

*Interdepartmental
Correspondence Sheet*

November 2, 2022

TO: Mayor and Members of City Council

FROM: Sheryl M.M. Long, City Manager

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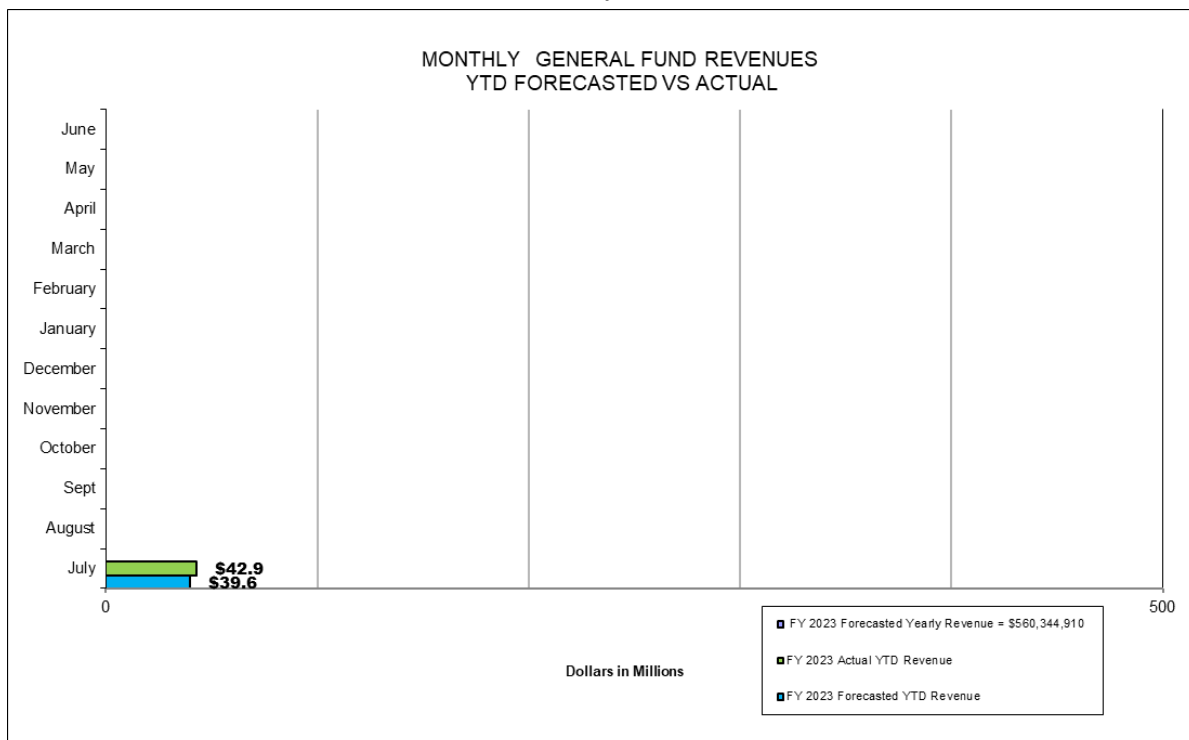
SUBJECT: Department of Finance Reports for the Month Ended July 31, 2022

***JULY 2022
MONTHLY FINANCIAL REPORTS***

The following report provides an update on the City of Cincinnati's financial condition as of the month ending July 31, 2022. This report represents the first report for the new 2023 fiscal year, ending June 30, 2023. 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, 2022 and shows that actual revenues of \$42.9 million was above forecasted revenues of \$39.6 million by \$3.3 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
General Property Tax		(\$69,353)
City Income Tax	1,438,841	
Admissions Tax	199,113	
Short Term Rental Excise Tax	253,244	
Licenses & Permits	477,827	
Fines, Forfeitures, & Penalties	376,536	
Investment Income		
Local Government	197,230	
Casino	300,052	
Police	122,585	
Buildings and Inspections	2,093	
Fire		(\$29,858)
Parking Meter	50	
Other	80,066	
	3,447,639	(\$99,211)
Difference	3,348,428	

General Fund (favorable variance) is \$3.3 million above the amount forecasted thru July in the FY 2023 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 \$1.4 million 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.

Licenses & Permits (favorable variance) is up \$478k. As it is early in the fiscal year, Finance will keep watch on this revenue group. The various Licenses and Permits estimates have been set to pre-pandemic levels as businesses rebound.

Fines, Forfeitures & Penalties (favorable variance) is \$377k above the forecasted amount. This is mostly contributed to an increase in Parking Fine collections.

Casino (favorable variance) is up \$300k. The casino revenue is outperforming current estimates which have been increased above pre-pandemic levels.

Restricted Funds:

Community Health Center (unfavorable variance) is down \$542k. The Health Department will be requesting grant draws to bring the variance more in line with revenue estimates as the year progresses.

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, 2022.
2. Statement of Balances in the various funds as of July 31, 2022.

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