



To: Gahanna City Council
Raymond Mularski, City Attorney

From: Joann Bury, Director of Finance
Laurie A. Jadwin, Mayor

Date: February 17, 2021

Re: Dept. of Finance Report to Council (February 22, 2021 COW Meeting)

ACTION ITEMS

ACTION ITEM – Request an Ordinance for a Supplemental Appropriation:

The City was required to adopt GASB (Governmental Accounting Standards Board) Statement No. 84 in 2020, which clarifies what funds may be classified as “Custodial Funds.” This clarification statement was issued in order to provide consistency across reporting entities. Custodial Funds previously were reported by the City as “Agency Funds” either because the City was acting as a fiscal agent for a third party or because the funding was not considered revenue of the City until another action occurred. Since the resources did not belong to the City or the action to allocate the resources to a City account had not yet occurred, appropriations for these funds were not required, though, in limited past cases, a budget was established for a few of these funds.

With the adoption of this new GASB standard, we are respectfully requesting an Ordinance to approve a supplemental appropriation and establish a budget amount for 2021 in accordance with the guidance issued by the State Auditor. The Auditor of State has determined that, for budgetary or cash basis purposes, certain funds can remain custodial and do not require a budget. Attached for informational purposes is an analysis that was conducted of current Agency Funds to determine whether their classifications must be changed or a budget must be included in the City’s 2021 budget to comply with the new GASB statement. The appropriations are based on estimated revenue for 2021.

838.08.000.5205 – Recreation Scholarship Contract Services - \$10,000

860.11.000.5205 – Developers Escrow Contract Services - \$250,000

860.11.450.5205 – Developers ROW Escrow - \$150,000

Legislation Needed: Ordinance

Emergency/Waiver: No

Vendor Name & Address: N/A