

2022 Proposed Budget

Presentation Outline

- Briefly discuss the factors that influenced the 2022 budget request.
- Entity-wide analysis of the 2022 budget request.
- General Fund Overview.
- Capital Maintenance & Improvements Overview.
- ARP Funding Requests Overview.
- Public Safety, Parks & Recreation and Public Service Funds Overview.

Factors influencing the 2022 Budget Request

- Recovery from the Pandemic
- Strategic & Capital Planning
- Revenue Stability & Post Pandemic Trends
- Staff & Workload Balance
- Attracting & Retaining Human Capital

Planned Revenue by Fund Type

| Fund | 2021 Revised Budget | 2022 Request | Difference 22 vs 21 | % |
|------------------------|---------------------|-------------------|---------------------|-----------|
| GENERAL FUND | 25,179,285 | 26,078,856 | 899,571 | 4% |
| SPECIAL REVENUE FUNDS | 14,907,556 | 13,989,701 | -917,855 | -6% |
| CAPITAL PROJECTS FUNDS | 9,239,952 | 9,168,750 | -71,202 | -1% |
| ENTERPRISE FUNDS | 21,752,622 | 24,003,499 | 2,250,877 | 10% |
| OTHER | 2,517,921 | 2,872,097 | 354,176 | 14% |
| Grand Total | 73,597,336 | 76,112,903 | 2,515,567 | 3% |

- Reclassification of activities
- ARP funds and Enterprise Fund requested projects
- Accounting standards

Planned Revenue With Adjustments

➤ What would the revenue comparison look like by fund if the reclassification of activities did not occur, ARP projects for Enterprise Funds were not granted by the ARP Fund, and Developers Escrow did not require a budget.

| Fund | 2021 Revised Budget | 2022 Request | 2022 Adjusted | Difference 22 Adj vs 21 | % |
|------------------------|---------------------|-------------------|-------------------|-------------------------|--------------|
| GENERAL FUND | 25,179,285 | 26,078,856 | 25,348,576 | 169,291 | 0.67% |
| SPECIAL REVENUE FUNDS | 14,907,556 | 13,989,701 | 14,719,981 | -187,575 | -1.26% |
| CAPITAL PROJECTS FUNDS | 9,239,952 | 9,168,750 | 9,168,750 | -71,202 | -0.77% |
| ENTERPRISE FUNDS | 21,752,622 | 24,003,499 | 22,063,499 | 310,877 | 1.43% |
| OTHER | 2,517,921 | 2,872,097 | 2,472,097 | -45,824 | -1.82% |
| Grand Total | 73,597,336 | 76,112,903 | 73,772,903 | 175,567 | 0.24% |

Planned Revenue by Classification

| Revenue Classification | 2021 Revised Budget | 2022 Request | Difference 22 vs 21 | % |
|---------------------------|---------------------|-------------------|---------------------|-----------|
| Income Tax | 31,364,152 | 30,961,940 | -402,212 | -1% |
| Property Taxes | 2,611,014 | 2,945,999 | 334,985 | 13% |
| Payments In Lieu of Taxes | 3,814,693 | 3,623,600 | -191,093 | -5% |
| Other Local Taxes | 245,020 | 400,000 | 154,980 | 63% |
| Intergovernmental | 5,294,976 | 7,447,691 | 2,152,715 | 41% |
| Charges for Services | 23,238,138 | 23,642,789 | 404,651 | 2% |
| Fines & Fees | 2,360,960 | 2,846,340 | 485,380 | 21% |
| Licenses & Permits | 569,280 | 522,280 | -47,000 | -8% |
| Investment Income | 319,198 | 400,000 | 80,802 | 25% |
| Other | 167,200 | 31,000 | -136,200 | -81% |
| Advance In | 266,490 | 260,820 | -5,670 | -2% |
| Transfer In | 3,346,215 | 3,030,444 | -315,771 | -9% |
| Grand Total | 73,597,336 | 76,112,903 | 2,515,567 | 3% |

- Intergovernmental Revenue
- Income Tax
- Property taxes & Payments in Lieu
- Lodging Tax
- Fines & Fees
- Investment Income

Appropriations by Fund Type

| Fund | 2021 Revised Budget | 2022 Request | Difference 22 vs 21 | % |
|------------------------|---------------------|-------------------|---------------------|------------|
| GENERAL FUND | 24,513,533 | 27,282,864 | 2,769,331 | 11% |
| SPECIAL REVENUE FUNDS | 13,074,012 | 14,879,990 | 1,805,978 | 14% |
| CAPITAL PROJECTS FUNDS | 11,814,099 | 12,519,890 | 705,791 | 6% |
| ENTERPRISE FUNDS | 21,534,339 | 24,440,217 | 2,905,878 | 13% |
| OTHER | 2,806,584 | 2,792,010 | -14,574 | -1% |
| Grand Total | 73,742,567 | 81,914,970 | 8,172,403 | 11% |

- Reclassification of activities
- ARP funds and Enterprise Fund requested projects
- Accounting Standards
- Capital investment

Appropriations by Fund Type Adjusted

| Fund | 2021 Revised Budget | 2022 Request | 2022 Adjusted | Difference 22 Adj vs 21 | % |
|------------------------|---------------------|-------------------|-------------------|-------------------------|-----------|
| GENERAL FUND | 24,513,533 | 27,282,864 | 25,140,419 | 626,886 | 3% |
| SPECIAL REVENUE FUNDS | 13,074,012 | 14,879,990 | 15,082,435 | 2,008,423 | 15% |
| CAPITAL PROJECTS FUNDS | 11,814,099 | 12,519,890 | 12,519,890 | 705,791 | 6% |
| ENTERPRISE FUNDS | 21,534,339 | 24,440,217 | 24,440,217 | 2,905,878 | 13% |
| OTHER | 2,806,584 | 2,792,010 | 2,392,010 | -414,574 | -15% |
| Grand Total | 73,742,567 | 81,914,970 | 79,574,970 | 5,832,403 | 8% |

- Excluding the changes associated with ARP funds, reclassification of activities and accounting standard changes. This would be the change from 2021 to 2022.

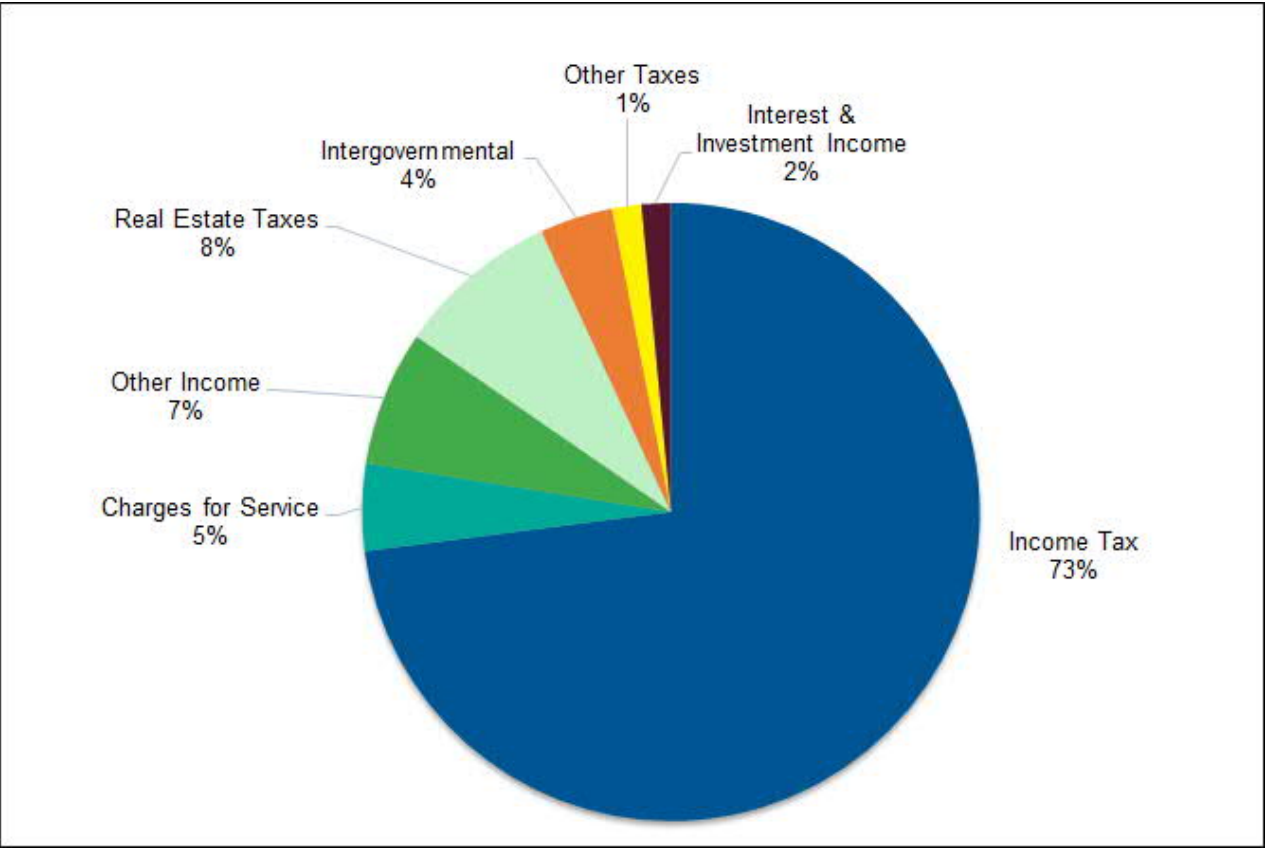
Appropriations by Classification

| Fund | 2021 Revised | 2022 Request | Difference 22 vs 21 | % |
|---------------------------|-------------------|-------------------|---------------------|------------|
| Salaries & Benefits | 24,358,525 | 25,463,720 | 1,105,195 | 5% |
| Contract Services | 24,716,185 | 28,403,786 | 3,687,601 | 15% |
| Materials & Supplies | 3,367,844 | 3,223,425 | -144,419 | -4% |
| Capital Outlay | 14,962,734 | 18,802,790 | 3,840,056 | 26% |
| Interest & Fiscal Charges | 621,001 | 566,413 | -54,588 | -9% |
| Principal Retirement | 2,103,573 | 2,163,572 | 59,999 | 3% |
| Advance Out | 266,490 | 260,820 | -5,670 | -2% |
| Transfer Out | 3,346,215 | 3,030,444 | -315,771 | -9% |
| Grand Total | 73,742,567 | 81,914,970 | 8,172,403 | 11% |

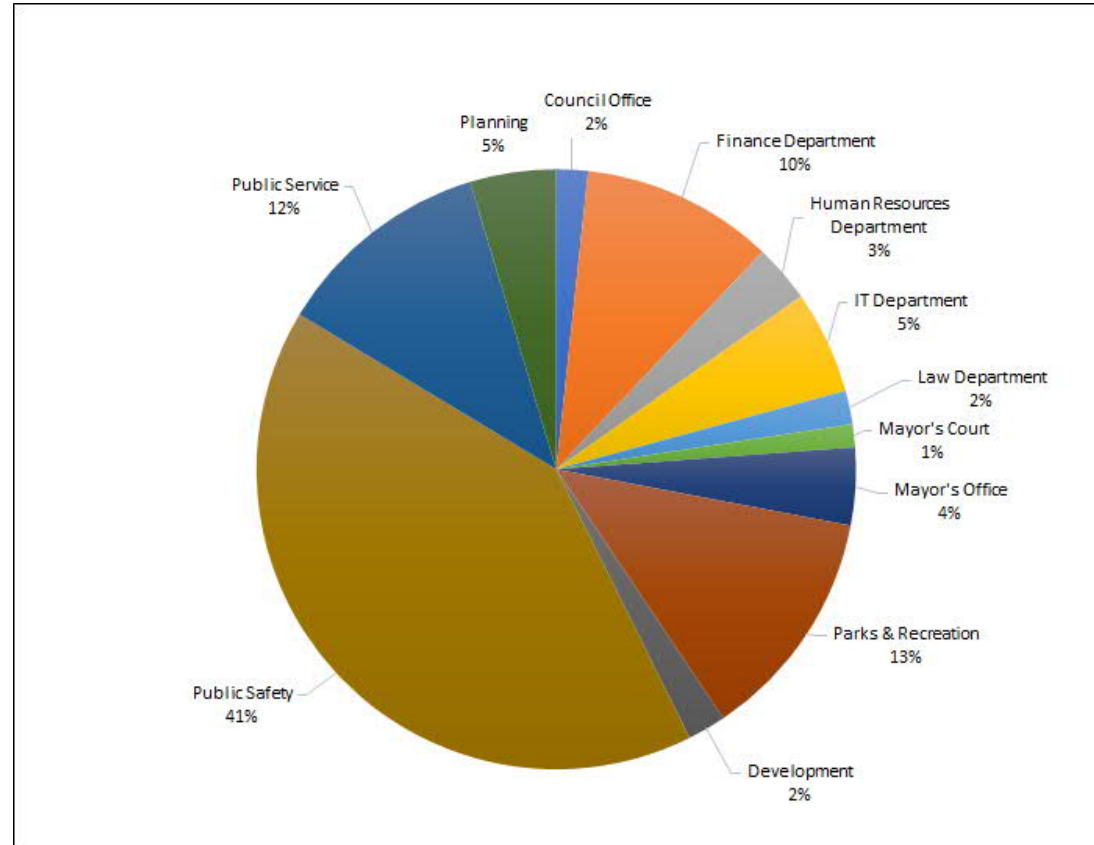
General Fund Planned Revenue & Appropriations

| Fund Name | Account Type | Obj Description | 2021 Revised Budget | 2022 Request | Difference 22 vs 21 | % |
|--------------------|--------------|---------------------------|---------------------|--------------|---------------------|----------|
| GENERAL FUND | R | Income Tax | 19,281,240 | 19,028,940 | -252,300 | -1.31% |
| | | Property Taxes | 1,967,969 | 2,220,486 | 252,517 | 12.83% |
| | | Other Local Taxes | 245,020 | 400,000 | 154,980 | 63.25% |
| | | Intergovernmental | 909,418 | 996,000 | 86,582 | 9.52% |
| | | Charges for Services | 967,190 | 1,189,190 | 222,000 | 22.95% |
| | | Fines & Fees | 531,880 | 1,057,540 | 525,660 | 98.83% |
| | | Licenses & Permits | 566,880 | 519,880 | -47,000 | -8.29% |
| | | Investment Income | 318,198 | 400,000 | 81,802 | 25.71% |
| | | Other | 125,000 | 6,000 | -119,000 | -95.20% |
| | | Advance In | 266,490 | 260,820 | -5,670 | -2.13% |
| | R Total | | 25,179,285 | 26,078,856 | 899,571 | 3.57% |
| | E | Salaries & Benefits | 16,839,329 | 18,201,274 | 1,361,945 | 8.09% |
| | | Contract Services | 4,636,320 | 5,913,530 | 1,277,210 | 27.55% |
| | | Materials & Supplies | 1,653,183 | 2,098,885 | 445,702 | 26.96% |
| | | Capital Outlay | 47,793 | 0 | -47,793 | -100.00% |
| | | Interest & Fiscal Charges | 63,063 | 57,375 | -5,688 | -9.02% |
| | | Principal Retirement | 455,000 | 470,000 | 15,000 | 3.30% |
| | | Transfer Out | 818,845 | 541,800 | -277,045 | -33.83% |
| | E Total | | 24,513,533 | 27,282,864 | 2,769,331 | 11.30% |
| GENERAL FUND Total | | | 665,752 | -1,204,008 | -1,869,760 | |

General Fund Planned Revenue



General Fund Appropriations



General Fund Request Impact on Fund Balance

| 2022 General Fund Operations | |
|--------------------------------|-----------------------|
| Planned Revenue | \$ 26,078,856 |
| Planned Operating Expenditures | \$(27,282,864) |
| Balance | \$ (1,204,008) |

| General Fund Analysis Unassigned Fund Balance | |
|--|-------------------|
| Total General Fund Appropriations 2022 | 27,282,864 |
| Less Debt Service | 527,375 |
| Total Operating Appropriations 2022 | 26,755,489 |
| 25% of Operating Appropriations for Emergency Reserve | 6,688,872 |
| Rounded Reserve to be set aside | 6,700,000 |
| Projected Ending Fund Balance | 16,934,346 |
| Less Emergency Reserve | 6,700,000 |
| Remaining Projected Unassigned Fund Balance | 10,234,346 |
| Use of Unreserved Fund Balance | 1,204,008 |
| Remaining Unreserved Fund Balance | 9,030,338 |
| Total Operating Appropriations 2022 | 26,755,489 |
| Divide by 12 for approximately 1 month | 2,229,624 |
| Times 2 for 2 months of operations | 4,459,248 |
| Amount of Projected Unassigned in Excess of 2 Months | 4,571,090 |
| Projected Number of Months in Remaining Unreserved Fund Balance | 4.05 |

Planned revenue and appropriations results in a request to use \$1.2 million of unreserved General Fund, Fund Balance. This is within the General Fund, Fund Balance Policy amended by Council March 2021 per ORD 0010-2021 by:

- Maintaining an emergency reserve equivalent to 25% of operating expenditures.
- Retains more than the required two months of operating expenditures in unreserved fund balance. Projects over four months of operating expenditures remaining.

See Appendix D of the budget document.

Capital Maintenance & Improvements

| Fund | Department | Capital Maintenance | 2022 Request |
|----------------------------|------------------------|--|---------------------|
| Capital Improvement | | | |
| | Information Technology | Network Switch/Dual Core Lifecycle Replacement | \$ 55,000 |
| | Information Technology | IT Plotter Replacement Plan | \$ 1,500 |
| | Information Technology | Physical Server Lifecycle Replacement | \$ 25,000 |
| | Information Technology | SAN Equipment Replacement | \$ 30,000 |
| | Parks & Recreation | Park & Trail Asphalt Resurfacing | \$ 200,000 |
| | Parks & Recreation | Park Renovations | \$ 200,000 |
| | Parks & Recreation | Pool Infrastructure & Maintenance | \$ 150,000 |
| | Parks & Recreation | Play Elements and Surface Replacement | \$ 250,000 |
| | Public Safety | Police Equipment Replacement | \$ 275,000 |
| | Public Safety | Police Radio Replacement Program | \$ 225,000 |
| | Public Service | Asphalt Overlay | \$ 2,590,000 |
| | Public Service | Bridge Replacement Program | \$ 435,100 |
| | Public Service | Street Rebuilds | \$ 2,141,290 |
| | Public Service | General Equipment Replacement Program | \$ 275,000 |
| | Public Service | Fleet Garage Equipment Replacement Program | \$ 15,000 |
| | Public Service | Street Lights at Intersections LED | \$ 120,000 |
| | Public Service | Traffic Signal Upgrade and Maintenance | \$ 157,000 |
| | Public Service | GNET Fiber Network Redundancy | \$ 400,000 |
| | | Capital Improvement Fund Total | \$ 7,544,890 |
| Street Fund | | | |
| | Public Service | General Equipment Replacement Program | \$ 175,000 |
| | | Capital Improvement Fund Total | \$ 175,000 |
| | | Total Governmental Funds | \$ 7,719,890 |

Capital Maintenance & Improvements

| Fund | Department | Capital Maintenance | 2022 Request |
|----------------------------------|----------------|---|-------------------|
| Sewer Capital Improvement | | | |
| | Public Service | Enterprise Equipment Replacement Program | \$ 150,000 |
| | Public Service | Sanitary Sewer System Maintenance | \$ 400,000 |
| | | Sewer Capital Improvement Fund Total | \$ 550,000 |
| Storm Water | | | |
| | Public Service | Bridge Replacement Program | \$ 22,900 |
| | Public Service | Storm Water System Maintenance | \$ 70,000 |
| | Public Service | Enterprise Equipment Replacement Program | \$ 50,000 |
| | | Storm Water Fund Total | \$ 142,900 |
| Water Capital Improvement | | | |
| | Public Service | Enterprise Equipment Replacement Program | \$ 150,000 |
| | Public Service | Replace Older Existing Waterlines | \$ 150,000 |
| | | Water Capital Improvement Fund Total | \$ 300,000 |
| | | Total Enterprise Funds | \$ 992,900 |

Capital Maintenance & Improvements

| Fund | Department | Capital Improvement Requests | 2022 Request |
|---------------------------------------|----------------------|--|---------------------|
| Capital Improvement | | | |
| | Economic Development | Land Acquisition Strategy for Development | \$ 300,000 |
| | Economic Development | Electric Vehicle Charging Station | \$ 30,000 |
| | Mayor | City Hall Renovation | \$ 300,000 |
| | Mayor | Facility Plan, Design & Architecture | \$ 500,000 |
| | Parks & Recreation | Academy Park Mountain Bike Trail | \$ 250,000 |
| | Parks & Recreation | Big Walnut Trail Section 8 | \$ 75,000 |
| | Parks & Recreation | Price Road House | \$ 200,000 |
| | Public Service | Morse Rd Improvements | \$ 100,000 |
| | Public Service | River Dr Street Improvements | \$ 285,000 |
| | Public Service | Heil Dr Street Rebuild | \$ 400,000 |
| | Public Service | ADA Transition Park & Building Facilities | \$ 130,000 |
| | Public Service | Cherry Bottom Road Stabilization | \$ 100,000 |
| | Public Service | Municipal Complex HVAC & Capital Energy Upgrades | \$ 400,000 |
| | Public Service | Sidewalk Replacement Program | \$ 1,200,000 |
| | Public Service | Elevator Replacement | \$ 250,000 |
| | Public Service | Traffic Signal Improvement Stygler & Coronation | \$ 455,000 |
| Capital Improvement Fund Total | | | \$ 4,975,000 |

Capital Maintenance & Improvements

| Tax Increment Fund (TIF) | | | |
|-----------------------------------|----------------------|--|---------------------|
| | Economic Development | Science Blvd Trail | \$ 150,000 |
| | Parks & Recreation | E Johnstown Rd Multi-Use Trail Improvements | \$ 150,000 |
| | Parks & Recreation | Hannah Park Fence Improvements | \$ 25,000 |
| | Parks & Recreation | Hannah Headley Trail Connector | \$ 125,000 |
| | Public Service | Hamilton Bridge Enhancement | \$ 150,000 |
| | Public Service | Taylor Station & Claycraft Intersection | \$ 1,010,000 |
| | Public Service | Techcenter Dr Extension (Science Blvd - Taylor Station Rd) | \$ 250,000 |
| | Public Service | E Johnstown Rd Streetscapes | \$ 150,000 |
| | Public Service | Traffic Signal Improvements North Triangle | \$ 100,000 |
| Tax Increment Fund Total | | | \$ 2,110,000 |
| ARP (American Rescue Plan) | | | |
| | Parks & Recreation | Playground Use Replacement | \$ 100,000 |
| | Parks & Recreation | GSP Bathroom Improvements | \$ 80,000 |
| | Parks & Recreation | Design Library Trail Connector | \$ 30,000 |
| Tax Increment Fund Total | | | \$ 210,000 |
| Total Governmental Funds | | | \$ 7,295,000 |

Capital Maintenance & Improvements

| Fund | Department | Capital Improvement Requests | 2022 Request |
|---|----------------|--|---------------------|
| Storm Water | | | |
| | Public Service | River Dr Improvements | \$ 85,000 |
| | Public Service | Heil Dr Street Rebuild | \$ 80,000 |
| Storm Water Fund Total | | | \$ 165,000 |
| Water Capital Improvement | | | |
| | Public Service | Claycraft Road Waterline (ARP Funded) | \$ 875,000 |
| | Public Service | River Dr Street Improvements | \$ 85,000 |
| | Public Service | Heil Dr Street Rebuild | \$ 80,000 |
| | Public Service | Water Tower Rehabilitation (ARP Funded) | \$ 350,000 |
| Water Capital Improvement Fund Total | | | \$ 1,390,000 |
| Sewer Capital Improvement | | | |
| | Public Service | E Johnstown Rd Sanitary Sewer (Andalus Dr to Larry Ln) (ARP) | \$ 300,000 |
| | Public Service | Western Gahanna Sewer Analysis | \$ 525,000 |
| | Public Service | Sanitary Pump Station Improvements (ARP Funded) | \$ 200,000 |
| | Public Service | Serran Dr Sanitary Sewer Replacement (ARP Funded) | \$ 215,000 |
| Sewer Capital Improvement Fund Total | | | \$ 1,240,000 |
| Total Enterprise Funds | | | \$ 2,795,000 |

American Rescue Plan (ARP Funds)

The City received \$1.8 million July 2021 and will receive another \$1.8 million July of 2022. The Administration is requesting to use these funds for the following purposes for 2022 through 2024. *Council would only be authorizing the requested use for 2022. Future years will be authorized as part of future appropriations approved by Council.*

| OTHER | Purpose | 2022 | 2023 | 2024 | Total |
|--|---------------------------------|------------------|----------------|----------------|------------------|
| Claycraft Road Waterline Replacement | Water Infrastructure | 875,000 | | - | 875,000 |
| Sanitary Pump Station Improvements | Sewer Infrastructure | 200,000 | 400,000 | 400,000 | 1,000,000 |
| Serran Drive Sanitary Sewer Replacement | Sewer Infrastructure | 215,000 | | | 215,000 |
| E Johnstown Rd Sanitary Sewer (Andalus Dr to Larry Ln) | Sewer Infrastructure | 300,000 | | | 300,000 |
| Water Tower Rehabilitation | Water Infrastructure | 350,000 | | - | 350,000 |
| Playground Use Replace/Expand | Outdoor Space | 100,000 | - | - | 100,000 |
| NEW Library Trail Connection | Outdoor Space | 30,000 | 100,000 | - | 130,000 |
| GSP Bathroom | Outdoor Space | 80,000 | - | - | 80,000 |
| Grants to non-profits | Service those impacted by COVID | 50,000 | 50,000 | 50,000 | 150,000 |
| Partnership for Job Training | Economic Growth | - | 130,000 | - | 130,000 |
| City Hall Furniture Replacement | Loss in Revenue | 200,000 | - | - | 200,000 |
| Total | | 2,400,000 | 680,000 | 450,000 | 3,530,000 |

Public Safety Fund

| Fund Name | Account Type | Obj Description | 2021 Revised Budget | 2022 Request | Difference 22 vs 21 | % |
|---------------------------------|----------------|----------------------|---------------------|------------------|---------------------|---------------|
| PUBLIC SAFETY FUND | R | Income Tax | 1,174,664 | 1,133,635 | -41,029 | -3.49% |
| | | Charges for Services | 190,000 | 203,000 | 13,000 | 6.84% |
| | | Fines & Fees | 9,750 | 9,500 | -250 | -2.56% |
| | R Total | | 1,374,414 | 1,346,135 | -28,279 | -2.06% |
| | E | Salaries & Benefits | 408,770 | 557,312 | 148,542 | 36.34% |
| | | Contract Services | 5,000 | 5,000 | 0 | 0.00% |
| | | Materials & Supplies | 0 | 0 | 0 | #DIV/0! |
| | | Transfer Out | 957,966 | 873,955 | -84,011 | -8.77% |
| | E Total | | 1,371,736 | 1,436,267 | 64,531 | 4.70% |
| PUBLIC SAFETY FUND Total | | | 2,678 | -90,132 | -92,810 | |

- Revenue is anticipated to decrease slightly in anticipation of income tax refunds increasing.
- Increase in expenditures is the result of a 2% increase anticipated for union wages and the addition of a Community Liaison Officer.
- Transfers out are for police pension costs and is increasing as it is a percentage of gross wages.

Parks & Recreation Fund

| Fund Name | Account Type | Obj Description | 2021 Revised Budget | 2022 Request | Difference 22 vs 21 | % |
|--|----------------|----------------------|---------------------|------------------|---------------------|----------------|
| PARKS & RECREATION FUND | R | Income Tax | 542,153 | 715,980 | 173,827 | 32.06% |
| | | Charges for Services | 1,201,600 | 906,000 | -295,600 | -24.60% |
| | | Fines & Fees | 4,500 | 6,000 | 1,500 | 33.33% |
| | R Total | | 1,748,253 | 1,627,980 | -120,273 | -6.88% |
| | E | Salaries & Benefits | 1,881,140 | 1,219,907 | -661,233 | -35.15% |
| | | Contract Services | 343,950 | 219,900 | -124,050 | -36.07% |
| | | Materials & Supplies | 282,580 | 274,180 | -8,400 | -2.97% |
| | E Total | | 2,507,670 | 1,713,987 | -793,683 | -31.65% |
| PARKS & RECREATION FUND Total | | | -759,417 | -86,007 | 673,410 | |

- Revenue is anticipated to decrease resulting from the reclassification of the recreation division back to the General Fund.
- The amount of income tax allocated was increased because excess fund balance was used during 2021.
- Expenditures decreased resulting from the reclassification of recreation.
- New items are a PT Marketing & Communications Coordinator.

Public Service Fund

| Fund Name | Account Type | Obj Description | 2021 Revised Budget | 2022 Request | Difference 22 vs 21 | % |
|----------------------------------|----------------|----------------------|---------------------|------------------|---------------------|----------------|
| PUBLIC SERVICE FUND | R | Income Tax | 1,295,143 | 1,133,635 | -161,508 | -12.47% |
| | | Fines & Fees | 523,030 | 34,500 | -488,530 | -93.40% |
| | R Total | | 1,818,173 | 1,168,135 | -650,038 | -35.75% |
| | E | Salaries & Benefits | 863,016 | 1,047,701 | 184,685 | 21.40% |
| | | Contract Services | 864,972 | 176,021 | -688,951 | -79.65% |
| | | Materials & Supplies | 508,959 | 40,600 | -468,359 | -92.02% |
| | E Total | | 2,236,947 | 1,264,322 | -972,625 | -43.48% |
| PUBLIC SERVICE FUND Total | | | -418,774 | -96,187 | 322,587 | |

- Revenue is anticipated to decrease resulting from the reclassification of the general services division back to the General Fund.
- There was also a change in the income tax allocation.
- Expenditures decreased resulting from the reclassification of general services.
- New items for 2022 are an Administrative Assistant for Engineering and a Development Engineer.

| Date | Milestone/Meeting |
|-------------|--|
| October 25 | <i>Council Committee Meeting</i> Budget request provided to Council. |
| November 1 | <i>Formal City Council Meeting</i> Formal Presentation. Public comment permitted |
| November 8 | <i>Council Committee Meeting</i> Budget discussion Administration prepared to answer Council questions |
| November 22 | <i>Council Committee Meeting</i> Budget discussion Administration prepared to answer Council questions |
| December 6 | <i>Formal City Council Meeting</i> Public comment permitted |
| December 13 | <i>Council Committee Meeting</i> Budget discussion Administration prepared to answer Council questions |
| December 20 | <i>Formal City Council Meeting</i> Council approves the 2022 Appropriation Ordinance |