



# 2023 Q3 Report to Council

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## Overview

The purpose of this report is to provide Gahanna City Council, residents, and interested parties with an overview of the City's finances for the quarter ended September 30, 2023. The report focuses on the General Fund, which is the primary operating fund for the City, as well as the Public Safety Fund, Parks & Recreation Fund, Public Service Fund, and Capital Improvement Fund - all of which receive income tax revenue from the 1% income tax increase passed by the voters in May 2019. The data provided in this report is unaudited and is shown on a cash basis as collected or expended through September 30, 2023.

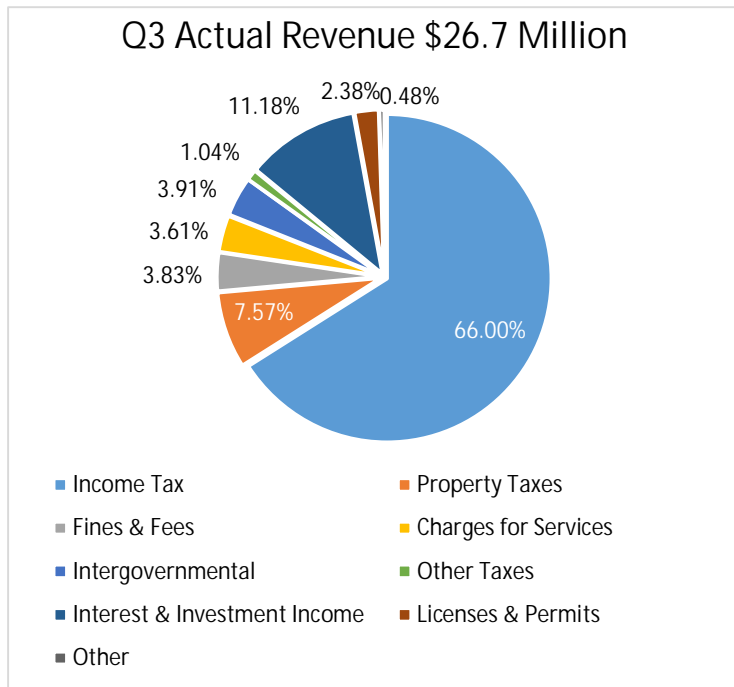
This report has been posted to the Financial Publications portion of the City's website located here: <https://www.gahanna.gov/financial-publications/>. This report includes: a high level summary of how each of the funds that receive income tax performed, followed by a comparative budget versus actual statement; a fund level report for all funds; detailed account information for all funds; an income tax analysis; an investment and depository analysis; and a final summation of the quarter, moving from the lowest level of detail to the highest.

## Key Financial Highlights

### General Fund Revenue

- In total, revenue for the third quarter of 2023 is 90% of planned which is higher than expected at the end of the third quarter. The most significant accounts are discussed below.

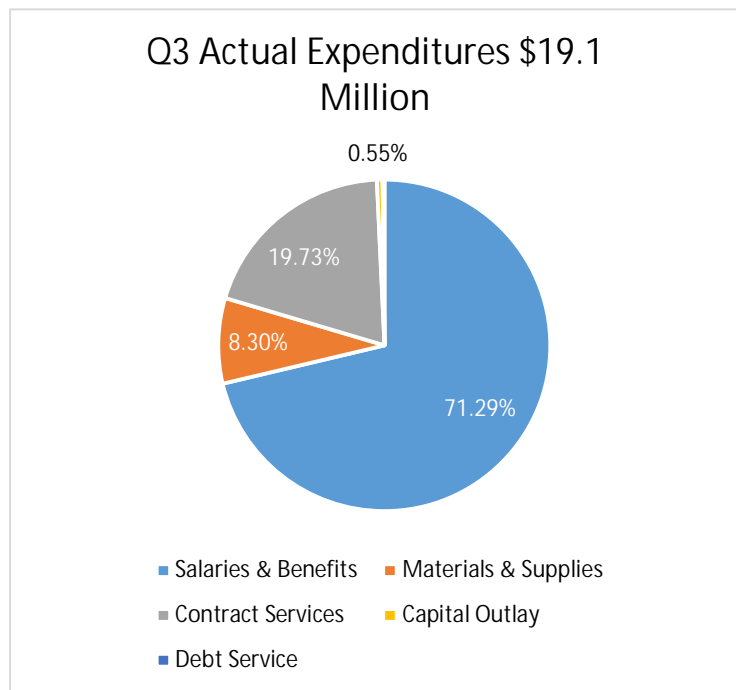
- Income taxes are 82% of planned, which is higher than expected. More information on income tax is located in the income tax portion of this report.
- Property taxes received are 90% of the planned amount. This represents the full year of collections unclear at this time why collections are 10% less than planned.
- Charges for services revenue is 109% of planned revenue as rentals for sports fields and shelters is up compared to the third quarter of 2022 and the Creekside rent was received.
- Investment income is 184% of planned revenue as the City has been able to capitalize on the rising interest rate environment.
- Both Fines & Fees and Licenses & Permits have exceeded 75% of planned revenue resulting from an increase in Mayor's Court activity, income tax penalty and interest charges, and construction permitting and licensing.



- General Fund revenues compared to 2022 have increased by 20% (or \$4.4M) with almost all revenue resources experiencing growth compared to 2022. Most notable are:
  - Income Tax revenue increased by 12% or (\$1.9M), See the income tax discussion section of this report.
  - Fines & Fess increased by 14% (or \$124K). This increase is related to penalties and interest associated with income tax collections and permitting fees.
  - Interest & Investment Income was expected to increase significantly for 2023 and based on the results as of end of the third quarter, the increase may be even more than originally projected. Investment income is four times the third quarter of 2022 realizing an increase of \$2.4M.
  - Other revenue decreased by 60% (or \$196K) resulting from a one-time reimbursement received in 2022 from AEP for the electric charging stations.

## General Fund Expenditures

- General Fund expenditures are 60% of planned, which is slightly lower than expected at the end of the third quarter. When encumbrances are considered, they are 74% of planned.
- Compared to 2022, General Fund expenditures have increased by 6% (or \$1.1M), mainly due to the following:
  - Salaries and benefits increased by \$1.3M. The 10% increase is the result of anticipated increases resulting from:
    - Unclassified pay plan amendments that were partially implemented in the third quarter of 2022 and fully implemented for 2023.
    - Planned Increases from negotiated bargaining unit agreements.
    - New positions planned for 2023 and filling of vacant positions from 2022.
  - Materials & Supplies are up \$174K (or 12%) resulting from an overall increase in the cost of utilities. Park facilities also experienced an increase from the third quarter of 2022 resulting from increased usage of park facilities in 2023.
  - Contract services decreased \$357K (or 9%) this is the result of some 2022 one-time initiatives or temporary service such as, the Creekside Master Plan, economic development & payroll services, distribution for the CIC land bank, body worn camera project, completion of dispatch co-location.



## General Fund Other Financing Sources and Uses

- The increase in transfers out is related to a planned increase in transfers out to the bond retirement fund for debt service payments. The bond retirement fund receives, property taxes, intergovernmental revenue, and transfers from other funds for paying debt service obligations.
- Advances in dropped 50% as the amount reported for 2023 is the final payment from the Water Fund.

## General Fund Balance

- Fund balance increased by \$6.9M to \$35M by the end of the third quarter. Of the \$35M, \$4.5M is reserved for encumbrances and \$7.45M is reserved for emergency, leaving an unreserved fund balance of \$23M. Unreserved fund balance equates to eleven (11) months of operating expenditures, which is more than the two (2) month minimum set by policy.

## Public Safety Fund

- The Public Safety Fund revenue is \$1.2M, or 80%, of planned revenue. Income tax revenue is \$944K, or 79%, of planned, which is expected for the third quarter. More details on income taxes will be discussed in the income tax portion of this report. The increase for charge for services is related to SRO invoices paid.
- Public Safety Fund expenditures are \$408K or 57% of planned, which is lower than expected because the planned mental health clinician was not hired as of the end of the third quarter. The increase compared to 2022 is related to the addition of the Community Liaison Officer and negotiated wage increases. The Community Liaison Officer was not hired until the end of the first quarter of 2022.
- Public Safety Fund Balance ended at \$859K, which is an increase of \$156K resulting from revenues exceeding expenditures for the third quarter. Of this amount, \$7,101 is reserved for encumbrance.

## Parks & Recreation Fund

- The Parks & Recreation Fund revenue is \$1.9M, or 94% of planned revenue, which is expected for the third quarter as the season ends. Income tax revenue is \$675K, or 79% of planned. The increase in income tax compared to 2022 is related to a change in the percent distributed to the fund.
- Parks & Recreation Fund expenditures are \$1.8M, or 82% of planned. There is a 40% increase in expenditures compared to 2022 resulting from an increase in salaries & benefits as anticipated. See above under General Fund. The increase in contract services is related to maintenance services because activity for Parks & Recreation has increased compared to 2022.
- Parks & Recreation Fund Balance ended at \$1.4M, which is an increase of \$51K resulting from revenues exceeding expenditures for the third quarter. Of this amount, \$77K is reserved for encumbrances.

## Public Service Fund

- The Public Service Fund revenue is \$1.2M, or 81% of planned revenue, which is expected for the third quarter. Income tax revenue is \$1.1M or 79%. Compared to 2022, revenue is up 10%, as the percent of income tax allocated to the Public Service Fund was increased. See the income tax section of this report.
- Public Service Fund expenditures are \$865K, or 46%, of planned. This is related to continued staffing shortfalls. The increase in contract services was for the use of third-party providers for services employees would normally provide and the kick-off of the new street and sidewalk rating program.

- Public Service Fund Balance ended at \$1.9M, which is an increase of \$302K resulting from revenues exceeding expenditures. Of this amount, \$416K is reserved for encumbrances.

### Capital Improvement Fund

- The Capital Improvement Fund revenue is \$8.2M, or 79% of planned revenue, which is expected as of the end of the third quarter. Compared to 2022, revenue has increased by 8%, due to income tax collections which are discussed later in this report. Charges for services revenue of \$21K represents the first distribution from the County Auditor for the sidewalk program assessments.
- Capital Improvement Fund expenditures are \$6.4M, or 26% of planned. When encumbrances are considered, it is 98% of planned. Compared to 2022, expenditures have increased by \$1.6M, or 33%.
- Fund balance ended at \$22.7M, which is an increase of \$1.8M resulting from revenue exceeding expenditures. Of this amount, \$16.4M is reserved for encumbrances.
- Summary activity by capital asset category for the third quarter of 2023 is as follows.

CATEGORY	Sum of Q3 Actual	Sum of Q3 Encumbered
CREEKSIDE	27,468	1,228,652
FACILITIES	1,050,953	2,366,744
IT INFRASTRUCTURE	580,221	883,381
PARK FACILITY	15,083	359,918
PARK INFRASTRUCTURE	512,042	861,562
ROAD & BRIDGE INFRASTRUCTURE	2,897,973	7,126,569
SIDEWALKS	747,108	1,323,414
TRAFFIC SIGNALS & STREETLIGHTS	165,002	553,037
VEHICLES & EQUIPMENT	398,865	1,741,186
<b>Grand Total</b>	<b>6,394,715</b>	<b>16,444,463</b>

- Activity by project for the third quarter of 2023 is as follows. The below includes what was budgeted for 2023 as well as projects carried over from previous years.

PROJECT TITLE	DEPARTMENT	Category	Q3 Actual	Q3 Encumbered
ACADEMY PARK	PARKS & RECREATION	PARK INFRASTRUCTURE	-	187,500
ADA	PUBLIC SERVICE	SIDEWALKS	-	80,000
ASPHALT OVERLAY	PUBLIC SERVICE	ROAD & BRIDGE INFRASTRUCTURE	1,512,439	2,817,253
ASSET MANAGEMENT	PUBLIC SERVICE	IT INFRASTRUCTURE	42,391	-
BIG WALNUT TRAIL	PARKS & RECREATION	PARK INFRASTRUCTURE	111,207	9,748
BRIDGES	PUBLIC SERVICE	ROAD & BRIDGE INFRASTRUCTURE	212,894	1,161,494
CHERRY BOTTOM RD STABILIZATION	PUBLIC SERVICE	ROAD & BRIDGE INFRASTRUCTURE	14,849	780,917
CODE & PERMITTING MIS	PLANNING	IT INFRASTRUCTURE	-	35,000
CREEKSIDE	PUBLIC SERVICE	CREEKSIDE	27,468	1,228,652
FACILITY	MAYOR	FACILITIES	1,050,953	2,366,744
FIBER	IT	IT INFRASTRUCTURE	486,836	764,381
FLEET EQUIPMENT	PUBLIC SERVICE	VEHICLES & EQUIPMENT	34,089	-
HAMILTON & MORSE SIGNALS	PUBLIC SERVICE	TRAFFIC SIGNALS & STREETLIGHTS	-	6,000
MORSE RD HAMILTON TO TRELIS	PUBLIC SERVICE	ROAD & BRIDGE INFRASTRUCTURE	-	1,028,216
NON-POLICE EQUIPMENT	PUBLIC SERVICE	VEHICLES & EQUIPMENT	45,910	500,261
PARK & TRAIL ASPHALT	PARKS & RECREATION	PARK INFRASTRUCTURE	113,357	263,542
PARK RENOVATION	PARKS & RECREATION	PARK INFRASTRUCTURE	240,939	28,932
PLAYGROUNDS	PARKS & RECREATION	PARK INFRASTRUCTURE	11,627	352,512
POLICE EQUIPMENT	PUBLIC SAFETY	VEHICLES & EQUIPMENT	287,316	711,112
POLICE RADIOS	PUBLIC SAFETY	VEHICLES & EQUIPMENT	31,550	529,813
POOLS	PARKS & RECREATION	PARK INFRASTRUCTURE	34,912	19,328
PRICE ROAD HOUSE	PARKS & RECREATION	PARK FACILITY	15,083	359,918
SAN EQUIPMENT	IT	IT INFRASTRUCTURE	50,994	60,000
SERVERS	IT	IT INFRASTRUCTURE	-	24,000
SIDEWALKS	PUBLIC SERVICE	SIDEWALKS	747,108	1,243,414
STREETLIGHTS	PUBLIC SERVICE	TRAFFIC SIGNALS & STREETLIGHTS	-	215,239
STREET RE-BUILDS	PUBLIC SERVICE	ROAD & BRIDGE INFRASTRUCTURE	1,125,270	1,326,175
TAYLOR STATION & CLAYCRAFT	PUBLIC SERVICE	ROAD & BRIDGE INFRASTRUCTURE	32,521	12,514
TRAFFIC SIGNALS	PUBLIC SERVICE	TRAFFIC SIGNALS & STREETLIGHTS	165,002	331,798
REPORT TOTAL			6,394,715	16,444,463

City of Gahanna, Ohio  
 General Fund Comparative Statement  
 For the Quarter Ended September 30, 2023

	Budget Versus Actual				Q3 2023 Versus Q3 2022		
	Budgeted Amounts		Q3 Actual	Q3 Percent	2022 Actual	Difference	Percent
	Original	Q3 Budget					
<b>Revenues</b>							
Income Tax	21,476,200	21,476,200	17,619,465	82%	15,676,438	1,943,027	12%
Property Taxes	2,242,615	2,242,615	2,019,877	90%	2,002,481	17,396	1%
Fines & Fees	1,053,480	1,053,480	1,021,156	97%	897,142	124,014	14%
Charges for Services	882,600	882,600	964,201	109%	892,387	71,814	8%
Intergovernmental	1,259,200	1,259,200	1,043,546	83%	1,044,391	(845)	0%
Other Taxes	400,000	400,000	276,559	69%	271,010	5,549	2%
Interest & Investment Income	1,621,000	1,621,000	2,985,369	184%	566,303	2,419,066	427%
Licenses & Permits	674,400	674,400	634,696	94%	647,981	(13,285)	-2%
Other	6,200	23,011	129,453	563%	326,002	(196,549)	-60%
<b>Total Revenues</b>	<b>29,615,695</b>	<b>29,632,506</b>	<b>26,694,322</b>	<b>90%</b>	<b>22,324,135</b>	<b>4,370,187</b>	<b>20%</b>
<b>Expenditures</b>							
Salaries & Benefits	19,970,569	20,007,948	13,642,169	68%	12,364,193	1,277,976	10%
Materials & Supplies	2,825,810	3,295,754	1,588,629	48%	1,413,919	174,710	12%
Contract Services	6,315,075	7,775,698	3,775,383	49%	4,132,498	(357,115)	-9%
Capital Outlay	-	186,079	105,484	57%	52,012	53,472	103%
Debt Service							
Principal Retirement	480,000	480,000	-	0%	-	-	0%
Interest & Fiscal Charges	51,500	51,500	25,750	50%	28,688	(2,938)	-10%
<b>Total Expenditures</b>	<b>29,642,954</b>	<b>31,796,979</b>	<b>19,137,415</b>	<b>60%</b>	<b>17,991,310</b>	<b>1,146,105</b>	<b>6%</b>
Excess of Expenditures (Over)/Under Revenues	(27,259)	(2,164,473)	7,556,907		4,332,825	3,224,082	74%
<b>Other Financing Sources/(Uses)</b>							
Transfer Out	(693,800)	(729,032)	(729,032)	100%	(541,800)	187,232	35%
Advance In	129,150	129,150	129,150	100%	260,820	(131,670)	-50%
<b>Total Other Financing Sources/(Uses)</b>	<b>(564,650)</b>	<b>(599,882)</b>	<b>(599,882)</b>		<b>(280,980)</b>	<b>(318,902)</b>	<b>113%</b>
<b>Net Change in Fund Balance</b>	<b>(591,909)</b>	<b>(2,764,355)</b>	<b>6,957,025</b>		<b>4,051,845</b>	<b>2,905,180</b>	<b>72%</b>
<b>Fund balance January 1</b>	<b>26,760,487</b>	<b>26,760,487</b>	<b>26,760,487</b>		<b>24,286,183</b>	<b>2,474,304</b>	<b>10%</b>
Prior Year Encumbrance Appropriated	1,719,714	1,719,714	1,719,714				
<b>Fund balance at September 30</b>	<b>27,888,292</b>	<b>25,715,846</b>	<b>35,437,226</b>		<b>28,338,028</b>	<b>7,099,198</b>	<b>25%</b>
Reserved For Encumbrance			4,461,693		4,064,863	396,830	10%
Reserved For Emergency	7,450,000	7,450,000	7,450,000		6,700,000	750,000	11%
<b>Unreserved Fund Balance</b>	<b>20,438,292</b>	<b>18,265,846</b>	<b>23,525,533</b>		<b>17,573,165</b>	<b>5,952,368</b>	<b>34%</b>

City of Gahanna, Ohio  
 Public Safety Fund Comparative Statement  
 For the Quarter Ended September 30, 2023

	Budget Versus Actual				Q3 2023 Versus Q3 2022		
	Budgeted Amounts		Q3 Actual	Q3 Percent	2022 Actual	Difference	Percent
	Original	Q3 Budget					
Revenues							
Income Tax	1,192,800	1,192,800	944,532	79%	956,159	(11,627)	-1%
Charges for Services	250,843	250,843	206,453	82%	176,220	30,233	17%
Fines & Fees	15,313	15,313	14,282	93%	11,672	2,610	22%
Total Revenues	1,458,956	1,458,956	1,165,267	80%	1,144,051	21,216	2%
Expenditures							
Salaries & Benefits	699,581	705,631	405,814	58%	309,534	96,280	31%
Contract Services	6,500	8,207	2,216	27%	2,544	(328)	-13%
Total Expenditures	706,081	713,838	408,030	57%	312,078	95,952	31%
Excess of Expenditures (Over)/Under Revenues	752,875	745,118	757,237		831,973	(74,736)	-9%
Other Financing Sources/(Uses)							
Transfer Out	(967,553)	(967,553)	(601,190)	62%	(558,958)	42,232	8%
Total Other Financing Sources/(Uses)	(967,553)	(967,553)	(601,190)		(558,958)	(42,232)	8%
Net Change in Fund Balance	(214,678)	(222,435)	156,047		273,015	(116,968)	-43%
Fund balance January 1 Prior Year Encumbrance	695,691	695,691	695,691		606,493	89,198	15%
Appropriated	7,757	7,757	7,757				
Fund balance at September 30 Reserved For Encumbrance	488,770	481,013	859,495		879,508	(20,013)	-2%
Unreserved Fund Balance	488,770	481,013	852,394		875,617	(23,223)	-3%



City of Gahanna, Ohio  
Parks Recreation Fund Comparative Statement  
For the Quarter Ended September 30, 2023

	Budget Versus Actual				Q3 2023 Versus Q3 2022		
	Budgeted Amounts						
	Original	Q3 Budget	Q3 Actual	Q3 Percent	2022 Actual	Difference	Percent
Revenues							
Income Tax	852,000	852,000	674,666	79%	603,890	70,776	12%
Charges for Services	1,111,000	1,111,000	1,177,243	106%	1,065,050	112,193	11%
Fines & Fees	10,938	10,938	10,201	93%	7,372	2,829	38%
Total Revenues	1,973,938	1,973,938	1,862,110	94%	1,676,312	185,798	11%
Expenditures							
Salaries & Benefits	1,641,017	1,641,017	1,342,025	82%	913,569	428,456	47%
Materials & Supplies	306,970	331,312	272,053	82%	234,162	37,891	16%
Contract Services	224,180	232,605	196,808	85%	147,212	49,596	34%
Total Expenditures	2,172,167	2,204,934	1,810,886	82%	1,294,943	515,943	40%
Excess of Expenditures (Over)/Under Revenues	(198,229)	(230,996)	51,224		381,369	(330,145)	-87%
Fund balance January 1	1,371,417	1,371,417	1,371,417		1,014,497	356,920	35%
Prior Year Encumbrance							
Appropriated	32,755	32,755	32,755				
Fund balance at September 30	1,205,943	1,173,176	1,455,396		1,395,866	59,530	4%
Reserved For Encumbrance			76,860		318,423	(241,563)	-76%
Unreserved Fund Balance	1,205,943	1,173,176	1,378,536		1,077,443	301,093	28%

City of Gahanna, Ohio  
 Public Service Fund Comparative Statement  
 For the Quarter Ended September 30, 2023

	Budget Versus Actual				Q3 2023 Versus Q3 2022		
	Budgeted Amounts		Q3 Actual	Q3 Percent	2022 Actual	Difference	Percent
	Original	Q3 Budget					
Revenues							
Income Tax	1,363,200	1,363,200	1,079,465	79%	956,159	123,306	13%
Fines & Fees	72,500	72,500	88,216	122%	106,797	(18,581)	-17%
Other	-	-	-	0%	982	(982)	-100%
Total Revenues	1,435,700	1,435,700	1,167,681	81%	1,063,938	103,743	10%
Expenditures							
Salaries & Benefits	1,084,811	1,084,811	620,220	57%	588,623	31,597	5%
Materials & Supplies	40,120	51,258	35,130	69%	63,138	(28,008)	-44%
Contract Services	536,408	728,790	210,586	29%	82,001	128,585	157%
Total Expenditures	1,661,339	1,864,859	865,936	46%	733,762	132,174	18%
Excess of Expenditures (Over)/Under Revenues	(225,639)	(429,159)	301,745		330,176	(28,431)	-9%
Fund balance January 1	1,419,736	1,419,736	1,419,736		1,064,071	355,665	33%
Prior Year Encumbrance							
Appropriated	203,520	203,520	203,520				
Fund balance at September 30	1,397,617	1,194,097	1,925,001		1,394,247	530,754	38%
Reserved For Encumbrance			415,603		353,855	61,748	17%
Unreserved Fund Balance	1,397,617	1,194,097	1,509,398		1,040,392	469,006	45%

City of Gahanna, Ohio  
 Capital Improvement Fund Comparative Statement  
 For the Quarter Ended September 30, 2023

	Budget Versus Actual				Q3 2023 Versus Q3 2022		
	Budgeted Amounts		Q3 Actual	Q3 Percent	2022 Actual	Difference	Percent
	Original	Q3 Budget					
Revenues							
Income Tax	10,224,000	10,224,000	8,095,988	79%	7,548,625	547,363	7%
Fines & Fees	150,000	150,000	122,413	82%	92,151	30,262	33%
Charges for Services	-	-	20,951	100%	-	20,951	100%
Intergovernmental	98,000	98,000	-	0%	-	-	0%
Other	-	-	5,866	100%	-	5,866	100%
Total Revenues	10,472,000	10,472,000	8,245,218	79%	7,640,776	604,442	8%
Expenditures							
Capital Outlay	6,498,000	24,892,217	6,394,715	26%	4,818,147	1,576,568	33%
Total Expenditures	6,498,000	24,892,217	6,394,715	26%	4,818,147	1,576,568	33%
Excess of Expenditures (Over)/Under Revenues	3,974,000	(14,420,217)	1,850,503		2,822,629	(972,126)	-34%
Fund balance January 1	3,739,689	3,739,689	3,739,689		17,822,995	(14,083,306)	-79%
Prior Year Encumbrance							
Appropriated	17,126,947	17,126,947	17,126,947				
Fund balance at September 30	24,840,636	6,446,419	22,717,139		20,645,624	2,071,515	10%
Reserved For Encumbrance			16,444,463		18,411,560	(1,967,097)	-11%
Unreserved Fund Balance	24,840,636	6,446,419	6,272,676		2,234,064	4,038,612	181%

## Other Funds

While the General Fund is the largest of the City's funds and is used as the primary source for governmental expenditures, Gahanna maintains several other funds as well. The following table outlines each of the City's funds and the revenue and expenditure activity associated with each through September 30, 2023.

ALL FUNDS SUMMARY THROUGH 09/30/2023							
FUND	FUND DESCRIPTION	BEGINNING CASH BALANCE +	TOTAL RECEIPTS -	TOTAL EXPENDITURES =	ENDING CASH BALANCE -	OUTSTANDING ENCUMBRANCES =	UNENCUMBERED BALANCE
1010	GENERAL FUND	28,480,201.54	26,823,472.17	19,866,446.93	35,437,226.78	4,461,692.93	30,975,533.85
2200	STREET FUND	1,917,282.81	1,660,070.62	1,696,820.42	1,880,533.01	1,368,585.96	511,947.05
2220	STATE HIGHWAY FUND	562,893.69	117,047.91	70,688.41	609,253.19	35,818.66	573,434.53
2240	TAX INCREMENT FUND	7,400,249.09	3,811,821.46	660,818.05	10,551,252.50	2,429,920.00	8,121,332.50
2250	LAW ENFORCEMENT TRU	144,332.34	34,433.80	33,832.92	144,933.22	14,346.00	130,587.22
2260	ENFORCE & EDUCATION	41,714.77	659	11,767.50	30,606.27	5,000.00	25,606.27
2270	PARKS & REC DONATIO	18,546.20	1,950.00	-	20,496.20	-	20,496.20
2280	PERMANENT IMPROVEME	97,214.84	-	-	97,214.84	-	97,214.84
2290	CLERK OF COURT COMP	202,161.63	19,385.00	30,644.68	190,901.95	5,551.44	185,350.51
2310	COUNTY PERMISSIVE F	65,990.56	-	-	65,990.56	-	65,990.56
2320	CUL-DE-SAC MAINTENA	42,026.83	-	-	42,026.83	-	42,026.83
2330	ARP FUND	3,313,613.09	-	105,503.46	3,208,109.63	77,819.88	3,130,289.75
2340	COURT COMPUTERIZATI	50,372.00	7,210.00	1,365.00	56,217.00	1,070.00	55,147.00
2350	FED LAW ENFORCE TRU	13,683.99	226.07	-	13,910.06	10,000.00	3,910.06
2360	TREASURY EQUIT SHAR	101,471.52	4,816.62	69,206.53	37,081.61	7,003.73	30,077.88
2370	AG PEACE OFFICER TR	39,263.26	-	19,100.00	20,163.26	-	20,163.26
2380	STREET TREE FUND	47,215.00	-	-	47,215.00	-	47,215.00
2400	PUBLIC SAFETY FUND	703,448.04	1,165,266.82	1,009,220.22	859,494.64	7,101.00	852,393.64
2410	RIGHT OF WAY FUND	742,385.84	35,698.63	11,111.50	766,972.97	99,082.67	667,890.30
2420	PARKS & RECREATION	1,404,171.38	1,862,109.23	1,810,885.40	1,455,395.21	76,859.71	1,378,535.50
2430	PUBLIC SERVICE FUND	1,623,255.92	1,167,681.09	865,935.95	1,925,001.06	415,603.24	1,509,397.82
2440	OPIOID SETTLEMENT	6,257.55	26,366.72	-	32,624.27	-	32,624.27
3220	STATE CAPITAL GRANT	0.07	-	-	0.07	-	0.07
3250	CAPITAL IMPROVEMENT	20,866,636.29	8,245,217.48	6,394,714.73	22,717,139.04	16,444,463.07	6,272,675.97
3270	PARK FUND	185,037.38	1,000.00	-	186,037.38	-	186,037.38
3280	PARK-IN-LIEU OF FEE	12,943.05	-	-	12,943.05	-	12,943.05
3290	COURT BUILDING FUND	334,873.18	12,124.00	-	346,997.18	-	346,997.18
3300	FEDERAL HIGHWAY GRA	65,315.56	-	-	65,315.56	-	65,315.56
4310	BOND RETIREMENT FUN	947,767.29	1,911,500.10	327,312.34	2,531,955.05	1,903,058.75	628,896.30
4320	TECH CTR SECURITY D	809,488.92	692,283.00	1,501,771.92	-	-	-
5100	POLICE PENSION FUND	671,133.41	976,559.77	976,559.77	671,133.41	-	671,133.41
5150	POLICE DUTY WEAPONS	17,254.91	5,267.39	14,002.97	8,519.33	4,297.03	4,222.30
5300	PUBLIC LANDSCAPE TR	7,816.20	-	-	7,816.20	-	7,816.20
6310	STORMWATER FUND	4,199,049.70	881,286.62	627,769.80	4,452,566.52	1,730,643.93	2,721,922.59
6410	OEPA GRANT FUND	913.45	-	-	913.45	-	913.45
6510	WATER FUND	9,350,313.90	6,432,555.05	7,800,465.73	7,982,403.22	4,505,500.25	3,476,902.97
6520	WATER CAPITAL FUND	5,779,354.69	580,273.77	187,567.22	6,172,061.24	3,248,982.93	2,923,078.31
6610	SEWER FUND	8,949,653.32	6,123,160.42	7,619,319.67	7,453,494.07	4,255,630.65	3,197,863.42
6620	SEWER CAPITAL FUND	4,911,331.65	761,581.13	229,213.90	5,443,698.88	1,816,535.94	3,627,162.94
7500	LEAVE PAY-OUT RESER	228,945.95	239,000.00	76,044.32	391,901.63	-	391,901.63
8000	UNCLAIMED FUND	31,362.15	24	-	31,386.15	-	31,386.15
8200	SPEICAL ASSESSMENT	-	112,906.77	37,635.59	75,271.18	38,127.97	37,143.21
8350	SENIOR ESCROW FUND	10,038.91	105	3,570.98	6,572.93	-	6,572.93
8360	PARK FACILITY DEPOS	15,526.00	-	-	15,526.00	-	15,526.00
8370	VETERANS MEMORIAL F	6,849.76	1,392.00	846.2	7,395.56	1,153.80	6,241.76
8380	RECREATION SCHOLARS	6,522.37	-	-	6,522.37	-	6,522.37
8400	INSURANCE DEMOLITIO	20,869.00	-	20,869.00	-	-	-
8500	REFUSE ESCROW FUND	975,462.22	1,890,500.78	1,918,728.31	947,234.69	856,957.85	90,276.84
8600	DEVELOPERS ESCROW F	1,184,215.10	536,050.09	298,185.81	1,422,079.38	1,270,266.88	151,812.50
9000	WORKERS COMP FUND	566,995.48	270,168.96	292,016.26	545,148.18	-	545,148.18
	REPORT TOTALS:	107,173,421.80	66,411,171.47	54,589,941.49	118,994,651.78	45,091,074.27	73,903,577.51















ACCOUNT INFORMATION					2023 BUDGET		2023 Q3 ACTUAL VS BUDGET				2023 VS 2022			
FUND	ORG	OBJ	ACCOUNT DESCRIPTION	TYPE	ORIGINAL APPROP	TRANS/ADMITS	2023 YTD ACTU	ENCUMBRANCES	AVAILABLE BUDGET	% USED	2022 YTD ACTUAL	2023 VS 2022	% CHANGE	
			Total 06 FINANCE DEPARTMENT		0	-	(24.00)	-	24.00	100.00	(35.00)	11.00	46%	
			Total 00 NOT IN USE		0	-	-	-	-	-	(35.00)	11.00	46%	
8000			Total 8000 UNCLAIMED FUND		0	-	(24.00)	-	24.00	100.00	(35.00)	11.00	46%	
8200	82006000	4010	SPECIAL ASSES PROPERTY TAXES	R	0	-	(112,906.77)	-	112,906.77	100.00	(35,843.42)	77,063.35	68%	
8200	82006000	5205	SPECIAL CONTRACT SERVICES	E	0	-	33,872.03	38,127.97	(72,000.00)	100.00	35,843.42	(1,971.39)	6%	
8200	82006000	5210	PROFESSIONAL SERVICES	E	0	-	3,763.54	-	(3,763.54)	100.00	-	3,763.54	100%	
			Total 06 FINANCE DEPARTMENT		0	-	(75,271.18)	38,127.97	37,143.21	100.00	-	(75,271.18)	-100%	
			Total 00 NOT IN USE		0	-	(75,271.18)	38,127.97	37,143.21	100.00	-	(75,271.18)	-100%	
8200			Total 8200 SPECIAL ASSESSMENT FUND		0	-	(75,271.18)	38,127.97	37,143.21	100.00	-	(75,271.18)	-100%	
8350	83508340	4325	SENIOR ESCROW NON-TAX SALES	R	0	-	(105.00)	-	105.00	100.00	(953.00)	(853.00)	-812%	
8350	83508340	5300	SENIOR ESC MATERIALS/SUPPLIES	E	0	-	3,570.98	-	(3,570.98)	100.00	1,400.00	2,170.98	61%	
			Total 08 PARKS & RECREATION		0	-	3,465.98	-	(3,465.98)	100.00	442.00	3,023.98	87%	
			Total 00 NOT IN USE		0	-	3,465.98	-	(3,465.98)	100.00	442.00	3,023.98	87%	
8350			Total 8350 SENIOR ESCROW FUND		0	-	3,465.98	-	(3,465.98)	100.00	442.00	3,023.98	87%	
8360	83608000	4300	PARK DEPOSIT CHARGES FOR SVC	R	0	-	-	-	-	-	3,372.50	3,372.50	0%	
			Total 08 PARKS & RECREATION		0	-	-	-	-	-	3,372.50	3,372.50	0%	
8360			Total 8360 PARK FACILITY DEPOSIT FU		0	-	-	-	-	-	3,372.50	3,372.50	0%	
8370	83708000	4605	VETERAN MEM DONATIONS	R	0	-	(1,392.00)	-	1,392.00	100.00	(1,932.00)	(540.00)	-39%	
8370	83708000	5205	CONTRACT SERVICES	E	0	-	250.00	750.00	(1,000.00)	100.00	726.00	(476.00)	-190%	
8370	83708000	5300	MATERIALS & SUPPLIES	E	0	-	596.20	403.80	(1,000.00)	100.00	651.34	(55.14)	-9%	
			Total 08 PARKS & RECREATION		0	-	(545.80)	1,153.80	(608.00)	100.00	(554.66)	8.84	2%	
			Total 00 NOT IN USE		0	-	(545.80)	1,153.80	(608.00)	100.00	(554.66)	8.84	2%	
8370			Total 8370 VETERANS MEMORIAL FUND		0	-	(545.80)	1,153.80	(608.00)	100.00	(554.66)	8.84	2%	
8380	83808000	4605	DONATIONS	R	0	-	-	-	-	-	9,593.13	9,593.13	0%	
			Total 08 PARKS & RECREATION		0	-	-	-	-	-	9,593.13	(9,593.13)	0%	
			Total 45 LEISURE TIME ACTIVITIES		0	-	-	-	-	-	9,593.13	(9,593.13)	0%	
8380			Total 8380 RECREATION SCHOLARSHIP F		0	-	-	-	-	-	9,593.13	(9,593.13)	0%	
8400	84006000	5211	REGULATORY SERVICES	E	0	-	20,869.00	-	(20,869.00)	100.00	-	20,869.00	100%	
			Total 06 FINANCE DEPARTMENT		0	-	20,869.00	-	(20,869.00)	100.00	-	20,869.00	100%	
			Total 00 NOT IN USE		0	-	20,869.00	-	(20,869.00)	100.00	-	20,869.00	100%	
8600			Total 8600 INSURANCE DEMOLITION FUN		0	-	20,869.00	-	(20,869.00)	100.00	-	20,869.00	100%	
8500	85011000	4210	REFUSE PENALTY & INTEREST	R	-27000	(27,000.00)	(23,428.97)	-	(3,571.03)	86.80	(25,605.68)	(2,176.71)	-9%	
8500	85011000	4300	REFUSE CHARGES FOR SERVICES	R	-2302800	(2,302,800.00)	(1,867,071.81)	-	(435,728.19)	81.10	(1,924,166.40)	(57,094.59)	-3%	
8500	85011000	4600	MISCELLANEOUS	R	0	-	-	-	-	-	(43,761.76)	(43,761.76)	0%	
8500	85011000	5205	REFUSE CONTRACT SERVICES	E	25,36500	234,592.87	2,771,092.87	1,911,208.91	855,372.25	456.71	1,806,283.93	104,924.98	5%	
8500	85011000	5215	TECHNOLOGY SERVICES	E	9100	-	9,100.00	7,519.40	1,580.60	100.00	6,449.75	1,069.65	14%	
8500	85011000	5300	MATERIALS & SUPPLIES	E	500	-	500.00	-	-	-	-	-	0%	
			Total 11 PUBLIC SERVICE		216300	234,592.87	450,892.87	28,227.53	856,957.85	(434,292.51)	196.30	(180,800.16)	209,027.69	741%
			Total 00 NOT IN USE		216300	234,592.87	450,892.87	28,227.53	856,957.85	(434,292.51)	196.30	(180,800.16)	209,027.69	741%
8600			Total 8500 REFUSE ESCROW FUND		216300	234,592.87	450,892.87	28,227.53	856,957.85	(434,292.51)	196.30	(180,800.16)	209,027.69	741%
8600	86011000	4205	DEV ESCROW FINES & FEES	R	-250000	(600,000.00)	(650,000.00)	(402,887.44)	-	-	(419,756.18)	63,131.24	13%	
8600	86011000	4300	DEV ESCROW CHARGES FOR SVC	R	0	-	-	-	-	-	(9,355.05)	(9,355.05)	0%	
8600	86011000	4900	TRANSFER IN	R	0	-	(35,232.00)	-	35,232.00	100.00	-	35,232.00	100%	
8600	86011000	5205	DEV ESCROW CONTRACT SERVICES	E	250000	1,073,220.82	1,323,220.82	284,368.51	1,025,177.28	13,675.03	170,883.00	113,485.51	40%	
8600	86011450	4205	ROW ESCROW FINES & FEES	R	-150000	-	(150,000.00)	(17,930.65)	-	-	(132,069.35)	17,930.65	-673%	
8600	86011450	5205	ROW ESCROW CONTRACT SERVICES	E	150000	240,976.25	390,976.25	13,817.33	245,099.40	64.20	2,261.00	11,556.30	84%	
			Total 11 PUBLIC SERVICE		0	714,197.07	714,197.07	(237,864.28)	1,270,266.88	(318,205.53)	144.60	(394,494.23)	156,629.95	66%
			Total 00 NOT IN USE		0	714,197.07	714,197.07	(237,864.28)	1,270,266.88	(318,205.53)	144.60	(394,494.23)	156,629.95	66%
8600			Total 8600 DEVELOPERS ESCROW FUND		0	714,197.07	714,197.07	(237,864.28)	1,270,266.88	(318,205.53)	144.60	(394,494.23)	156,629.95	66%
9000	90005000	4310	WORKERS COMP ADMIN CHARGES	R	-288524	-	(288,524.00)	(255,205.83)	-	(33,318.17)	88.50	(176,868.39)	78,337.44	31%
9000	90005000	4600	MISCELLANEOUS	R	0	-	-	(14,963.13)	-	-	14,963.13	14,963.13	100%	
9000	90005000	5205	WORK COMP CONTRACT SERVICES	E	124500	(9,000.00)	115,500.00	115,352.00	-	148.00	99.90	141,264.00	(25,912.00)	-22%
9000	90005000	5230	WORK COMP CLAIMS & JUDGEMENTS	E	170000	9,000.00	179,000.00	176,644.26	-	2,355.74	98.70	114,383.74	62,280.52	35%
			Total 05 HUMAN RESOURCES DEPARTMENT		5976	-	5,976.00	21,847.30	-	(15,871.30)	365.60	78,779.35	(56,932.05)	-261%
			Total 00 NOT IN USE		5976	-	5,976.00	21,847.30	-	(15,871.30)	365.60	78,779.35	(56,932.05)	-261%
9000			Total 9000 WORKERS COMP FUND		5976	-	5,976.00	21,847.30	-	(15,871.30)	365.60	78,779.35	(56,932.05)	-261%
			Revenue Total		(78,720,306.00)	(11,794,249.87)	(90,564,556.87)	(66,411,171.47)	-	(24,153,384.40)	73.30	(63,598,189.97)	(2,812,981.50)	4%
			Expense Total		73,924,258.00	48,268,538.12	122,192,796.12	54,589,941.49	45,091,074.27	22,511,780.36	81.60	45,558,277.47	9,031,664.02	17%
			Grand Total		(4,846,048.00)	36,474,288.25	31,628,240.25	(11,821,229.98)	45,091,074.27	(1,641,604.00)	105.20	(18,039,912.50)	6,218,682.52	53%

## Additional Information

### Income Tax

Income Tax remains Gahanna's largest source of revenue. Through the end of the third quarter of 2023 income tax made up 66% of total General Fund revenue, 98% of the Capital Improvement Fund Revenue, and 64% of the three Special Revenue Funds, established for operations related to Public Safety (81% of revenue), Parks & Recreation (36% of revenue) and Public Service (92% of Revenue). On a cash basis, total income tax collections are \$28.4M to date. This was allocated as follows:

<b>Fund</b>	<b>Income Tax Revenue</b>	<b>% of Collections</b>
General Fund 1.5%	\$ 17,619,465	62%
Capital Improvement .75%	8,095,988	28%
Public Safety .0875%	944,532	3%
Public Service .10%	1,079,465	4%
Parks & Recreation .0625%	674,666	2%
	<u>\$ 28,414,116</u>	

The allocation of the 25% to each of the Special Funds was based on the budgeted net cost of the activities in each fund.

Gahanna collects income taxes in three categories: business withholdings, individual/resident returns, and net profit returns. The bulk of these collections, approximately 77% for the third quarter, are from business withholdings, with 12% coming from individual returns and 11% coming from net profits.

The following tables shows the distribution of the 1.5% - and 1% - income tax among these three categories compared to 2022.

Comparative Income Tax Data 1.5%					
Income Tax Type	2022 YTD (\$M)	2023 YTD (\$M)	Difference (\$M)	Pct Change	
Withholding	\$ 11.95	\$ 13.14	\$ 1.18	9.9%	
Individual	\$ 1.93	\$ 2.54	\$ 0.60	31.1%	
Net Profit	\$ 1.79	\$ 1.96	\$ 0.17	9.6%	
Total	\$ 15.68	\$ 17.64	\$ 1.96	12.5%	

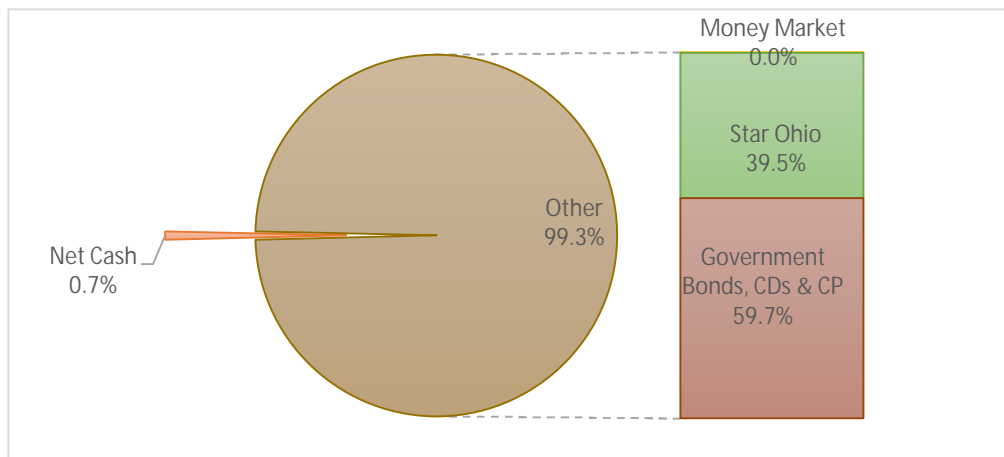
Comparative Income Tax Data 1%					
Income Tax Type	2022 YTD (\$M)	2023 YTD (\$M)	Difference (\$M)	Pct Change	
Withholding	\$ 7.90	\$ 8.62	\$ 0.72	9.1%	
Individual	\$ 0.95	\$ 0.92	\$ (0.03)	-3.3%	
Net Profit	\$ 1.23	\$ 1.26	\$ 0.03	2.4%	
Total	\$ 10.08	\$ 10.79	\$ 0.71	7.1%	

Withholding taxes have increased as anticipated for 2023 as the City is still experiencing economic growth. For individual taxes these are trending higher than expected. Based on an analysis of top distributions for the third quarter, this appears to be related to a large windfall for a couple individual taxpayers and is not expected to continue into the future. Net profit taxes appear to have normalized as expected with increases experienced compared to the third quarter of 2022.

## Investments

The City's cash, while accounted for separately by fund, is pooled and invested in accordance with the City's Investment Policy (recently amended by ORD-0009-2021) and Ohio Revised Code. Unless otherwise restricted, all interest earnings are credited to the General Fund.

The City maintains its liquid cash in "checking" style accounts at Huntington National Bank. It invests short- to mid-term funds and bond proceeds at Star Ohio, and the remainder is invested in longer term holdings which are managed by RedTree Investment Group. The chart below details the breakdown of the City's \$119M portfolio as of September 30, 2023.



As of September 30, 2023, the average duration of the City's investment portfolio was 1.21 years and the average yield to maturity of the City's holdings was 3.01%. By comparison, the Star Ohio annualized yield at that same time was 5.52%. Using the US Department of Treasury historical yield curve rates for a 2-year maturity, rates are up from September of 2022 from 4.22% to 5.03% as of the end of the third quarter. The Federal Reserve continued to increase rates into third quarter of 2023. The increase in interest rates is intended to bring inflation down and this, along with other policies, has started to reduce inflation, falling from a peak of 9.1% in June 2022 to 3.7% by the end of the quarter increasing slightly from the second quarter. This is higher than the targeted rate of 2%. Interest rates are expected to increase slightly into the first quarter of 2024 before stabilizing.

Investment earnings for the year are 184% of the amount planned for 2023. Compared to 2022 investment earnings are up \$2.4M or approximately four times more. Growth for 2023 will exceed expectations. The City's investment advisors will continue to manage the City's portfolio in a strategic manner to retain security while taking advantage of rising interest rates.

## Conclusion

As the third quarter comes to an end, revenue stabilization is occurring and actual results are slightly higher than expected. It is anticipated that inflation will continue stabilize throughout 2023 and an economic slowdown versus a recession is anticipated by year end. While the economy as a whole is stabilizing, Gahanna and the Central Ohio area continue to have economic expansion.

The job market is tightening but unemployment is expected to stay historically low. There are still more positions than those actively seeking employment but the gap is smaller. The City was successful in filling a number of vacant positions through the end of the third quarter but with job availability still high, retention may continue to be a struggle.

The City has ended the third quarter in a good financial position with almost \$7M coming back to General Fund Balance. It is anticipated the City will end the year with more than \$2M returned to General Fund Balance. As the City looks to the future resources are at an acceptable level with the emergency reserve in place and expected to increase by an additional \$1M in 2024 along with anticipated growth continuing for the area. This is an exciting time for the City with a number of initiatives requested for 2024 to help guide the City into the future.

## Status of Current Finance Department Projects

- 2024 Budget – Currently under Council consideration.