



2019 Operating Budget

October 8, 2018



Purpose of the Budget

Worthington City Charter Section 4.02

“The City Manager, at least sixty days prior to the beginning of each budget year, shall submit to Council an operating budget estimate and an explanatory budget message after consultation with the head of each department...”



Purpose of the Budget

- The City's budget identifies funds and organizes how we pay for services, capital and personnel.
- The 2019 Operating Budget prioritizes maintaining the robust and high level of services that our community expects.



2019 Proposed Budget – Themes

- Maintenance of existing services
- Utilization of one-time revenue to ensure Council has the information necessary to make strategic, data driven decisions.
 - Recreation Fee Analysis
 - Water and Sewer Surcharge Analysis
 - Traffic Signal and Waterline Assessments
- Create a more utilitarian budget document.



The Revolving Fund

What is the Revolving Fund (224)?

- Fund established in 1976 to capture the receipt of all fees and the payment of all expenses in connection with self-supporting leisure time programs.

What are we doing with it?

- Moving the accounting for all parks and recreation programs into the General Fund.



The Revolving Fund

- Why are we moving away from the use of the Revolving Fund?
 - Streamlines administrative processes (payroll & deposit).
 - Addresses verbal recommendations of outside auditor.
 - Increases transparency and usability of budget document. Additionally, future revenue and expense tracking will be easier.
 - Provides an estimated \$425,000 one-time infusion into General Fund.
 - Diversifies General Fund revenue – decreasing percentage of revenue from income tax.

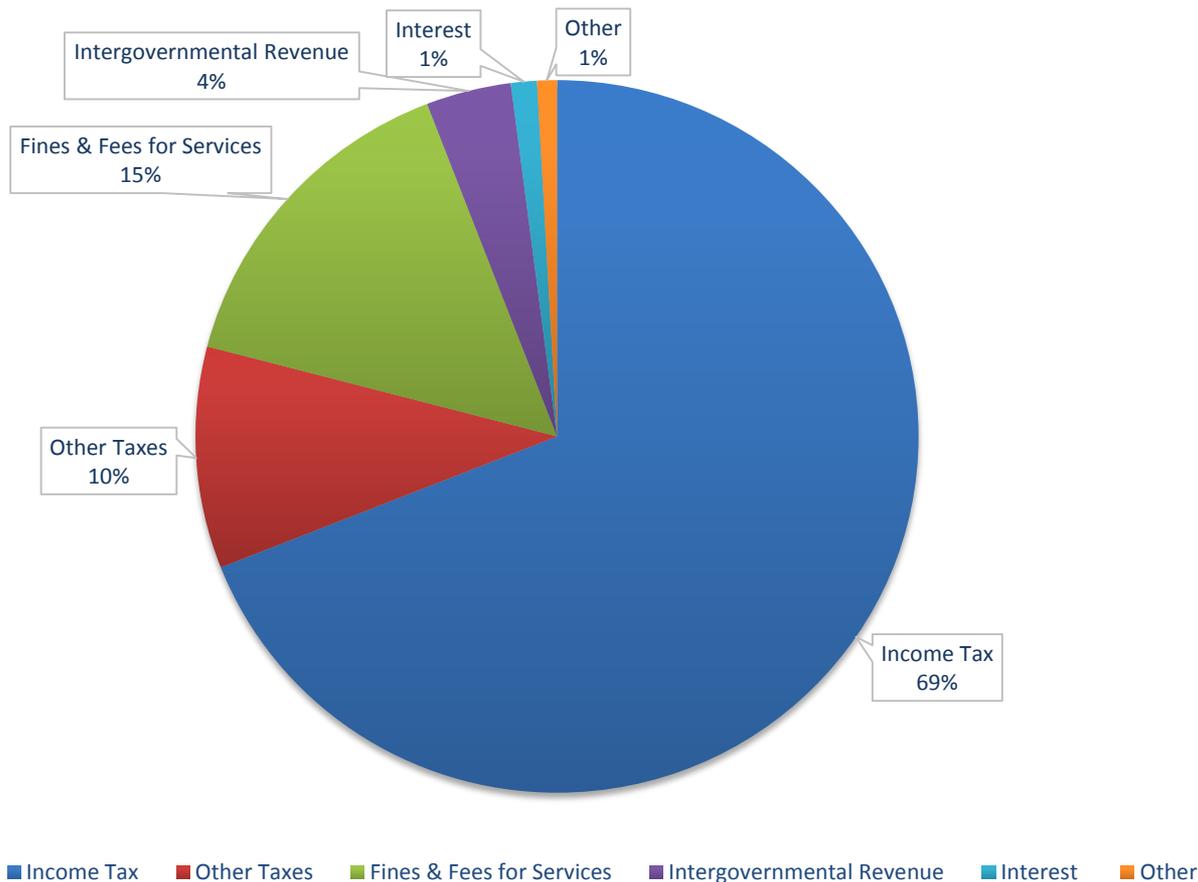


The Revolving Fund

- What are the effects of this move in the 2019 Budget?
 - \$1,014,000 in estimated revenue is moved from the Revolving Fund into General Fund
 - \$851,000 in expenses moved into General Fund – No reduction in funds for Parks programming – only changing how it is accounted for.
 - \$425,000 in estimated Revolving Fund balance transferred into General Fund
 - Expenditure & Revenue % increases will reflect the move in expenditures and revenue from the Revolving Fund into the General Fund.

How do we pay for services?

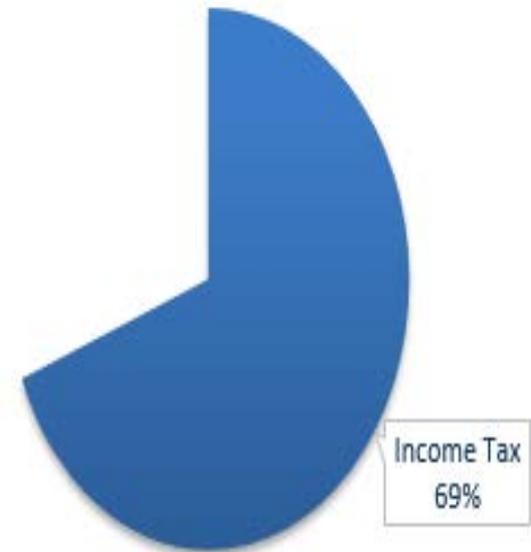
Operating Funds - 2019 Estimated Revenue





How do we pay for services – Income Tax

- Collections
 - 78% Withholding
 - 11% Individual
 - 11% Business Net-Profit
- 2019 Income Tax Estimate
 - \$20,800,000 in General Fund in 2019.
 - 0.80% over 2018 Estimate
- 2020 Income Tax Estimate
 - \$21,632,000 in General Fund in 2020
 - 4.83% over 2018 Estimate
 - Assumes 4% growth with full utilization of Anthem Building.





How do we pay for services – Fees for services

- 2019 Estimate: \$4,547,966 in Fees
- Fees we can control:
 - Parks and Recreation: \$2,489,200. Includes moving program fees into General Fund.
 - Building Permits, MPA, BZA: \$207,000
 - Water/Sewer Surcharge: \$140,000
 - Police and Fire Protection: \$560,000
- Fees we don't control:
 - EMS Fees
 - Cable T.V Franchise Fees





How do we pay for services – Other Taxes

- 2019 Other Taxes: \$3,030,350
- Includes (2019 Estimates):
 - Property Tax: \$3,004,150
 - Hotel/Motel Tax: \$26,000

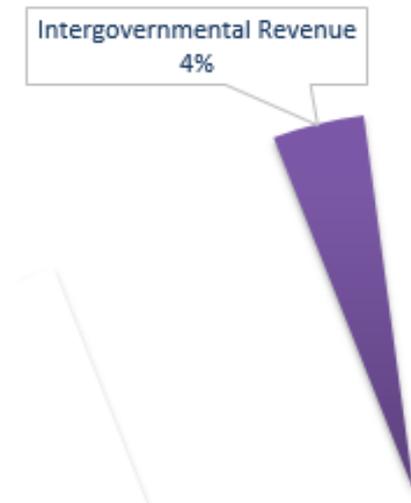


Other Taxes
10%



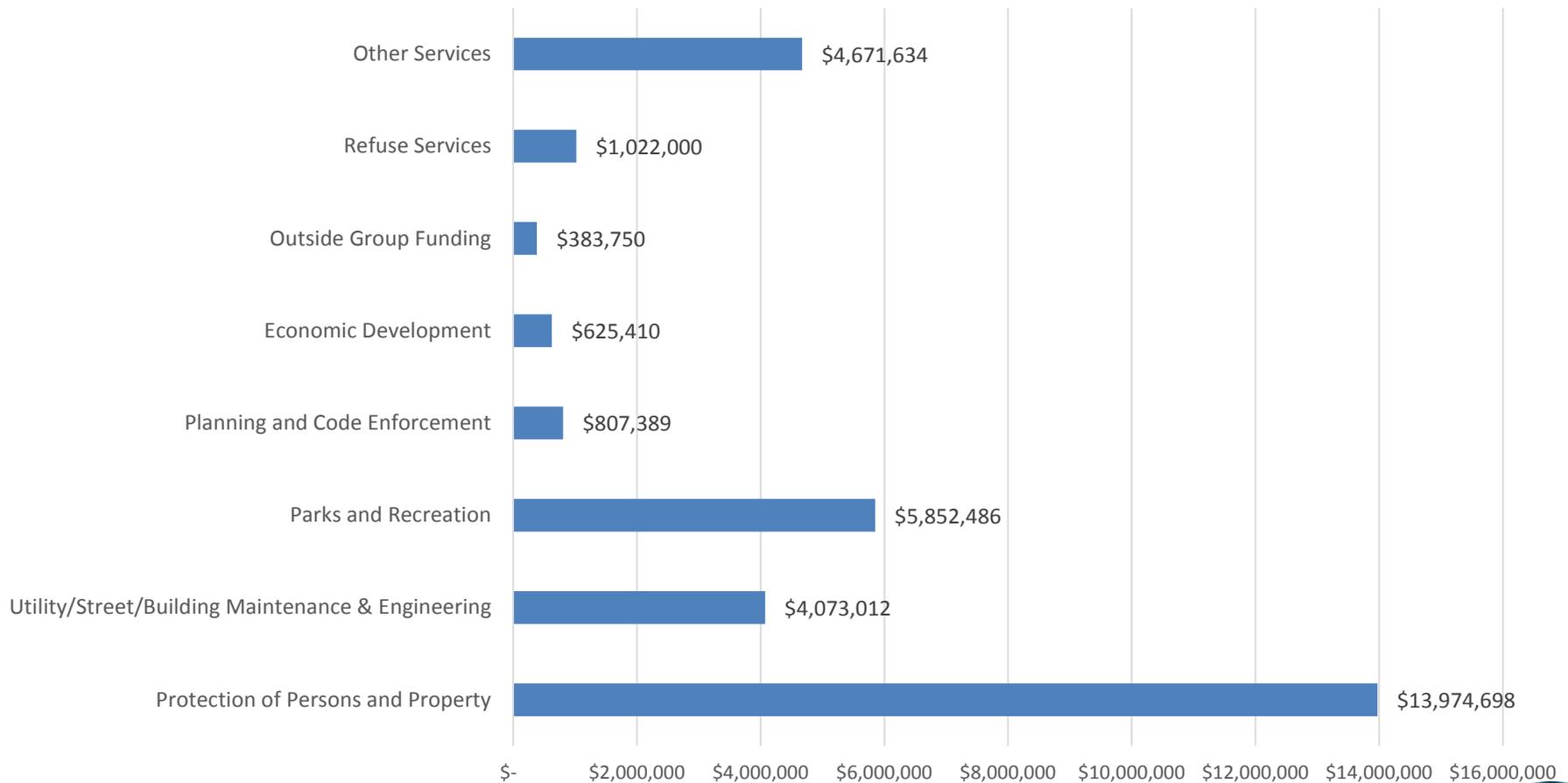
How do we pay for services – Intergovernmental Revenue

- 2019 Intergovernmental Revenue: \$1,146,500
- Sources Include
 - Local Government Fund: \$350,000
 - Gasoline Tax: \$641,500
 - Motor Vehicle License Tax: \$155,000



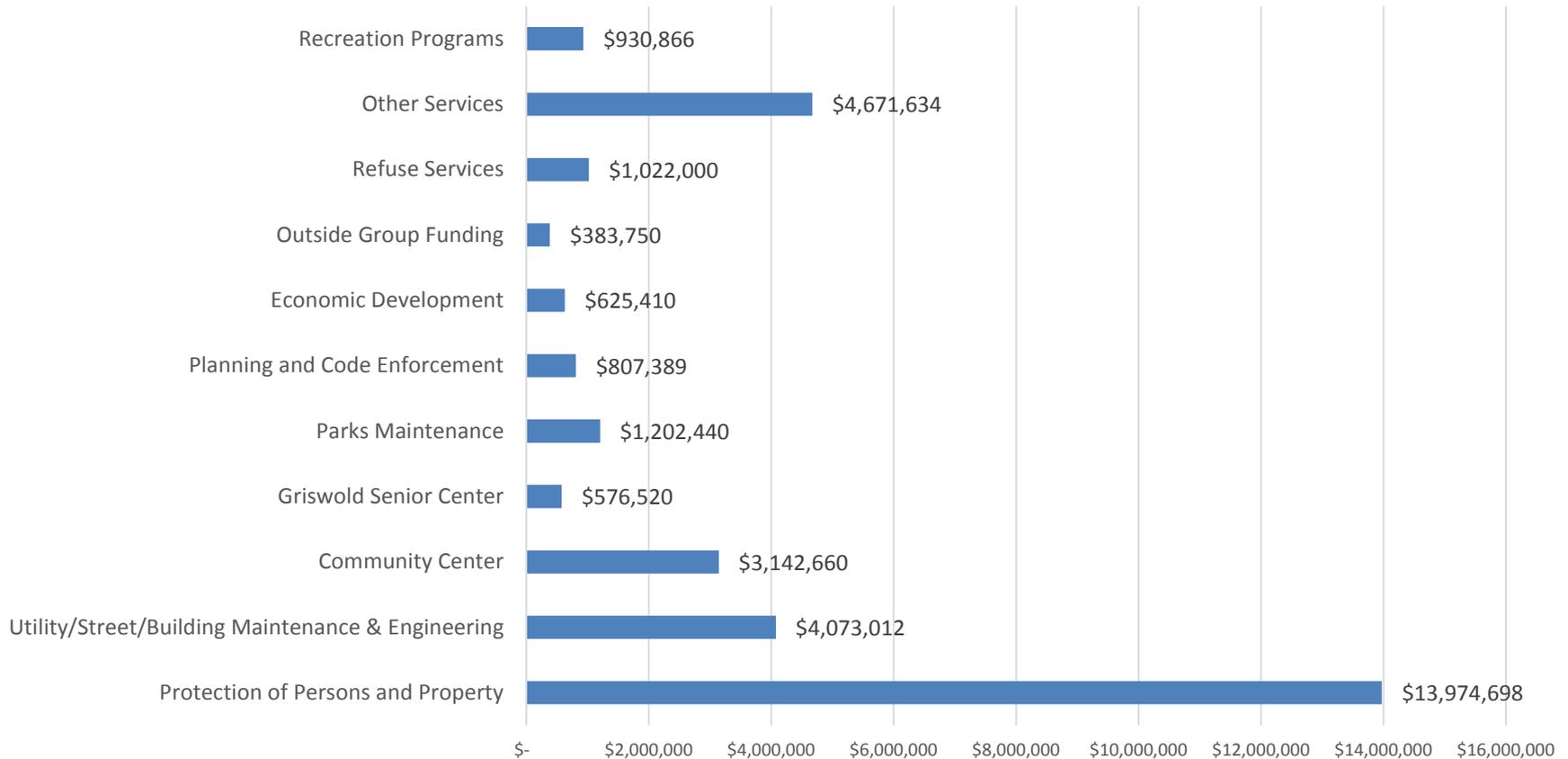
What services are we providing?

2019 Proposed Budget
Expenditure Summary



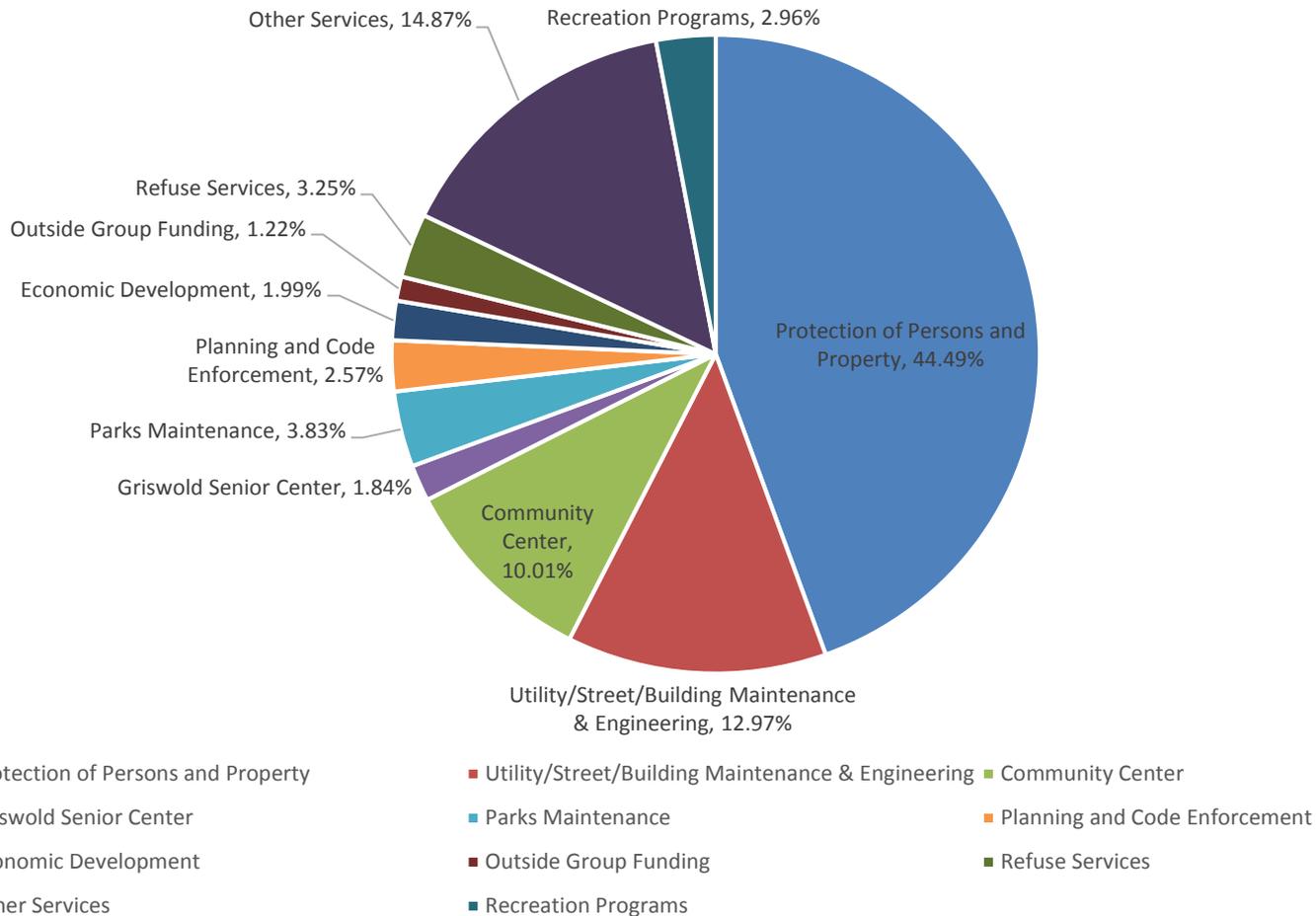
What services are we providing?

2019 Proposed Budget
Expenditure Summary - By Activity



What Services are we providing?

2019 Proposed Budget Expenditure Summary





Protection of Persons and Property (44.49%)

- 2019 Proposed Budget: \$13,974,698
- Police: \$7,064,725
- Fire: \$6,909,973
- Services Include:
 - Law Enforcement
 - Community Outreach
 - Emergency Medical Services
 - Fire Investigation/Enforcement



Parks and Recreation (18.63%)

- 2019 Proposed Budget: \$5,852,486
- Community Center (Including P & R Administration): \$3,142,660
- Parks Maintenance: \$1,202,440
- Griswold Senior Center: \$576,520
- Recreation Programs: \$930,866



Other Services (14.87%)

- 2019 Proposed Budget Expenditures: \$4,671,634
- Services Include:
 - Income Tax Collection
 - City Management
 - Communication – Video Streaming, Website, Annual Report, Newsletters
 - Mayor’s Court
 - Board of Health Services
 - Legal Services
 - Information Technology Services
 - Personnel
 - Legal Services



Utility/Street/Building Maintenance & Engineering (12.97%)

- 2019 Proposed Budget: \$4,073,012
- Services Include
 - Leaf Collection: 3 million pounds of leaf and yard waste collected and kept out of landfills
 - 30,000 feet of annual sewer root treatments
 - Snow Removal
 - Maintenance of over 800 fire hydrants
 - Street Sweeping
 - Capital Project Management



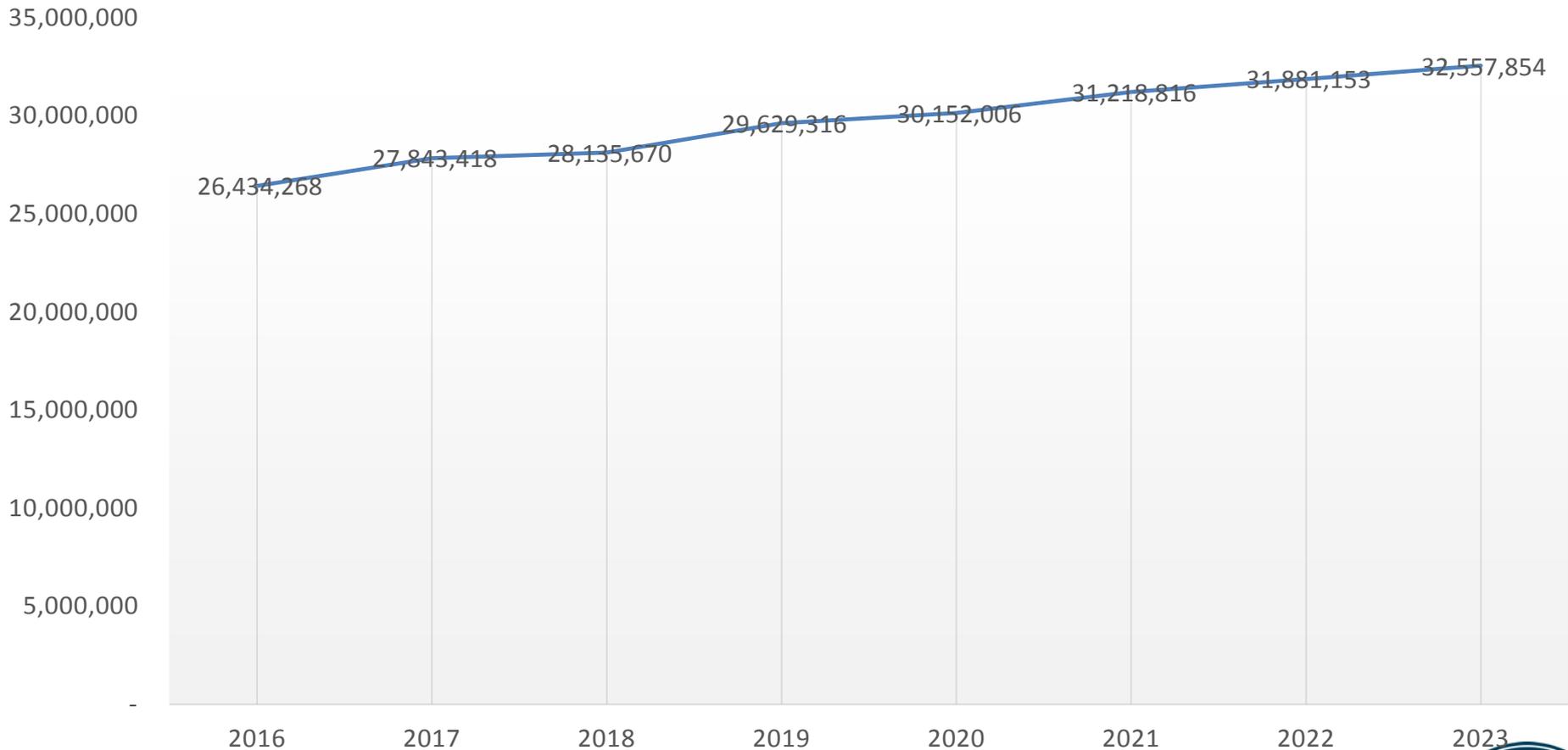
Additional Services

- Refuse Services: \$1,022,000
- Outside Group Funding: \$383,750
 - Cultural Arts Center: \$252,500
 - Old Worthington Partnership: \$50,000
 - Worthington Historical Society: \$27,500
 - Other Special Groups: \$33,750
 - Convention and Visitors Bureau: \$20,000
- Economic Development - \$625,410



5-Year Forecast - Revenue

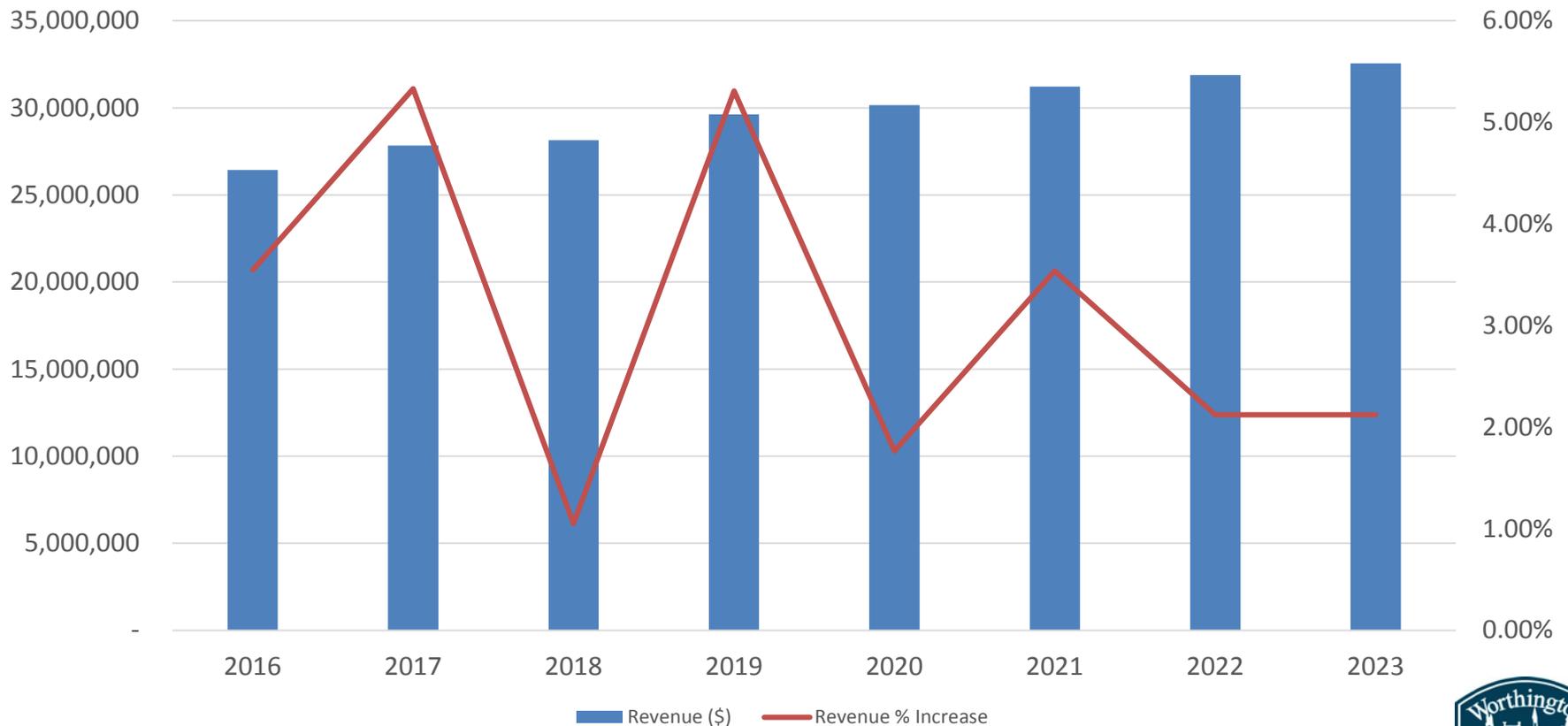
City of Worthington
General Fund Revenue
2016 - 2023





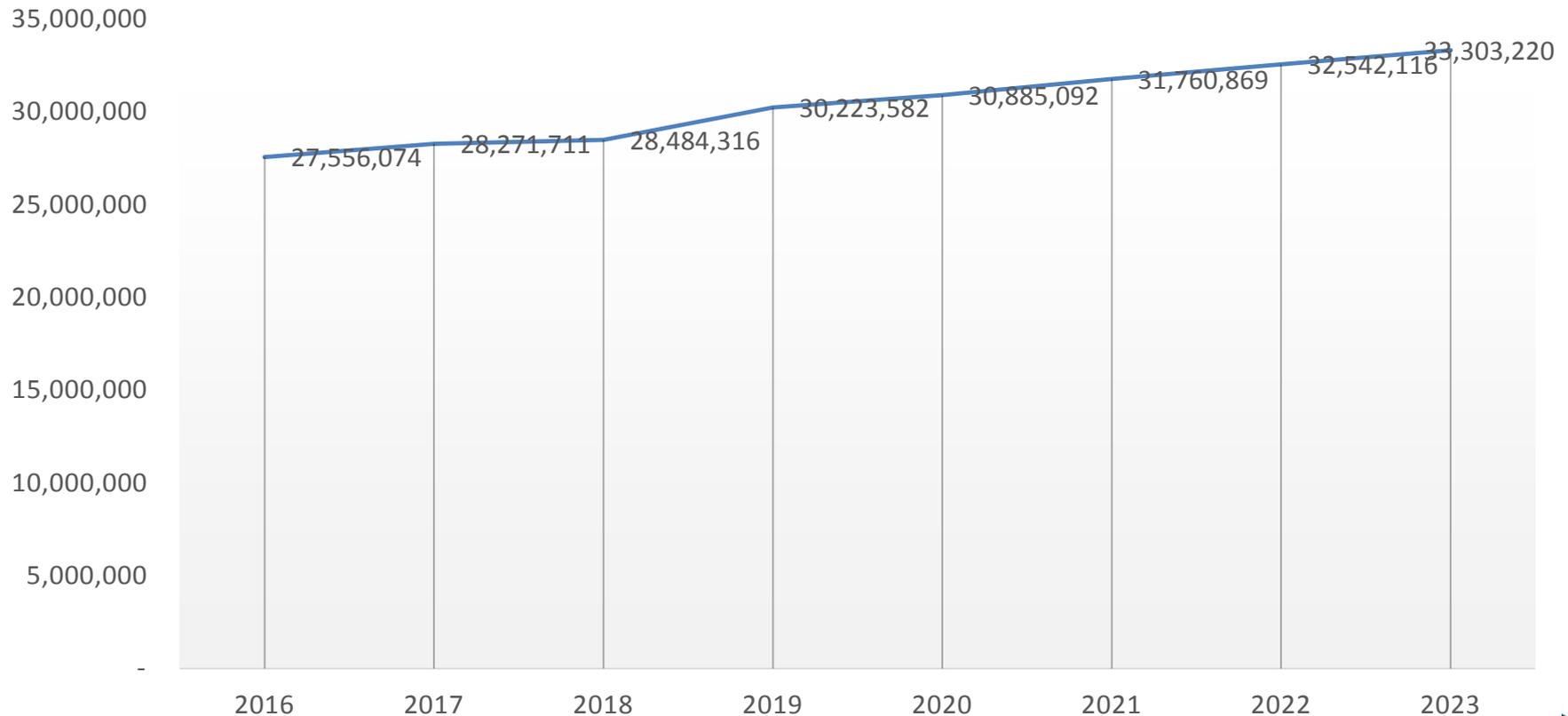
5-Year Forecast - Revenue

City of Worthington
General Fund Revenue
Revenue Dollars/% Change
2016-2023



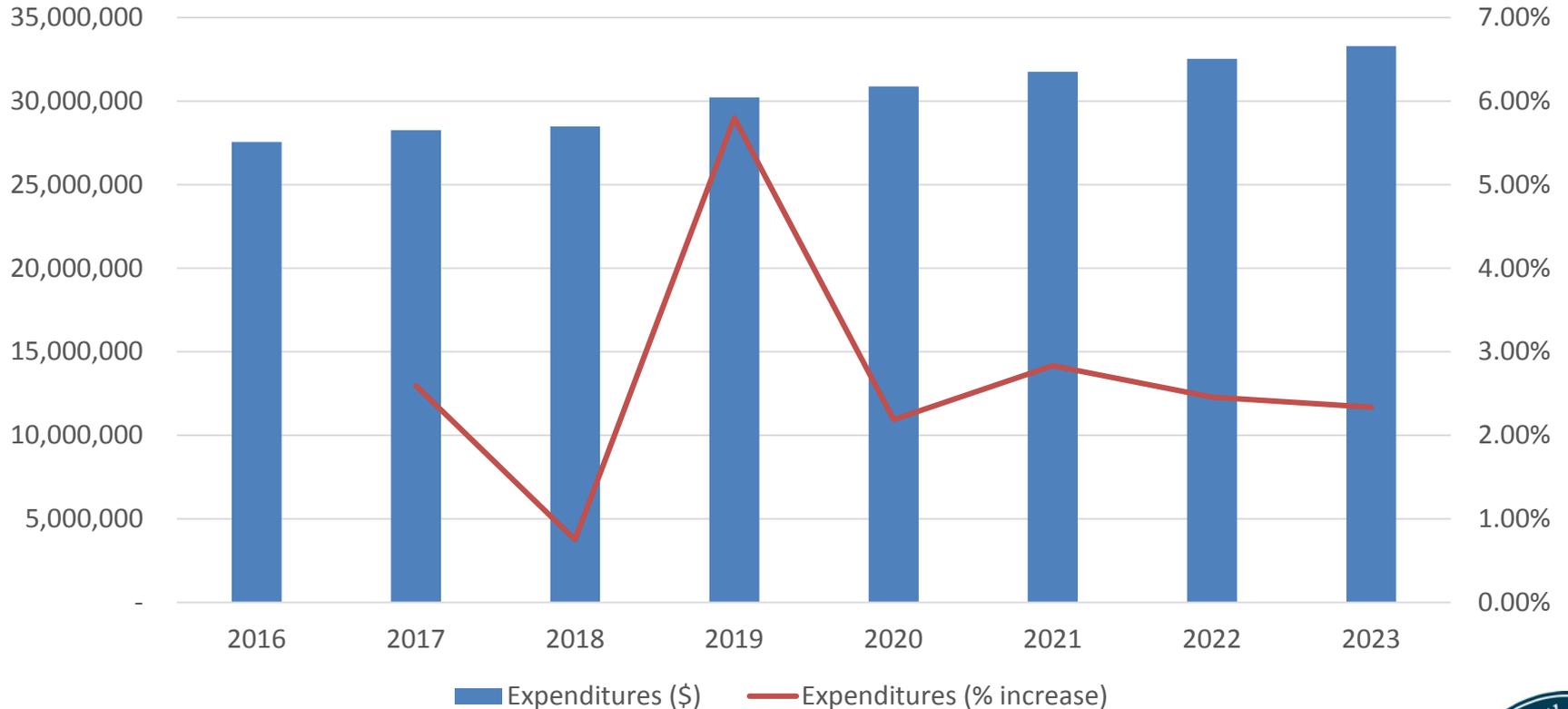
5-Year Forecast - Expenses

City of Worthington
General Fund Expenditures (Budgeted)
2016-2023



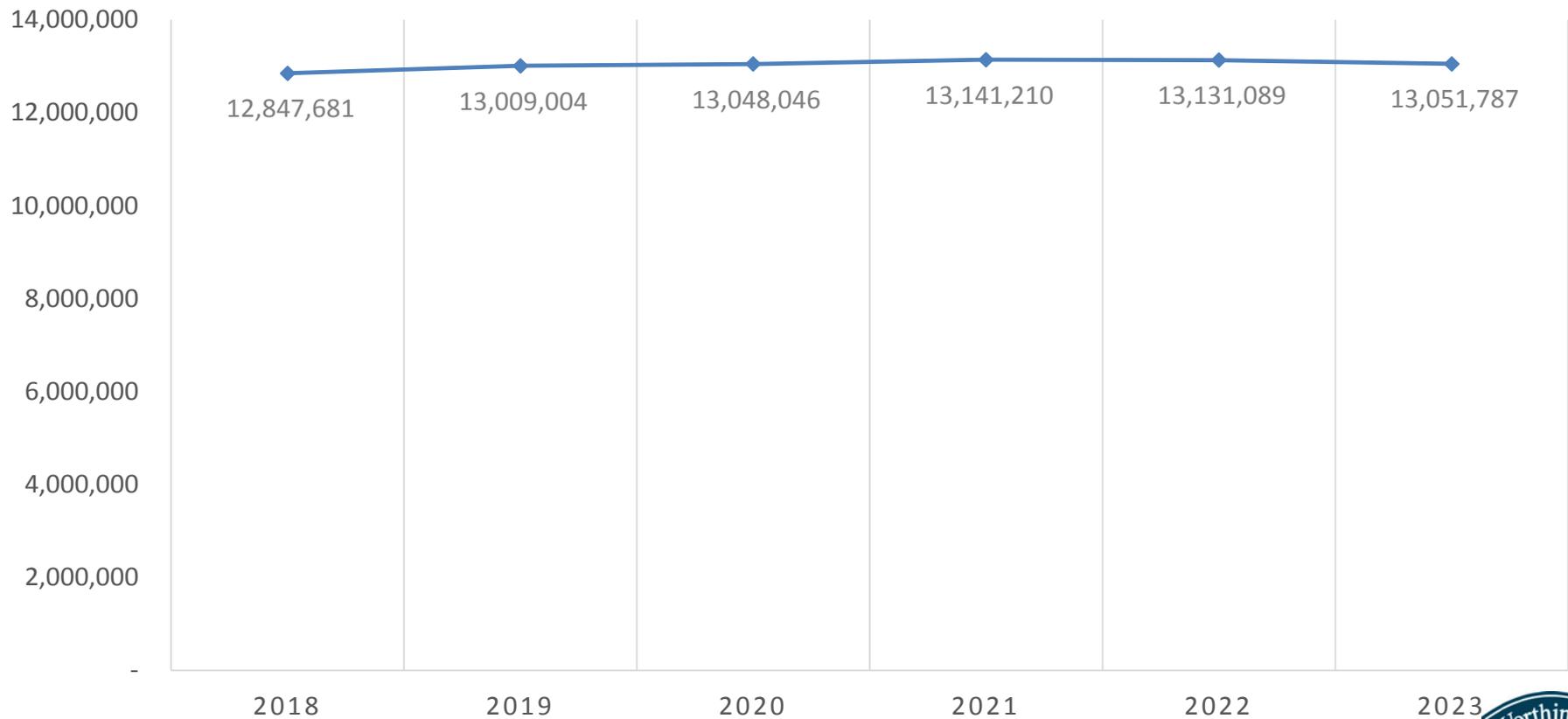
5-Year Forecast - Expenses

City of Worthington
General Fund Expenditures (Budgeted)
2016-2023



5-Year Forecast – General Fund Balance

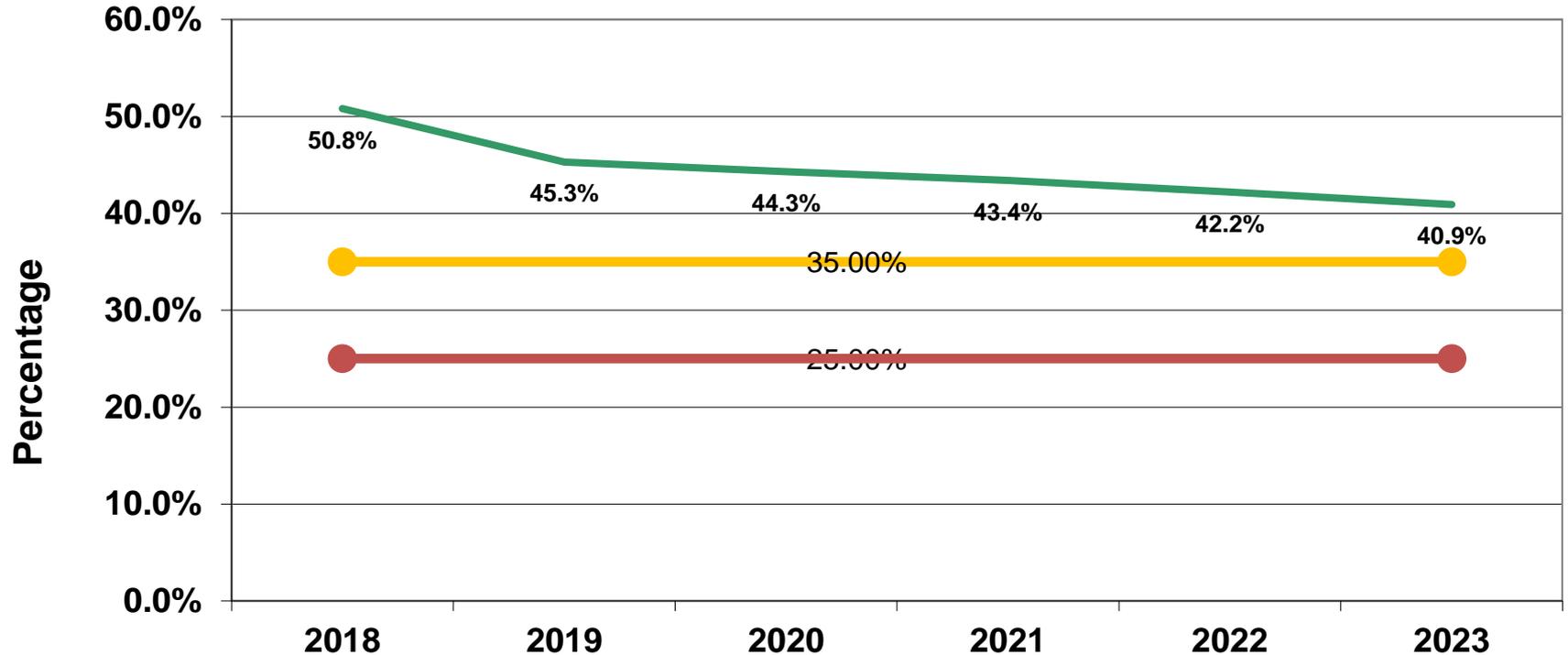
CITY OF WORTHINGTON
PROJECTED 12/31 FUND BALANCE
2018-2023



5-Year Forecast – General Fund Balance

City of Worthington

General Fund Balance as % of Operating Expenditures



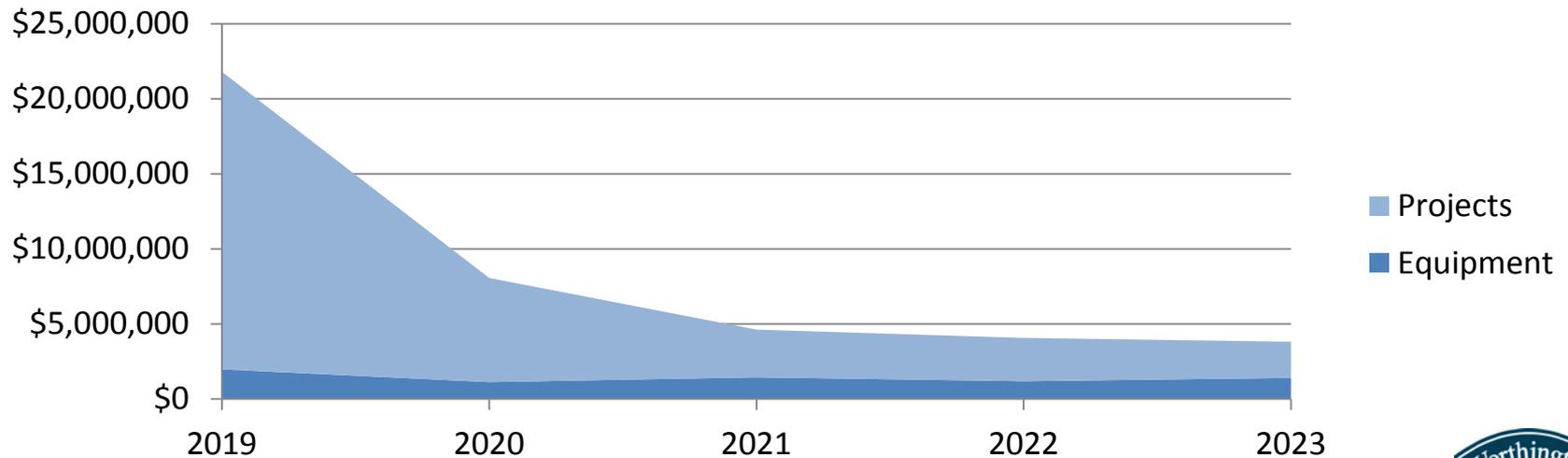


2019-2023 Capital Improvements Program

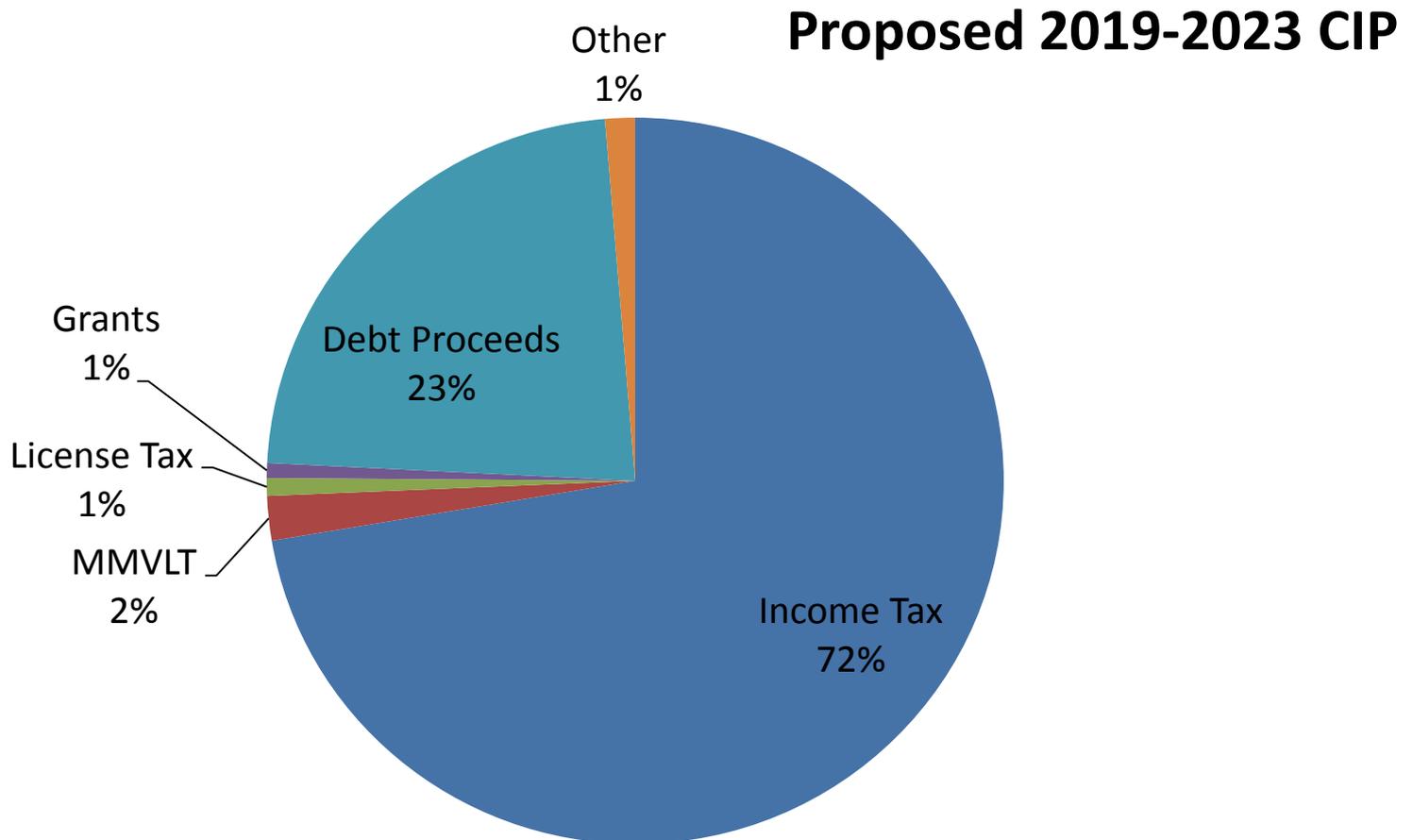
Overview of Proposed CIP

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
Projects	\$19,826,000	\$6,945,500	\$3,175,000	\$2,877,500	\$2,400,000	\$33,832,789
Equipment	\$1,967,500	\$1,111,000	\$1,443,000	\$1,180,500	\$1,404,000	\$7,106,000
Total	\$21,793,500	\$8,056,500	\$4,618,000	\$4,058,000	\$3,804,000	\$40,938,789

2019-2023 CIP Project & Equipment Expenditures

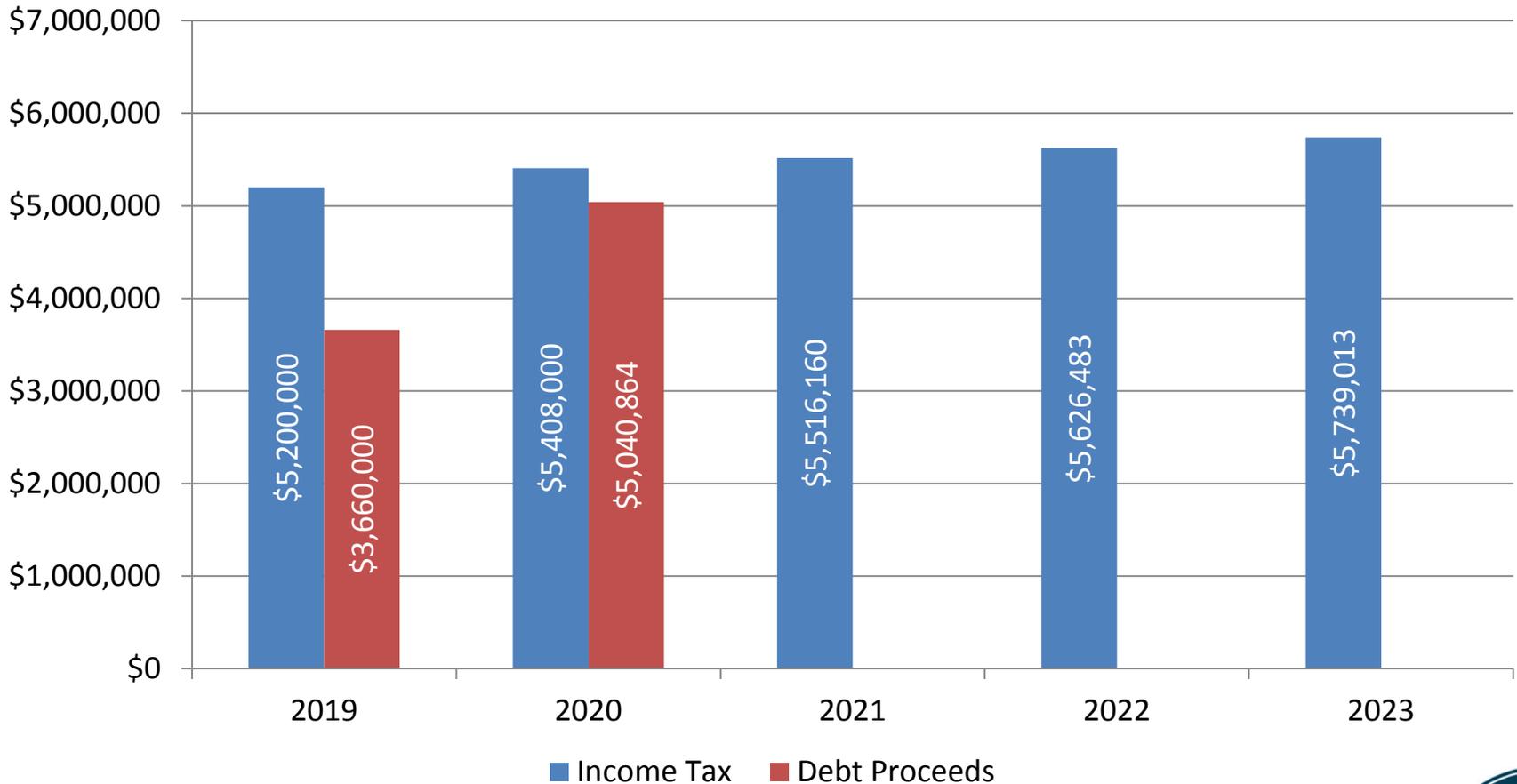


CIP Revenue Sources



CIP Revenue Sources

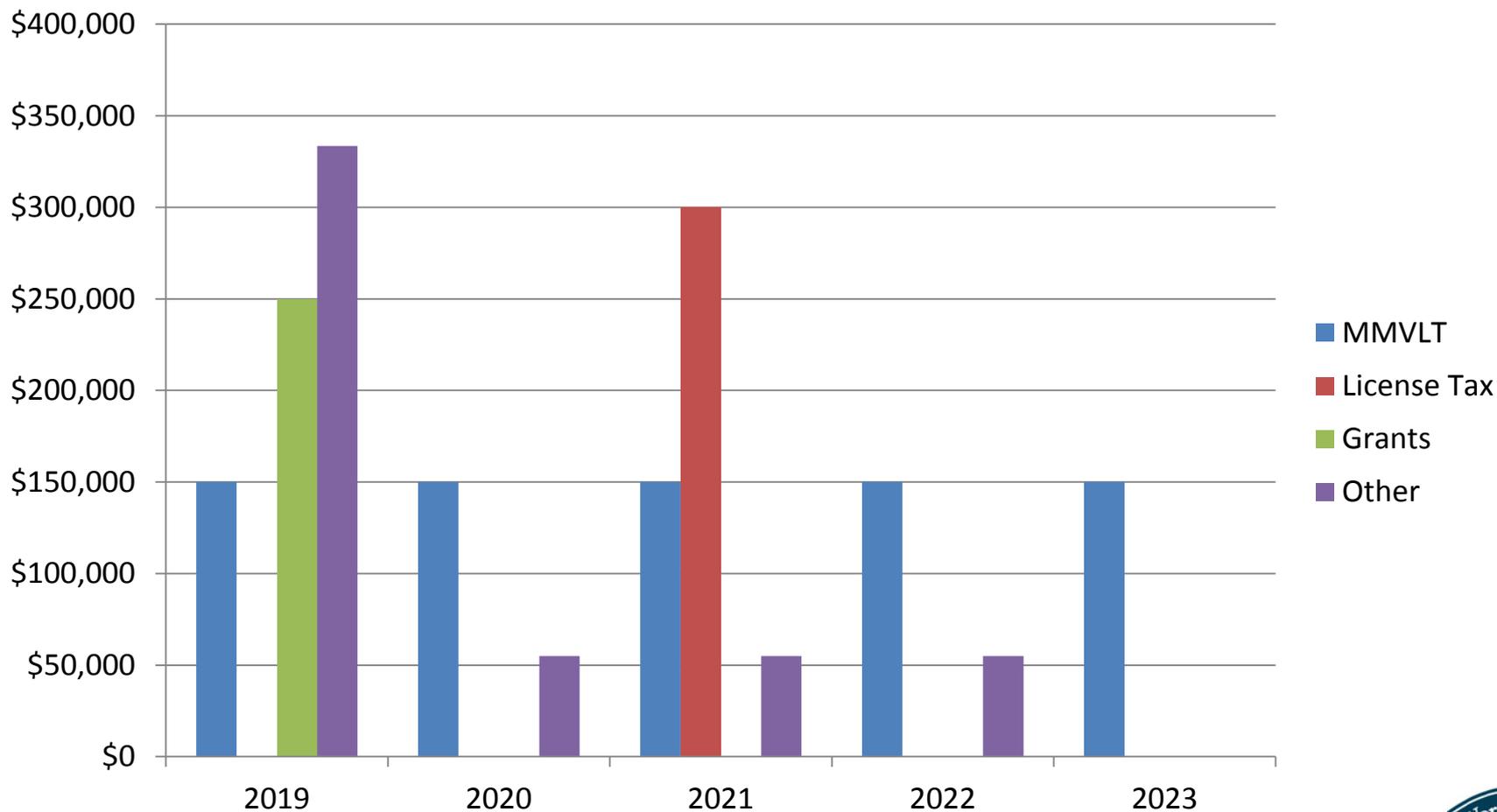
CIP Fund - Major Revenue Sources





CIP Revenue Sources

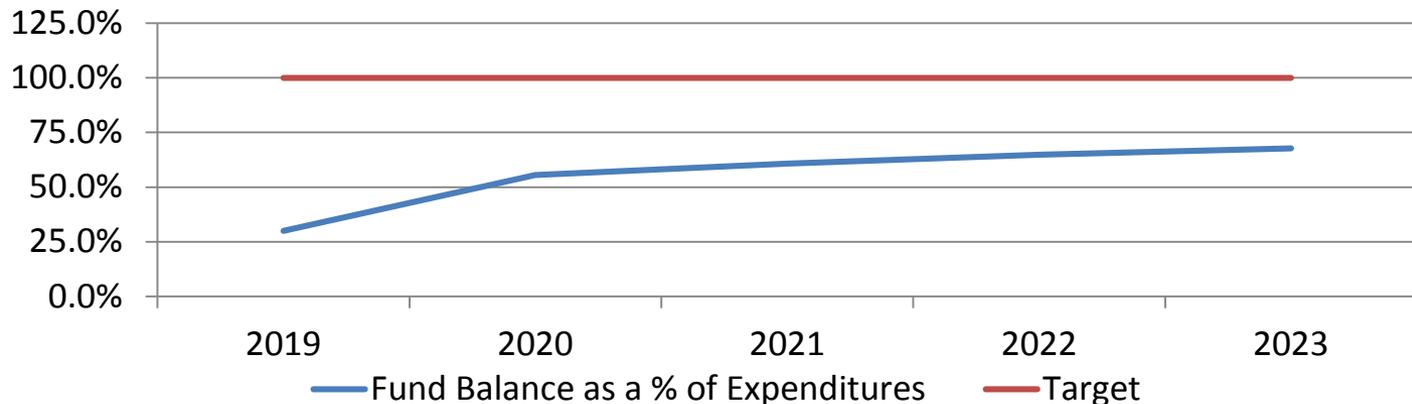
CIP Fund - Other Revenue Sources



Five Year Forecast – CIP Fund

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total Revenue	\$9,593,500	\$10,653,864	\$6,021,160	\$5,831,483	\$5,899,013
Total Expenditures	\$11,299,963	\$9,029,007	\$6,866,482	\$6,070,881	\$5,857,065
Fund Balance (FB)	\$3,393,684	\$5,018,541	\$4,173,219	\$6,070,881	\$3,965,769
FB as % of Budget	30.0%	55.6%	60.8%	64.8%	67.7%

CIP Fund Balance





Five Year Forecast – CIP Fund (excluding bonded revenue and projects)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total Revenue	\$5,933,500	\$5,613,000	\$6,021,160	\$5,831,483	\$5,899,013
Total Expenditures	\$5,939,963	\$5,654,007	\$6,116,482	\$5,820,881	\$5,607,065
Fund Balance (FB)	\$5,093,963	\$5,654,007	\$6,116,482	\$5,820,881	\$5,249,905
FB as % of Budget	85.8%	89.4%	81.0%	85.3%	93.6%

CIP Fund Balance

