

*Interdepartmental
Correspondence Sheet*

August 4, 2025

TO: Members of the Budget & Finance Committee

202501487

FROM: Sheryl M.M. Long, City Manager

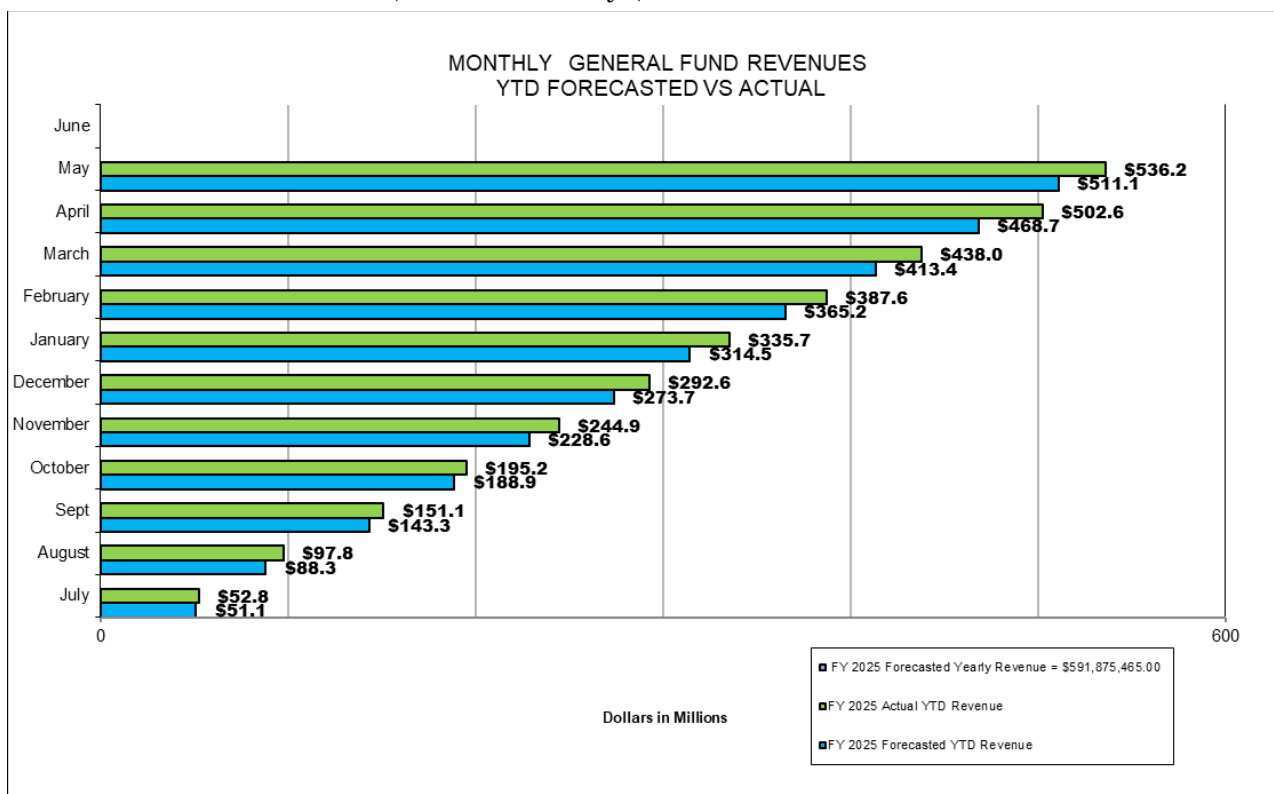
SUBJECT: Department of Finance Reports for the Month Ended May 31, 2025

**MAY 2025
MONTHLY FINANCIAL REPORTS**

The following report provides an update on the City of Cincinnati's financial condition as of the month ending May 31, 2025. This report represents the eleventh 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 May 31, 2025 and shows that actual revenue of \$536.2 million was above forecasted revenue of \$511.1 million by \$25.1 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.

GENERAL FUND REVENUE SOURCES

	FAVORABLE VARIANCE	(UNFAVORABLE) VARIANCE	PERCENTAGE VARIANCE
General Property Tax	949,432		1.95%
City Income Tax	9,553,228		2.85%
Admissions Tax	1,587,026		16.17%
Short Term Rental Excise Tax	70,004		3.57%
Licenses & Permits	1,206,478		4.13%
Fines, Forfeitures, & Penalties		(\$215,316)	-4.69%
Investment Income	3,252,833		24.80%
Local Government	410,842		2.89%
Casino		(\$13,748)	-0.14%
Police	3,216,993		42.11%
Buildings and Inspections	31,652		0.62%
Fire	1,111,722		11.80%
Parking Meter	18		0.04%
Other	3,933,041		17.51%
	25,323,268	(\$229,063)	
Difference	25,094,204		

General Fund (favorable variance) is \$25.1 million above the amount forecasted through May in the FY 2025 Budget. This is the eleventh month's report for the fiscal year. What follows is an explanation of significant variances of individual General Fund revenue components. Revenue estimates were adjusted in line with the Final Adjustment Ordinance. As a result the variances for Income Tax, Admissions Tax, Short Term Rental Tax and Investment Income are less than in prior months.

Income Taxes (favorable variance) is \$9.6 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 \$1.6 million from 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.

Investment Income (favorable variance) is \$3.3 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 \$3.2 million above the forecasted amount. Detail revenues are exceeding estimates so far this year due to a change in the billing model.

Fire (favorable variance) is up \$1.1 million from the forecasted amount. CFD's EMS collector has submitted payments from the time they suffered from a cyberattack. Those prior collections should continue to come in while they are recovering.

Other (favorable variance) is up \$3.9 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:

Parking System Facilities (favorable variance) is up 1.3 million from the forecasted amount. Special events, a prior year collection and timing of current year revenue collection is producing a positive variance. In addition, lots and garages around the City are seeing an increase in usage due to construction relocating parkers and more companies bringing employees back to the office. Dynamic pricing for events is also contributing to additional revenue.

Convention Center (favorable variance) is \$2.1 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 \$1.6 million 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 \$328k 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.

911 Cell Phone Fees (favorable variance) is \$1.2 million above the forecasted amount. Prior year collections of nearly \$400k were received this year. Finance will work with ECC to update the annual revenue estimate for FY26 to get it in line with actuals going forward.

CLEAR (unfavorable variance) is down \$1.8 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 May 31, 2025.
2. Audit of the City Treasurer's Report for the month ended April 30, 2025.
3. Statement of Balances in the various funds as of May 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