



MUNICIPAL BUILDING

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To: City Council
From: Jeff Green, Finance Director
CC: Marsha, Hall, Administrator
Date: February 2, 2017
Re: 2017 Budget Modifications – Ordinance 2017-006 - Amendment to Ordinance 2016-047

The following is a summary of changes for the City's 2017 annual budget which were reflected in Ordinance 2017-006 amending Ordinance 2016-047 as adopted by City Council. These changes ensure the City is in compliance with Ohio Revised Code Section 5705.39 which requires that appropriations do not exceed total estimated resources available as well as provides appropriated dollars in the correct funds/expenditure line items.

ANALYSIS OF 2016 PROJECTED CARRYOVER FUND BALANCES VS. ACTUAL

When the City adopts its annual appropriations prior to the end of the calendar year, estimates are utilized to project how the City will end the year financially. Although there are many variables which impact these estimates, the City has utilized a consistent methodology over the years in order to provide Council with the most current information available when the original budget is adopted. Specific to the City's main operating funds please find below an analysis of the projected fund balances as included in Ordinance 2016-047 and actual fund at December 31, 2016:

Fund	Projected Cash Balance at 12/31/16	Actual Unencumbered Cash Balance at 12/31/16	Increase (Decrease)	Analysis
General	\$714,430	\$1,655,890	\$941,460	The increase is attributed to the City reducing budgeted expenditures at year end by \$2,013,026. Departments which had cost savings greater than \$100,000 included Finance, Administration, Facilities Management, Engineering, Police, and Recreation – Parks. The City also had contingency reserves of \$546,686 at December 31. Differences between cost savings and the actual fund increase is off-set by lower estimated revenues collected.

ANALYSIS OF 2016 PROJECTED CARRYOVER FUND BALANCES VS. ACTUAL – Continued

Fund	Projected Cash Balance at 12/31/16	Actual Unencumbered Cash Balance at 12/31/16	Increase (Decrease)	Analysis
Street	299,515	6,184	(293,331)	Decrease attributed to actual revenues less than budgeted which also includes less money transferred from the General Fund.
Recreation	157,647	84,635	(73,012)	Decrease is attributed to less money transferred from the General Fund.
Golf Course	239,827	98,904	(140,923)	Decrease is attributed to charges for services revenue lower than budgeted as well as less money transferred from the General Fund.
Water	245,936	200,711	(45,225)	Decrease is primarily attributed to expenditures being incurred prior to year-end December 31, 2016 that were not included in year-end projections.
Sewer	71,428	98,072	26,644	Increase in fund balance attributed to the City controlling expenditures at year end.
Storm Water	1,141,439	869,259	(272,180)	Decrease in fund balance is attributed to engineering fees associated with the Bixby Road and Hendron Road projects.

MODIFICATIONS TO ESTIMATED RECEIPTS

Fund	Total Change	Description
General Fund	Increase \$650,000	Increase attributed to litigation settlement received for the Recreation Center.
Street Maintenance & Repair	Increase \$312,952	Increases attributed to the following: Gasoline Taxes: \$16,000 Transfers In: \$300,000 Increase in gasoline taxes are based on higher projected actual receipts and the transfer in is necessary to balance the year end budget.
State Highway Fund	Increase \$5,477	Increase in gasoline taxes are based on higher projected actual receipts.
Permissive Motor Vehicle License Fund	Increase \$2,559	Increases attributed to the following: License Fees - Engineer: \$2,559 Increases for license fees are based larger balance on hand with Franklin County Engineer.
Court Computer Fund	Increase \$2,485	Increase attributed to higher estimated collections derived from Mayor's Court and paid to the Court Computer fund.
Recreation & Aquatic Fund	Increase \$214,178	Increases attributed to the following: Membership Fees: \$14,178 Transfers In: \$200,000 Increase in membership fees are based on higher projected actual receipts and the transfer in is necessary to balance the year end budget.
Golf Course Fund	Increase \$159,740	Increases attributed to the following: Fees: \$9,740 Transfers In: \$150,000 Increase for fees based on expected higher collections from budgeted while the increase in transfer is necessary to balance the golf course fund budget.
Transportation Services Fund	Increase \$12,968	Increase associated increased contributions with transfer from the General Fund in order to balance the transportation fund budget.
Capital Projects	Increase \$2,572	Additional transfer from the General Fund to balance the fund's budget.

MODIFICATIONS TO ESTIMATED RECEIPTS - Continued

Fund	Total Change	Description
Escrow & Inspection Fund	Increase \$14,975	Increase is based on changes in actual 2017 receipts to be received.
Total Increase	\$1,377,906	

APPROPRIATION AMENDMENTS

Fund	Dept./Line Item	Change	Description
General	Police – Health Care	Increase \$55,606	Account for differences in health care cost projections between estimated vs. actual.
General	Community Affairs – Health Care	Increase \$3,385	Account for differences in health care cost projections between estimated vs. actual.
General	Senior Transportation – Health Care	Increase \$2,570	Account for differences in health care cost projections between estimated vs. actual.
General	Mayor – Health Care	Increase \$7,145	Account for differences in health care cost projections between estimated vs. actual.
General	Legislative – Health Care	Increase \$2,570	Account for differences in health care cost projections between estimated vs. actual.
General	Administration – -- Health Care Contractual	Increase \$51,629	Account for differences in health care cost projections between estimated vs. actual of \$1,629 and also \$50,000 payment for litigation settlement.
General	Finance – Health Care	Increase \$5,955	Account for differences in health care cost projections between estimated vs. actual.
General	Finance - Tax Incentive – Stella & Dot	Increase \$65,000	Re-allocate appropriations to the General Fund previously reported in the Debt Service Fund.
General	Law – Health Care	Increase \$2,570	Account for differences in health care cost projections between estimated vs. actual.
General	Parks – Health Care	Increase \$14,481	Account for differences in health care cost projections between estimated vs. actual.

APPROPRIATION AMENDMENTS – Continued

Fund	Dept./Line Item	Change	Description
General	Human Resources -Wages -Dental -OPERS -Workers Comp -Medicare -Health Care	Increase \$11,188 11 2,340 386 162 2,706	Increases based on additional costs associated with retirement of personnel coordinator and hiring of Human Resources Director along with increased insurance costs.
General	Transfers -Street -Recreation -Transportation -Golf -Capital -Rainy Day	Increase \$300,000 200,000 10,000 150,000 2,572 600,000	Additional transfers out needed in order to balance the budgets of the noted funds excluding the Rainy Day fund.
General	Contingency/20% Carryover	Decrease \$160,888 Increase \$203,150	Higher real estate taxes than estimated. Increase based on higher ending fund balances of the City at December 31, 2016 than projected.
General	Building & Zoning -Wages -Dental -OPERS -Workers Comp. -Medicare -Health Care	Increase \$35,939 33 2,663 438 227 5,955	Increase based on changes in personnel positions as well as increased health care costs.
General	Facilities – Health Care	Increase \$7,711	Account for differences in health care cost projections between estimated vs. actual.
General	Engineering – Health Care	Increase \$3,385	Account for differences in health care cost projections between estimated vs. actual.
General	Transportation – Health Care	Increase \$2,570	Account for differences in health care cost projections between estimated vs. actual.
	Total General Fund	\$1,591,460	
Street Fund	Health Care	Increase \$19,621	Account for differences in health care cost projections between estimated vs. actual.
Cemetery Fund	Operating Supplies	Increase \$3,520	Balance 2017 budget.

APPROPRIATION AMENDMENTS - Continued

Fund	Dept./Line Item	Change	Description
Parks Fund	Contractual	Increase \$74,574	Balance 2017 budget.
TIF Fund	Contractual	Increase \$313	Balance 2017 budget.
Drug Education & Enforcement	Contingency	Increase \$10,625	Balance 2017 budget.
DUI Enforcement	DUI Task Force	Increase \$1,502	Balance 2017 budget.
Rainy Day Fund	Contractual Services	Increase \$8,334	Balance 2017 budget.
Recreation (220.04)	Health Care	Increase \$2,570	Account for differences in health care cost projections between estimated vs. actual.
Recreation (220.17)	Health Care	Increase \$5,141	Account for differences in health care cost projections between estimated vs. actual.
Recreation (220.19)	Wages & Salaries	Increase \$16,105	Higher estimated salaries than originally estimated.
Recreation (220.23)	Health Care	Increase \$5,955	Account for differences in health care cost projections between estimated vs. actual.
Recreation (220.24)	Health Care	Increase \$2,570	Account for differences in health care cost projections between estimated vs. actual.
Recreation (220.26)	Health Care	Increase \$815	Account for differences in health care cost projections between estimated vs. actual.
Recreation (220.27)	Health Care	Increase \$3,385	Account for differences in health care cost projections between estimated vs. actual.
Recreation (220.31)	Facility Maint. Contracts	Increase \$104,626	Budget for facility contracts which were included in other funds in original budget.
	Total Recreation	\$141,167	
Golf (221.20)	Health Care	Increase \$5,955	Account for differences in health care cost projections between estimated vs. actual.
Golf (221.21)	Health Care	Increase \$12,862	Account for differences in health care cost projections between estimated vs. actual.
	Total Golf	\$18,817	

APPROPRIATION AMENDMENTS – Continued

Fund	Dept./Line Item	Change	Description
Debt Service Fund	Stella & Dot	Decrease \$65,000	Re-allocate Stella & Dot incentive tax payment to the General Fund.
	Contingency	Increase \$270,034	Increase to balance the 2017 budget.
Water Fund	Health Care	Increase \$7,711	Account for differences in health care cost projections between estimated vs. actual.
	Contingency	Decrease \$52,936	Decrease to balance the 2017 budget.
Sewer Fund	Contingency	Increase \$26,644	Balance 2017 budget.
Water Capital Fund	Contingency	Decrease \$53,503	Balance 2017 budget.
Sewer Capital Fund	Contingency	Increase \$33,299	Balance 2017 budget.
Storm Water Fund	Contingency	Decrease \$272,180	Balance 2017 budget.
Columbus Water Maint. Fund	Contingency	Increase \$12,745	Balance 2017 budget.
Surety Bond Fund	Contractual Services	Decrease \$94,345	Balance 2017 budget.
Township Inspections	Township Inspections	Increase \$3,927	Balance 2017 budget.
Cemetery Perpetual Care	Operating Supplies	Increase \$73	Balance 2017 budget.
Tree Fund	Contingency	Decrease \$22,445	Balance 2017 budget.
	Total Changes	\$1,663,956	