



MUNICIPAL BUILDING
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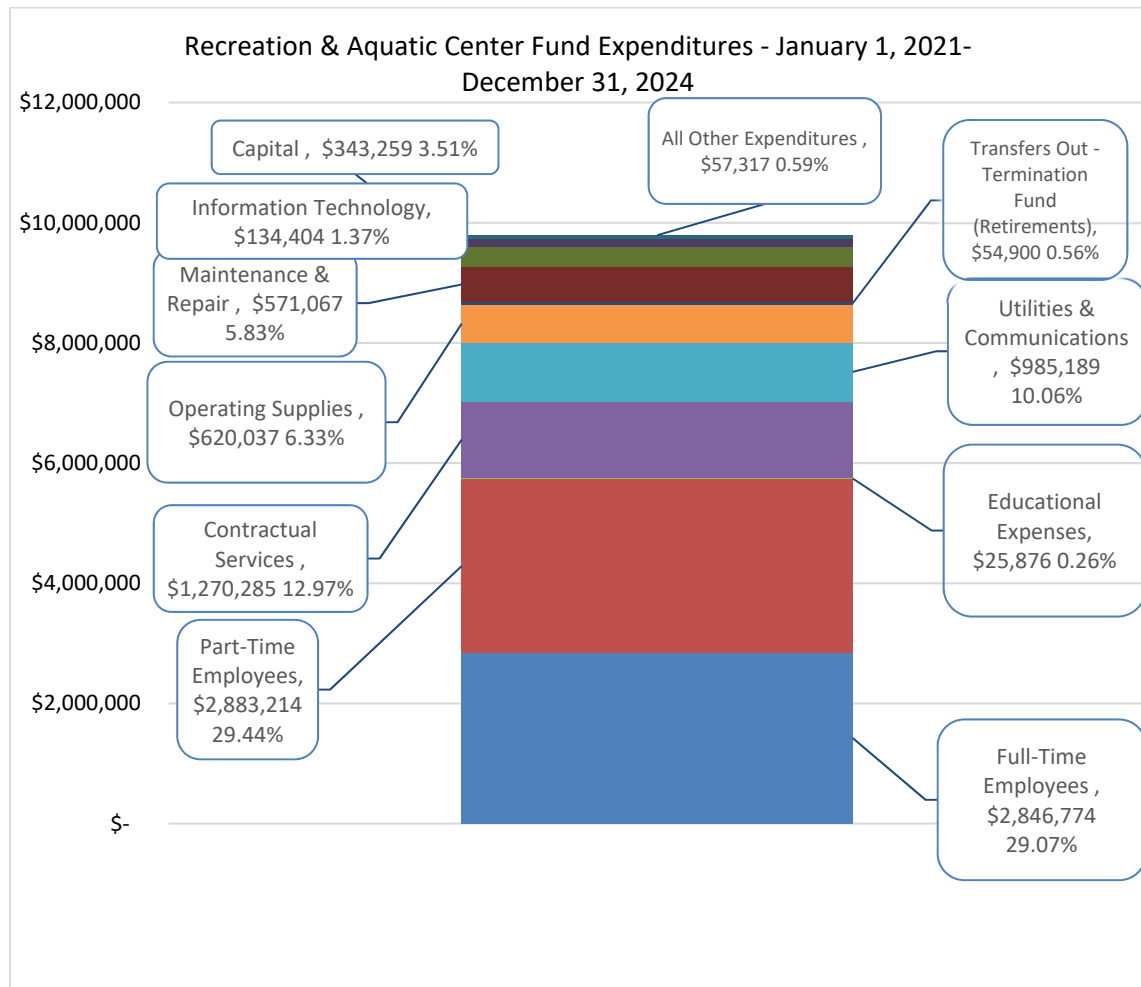
To: Mayor, Members of Council and City Administrator

From: Jason Carr, CPA, Finance Director

Date: April 7, 2025

RE: Recreation & Aquatic Center Fund Cost Analysis

Ordinance No. 2025-002 provides for establishing membership fees for the Recreation Center thereby amending the existing fee schedule set forth in Ordinance No. 2019-018. Historically, both the Recreation Center and the Aquatic Center operate at a loss, whereas receipts from operations (i.e. memberships, daily pass sales, fitness classes, etc.) are not sufficient to cover operating expenses (i.e. salaries and benefits, materials and supplies, contractual services). The City has not performed a review of Recreation Center membership fees for over fifteen (15) years and based on annual inflation, operating losses have increased significantly since 2016. This memo provides information regarding expenditure types with the following chart providing a historical summary for the period January 1, 2021 through December 31, 2024:



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

The following table supports the chart on the previous page for the period January 1, 2021 – December 31, 2024:

Year Ended December 31,	2021	2022	2023	2024	Total	% of Total
Full-Time Employees	\$710,690	\$703,497	\$666,106	\$766,480	\$2,846,774	29.07%
Part-Time Employees	545,836	553,954	775,493	1,007,932	2,883,774	29.44%
Educational Expenses	5,815	4,422	7,088	8,551	25,876	0.26%
Contractual Services	248,637	287,398	334,277	399,973	1,270,285	12.97%
Utilities & Communications	236,065	270,385	256,097	222,642	985,189	10.06%
Operating Supplies	72,600	146,627	192,527	208,284	620,037	6.33%
Transfers Out – Termination Fund (Retirements)	12,900	22,000	20,000	0	54,900	0.56%
Maintenance & Repair	128,978	114,278	116,108	211,702	571,067	5.83%
Capital	0	0	227,927	115,332	343,259	3.51%
Information Technology Support	35,616	32,519	26,995	39,274	134,404	1.37%
All Other Expenditures	16,627	11,737	7,409	21,544	57,317	0.59%
Total	\$2,013,764	\$2,146,817	\$2,630,027	\$3,001,714	\$9,792,882	100%

The following table is a breakdown of each expenditure category for the period January 1, 2021 – December 31, 2024:

FULL-TIME AND PART TIME EMPLOYEES						
Year Ended December 31,	Gross Salaries – Full-Time	Total Employees – Full-Time	Gross Salaries – Part-Time	Total Employees – Part-Time	Total Gross Salaries	Total Employees
2021	\$420,456	12	\$452,572	109	\$873,028	121
2022	413,668	13	468,845	105	882,513	118
2023	368,924	7	651,203	148	1,020,127	155
2024	427,304	7	844,570	143	1,271,874	150
Total	\$1,630,352	39	\$2,417,190	505	\$4,047,542	544

The growth in employee expense for part-time employees between 2022-2023 is based on Council directive to increase the level of part-time lifeguards and aquatic staff for security purposes. The increase in employee expense for full and part-time employees between 2023-2024 was attributed to the salary study performed (and adoption of the City's Compensation Plan) toward the end of calendar year 2023 and implemented January 1, 2024.

The next three (3) largest categories of expenditures associated with the operation of the Recreation and Aquatic Center is Contractual Services (12.97%), Utilities and Communications (10.06%) and Operating Supplies (6.33%) for the period January 1, 2021 – December 31, 2024. The following tables provide a breakdown these categories for the period January 1, 2023-December 31, 2024:

CONTRACTUAL SERVICES			
Description		YTD 12/31/2024	YTD 12/31/2023
Cleaning Services		\$241,750	\$178,693
Contractual Instructors		83,833	84,581
Liability Insurance		22,001	22,258
Maintenance Contracts		16,447	11,694
Computer Software		13,124	9,709
General Office Expenses		9,658	14,385
Timekeeping System		5,602	4,078
Floor Mats		4,225	2,969
Drug Testing		1,892	2,820
License & Inspections		1,442	3,090
Total		\$399,973	\$334,277

Between 2023 and 2024, an increase of \$65,696 was recognized and primarily attributed to cleaning services (increase of \$63,057). The City went out to bid in 2023 and received once complete response from the current cleaning company, Corvus Janitorial Services.

UTILITIES AND COMMUNICATIONS			
Description		YTD 12/31/2024	YTD 12/31/2023
Groveport Utilities		\$83,972	\$100,076
Electric		79,468	106,130
Natural Gas		41,163	30,560
Phone System and Cellular Phones		9,674	8,494
Fiber (Internet)		5,613	7,723
Cable		3,448	3,132
Total		\$223,338	\$256,097

Budgeted and actual costs within the utilities and communication cost category are fixed costs that cannot be renegotiated. Costs decreased between 2023 and 2024, however, a general increase has been budgeted of 5% for the 2025 budget.

OPERATING SUPPLIES			
Description		YTD 12/31/2024	YTD 12/31/2023
Pool Pumps and Repairs		\$67,965	\$19,494
Office Supplies		50,310	53,615
Indoor & Outdoor Pool Chemicals		49,468	59,444
Repair Supplies		28,394	0
HVAC Repairs		9,088	0
Roof Repairs		3,059	0
Program Supplies & Repairs		0	59,974
Total		\$208,284	\$192,527

Operating supplies increased \$15,757 between 2023 and 2024 with many costs were recategorized in the 2024 and future budgets to the general supplies' category. Operating supplies in the 2025 budget consist of the following cost categories:

2025 Operating Supplies Budget Description	Budget 12/31/2025
Office Supplies	69,840
Indoor & Outdoor Pool Chemicals	28,250
Program Supplies	58,500
General Facility Repairs	12,500
Pool Equipment	43,380
Total	\$212,470

A description of the largest expenditures included above as follows:

Office Supplies – Custodial (\$33,000), general maintenance (\$10,000), and office supplies (\$20,000) comprised the largest expenditure types in this category.

Program Supplies – Expenditures include supplies necessary for all programs and events provided by the Recreation Center, such as fitness classes, lifeguard appreciation initiatives, fishing derby, punt, pass and kick, staff appreciation, sporting camps awards, shirts, jerseys, and equipment.

Pool Equipment – Miscellaneous equipment that is not considered a capital asset include Pool Vacuum (\$20,800) and shade umbrellas (\$16,500).

SUMMARY: For the period January 1, 2021 through December 31, 2024, full and part-time payroll expense comprised 58.51% (\$5,729,988) of the total costs paid by the Recreation and Aquatic Center Fund of \$9,792,882. Over this same period, the average merit increase was 3.75% for full and part-time employees, and there is an expectation the City will see an increase in health insurance costs as the two-year contract ends December 31, 2025 and is renegotiated.

The necessary investment in the Recreation and Aquatic Center to maintain the building and premises is expected to increase based on age and therefore future budget expectations include increases in maintenance and repair. The Administration will continue to manage costs and prepare future budgets based on available resources.