



MUNICIPAL BUILDING  
655 Blacklick St.  
Groveport, OH 43125  
614.836.5301  
[www.groveport.org](http://www.groveport.org)

**To:** Mayor, Members of Council and City Administrator

**From:** Jason Carr, CPA, Finance Director

**Date:** February 8, 2021

**RE:** 2021 Budget Amendment – Ordinance 2021-007

The following is a summary of appropriation amendments based on actual carryover fund balances and changes to estimated receipts:

#### **Fund Balance Reserves**

The City's Purchasing and Financial Policy requires the set-aside of unrestricted carryover balance within the General Fund each year. The following is the calculation supporting the City's 20% unappropriated fund balance within the General Fund:

<b>Unrestricted 20% Carryover Balance – Prior Year</b>		\$2,244,720
<b>Projected/Actual Carryover Year-End</b>	\$3,986,960	
<b>X 20% Carryover</b>	X 20%	
<b>Projected/Estimated Carryover</b>	797,392	797,392
<b>Unrestricted 20% Carryover Balance – 2021 Required</b>		\$3,042,112
<b>Actual Unrestricted 20% Carryover Balance</b>		587,963
<b>Underfunded Carryover Balance - 2021</b>		<b><u>(\$2,454,149)</u></b>

When including the Rainy Day Fund balance of \$1,991,667, the City has \$2,579,630 in unappropriated money that requires Council approval prior to expenditure. This is a decrease of \$1,506,740 from prior year.

#### **Termination Fund**

The City's Purchasing and Financial Policy established a methodology to provide funding for future retirements and severance payments. Ordinance 09-017 established the Termination Fund and purpose.

Based on current estimates, the following is budgeted for future retirements:

Town Hall 648 Main Street, Groveport, OH 43125  
Groveport Recreation & Aquatic Center 7370 Groveport Road, Groveport, OH 43125  
Public Works Facility 7400 Groveport Road, Groveport, OH 43125  
Groveport Municipal Golf Course 1005 Richardson Road, Groveport, OH 43125  
Police Department 5690 Clyde Moore Drive, Groveport, OH 43125

### Termination Fund (Continued)

<b>Fund</b>	<b>2021 Budgeted Liability</b>
General	\$163,425.25
Street	8,089.11
Recreation	42,120.54
Golf	0.46
Water	30,945.00
Sewer	6,189.00
Storm Water	6,189.00
<b>Total</b>	<b>\$256,958.36</b>

Ordinance 2021-008 approves the transfer of \$12,900 from the Recreation Fund to the Termination Fund to cover the cost of a potential retirement. Each year the Administration will reconcile funding and related costs in order to determine the City is properly funded for future retirements. Changes also may be necessary during the year if employees leave service and are entitled to severance prior to projections.

### Senior Center Fund

Ordinance 2021-006 creates the Senior Center Fund (224) which will be used to account for receipts and disbursements associated with Senior Center operations. Financial activity previously reported in the Recreation Fund, will now be reported in this fund. The total budget is \$112,903 with the General Fund transferring \$107,900, or 96% of this fund's total budget.

### Salaries and Benefits

Significant changes to salaries and benefits:

<b>Fund</b>	<b>Original Budget</b>	<b>Amended Budget</b>	<b>Change</b>	<b>% Change</b>
General	\$8,567,744	\$8,622,693	\$54,949	0.64%
Street	1,007,196	1,007,196	0	0%
Cemetery	12,567	12,567	0	0%
Senior Transportation	12,112	12,112	0	0%
Recreation	1,490,196	1,502,329	12,133	0.81%
Golf Course	1,182,220	1,182,220	0	0%
Coronavirus Relief	0	30,000	30,000	100%
Senior Center	72,542	82,786	10,244	14%
Water	347,926	347,926	0	0%
Sewer	82,456	82,456	0	0%
Storm Water	452,741	452,741	0	0%
<b>Total All Funds</b>	<b>\$13,227,700</b>	<b>\$13,335,026</b>	<b>\$107,326</b>	<b>1%</b>

Increases are attributed to the re-allocation of original budget amounts as well as unappropriated costs not included in the original budget. In addition, salaries and benefits in the Recreation Fund will be allocated to the following cost centers: Administration (17) – All full-time employees, Outdoor Aquatic (19) – All outdoor employees, and Operations (23) – All part-time employees.

## Transfers

Excluding transfers to the City's Termination Fund as noted on the previous page, changes in transfers from the General Fund are as follows:

<b>Fund</b>	<b>Original Budget</b>	<b>Amended Budget</b>	<b>Change</b>
General	(\$4,013,636)	(\$4,171,536)	\$157,900
Street	388,778	388,778	0
Recreation	2,038,924	2,038,924	0
Golf Course	1,331,693	1,381,693	50,000
Transportation	179,241	179,241	0
Parks	75,000	75,000	0
Senior Center	0	107,900	107,900

The increase in the Golf Course Fund is based on lower projected carryover balance at December 31, 2021 and no identifiable cost reductions at this time after discussions with the Director of Golf.

## Capital Projects Fund Budget

The City's Capital Projects Fund primary funding source is income taxes, of which City Council has approved 10% of total monthly income tax collections allocated to this fund. This fund is used to accomplish the City's non-utility capital improvements, such as our annual street maintenance program, road resurfacing, and also as a local match for OPWC grants and loans we may receive.

Based on lower income tax collections for 2020, the Capital Projects Fund budget has been reduced from \$4,817,241 to \$3,800,032. At this time we believe that outstanding 2020 projects to be completed in 2021 along with new 2021 projects will have sufficient funding to be paid, however, this must be monitored if unexpected contingencies are identified along with additional projects not originally budgeted.

## Storm Water Fund Budget

Based on the addition of unplanned alley improvements associated with Hickory Alley and on Brook Alley south of Hickory (which will also support the downtown redevelopment at College and Main Street) totaling \$262,800, the Storm Water Fund has appropriations which exceed total estimated resources contrary to Ohio Revised Code Section 5705.39. It was determined upon review of non-payroll related expenditures by the Public Works Director and Engineer, that currently the only available budget line item that may be reduced is maintenance and repair of \$25,000. However, this reduction is not sufficient to avoid a non-compliance situation. The Administration will review the budget mid-year to determine if other reductions may be made.

Increases between the original and amended budget are based on carryover balances and additional/less resources needed by departments.

**Other Significant Changes**

<b>Fund</b>	<b>Department</b>	<b>Amount</b>	<b>Description</b>
General	Town Hall	\$7,091	Purchase of Light Pole Wreaths
General	Senior Transportation	10,972	Local Van Share – MORPC 5310 Grant Program
General	County Health	1,937	Higher Contract Costs
General	Legislative	5,000	Granicus Software
General	Legislative	20,000	Community Grant Requests
General	Law	4,000	Mayor’s Court Prosecutor Increase
Street	Public Works	6,253	LED Stop Signs
Senior Transportation	Transportation	132	Increased Grant Received for Salaries
Senior Transportation	Transportation	45,000	Grant – Purchase New Van – ODOT Transit Program
Coronavirus Relief	Finance	57,821	Carryover Federal Funds
Sewer Fund	Public Works	(142,293)	Projected Carryover Lower Than Forecast, Receipts Remain Flat Between Years