing variance in invoicing and will resolve itself when ETS catches back up.

Submitted herewith are the following Department of Finance reports:

1. Comparative Statement of Revenue and Expenditures (Actual, Forecast and Prior Year) as of February 28, 2026.
2. Audit of the City Treasurer's Report for the month ended January 31, 2025.
3. Statement of Balances in the various funds as of February 28, 2026.

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.

cc: William "Billy" Weber, Assistant City Manager
Steve Webb, Finance Director