



From: Andrew D. White, City Manager
To: Powell City Council
Initiated By: Rosa Ocheltree, Finance Director
Re: Resolution 2024-26
Date: July 16, 2024

Summary:

The Delaware County Budget Commission adopted an alternative formula for the local government fund distribution, as approved by the subdivisions, and waived the requirements for subdivisions to file a tax budget pursuant to (ORC) Section 5705.281, for the Fiscal Year 2025. As part of the alternative formula and budget process, the City of Powell shall file with the county auditor revenue estimates for the Fiscal Year 2025 by July 20, 2024.

The revenue estimates are part of the initial stages of the City's annual budgeting process. It has previously represented the City's first estimate of its anticipated financial condition (ending fund balance) and total available resources for the coming year. The primary purpose of the estimated revenues is to set property tax rates and allocate local government fund dollars.

Exhibit A presents the estimated resources for 2025 by fund (beginning fund balances (+) estimated revenues) for the fiscal year 2025.

The 2025 projections include estimated revenues of \$35,526,750 and total available resources of \$70,596,390 across all funds, a 6.4% increase from the prior year primarily due to forecasted 2024 ending fund balances. Estimated revenue and available resources include inter-fund transfers.

Notable adjustments to estimated resources include:

- Projected municipal income tax revenues of \$17,300,000, a 7% decrease from the original 2024 income tax revenue budget and an increase of 2% over the forecasted 2024 actuals.
- Adjustment to the General Fund Reserve (105) of \$780,000 to meet the reserve fund balance policy.
- The following General Fund transfers in support of various programs:
 - Street Maintenance & Construction Fund \$2,500,000
 - Parks & Programming/Special Events \$200,000
- Inclusion of projected Capital Projects Fund (491) revenues per the CIP funding policy (Res. 2022-19) = \$4,250,000.

Certification of the City's revenue projection for 2025 will not be available until September/October – after the mandated filing deadline for this document. In no way does the adoption of the estimated resources grant any legal spending authority of public funds.

Legal Review:

No legal review is necessary.

Financial Review:

The finance director performed an 8-year trend analysis to predict 2025 revenues. There were a few deviations from this, and explanations are in Exhibit A, under the notes.

Recommendation:

Staff recommends approval of Resolution 2024-26



RESOLUTION 2024-26

A RESOLUTION TO ESTABLISH THE ESTIMATED REVENUES FOR THE CITY OF POWELL FOR THE FISCAL YEAR ENDING DECEMBER 31, 2025.

WHEREAS, the Delaware County Budget Commission has waived the requirement of filing a tax budget for Fiscal Year 2025 for the subdivisions and other taxing districts; and

WHEREAS, the Delaware County Auditor has provided an alternative method for filing estimated revenues for the Year 2025; and

WHEREAS, the estimated revenues must be filed with the Delaware County Auditor by July 20, 2024.

NOW THEREFORE BE IT RESOLVED BY THE CITY OF POWELL, DELAWARE COUNTY, OHIO AS FOLLOWS:

Section 1: The Finance Director is hereby directed to certify the revenue estimates for the fiscal year ending December 31, 2025 with the Delaware County Auditor, as summarized on the schedule attached hereto as Exhibit "A" and incorporated herein by reference.

Section 2: That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of the Council and that all deliberations of the Council and any of the decision-making bodies of the City of Powell which resulted in such formal actions were in meetings open to the public in compliance with all legal requirements of the City of Powell, Delaware County, Ohio.

Section 3: That this Resolution shall take effect on the earliest possible date permitted by law.

[Signature]
Tom Counts
Mayor

7/16/24
Date

[Signature]
Elaine McCloskey
City Clerk

7/16/2024
Date

EFFECTIVE DATE: July 16, 2024

This legislation has been posted in accordance with the City Charter on this date

[Signature]
City Clerk

CITY OF POWELL

2025 ESTIMATED REVENUES
Resolution 2024-26 Exhibit A

| | ESTIMATED BEGINNING BALANCE | ESTIMATED REVENUES | TOTAL AVAILABLE RESOURCES |
|---|--------------------------------|----------------------|------------------------------|
| GENERAL FUND | | | |
| TAXES, ASSESSMENTS & RELATED REVENUES | | | |
| GENERAL PROPERTY TAX-REAL ESTATE | | \$ 777,000 | |
| MUNICIPAL INCOME TAX (a) | | \$ 17,300,000 | |
| INCOME TAX-UTILITIES | | \$ 1,000 | |
| STATE OF OHIO - MUNI NET PROFIT TAX | | \$ 260,000 | |
| FRANCHISE FEES | | \$ - | |
| LOCAL GOVERNMENT-COUNTY | | \$ 200,000 | |
| LOCAL GOVERNMENT-STATE | | \$ 100,000 | |
| CIGARETTE TAX | | \$ 200 | |
| LIQUOR/BEER PERMITS | | \$ 28,000 | |
| HOMESTEAD/ROLLBACK-STATE | | \$ 105,000 | |
| SIDEWALK REPAIRS | | \$ 3,000 | |
| SUB TOTAL TAXES, ASSESSMENTS & RELATED | | \$ 18,774,200 | |
| CHARGES FOR SERVICES/DEVELOPMENT RELATED | | | |
| ALARM REGISTRATION/VIOLATIONS | | \$ 3,000 | |
| ADDITIONAL BLDG. FEE | | \$ 19,000 | |
| RESIDENTIAL BUILDING FEES | | \$ 245,000 | |
| CITY COMMERCIAL BLDG PERMIT FEES | | \$ 150,000 | |
| PLUMBING INSP-CITY SHARE | | \$ 3,000 | |
| REINSPECTION FEES | | \$ 23,000 | |
| CONTRACTOR REGISTRATION/RENEWAL | | \$ 43,000 | |
| ENGINEERING PLAN REVIEW FEES | | \$ 23,000 | |
| GRADING/SIDEWALK/DRIVEWAY INSPECTIONS | | \$ 9,000 | |
| PLAN REVIEW FEES | | \$ 13,000 | |
| ZONING PERMITS/FEES | | \$ 41,000 | |
| SUB TOTAL CHARGES FOR SERVICES | | \$ 572,000 | |
| LOCAL REVENUE | | | |
| PARKING VIOLATIONS | | \$ 100 | |
| PEDDLER'S REGISTRATION | | \$ 500 | |
| VENDING MACHINE REVENUE | | \$ 1,000 | |
| RENTAL INCOME | | \$ 22,000 | |
| COMMUNITY MEETING ROOM RENTAL | | \$ 1,500 | |
| FINGERPRINTS-POLICE | | \$ 8,000 | |
| DELAWARE MUNI COURT FINES | | \$ 1,000 | |
| SUB TOTAL LOCAL REVENUE | | \$ 34,100 | |
| OTHER REVENUE | | | |
| INTEREST (NET) | | \$ 1,000,000 | |
| SALE OF ASSETS | | \$ 15,000 | |
| MISCELLANEOUS | | \$ 35,000 | |
| REIMBURSEMENTS | | \$ 20,000 | |
| TRANSFER IN FROM OTHER FUNDS | | \$ 170,000 | |
| TRANSFER IN- INTEREST ON ADVANCE (b) | | \$ 16,000 | |
| ADVANCE FROM CAPITAL PROJECTS FUNDS (b) | | \$ 175,000 | |
| SUB TOTAL OTHER REVENUE | | \$ 1,431,000 | |
| 100 GENERAL FUND | \$ 22,500,000 | \$ 20,811,300 | \$ 43,311,300 |
| 101 GENERAL FUND RESERVE (c) | \$ 2,640,000 | \$ 780,000 | \$ 3,420,000 |
| 105 CORMA FUND | \$ 100,000 | \$ 165,500 | \$ 265,500 |
| 110 27TH PAY RESERVE FUND | \$ 170,000 | \$ - | \$ 170,000 |
| 111 COMP ABS RESERVE FUND | \$ - | \$ 50,000 | \$ 50,000 |
| TOTAL GENERAL FUNDS (d) | \$ 25,410,000 | \$ 21,806,800 | \$ 47,216,800 |

| | ESTIMATED BEGINNING BALANCE | ESTIMATED REVENUES | TOTAL AVAILABLE RESOURCES |
|--|--------------------------------|----------------------|------------------------------|
| SPECIAL REVENUE FUNDS | | | |
| 210 MUNICIPAL MOTOR VEHICLE LICENSE TAX | \$ 80,000 | \$ 70,000 | \$ 150,000 |
| 211 STREET CONSTRUCTION MAINTENANCE / REPAIR | \$ 500,000 | \$ 3,500,000 | \$ 4,000,000 |
| 221 STATE HIGHWAY IMPROVEMENT FUND | \$ 350,000 | \$ 90,000 | \$ 440,000 |
| 231 RIGHT OF WAY FUND | \$ 120,000 | \$ 40,000 | \$ 160,000 |
| 241 PARKS & REC DEVELOPMENT FUND | \$ 200,000 | \$ 75,000 | \$ 275,000 |
| 265 LAW ENFORCEMENT ASSISTANT FUND | \$ 20,000 | \$ - | \$ 20,000 |
| 267 ONEOHIO OPIOD FUND | \$ 9,000 | \$ - | \$ 9,000 |
| 271 LAW ENFORCEMENT FUND | \$ 15,000 | \$ - | \$ 15,000 |
| 281 DRUG AW ENFORCEMENT FUND (DUI FUND) | \$ 5,600 | \$ 200 | \$ 5,800 |
| 291 LAW ENFORCEMENT TRUST FUND | \$ 7,300 | \$ - | \$ 7,300 |
| 295 PARKS & RECREATION PROGRAM FUND | \$ 75,000 | \$ 750,000 | \$ 825,000 |
| 296 VETERAN'S MEMORIAL FUND | \$ 8,500 | \$ 200 | \$ 8,700 |
| 298 POLICE CANINE FUND | \$ 19,740 | \$ - | \$ 19,740 |
| TOTAL SPECIAL REVENUE FUNDS | \$ 1,410,140 | \$ 4,525,400 | \$ 5,935,540 |
| DEBT SERVICE | | | |
| 310 SELDOM SEEN TIF | \$ - | \$ 170,550 | \$ 170,550 |
| 317 GOLF VILLAGE DEBT SERVICE FUND | \$ - | \$ 1,873,000 | \$ 1,873,000 |
| 319 POLICE FACILITY DEBT SERVICE (e) | \$ - | \$ - | \$ - |
| 321 PCIFA DEBT SERVICE | \$ - | \$ 207,800 | \$ 207,800 |
| 322 GO NOTES, 2024 SERIES DEBT SERVICE FUND | \$ - | \$ 282,000 | \$ 282,000 |
| 323 SPECIAL OBLIGATIONS, 2024 SERIES DEBT | \$ - | \$ 500,000 | \$ 500,000 |
| TOTAL DEBT SERVICE FUNDS | \$ - | \$ 3,033,350 | \$ 3,033,350 |
| CAPITAL PROJECT | | | |
| 451 DOWNTOWN TIF PUBLIC IMPROVEMENTS | \$ 2,600,000 | \$ 613,000 | \$ 3,213,000 |
| 452 DOWNTOWN TIF HOUSING IPROVEMENTS | \$ 7,000 | \$ 6,000 | \$ 13,000 |
| 453 SELDOM SEEN TIF PUBLIC IMPROVEMENTS | \$ 15,000 | \$ 270,000 | \$ 285,000 |
| 455 SAWMILL CORRIDOR COMMERCIAL TIF | \$ 970,000 | \$ 612,000 | \$ 1,582,000 |
| 470 SANITARY SEWER AGREEMENTS FUND (b) | \$ - | \$ 195,000 | \$ 195,000 |
| 491 CAPITAL PROJECTS FUND (f) | \$ 3,600,000 | \$ 4,250,000 | \$ 7,850,000 |
| 492 VILLAGE DEVELOPMENT FUND | \$ 300,000 | \$ 35,000 | \$ 335,000 |
| 494 VOTED CAPITAL IMPROVEMENTS FUND | \$ - | \$ - | \$ - |
| 497 SELDOM SEEN TIF PARK IMPROVEMENTS | \$ 275,000 | \$ - | \$ 275,000 |
| TOTAL CAPITAL PROJECT FUNDS | \$7,767,000 | \$5,981,000 | \$13,748,000 |
| TRUST & AGENCY | | | |
| 910 UNCLAIMED FUNDS FUND | \$ 1,000 | \$ 200 | \$ 1,200 |
| 911 FLEXIBLE BENEFITS PLAN FUND | \$ - | \$ - | \$ - |
| 991 BOARD OF BUILDING STANDARDS | \$ - | \$ 10,000 | \$ 10,000 |
| 992 ENGINEERING INSPECTIONS FUND | \$ 200,000 | \$ 150,000 | \$ 350,000 |
| 994 ESCROWED DEPOSITS FUND | \$ 281,000 | \$ 5,000 | \$ 286,000 |
| 996 POLICE FINGERPRINTS FEES | \$ 500 | \$ 15,000 | \$ 15,500 |
| TOTAL TRUST & AGENCY FUNDS | \$ 482,500 | \$ 180,200 | \$ 662,700 |
| GRAND TOTAL ALL | \$ 35,069,640 | \$ 35,526,750 | \$ 70,596,390 |

(a) 2% increase of estimated 2024 municipal income tax (\$16,990,000)

(b) Based on the Verona Assessment Repayment Schedule

(c) Maintain the General Fund Reserve at 17% of the GF operating and capital budget (Est. \$19,000,000). The target is 15% to 20%.

15% = \$2,850,000

17% = \$3,420,000

20% = \$3,800,000

(d) General fund estimates (other than items a, b, and c above) are based on an 8-year trend analysis and rounded to the nearest thousand when possible.

(e) Debt will be retired in 2024.

(f) Per the CIP funding policy, 25% of 2024 municipal income tax collections.