

*Interdepartmental
Correspondence Sheet*

April 30, 2025

TO: Mayor and Members of City Council

202500904

FROM: Sheryl M.M. Long, City Manager

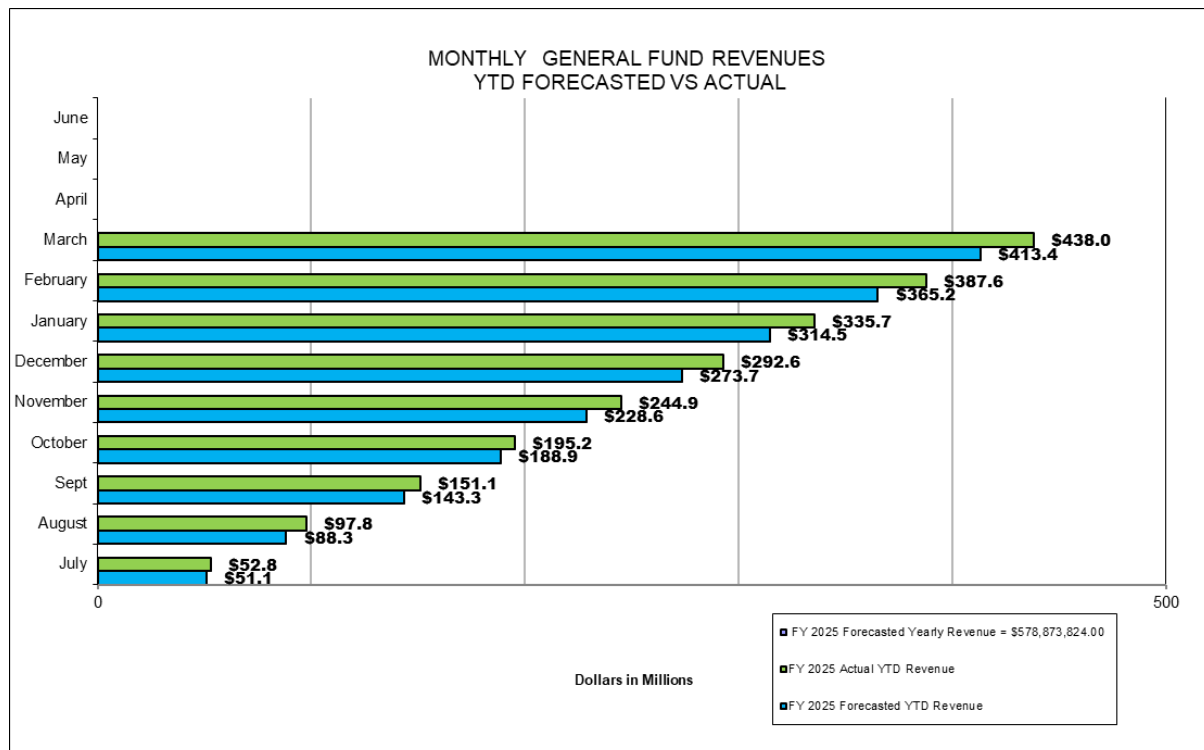
SUBJECT: Department of Finance Reports for the Month Ended March 31, 2025

**MARCH 2025
MONTHLY FINANCIAL REPORTS**

The following report provides an update on the City of Cincinnati's financial condition as of the month ending March 31, 2025. This report represents the ninth report for the new 2025 fiscal year, ending June 30, 2025. 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 March 31, 2025 and shows that actual revenue of \$438 million was above forecasted revenue of \$413.4 million by \$24.6 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	215,174		0.51%
City Income Tax	9,477,941		3.57%
Admissions Tax	1,792,792		22.68%
Short Term Rental Excise Tax	187,607		13.96%
Licenses & Permits	1,592,684		7.02%
Fines, Forfeitures, & Penalties		(\$137,269)	-3.58%
Investment Income	5,536,463		51.53%
Local Government	391,395		3.34%
Casino	23,111		0.31%
Police	1,865,737		31.03%
Buildings and Inspections	80,933		1.90%
Fire		(\$456,286)	-5.57%
Parking Meter	15		0.04%
Other	4,028,349		18.79%
	25,192,200	(\$593,555)	
Difference	24,598,646		

General Fund (favorable variance) is \$24.6 million above the amount forecasted through March in the FY 2025 Budget. This is the ninth month's report for the fiscal year. What follows is an explanation of significant variances of individual General Fund revenue components.

Income Taxes (favorable variance) is \$9.5 million above the forecasted amount. Higher net profits are contributing to the variance. Withholdings are also coming in higher than anticipated.

Admissions Tax (favorable variance) is up \$1.8 million above the forecasted amount. An extra home football game, increase in concert events, and new revenue from marketplace facilitators make up the variance in this category.

Short Term Rental Tax (favorable variance) is up \$188k above the forecasted amount. The number of short term rentals and the use of the rentals is trending higher than expected so far this fiscal year.

Investment Income (favorable variance) is \$5.5 million above the forecasted amount. Reinvestment rates are trending higher than expected and more cash is being actively managed than originally planned to take advantage of the current market conditions.

Police (favorable variance) is \$1.9 million above the forecasted amount. Detail revenues are exceeding estimates so far this year due to a change in the billing model.

Other (favorable variance) is up \$4 million from the forecasted amount. An unexpected payment from the County and the reclassification of the Mercy clawback payment to this revenue category represent a large portion of this variance. In addition, there are many other revenue sources in this category which fluctuate monthly. The Finance Department will monitor this category closely.

Restricted Funds:

Convention Center (favorable variance) is \$1.68 million above the forecasted amount. New revenue is not estimated for FY 2025 as no events will be taking place, however the facility's final receipts for FY 2024 were received this fiscal year. TOT revenue is also exceeding estimates.

Municipal Golf (favorable variance) is up \$990k from the forecasted amount. Weather has been very favorable for golf activities this year. New offerings at courses are also contributing to the positive variance.

Sawyer Point (favorable variance) is up \$333k from the forecasted amount. Parking revenue at the park has increased from last year which is part of the positive variance. Special events have also brought in more than anticipated revenue this year.

Riverfront Park (unfavorable variance) is \$229k below the forecasted amount. The 471 bridge fire led to the parking lot being closed for several months. This fund will most likely not recover from that this year and will end with a negative variance.

Hazard Abatement (unfavorable variance) is down \$110k from the forecasted amount. B&I is working on changing their billing process for several programs and that is impacting the revenue for this fund. They are looking closely at the estimate for the next year and will adjust accordingly.

CLEAR (unfavorable variance) is down \$1.6 million from the forecasted amount. Expenses are down as several purchases have not been made this FY, therefore revenue is down as this is a reimbursable fund.

Submitted herewith are the following Department of Finance reports:

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

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
Steve Webb, Finance Director