



MEMORANDUM
Office of the Administrator

To: Mayor and Council

From: Marsha Hall, City Administrator

Cc: Jeff Green, Assistant Administrator/Finance Director

Date: September 18, 2017

Re: FINANCIAL FORECAST AND OVERVIEW

As part of last year's Financial Forecast and Overview we requested that Council develop a strategy for selecting and prioritizing upcoming capital projects/purchases, keeping in mind the issues discussed in the memo, *Financial Forecast & Overview for the Periods Through December 31, 2018*.

Below are the three revenue set-asides that you determined should be prioritized before any operational expenses as part of your financial review.

1. Amount of General Fund Contingency (balance) Increased. It was determined by Council to add at least 20% to each year's balance until a \$2.0M balance is retained. The balance from 2015 to 2016 was \$910,573 and the balance from 2016 to 2017 was \$1,730,182. It is currently estimated that the balance from 2017 to 2018 will be \$2,456,544. While it appears that this priority should be met at the end of this year, the primary reason for this is the delay of several capital projects (see below). In order to consistently meet this priority, capital projects should continue to be scrutinized carefully for the next few years.
2. Rainy Day Fund Increased. It was determined by Council to increase the Rainy Day Fund from \$1,500,000 to \$2,000,000, and to increase the annual allocation from \$100,000 to \$150,000. The fund balance going into 2017 was \$641,667 due to \$1,000,000 being spent from the fund for the recreation center roof. \$150,000 is being transferred from the General Fund to the Rainy Day Fund in 2017, as well as the \$600,000 settlement received earlier this year for the recreation center roof was deposited into the fund. At the end of 2017 the Rainy Day Fund balance will be \$1,391,667. It will take through 2021 to meet the \$2,000,000 threshold.
3. Debt Service Increased. It was determined by Council to increase the amount set aside for the Debt Service Fund to 20% of income taxes received after the allocation into the Rainy Day Fund. It is estimated that the fund balance at the end of 2017 will be \$2,604,475. Our goal at this point is to be in a position to pay off the golf course improvements and police building facility debt of approximately \$1,500,000 in 2019.



Projects

In order to work toward the goals noted above, the following projects scheduled for completion in 2017 were delayed:

- paving of the lower parking lot at Groveport Park;
- Hanstein Addition Water Mains;
- Front Street Water Service Replacements;
- Golf maintenance building;
- Facilities and Transportation building.

In addition, the East Bixby Road Re-pavement Project was later delayed until after the Columbia Gas Transmission Line Project is completed.

In order to emphasize street maintenance, the annual Street Maintenance Program was increased from \$350,000 to \$450,000 from the Street Fund as well as \$100,000 from the Storm Water Fund.

Golf Course Fund

We have been informed that our property insurance will not cover the expenses related to the flooding for the course. Based on loss revenue and expenses related to flooding during peak season in 2017 it is estimated that we will need to amend the Appropriations and an additional \$100,000 will need to be transferred from the General Fund into the Golf Course Fund.





**CITY OF GROVEPORT
FRANKLIN COUNTY, OHIO**

**FINANCIAL FORECAST & OVERVIEW
FOR THE PERIODS THROUGH DECEMBER 31, 2019**

PREPARED BY THE FINANCE DEPARTMENT

**CITY OF GROVEPORT
FRANKLIN COUNTY**

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MUNICIPAL BUILDING

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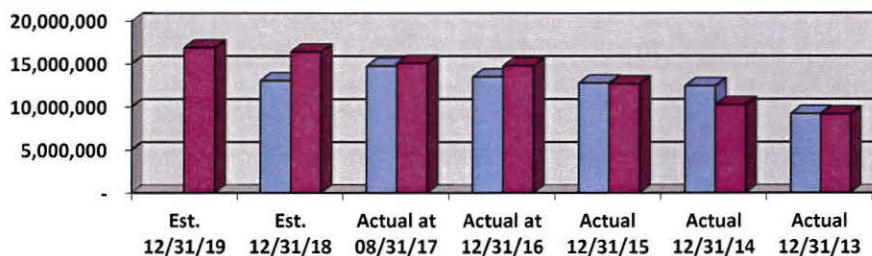
City Council, Mayor and City Administrator
City of Groveport
655 Blacklick Street
Groveport, Ohio 43125

The Administration is pleased to present the City of Groveport's (the City) historical revenue and financial forecast and overview for Council's consideration. The purpose of this report is to provide a financial picture of the City focusing on revenue, expenditure and fund balance estimates as well as focusing on individual funds.

- ☐ Income Tax
- ☐ City Capital Improvements Completed
- ☐ Total All Funds
- ☐ Individual Fund Projected Revenues, Expenditures and Fund Balances
- ☐ Outstanding Debt Portfolio (See attachment to this document as prepared by Andy Brossart – Bradley Payne)

Income Tax Revenues

Income taxes received are the largest and primary source of revenue. Below is a summary of income tax receipts received and projected:



		Income Taxes - Actual	Income Taxes - Budget		
Year		Actual	Budget	Budget Vs. Actual	Variance Percentage
December 31, 2019 (Est.)*		NA	\$17,388,151		NA
December 31, 2018 (Est.)*		NA	16,881,700		NA
August 31, 2017 (Actual/ Budget)		\$10,616,264	16,390,000		(20%)
December 31, 2016		14,748,036	15,086,575		(2%)
December 31, 2015		13,549,396	14,784,040		(9%)
December 31, 2014		12,791,938	12,688,437		1%
December 31, 2013		12,459,873	10,272,855		21%

Note: Calendar years 2013-2016 actual income tax revenues are presented net of refunds while years 2017-2019 are presented at gross.

Income Tax Revenues – (Continued)

The following is a breakdown of the funds which received income taxes since 2012:

Year	General Fund	Rainy Day Fund	Debt Service Fund	Total
2019 *	\$ 14,666,943	\$ 150,000	\$ 3,194,283	\$ 18,011,226
2018 *	14,239,750	150,000	3,101,246	17,490,996
Actual at August 31, 2017	10,364,043	100,000	2,591,010	13,055,053
2016	12,440,340	100,000	2,207,696	14,748,036
2015	11,427,851	41,667	2,079,878	13,549,396
2014	10,236,420	-	2,555,518	12,791,938
2013	10,199,401	-	2,260,472	12,459,873
2012	7,337,453	100,000	1,875,022	9,312,475

* - For purposes of projecting income taxes we have assumed a 3% increase from the prior year and allocation of income taxes is at the current rate of 80% to the General Fund and 20% to the Debt Service Fund after the allocation \$150,000 to the Rainy Day Fund effective January 1, 2017.

Note: Income tax revenues are presented net of refunds which includes estimates for 2018-2019.

Although income taxes have continued to increase since 2012, the Administration is cognizant that we must maintain a positive working relationship with the businesses within the City and continue to seek new large and small business in order for income taxes to remain stable/increase. However, we must also be flexible as any significant change in the national and local economy combined with continued changes by the State of Ohio impacting municipal income tax rules (for example, net profit changes) will greatly impact the services we provide. Many economists are currently forecasting a possible economic slowdown beginning in 2018 or 2019. The following table illustrates the source of income tax revenues that are collected by the City:

Net Income Tax Revenue Base and Collections								
For the Year-To-Date-ended December 31, 2012 through December 31, 2016								
Tax Year	Total Taxes Collected	Taxes from Withholdings	% of Taxes from Withholdings	Taxes from Net Profits	% of Taxes from Net Profits	Taxes from Individuals	% of Taxes from Individuals	
2016	\$14,748,036	\$11,099,372	75.26%	\$3,436,292	23.30%	\$212,372	1.44%	
2015	13,549,396	9,271,852	68.43%	4,133,921	30.51%	143,624	1.06%	
2014	12,791,938	10,874,426	85.01%	1,694,932	13.25%	222,580	1.74%	
2013	12,459,873	7,672,790	61.58%	4,636,319	37.21%	150,764	1.22%	
2012	9,312,475	7,645,542	82.10%	1,436,915	15.43%	230,018	2.47%	

NOTES FOR TABLE:

Withholdings = Income taxes withheld from individuals who work within the corporate limits.

Net Profits = Income taxes paid by businesses from revenues exceeding expenses after considering adjustments.

Individuals = Income taxes paid by residents who did not receive credit from taxes paid to another municipality or those who live and work in the corporate limits.

Financial Summary: Based on the sources of income taxes collected we must continue to be diligent retaining and seeking new businesses to the City of Groveport. Many programs offered by the City are not self-supporting and rely on the General Fund to supplement their operations. For the future, we should remain aware of potential negative changes in the overall economy and monitor changes in the municipal tax code as these items may impact the level of services the City of Groveport provides.

Capital Purchases/Projects Completed

Year	Project Description	Cost	Funding Source
2012	Police Vehicles & Equipment	\$178,736	Leases
2012	Municipal Building Improvements	196,962	City Funds
2012	Lesleh Avenue Improvements	251,173	Grants/Loan
2012	Public Works Dump Truck	145,162	Lease
2012	Golf Course Clubhouse Improvements	215,623	City Funds
	Total 2012 Capital Improvements	987,656	
2013	Phone System	58,372	City Funds
2013	Town Hall Improvements	50,775	City Funds
2013	Golf Carts & Equipment	353,444	Leases
2013	Golf Course Shoreline Improvements	109,943	Bonds
2013	Aquatic & Rec. Center Improvements	80,293	Leases
2013	State Route 317 Improvements	317,230	City Funds
2013	Water Meters and Installation	263,137	City Funds
2013	Sewer Meters and Installation	259,683	City Funds
	Total 2013 Capital Improvements	1,492,877	
2014	Police Vehicles & Equipment	210,983	Leases
2014	Town Hall Improvements	104,642	City Funds
2014	Police Building Improvements	964,319	Bond Anticipation Notes
2014	Spiegel Road	1,154,418	Grants/Loans
2014	Golf Course Improvements & Equipment	148,330	City Funds and Leases
2014	Aquatic & Recreation Center Improvements	84,551	City Funds
2014	Vehicles & Sidewalk Improvements	127,682	Leases and City Funds
2014	Parks & Senior Transportation Vehicles & Equipment	108,620	Leases
	Total 2014 Capital Improvements	2,903,545	
2015	Port Road Improvements	1,043,131	Grants
2015	Water Plant	2,997,652	Bonds
2015	Town Center	2,174,142	Bonds
2015	Passenger Buses	248,200	Leases
2015	Park Equipment & Vehicles	83,404	Leases
2015	Police Vehicles	80,765	Leases
2015	Golf Course Equipment	93,292	Leases
2015	Public Works Equipment & Vehicles	85,813	Leases
	Total 2015 Capital Improvements	6,806,399	
2016	Natatorium Roof	1,432,521	City Funds
2016	Golf Course Hillside Improvements	1,283,540	Bonds
2016	Police Vehicles and Equipment	135,851	Lease
2016	Security System	37,250	City Funds
2016	Outdoor Warning Siren	12,140	City Funds
2016	Park Department Vehicles and Equipment	107,564	Lease
2016	Building and Zoning Vehicles	21,462	Lease
2016	Street Department Freightliner & Bucket Truck	256,025	Lease
2016	Golf Course Equipment	62,130	Lease
2016	Golf Course Sewer Improvements	477,296	City Funds
2016	West Bixby Road Improvements	45,144	City Funds
2016	Hendron Road Improvements	128,325	City Funds
2016	Wellfield Improvements	35,660	City Funds
	Total 2016 Capital Improvements	4,034,908	

Capital Purchases/Projects Completed – (Continued)

Year	Project Description	Cost	Funding Source
2017	Senior Transportation Van	\$10,524	City Funds
2017	Miscellaneous Administration Projects	12,875	City Funds
2017	East Bixby Road Rehabilitation	32,589	City Funds
2017	Hendron Road Improvements	20,933	OPWC Grant
2017	West Bixby Road Improvements	4,450	OPWC Grant
2017	West Main Curb Ramps	4,095	City Funds
2017	Senior Transportation Van	39,343	MORPC Grant
2017	Recreation Painting Indoor	21,917	City Funds
2017	Golf Carts	230,250	Lease
2017	Golf Course Hillside Improvements	41,761	Bonds
2017	Golf Course Maintenance Sprayer	59,488	Lease
2017	G.R.E.A.T. Bus Stops	3,493	City Funds
2017	Fitness Equipment	14,160	City Funds
2017	Wellfield Improvements	68,391	City Funds
2017	Well Improvements	24,327	City Funds
2017	Hendron Road Waterline	4,556	City Funds
	Total 2017 Capital Improvements (at June 30, 2017)	593,152	
	Total 2012-2017 Capital Improvements	\$16,818,537	

Since 2012, the City has completed (or is in the process of completing) \$16,818,537 projects which have been paid for as follows:

Funding Source	Amount	Funding Source %
City Funds	\$3,916,058	23%
Debt (Bonds & Leases)	10,389,031	62%
Grants	2,513,448	15%
Total	\$16,818,537	100%

Financial Summary: The City has completed or is in the process of completing \$16,818,537 in capital related improvements since 2012 noting that many projects have been financed through long-term debt. A significant portion of this debt is paid from the Debt Service Fund and non-General Fund departments. For future years the City must consider the immediate need of capital improvements if we are to begin increasing our fund balance reserves.

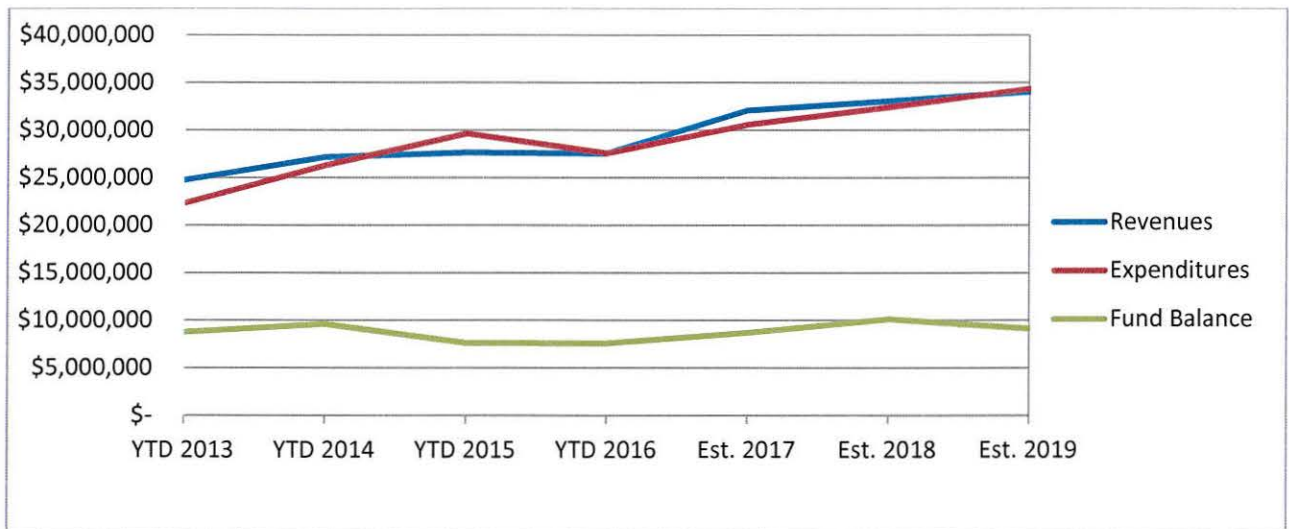
Total Fund Balances – All Funds

The chart below plots the revenue, expenditures and fund balance since the year to date ended December 31, 2013.

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Total Fund Balances – All Funds – (Continued)

Yearly Revenue, Expenditure and Fund Balance – All Funds Year to Date December 31, 2013 through December 31, 2019



Year	YTD 2013	YTD 2014	YTD 2015	YTD 2016	Est. 2017	Est. 2018	Est. 2019
Revenues	\$24,753,630	\$27,158,321	\$27,640,679	\$27,544,731	\$32,078,630	\$33,040,710	\$34,031,932
Expenditures	22,310,886	26,301,479	29,642,609	27,582,434	30,571,874	32,406,186	34,350,557
Fund Balance	8,755,779	9,612,621	7,610,691	7,572,989	8,688,493	10,106,911	9,146,718

Current projections for the overall total fund balances are expected to remain flat with revenues slightly outpacing expenditures through 2019. From a historic standpoint, since 2013 the City has collected an average of 96-98% of estimated revenues and expended approximately 76-78% of total appropriations. These averages were utilized to determine year-to-date amounts for 2017-2019. Estimates are also contingent on the timing of when large capital projects financed by debt proceeds or grants are actually recognized.

Individual Fund Projected Revenues, Expenditures and Fund Balances

The City has 29 active funds which are budgeted by the City and of these funds, for purposes of our analysis we will focus on the General Fund, Rainy Day Fund, Debt Service Fund, Street Maintenance & Repair Fund, Recreation & Aquatic Center Fund and Golf Course Fund. The primary purpose for which we will focus on these funds is they are reliant on income tax revenues or subsidies from the General Fund (transfers out) in order to maintain a balanced budget.

Individual Fund Projected Revenues, Expenditures and Fund Balances – (Continued)

GENERAL FUND

Revenues - Since 2013, income taxes received by the General Fund have comprised the largest portion of the funds revenues noting 89% of total 2016 General Fund revenues were comprised of income taxes. Revenues are expected to increase 0-3% for each year after 2017. The table below provides an overview of activity since 2013 (2013-2016 represent actual revenues and expenditures while 2017-2019 are estimates):

Revenue Source/Year	2013	2014	2015	2016	2017	2018	2019
Income Taxes (Net)	\$10,199,401	\$10,236,420	\$11,427,851	\$12,440,340	\$13,825,000	\$14,239,750	\$14,666,943
Property & Other Taxes	266,508	271,811	275,469	317,970	325,950	329,210	332,502
Charges for Services	2,068,217	3,369,951	149,459	171,194	150,000	154,500	159,135
Fines, Licenses, Permits	372,004	521,382	427,372	432,307	447,600	461,028	474,859
Intergovernmental	194,530	135,692	146,435	119,915	96,227	99,114	102,087
Special Assessments	9,854	17,791	3,810	6,439	13,000	6,850	7,055
Investment Income	34,619	45,952	53,681	55,016	43,000	50,000	51,500
Other	240,032	319,497	235,025	191,720	792,200	142,200	146,466
Sale of Debt/Leases	945,009	721,077	184,282	213,415	0	100,000	100,000
Total	\$14,330,174	\$15,639,573	\$12,903,384	\$13,948,316	\$15,692,977	\$15,582,652	\$16,040,547

Expenditures - The largest expenditure categories of the General Fund for 2016 were General Government (i.e. Finance, Administration, Legislative, etc.) or 37%, Security Persons and Property (i.e. Police Department) or 27% and Transfers Out or 20%. The table below provides an overview of activity since 2013:

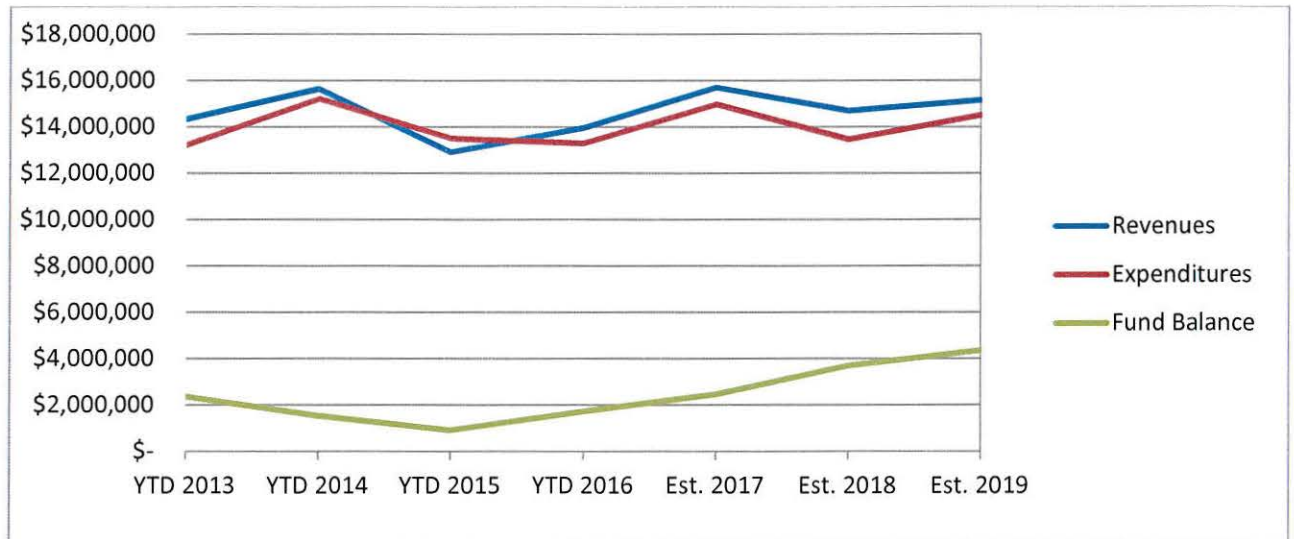
Functions/Year	2013	2014	2015	2016	2017	2018	2019
General Government	\$3,431,475	\$5,104,696	\$4,326,164	\$4,953,722	\$5,512,762	\$5,788,400	\$6,077,820
Security Persons Property	2,776,716	3,204,613	3,350,118	3,547,373	3,741,260	3,928,323	4,124,739
Public Health	32,111	33,086	39,804	42,059	43,168	43,600	44,036
Economic Development	12,007	11,811	8,830	14,035	15,215	15,367	15,521
Leisure Time Activity	5,053,237	4,965,000	1,328,448	1,326,642	903,810	949,001	996,451
Community Environment	423,603	463,346	481,214	562,611	326,332	342,648	359,781
Transportation	0	0	0	104,869	115,762	121,550	127,678
Debt Service	653,368	789,216	136,584	131,379	132,000	132,000	132,000
Transfers Out	829,287	633,572	3,824,694	2,600,000	4,176,306	2,129,892	2,616,969
Total	\$13,211,804	\$15,205,340	\$13,495,856	\$13,282,690	\$14,966,615	\$13,450,781	\$14,494,995

Specific to transfers out, the General Fund will be expected to supplement the operations of the following funds based on the expectation that these funds revenues will not equal or exceed expenditures:

Year	Street Fund	Rainy Day	Recreation & Aquatic Fund	Golf Course Fund	Transportation Services Fund	Capital Projects	Total Transfers Out
2017	\$ 1,069,105	\$ 600,000	\$ 1,181,142	\$ 987,776	\$ 329,540	\$ 8,743	\$ 4,176,306
2018	1,029,892	0	750,000	0	350,000	0	2,129,892
2019	1,066,969	0	1,100,000	100,000	350,000	0	2,616,969
Transfers In	<u>\$ 3,165,966</u>	<u>\$ 600,000</u>	<u>\$ 3,031,142</u>	<u>\$ 1,087,776</u>	<u>\$ 1,029,540</u>	<u>\$ 8,743</u>	<u>\$ 8,923,167</u>

Individual Fund Projected Revenues, Expenditures and Fund Balances – (Continued)

Yearly Revenue, Expenditure and Fund Balance – General Fund Year to Date December 31, 2013 through December 31, 2019



Year	YTD 2013	YTD 2014	YTD 2015	YTD 2016	Est. 2017	Est. 2018	Est. 2019
Revenues	\$14,330,174	\$15,639,573	\$12,903,384	\$13,948,316	\$15,692,977	\$14,690,402	\$15,121,529
Expenditures	13,211,804	15,205,340	13,495,856	13,282,690	14,966,615	13,450,781	14,494,995
Fund Balance	2,358,291	1,538,049	910,573	1,730,182	2,456,544	3,696,164	4,352,698

The City has been diligently working on increasing the General Fund balance which is evidenced by the increase between 2015 and 2016 and future projections. Furthermore, improvements in fund balance will assist in the City's debt rating noting a benchmark utilized by Moody's Analytical Services for the City's previous Aa3 rating:

Year		2017	2018	2019
	Moody's	City of Groveport		
Fund Balance as a % of Operating Revenue	32.6%	16%	25%	28%

The following table provides a scenario of projected General Fund balances with all other revenue and expenditure projections remaining consistent:

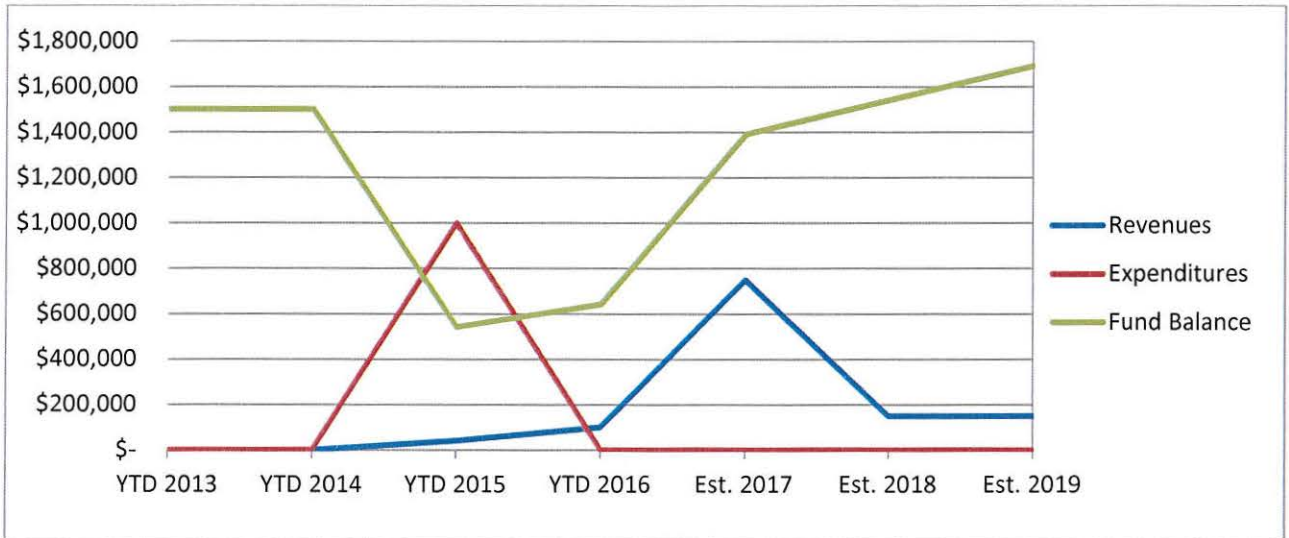
Projected General Fund Balances After Considering:					
Year	1% Decrease in Income Taxes from Prior Year Collections		3% Decrease in Income Taxes from Prior Year Collections		5% Decrease in Income Taxes from Prior Year Collections
2017	\$2,318,294		\$2,041,794		\$1,765,294
2018	2,214,147		1,954,732		1,517,823
2019	2,011,003		1,547,436		1,123,120

Financial Summary: Increasing General Fund balance reserves are imperative as the City considers future budgets not only to improve our debt ratings but also to be prepared for uncertain times.

Individual Fund Projected Revenues, Expenditures and Fund Balances – (Continued)

RAINY DAY FUND

**Yearly Revenue, Expenditure and Fund Balance – Rainy Day Fund Year to Date December 31,
2013 through December 31, 2019**



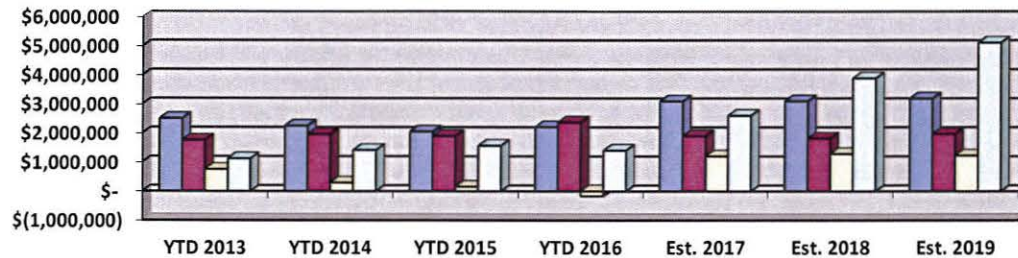
Year	YTD 2013	YTD 2014	YTD 2015	YTD 2016	Est. 2017	Est. 2018	Est. 2019
Revenues	\$0	\$0	41,667	100,000	750,000	150,000	150,000
Expenditures	0	0	1,000,000	0	0	0	0
Fund Balance	1,500,000	1,500,000	541,667	641,667	1,391,667	1,541,667	1,691,667

Financial Summary: Ordinance 16-049 requires the City to allocate \$150,000 yearly to the Rainy Day fund until the fund balance equals \$2,000,000. Furthermore, the Administration has accounted for the Aquatic Center Roof litigation settlement of \$600,000 within the Rainy Day Fund.

Individual Fund Projected Revenues, Expenditures and Fund Balances – (Continued)

DEBT SERVICE FUND

**Yearly Revenue, Debt Service, Net Income (Loss) and Fund Balance –Year to Date December 31,
2013 through December 31, 2019**



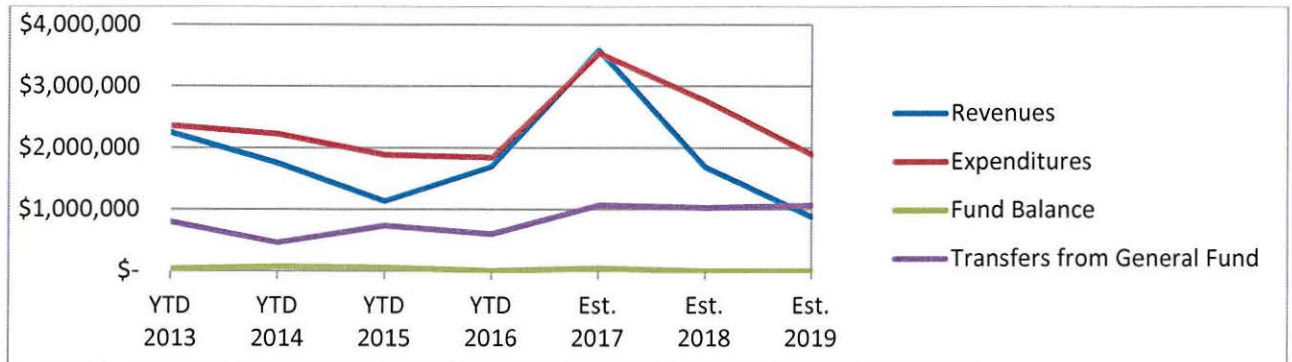
Year	<div> <div>Revenues</div> <div>Debt Service</div> <div>Net Income (Loss)</div> <div>Fund Balance</div> </div>						
	YTD 2013	YTD 2014	YTD 2015	YTD 2016	Est. 2017	Est. 2018	Est. 2019
Revenues	\$2,504,703	\$2,250,089	\$2,051,516	\$2,207,696	\$3,097,675	\$3,101,246	\$3,194,283
Debt Service	1,753,451	1,958,250	1,897,556	2,371,327	1,896,826	1,815,750	1,965,000
Net Income (Loss)	751,252	291,839	153,960	(163,631)	1,200,849	1,285,496	1,229,283
Fund Balance	1,121,458	1,413,297	1,567,257	1,403,626	2,604,475	3,889,971	5,119,254

Financial Summary - All debt which is paid from the Debt Service Fund is collateralized by income taxes noting the City allocates 20% of income taxes received (after considering the allocation to the Rainy Day Fund in accordance with Ordinance 16-049). The Debt Service Fund balance is expected to increase based on higher than expected income tax collections beginning in 2017. At December 31, 2016, the City had Golf Course Improvements and Police Building Bond Anticipation Notes outstanding totaling \$1,800,000 and based on higher projected fund balances, management may have the option to retire a larger portion of this debt in future years.

Individual Fund Projected Revenues, Expenditures and Fund Balances – (Continued)

STREET MAINTENANCE & REPAIR FUND

**Yearly Revenue, Expenditures, Fund Balance and Transfers from the General Fund –Year to Date
December 31, 2013 through December 31, 2019**



Year	YTD 2013	YTD 2014	YTD 2015	YTD 2016	Est. 2017	Est. 2018	Est. 2019
Revenues	\$2,245,399	\$1,751,038	\$1,130,867	\$1,693,817	\$3,582,815	\$1,687,137	\$882,065
Expenditures	2,357,823	2,222,399	1,882,672	1,843,519	3,535,521	2,764,323	1,889,034
Fund Balance	35,644	71,800	56,884	6,184	47,294	0	0
Transfers from the General Fund	800,287	460,865	733,480	600,000	1,069,105	1,029,892	1,066,969

Financial Summary: Historically the revenues received by the Street Maintenance & Repair Fund (Gasoline and Motor Vehicle License Taxes) are not sufficient to cover operations of the department (for example, in 2016 these revenues totaled \$814,303 and operational expenses consisting of salaries and benefits, supplies and contractual services totaled \$991,275 which resulted in an operating deficit of \$176,972. Therefore, in order to balance the Street Maintenance & Repair Fund’s budget before considering capital outlay or debt service expenditures, transfers were necessary from the General Fund to address this deficiency.

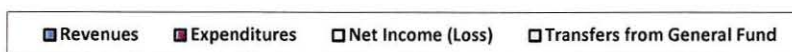
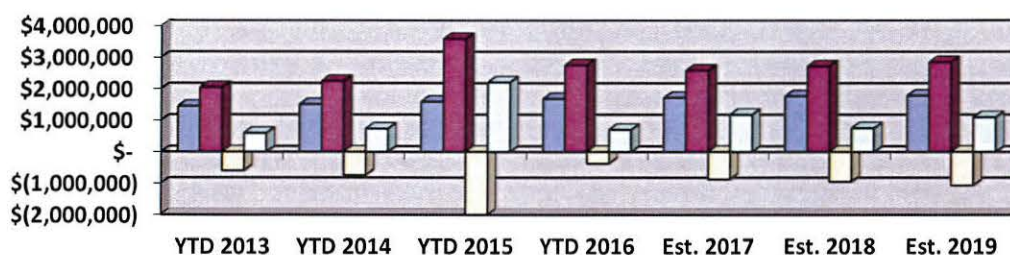
The increase in 2017 revenues and expenditures is associated with Ohio Public Works Commission grant and loan revenues for West Bixby and Hendron Road improvements (it is anticipated the Hendron Road project will be completed in 2018).

For future years, as the City considers necessary capital improvements transfers from the General Fund may remain consistent with 2017 in order to balance the Street Fund budget.

Individual Fund Projected Revenues, Expenditures and Fund Balances – (Continued)

RECREATION & AQUATIC FUND

Yearly Revenue, Expenditures, Net Income (Loss) and Transfers from the General Fund –Year to Date December 31, 2013 through December 31, 2019



Year	YTD 2013	YTD 2014	YTD 2015	YTD 2016	Est. 2017	Est. 2018	Est. 2019
Revenues	\$1,451,312	\$1,510,649	\$1,591,423	\$1,683,639	\$1,717,312	\$1,768,831	\$1,786,519
Expenditures	2,045,347	2,245,254	3,585,030	2,750,466	2,584,709	2,713,944	2,849,641
Net Income (Loss)	(594,035)	(734,605)	(1,993,607)	(366,827)	(867,397)	(945,113)	(1,063,122)
Transfers from the General Fund	594,035	734,605	2,205,599	700,000	1,181,142	750,000	1,100,000

Financial Summary: Income taxes received in the General fund will be required to supplement operations so this fund remains at break-even levels. For example in 2016 operating revenues totaled \$683,639 and operational expenses consisting of salaries and benefits, supplies and contractual services totaled \$2,353,644 for an operating deficit of \$670,025.

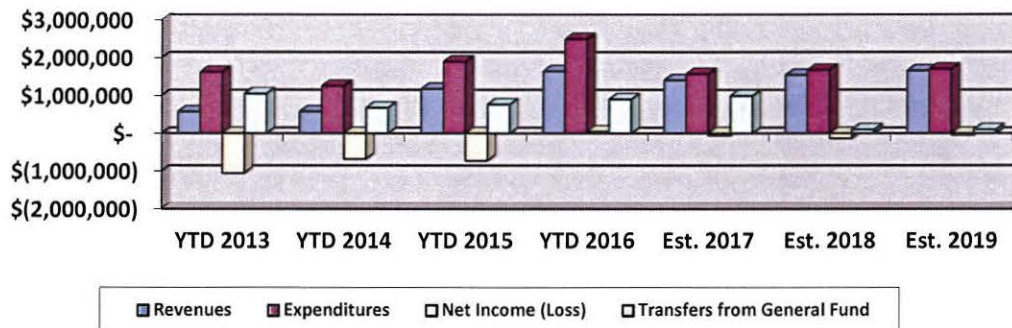
The Recreation & Aquatic Fund is also responsible for leased equipment payments of \$18,237 which are not reflected as a component of operations.

Monitoring costs is essential to reducing the burden on the General fund to balance the Recreation & Aquatic Center budget through transfers as this reduces the ability to increase reserves in the General fund. Beginning in 2017 revenues and expenditures are expected to increase 1%-5% from prior year levels.

Individual Fund Projected Revenues, Expenditures and Fund Balances – (Continued)

GOLF COURSE FUND

Yearly Revenue, Expenditures, Net Income (Loss) and Transfers from the General Fund –Year to Date December 31, 2013 through December 31, 2019



Year	YTD 2013	YTD 2014	YTD 2015	YTD 2016	Est. 2017***	Est. 2018***	Est. 2019***
Revenues	\$573,123	\$577,720	\$1,176,929*	\$1,643,134**	\$1,404,201	\$1,543,792	\$1,660,105
Expenditures	1,623,217	1,252,553	1,897,242	2,495,319	1,571,659	1,674,048	1,702,751
Net Income (Loss)	(1,050,094)	(674,833)	(720,313)	47,815	(54,844)	(130,257)	(42,645)
Transfers from the General Fund	1,050,094	674,833	765,392	900,000	987,766	100,000	100,000

* - Revenues include \$591,856 in debt related proceeds. Revenues from operations were \$585,073.

** - Revenues include \$1,062,130 in debt proceeds. Revenues from operations are \$581,004.

*** - Revenues and expenditures include \$1,000,000 in debt proceeds and payments.

Financial Summary: The Golf Course fund reported net income of \$47,815 in 2016 based on transfers in from the General Fund totaling \$900,000. For calendar year 2017, it is expected the City will need to amend the General Fund budget and transfer an additional \$100,000 to the Golf Course Fund based on flood damages incurred. Historically, transfers from the General Fund to the Golf Course Fund are necessary to address the City's Golf Course Capital Improvement Plan as revenues from operations are not sufficient.

Golf Course Hillside Improvements were financed by debt proceeds totaling \$1,000,000 of which the projections include no reduction to this debt through 2019. If the City elects to convert these notes to bonds, principal and interest payments will be paid from the City's Debt Service Fund (which will be collateralized by income taxes).

Please review the accompanying revenue and expenditure assumptions in conjunction with the forecast provided. The Administration looks forward to any questions you may have.

Jeff Green
Finance Director

Attachment A

August 2, 2017

Outstanding Debt
Portfolio & Market
Update



CITY OF
GROVEPORT
OHIO

Outstanding Debt Obligations

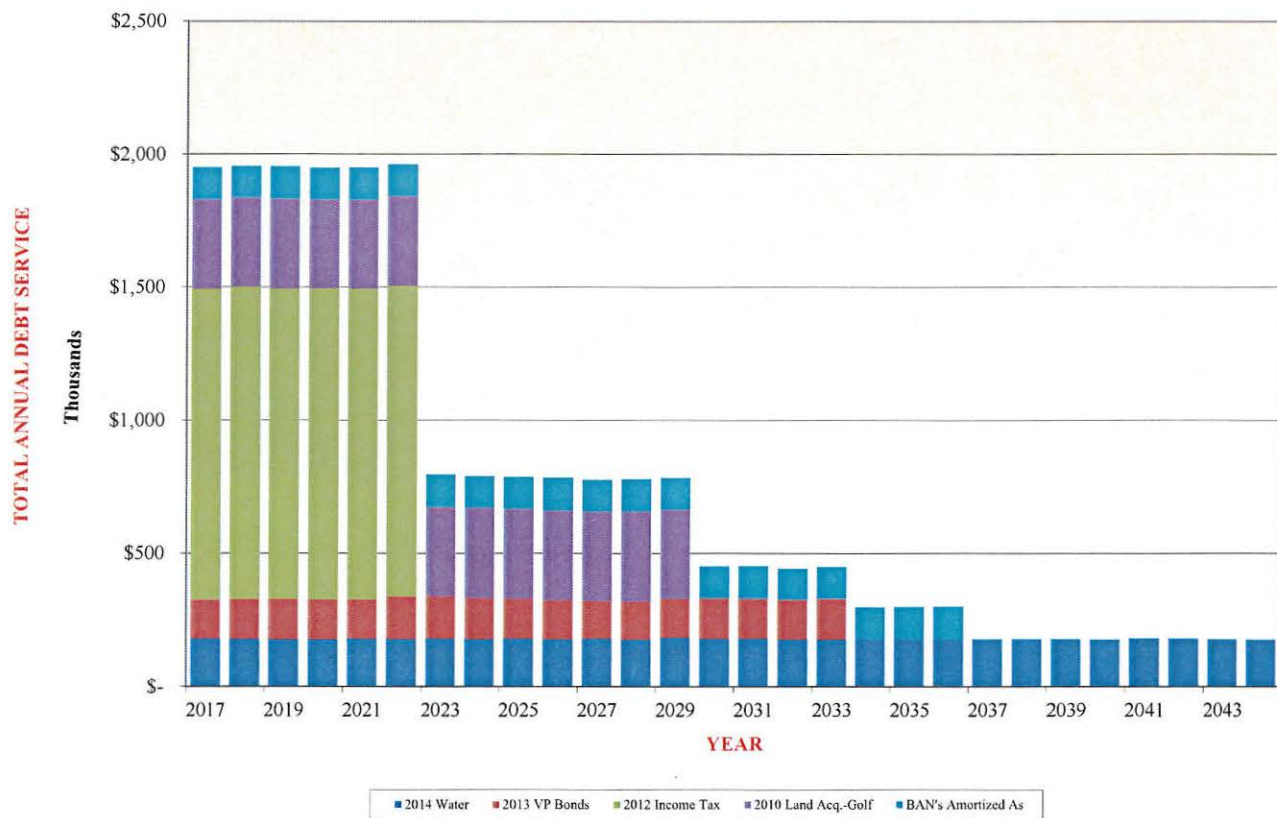
Dated Date	Original Issue Amount	Outstanding	Description	Security Type	Payment Source	Final Maturity	Interest Rate
LONG TERM BONDS							
7/24/2014	\$3,160,000	\$3,020,000	Water Impr., Series 2014	General Obligation	Inc Tax	12/1/2044	1.50%-4.00%
7/25/2013	\$1,990,000	\$1,765,000	Various Purpose, Series 2013	General Obligation	Inc Tax	12/1/2033	2.50%-5.00%
3/21/2012	\$16,000,000	\$6,195,000	Income Tax Receipt, Ser. 2012 - Refinanced 2002	Special Obligation	Inc Tax	12/1/2022	2.00%-4.00%
1/14/2010	\$4,465,000	\$3,240,000	Land Acq. & Impr., Series 2010 - Golf	General Obligation	Inc Tax	12/1/2029	3.5%-5.00%
ONE YEAR NOTES							
5/10/2018		\$600,000	Municipal Facilities Construction Improvements	General Obligation	Inc Tax	5/9/2018	2.125%
5/10/2018		\$1,000,000	Golf Course Improvement Notes	Special Obligation	Inc Tax	5/9/2018	2.125%

Outstanding Annual Debt Service Requirements

City of Groveport, Total Debt Service								
Date	Series 2014 Water Debt Service	Series 2013 VP Bonds Debt Service	Series 2012 Income Tax Debt Service	Series 2010 Land Acq.-Golf Debt Service	BAN's Amortized As Bonds	Total Debt Service	% of Debt Service Outstanding	
12/01/2017	\$ 179,263	\$ 147,350	\$ 1,167,138	\$ 336,380	\$ 120,649	\$ 1,950,780	83.18%	
12/01/2018	178,213	150,475	1,173,138	334,730	118,628	1,955,184	74.79%	
12/01/2019	177,163	153,475	1,164,138	337,418	121,540	1,953,734	66.41%	
12/01/2020	175,938	151,350	1,168,938	334,218	119,140	1,949,584	58.04%	
12/01/2021	179,188	148,800	1,166,938	333,718	121,852	1,950,496	49.67%	
12/01/2022	177,313	161,250	1,167,188	337,718	119,252	1,962,721	41.25%	
12/01/2023	180,438	157,750	-	335,968	121,763	795,919	37.84%	
12/01/2024	177,838	154,250	-	338,718	118,963	789,769	34.45%	
12/01/2025	180,238	150,250	-	335,718	121,275	787,481	31.07%	
12/01/2026	177,475	146,250	-	337,218	123,387	784,330	27.71%	
12/01/2027	179,500	142,000	-	335,248	120,187	776,935	24.37%	
12/01/2028	176,350	142,750	-	337,563	122,098	778,761	21.03%	
12/01/2029	183,200	147,500	-	334,000	118,698	783,398	17.67%	
12/01/2030	179,200	151,750	-	-	120,410	451,360	15.73%	
12/01/2031	180,200	150,500	-	-	121,922	452,622	13.79%	
12/01/2032	176,000	149,000	-	-	118,122	443,122	11.89%	
12/01/2033	176,800	152,250	-	-	119,433	448,483	9.97%	
12/01/2034	177,400	-	-	-	120,545	297,945	8.69%	
12/01/2035	177,800	-	-	-	121,457	299,257	7.41%	
12/01/2036	178,000	-	-	-	122,168	300,168	6.12%	
12/01/2037	178,000	-	-	-	-	178,000	5.35%	
12/01/2038	177,800	-	-	-	-	177,800	4.59%	
12/01/2039	177,400	-	-	-	-	177,400	3.83%	
12/01/2040	176,800	-	-	-	-	176,800	3.07%	
12/01/2041	181,000	-	-	-	-	181,000	2.30%	
12/01/2042	179,800	-	-	-	-	179,800	1.52%	
12/01/2043	178,400	-	-	-	-	178,400	0.76%	
12/01/2044	176,800	-	-	-	-	176,800	0.00%	
Total Remaining	\$ 5,173,479	\$ 2,705,800	\$ 8,178,316	\$ 4,705,777	\$ 2,545,227	\$ 23,308,599		

Outstanding Debt Obligations

City Of Groveport, Franklin County Ohio
DEBT SERVICE - GENERAL FUND & INCOME TAX SUPPORTED



Municipal Market Data Spot Yields

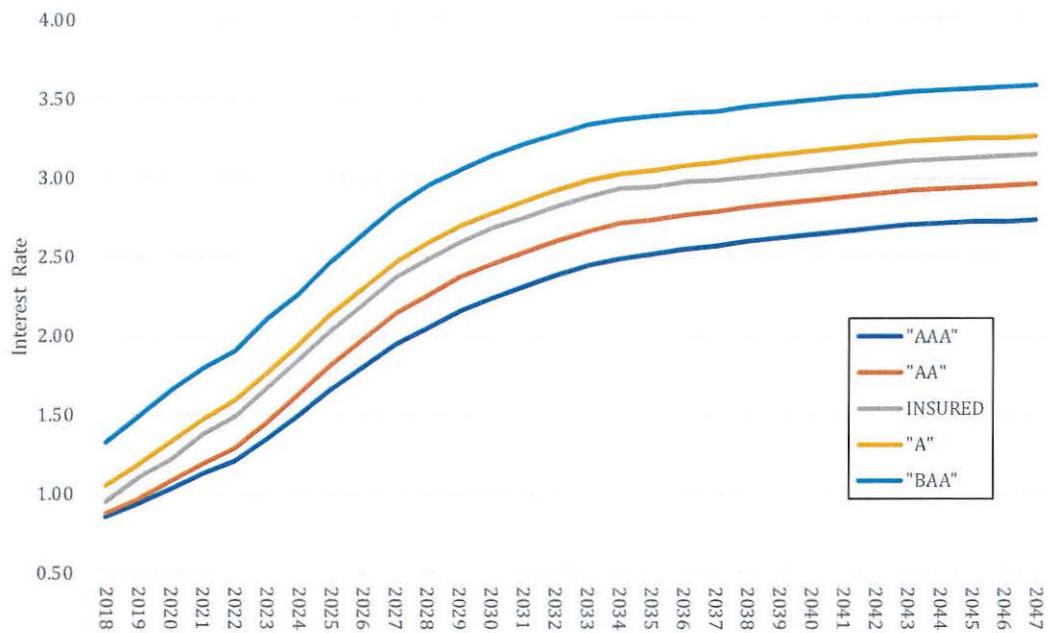
Municipal Yield Curves as of 08/01/2017									
Bond Year & Maturity		General Obligations					"AAA" Coupon Range		
		"AAA"	PRE-RE	INSURE D	"AA"	"A"	"BAA"	"LOW"	"HIGH"
1	2018	0.85	0.85	0.95	0.87	1.05	1.32	5.00	5.00
2	2019	0.94	0.94	1.10	0.97	1.19	1.49	5.00	5.00
3	2020	1.03	1.03	1.22	1.08	1.33	1.65	5.00	5.00
4	2021	1.12	1.13	1.37	1.19	1.47	1.79	5.00	5.00
5	2022	1.21	1.22	1.49	1.29	1.59	1.90	5.00	5.00
6	2023	1.34	1.36	1.66	1.45	1.76	2.10	5.00	5.00
7	2024	1.50	1.52	1.85	1.63	1.95	2.27	5.00	5.00
8	2025	1.66	1.69	2.04	1.82	2.14	2.48	5.00	5.00
9	2026	1.80		2.20	1.98	2.30	2.64	5.00	5.00
10	2027	1.95		2.37	2.14	2.47	2.82	5.00	5.00
11	2028	2.05		2.49	2.26	2.59	2.95	5.00	5.00
12	2029	2.15		2.59	2.37	2.69	3.05	5.00	5.00
13	2030	2.24		2.68	2.46	2.78	3.14	5.00	5.00
14	2031	2.31		2.75	2.53	2.85	3.21	5.00	5.00
15	2032	2.38		2.82	2.60	2.92	3.28	5.00	5.00
16	2033	2.44		2.88	2.66	2.98	3.34	5.00	5.00
17	2034	2.49		2.93	2.71	3.03	3.37	5.00	5.00
18	2035	2.52		2.94	2.74	3.05	3.39	5.00	5.00
19	2036	2.55		2.97	2.77	3.08	3.41	5.00	5.00
20	2037	2.57		2.99	2.79	3.10	3.42	5.00	5.00
21	2038	2.60		3.01	2.82	3.13	3.45	5.00	5.00
22	2039	2.62		3.03	2.84	3.15	3.47	5.00	5.00
23	2040	2.64		3.05	2.86	3.17	3.49	5.00	5.00
24	2041	2.66		3.07	2.88	3.19	3.51	5.00	5.00
25	2042	2.68		3.09	2.90	3.21	3.53	5.00	5.00
26	2043	2.70		3.11	2.92	3.23	3.55	5.00	5.00
27	2044	2.71		3.12	2.93	3.24	3.56	5.00	5.00
28	2045	2.72		3.13	2.94	3.25	3.57	5.00	5.00
29	2046	2.73		3.14	2.95	3.26	3.58	5.00	5.00
30	2047	2.74		3.15	2.96	3.27	3.59	5.00	5.00

Note: Reflects Market Conditions as of August 1, 2017

Source: Thomson Reuters

Municipal Yield Curve Comparison

Municipal Yield Curves

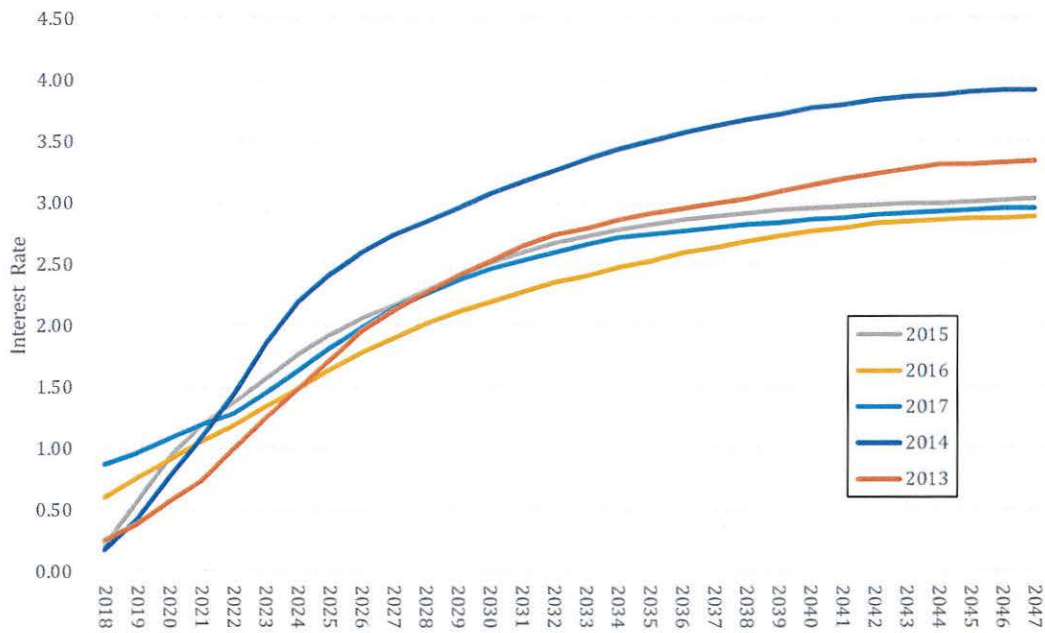


Note: Reflects Market Conditions as of August 1, 2017

Source: Thomson Reuters

Municipal Yield Curve Comparison

Aa Municipal Yield Curves Past Five Years



Note: Reflects Market Conditions as of August 1, 2017

Source: Thomson Reuters

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Additional information is available upon request.