



August 28, 2026

Memorandum For: JR Pritchard, Manager  
Clark Schaefer Hackett

A handwritten signature in blue ink that reads "Todd J. Zinser".

From: Todd J Zinser  
Cincinnati Oversight Project

RE: Supplemental Information Re: Investment of Railway Funds

I do not know whether the Finance Department has already provided this information to you, but because the City's August 27 response directly addresses the investment-earnings issue I raised in my July 9 letter, I wanted to make certain that you had it for consideration during the audit

In that letter, on page 3, I specifically identified a potential internal-control issue arising from the City's deposit of unspent Railway funds into its pooled investment account. I stated that, because the Railway funds are restricted by state law, the City should properly account for earnings attributable to those funds and that there should be transparency regarding the amount of Railway money held in City accounts.

On August 27, the City responded to a public records request I submitted on June 8 concerning this precise issue. The City has now stated that investment earnings attributable to Railway funds are not separately calculated. According to the City's response, after allocations required by CMC 301-15, the remaining interest earned by the City's pooled investment account is paid to the General Fund. Consequently, the City states that there is no record showing the amount of investment earnings attributable to Railway funds.

This is the accounting and internal control issue I was concerned about in my July 9 letter. I am therefore providing the City's response for your consideration in connection with your audit and my earlier correspondence. In particular, I believe the City's response warrants examination of whether its accounting treatment of earnings generated by restricted Railway funds is consistent with applicable legal requirements and appropriate governmental accounting and internal-control standards.

I have attached the City's August 27 response and the City's Treasury Investment Policy for your reference.

Please let me know if you have any questions.