



Gahanna Department of Finance

2016 Budget in Brief City of Gahanna, Ohio

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www.Gahanna.gov





GOVERNMENT FINANCE OFFICERS ASSOCIATION

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Budget Presentation
Award*

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**City of Gahanna
Ohio**

For the Fiscal Year Beginning

January 1, 2015



Executive Director

To the Citizens of Gahanna,

Welcome to the City's 2016 Budget in Brief. Our complete budget document is nearly 300 pages long and includes information on every City department and division, and provides historical financial data, performance data and staffing for all City services and funds. Reading it is not for the faint of heart, but understanding the City's budget is important. It is the key to understanding the services that the City of Gahanna provides to its citizens and businesses.

This Budget in Brief is a pared down version of the longer document. It is intended to be an easy-to-read guide that covers the major parts of the budget. It includes summary information about the City, a summary of our revenues and expenditures overall and a closer look at our General Fund, which provides the bulk of the services people expect from the City. It also details our plans for long-term financial sustainability and capital investment in the community.

The City's 2016 budget was developed as a part of a multi-year effort to set Gahanna up for long-term financial sustainability. It totals \$64 million, including all funds and operations. This budget takes into account fundamental changes to the structure of the City's revenue streams as a result of the last economic downturn and provides for the City's core services and functions with current and ongoing revenue. The 2016 budget invests one-time savings in strategic capital improvements that will help grow our economy and strengthen our city.

For a more detailed look at the City's 2016 budget, and all of our City financial publications, please visit the City's website at www.gahanna.gov.

In Service,



Thomas R. Kneeland, Mayor



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Contact City Hall

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www.gahanna.gov

City of Gahanna Overview

Guiding Principles

Gahanna's Vision Is....

...to be an innovative model community that values its rich heritage, pursues high standards, and promotes respect among its citizens.

Gahanna's Mission Is...

...to ensure an exceptional quality of life by providing comprehensive services, financial stability, and well-planned development which preserves the natural environment, in order that city government will continue to be responsive, accessible and accountable to our diverse and growing community of citizens.

Critical Success Factors

Gahanna's leadership has identified five Critical Success Factors associated with the mission and vision of the City that articulate those things that *must go well* in order for the City to achieve its mission and vision.

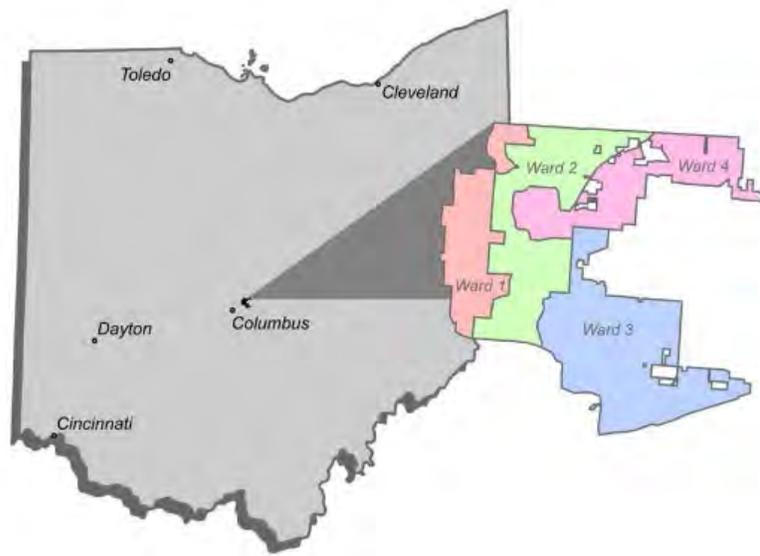


History



Early settlements began in the region in 1803, soon after the State of Ohio was admitted to the Union. Gahanna was founded along the Big Walnut Creek in 1849 by John Clark. Clark named his property the Gahanna Plantation, from which the City of Gahanna derives its name. The name Gahanna is derived from a Native American word for three creeks joining into one and is the former name of the Big Walnut Creek. The City of Gahanna's Official Seal refers to this confluence of three creeks with the inscription "Three In One".

Gahanna maintained a considerable rivalry with the town of Bridgeport, which was located directly across Granville Street from Gahanna and also along the banks of the Big Walnut Creek. Bridgeport was founded in 1853 by Jesse Baughman, a former Franklin County Commissioner. The two towns eventually put aside their differences and merged into one. They adopted the name Gahanna and incorporated into a Village in 1881. Today, Gahanna is a 12.4 square mile home-rule municipality located within Franklin County in central Ohio.



Elected Officials

Mayor

The City has a strong Mayor-Council form of government. The Mayor serves as the Chief Executive Officer of the City, responsible for the general management of the City and for seeing that all laws and ordinances are enforced. The Mayor appoints professional directors to the City's departments, who administer the day-to-day operations of the City. Mayor Tom Kneeland was first sworn into office January 2, 2016. He previously served on City Council representing Ward 1 and as an At-Large member.



City Attorney

The City Attorney provides advice and legal representation to the City and all elected and appointed officials and employees in their official capacities. The City Attorney prosecutes or defends all suits for and on behalf of the City and serves as legal counsel for the City's various boards and commissions. Gahanna's current City Attorney is Shane Ewald. He was elected in November, 2011 to serve a four-year term commencing on January 2, 2012. Prior to being elected City Attorney, Mr. Ewald served four terms on Gahanna City Council as a representative of Ward Two.

City Council

All legislative powers of the City are vested in the City Council. Four members are elected from wards and three are elected at-large. Council is responsible for passing an annual appropriations ordinance and authorizing the Mayor to sign contracts and agreements. Council determines its own rules of procedure and its meetings and their proceedings are open to the public.



GAHANNA CITY COUNCIL 2016

Front: Brian D. Larick (Ward 3, Vice President), Stephen A. Renner (Ward 1, President), Karen J. Angelou (At Large)
Back: Michael Schnetzer (Ward 2), Nancy McGregor (At Large), Jamie Leeseberg (Ward 4), Brian Metzbowler (At Large)

Gahanna at a Glance

The City of Gahanna, population 33,288, is a dynamic and vibrant community. Gahanna’s population is diverse, well-educated and involved in community, school and faith activities. Residents enjoy a wide variety of community amenities, including the shops and restaurants available throughout the city, walking and biking trails adorning the city and the second largest amount of park and open space acreage owned by a municipality in suburban Franklin County.

Demographics

Population Facts		Cost of Living	
Population	33,288	Median Household Income	\$71,201
Median Age	39.4	Median Home Value	\$186,300
Households	12,855	Home Ownership	75%
Median Household Size	2.6	Unemployment Rate	4.1%

Sources: US Census Bureau, Mid-Ohio Regional Planning Commission

Physical Attributes

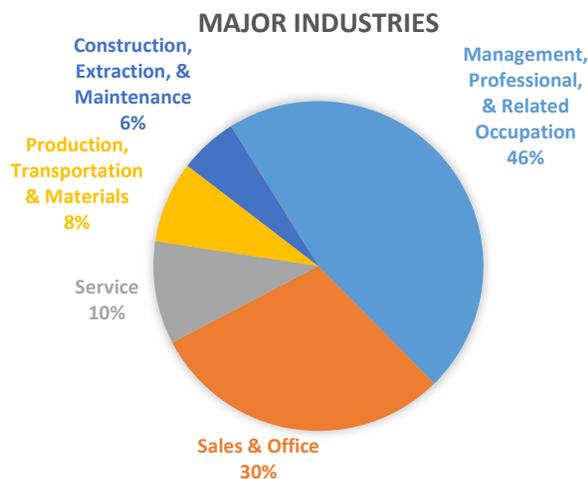
Land and Infrastructure	
Area (square miles)	12.43
Streets (lane miles)	325
Sanitary Sewer (miles)	150.94
Water Mains (miles)	152.37
Fiber Optics (miles)	14.42
Parkland (acres)	759
Parks + Open Spaces	42
Trails (miles)	17.1
Playgrounds	15

Sources: Gahanna Public Service and Parks Departments



Employment and Economy

Gahanna has more than 3,000 local employers that contribute to the strength of the City’s local economy and the City’s excellent bond ratings (Standard & Poor’s: AA+ and Moody’s: Aa1).



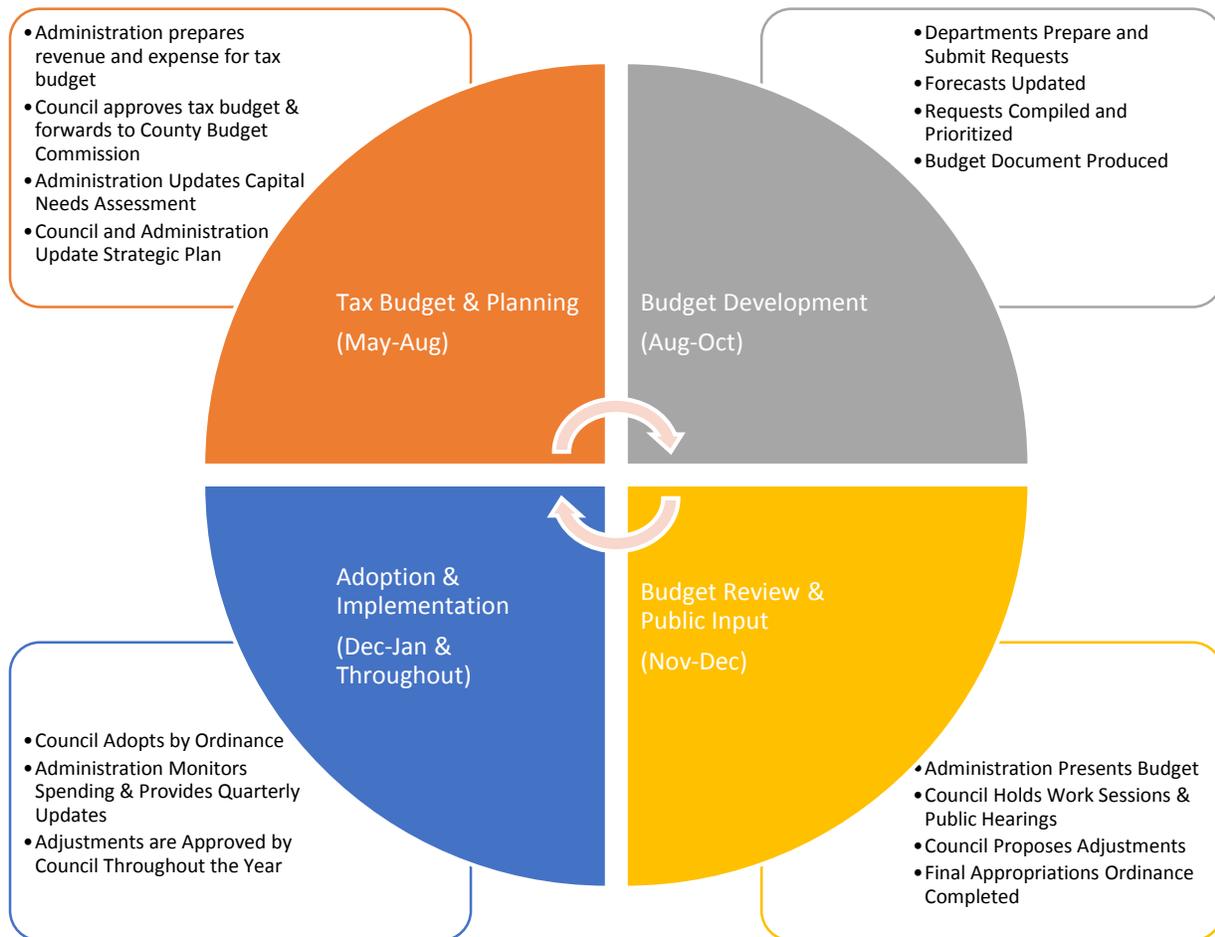
Top Ten Income Tax Withholders (2015)
American Electric Power, Public Utility
Gahanna-Jefferson Schools, Public School District
JP Morgan Chase, Financial Institution
McGraw-Hill Education LLC, Educational Materials Supplier
Ohio Power Company, Public Utility
Columbus Academy, Private School K-12
City of Gahanna, Municipality
Ohio Health Physicians Group, Healthcare provider
Donatos Pizzeria LLC, Food Service Company
ADP Total Source III, Human Resource & Payroll Service Provider

The Budget Process

Gahanna’s annual budget is one of the most important and informative documents City officials, staff and citizens will use. It is the financial plan for the year, identifying the City’s priorities and policy environment, and reporting department activities and performance.

Developing the City’s budget is a year-round process that ends each December with the final formal adoption of the budget by City Council. Key milestones of the process are the submission of the state mandated tax budget each July to the County, completion and presentation of the annual Capital Needs Assessment, and then Council’s formal adoption of the budget.

The adopted budget becomes effective on January 1. The entire budget is available on our website at www.gahanna.gov/budget.aspx. This year’s budget will be provided to the Government Finance Officers Association (GFOA) to be considered for the Distinguished Budget Presentation Award. Gahanna received this award for the first time for its 2014 budget and received it for 2015 as well.

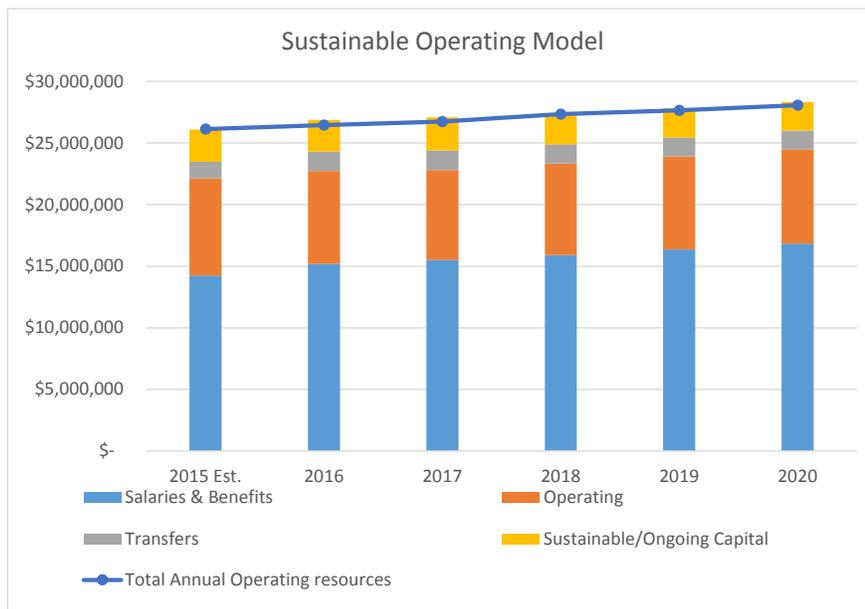


Sustainability

The 2016 budget request has at its foundation the concept of sustainability. Throughout 2014 and 2015, the Administration and Council collaboratively developed and honed what we call the Sustainable Operating Model (SOM). The 2015 budget successfully demonstrated that it was a viable approach for the City, and the 2016 budget continues it. The SOM is built upon two key ideas:

The SOM is a five-year plan for General Fund funded City operations. The 2016 portion of the SOM is the core of the 2016 operating budget. This plan combines information from our historical trends, future projections and our five-year Capital Needs Assessment to determine a sustainable ongoing level of operations for the City. Long-term savings have been achieved by reducing overall staffing from pre-recession levels, backfilling full-time positions with part-time staff where feasible, and reducing or eliminating programs and services that are not deemed core to the City's operations.

- 1) We will *maintain the City's core infrastructure at a professionally appropriate level*
- 2) *Ongoing operating costs must be paid for using ongoing revenue sources*



While the SOM addresses our ongoing operational needs, it does not address the need for funding for capital improvement projects and other strategic one-time initiatives. As a part of the 2016 budget process, the Administration has developed a long-term plan for funding high priority one-time projects using one-time resources. The details of this plan can be found in the full budget document available at www.gahanna.gov/budget.aspx.

Citywide Strategic Projects

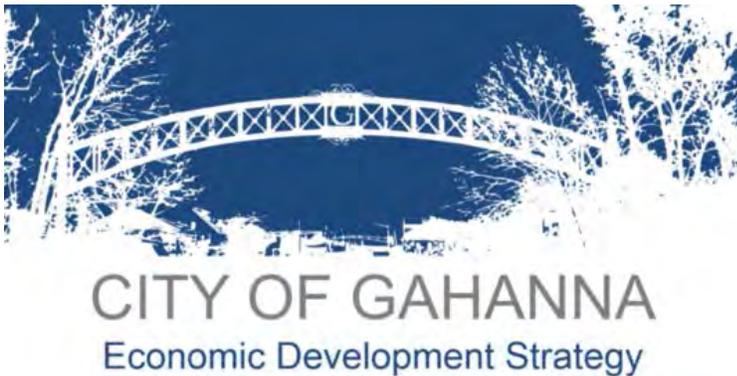
GoForward Gahanna

The GoForward Gahanna initiative is a collaborative planning process between City administration, Council and the community. The purpose of this process is to engage elected officials, City staff, citizens and community stakeholders in the development of a city-wide strategic plan. The plan will serve as a long-term guide for strategic, operational, resource and policy decisions, while ensuring the City is dedicating its resources appropriately and achieving meaningful results.



GoForward Gahanna began with a robust public engagement process with 10 Listening and Learning workshops geared toward asking residents and stakeholders what matters most to them in the community. Aided by our consulting partners, City Council and the Mayor will synthesize this input, along with information gathered in in-depth interviews with elected officials, employee focus groups and a review of previous plans and surveys into a set of meaningful strategic priorities and measurable strategic results. Throughout 2016 work to develop detailed implementation plans will take place, and the City will begin reporting back to the community about its progress.

For more information about the GoForward Gahanna initiative, visit the project website at www.GoForwardGahanna.org.



Economic Development Strategy

In late 2015, the City related its Economic Development Strategy. The purpose of this Strategy is to identify the community's economic potential to attract and retain high quality businesses and development in the City.

Developed in partnership with planning and development experts, local business

leaders and community stakeholders, the Economic Development Strategy provides a unified, comprehensive approach toward planning Gahanna's future over the next 5-10 years. This Strategy serves as a guide for future development and policy decisions that reflect the community's long-term vision, goals, and priorities, balanced with an understanding of marketplace conditions and opportunities. It will assist City staff in communicating the City's economic potential to residents, developers, and businesses.

For more information about the Economic Development Strategy, visit the project webpage at <http://www.gahannaohiousa.com/economic-development-strategy/>.

Capital Investment

Operating Capital

The 2016 budget includes steady annual funding for ongoing capital expenditures that are needed as a part of ongoing City operation. By providing steady annual funding for these ongoing capital needs, the City can minimize the operations and maintenance costs that would be required to service aging infrastructure.

Division	Planned Capital Improvement	2016 Budget
Parks & Recreation	Multi-Purpose Trails	\$ 220,000
Parks & Recreation	Creekside Park and Plaza Repairs	\$ 125,000
Parks & Recreation	Park Asphalt Resurfacing	\$ 80,000
Parks & Recreation	Play Elements & Surfacing Replacement	\$ 55,000
Parks & Recreation	Golf Cart Replacement Program	\$ 30,000
Public Safety	Communication Center Infrastructure Update	\$ 80,000
Public Safety	Police Radio Replacement Program	\$ 75,000
Public Safety	Police Facility Maintenance and Upkeep	\$ 20,000
Public Service	Asphalt Overlay	\$ 907,000
Public Service	Equipment Replacement Program (Excluding Police)	\$ 300,000
Public Service	Police Vehicle Replacement Program	\$ 250,000
Public Service	Municipal Compound Flooring Replacement	\$ 50,000
Public Service	Engineering Wide Format Printer/Scanner	\$ 25,000
Public Service	Street Lights at Intersections	\$ 20,000
Technology	GNET Fiber Network Growth & Redundancy	\$ 75,000
Technology	Physical Server Lifecycle Replacement	\$ 30,000
Technology	Dual Network Core Switches	\$ 25,000
Total		\$ 2,367,000

In addition to the projects identified above, the City will continue year two of its 3-year \$4.5 million project to rebuilt Detroit-style residential streets throughout the City.

One-Time Capital Projects

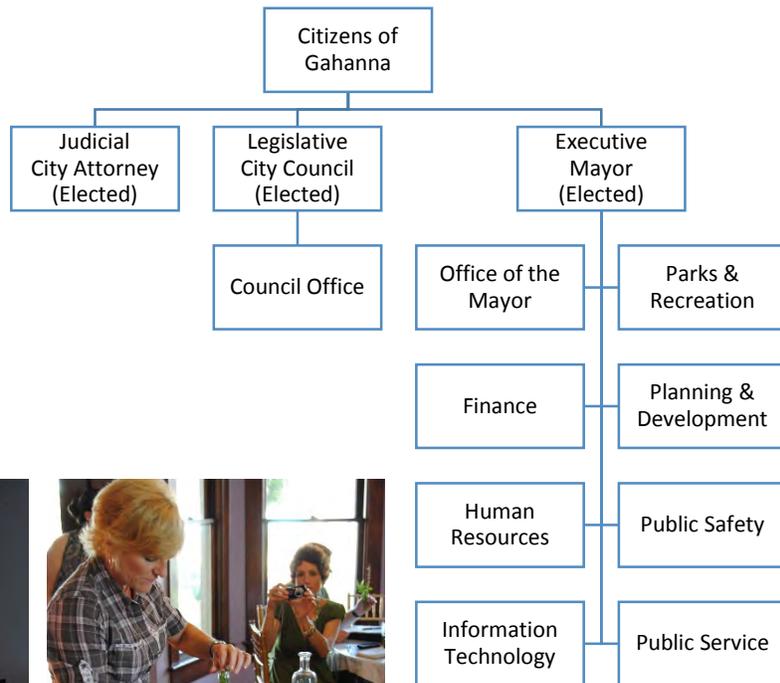
The 2016 budget also includes funding, using one-time resources such as accumulated fund balances and grant funds to address the projects listed below. Detailed information on each of the projects listed is available in the full budget document.

Division	Planned Capital Improvement	2016 Budget
Development	Gateways to Gahanna-Entryway Signs & Features	\$ 225,000
Parks & Recreation	Southwest Floodplain/Veteran's Park Phase I	\$ 200,000
Parks & Recreation	620 McCutcheon Road Park Purchase	\$ 178,700
Public Service	Hamilton Road Central (Carpenter Road to US 62) ST-785	\$ 267,000
Public Service	Flint Ridge Sidewalks	\$ 150,000
Public Service	Heil Drive Bridge Replacement	\$ 100,000
Public Service	Pizzurro Park Bridge Replacement	\$ 100,000
Public Service	Oklahoma Complex - Security Improvements	\$ 21,000
Public Service	Morse Rd Columbus Project (Hamilton Rd - Trellis Ln)	\$ 15,000
Public Service	Water Tower/Park Storage Site - Security Improvements	\$ 8,000
Technology	Fiber Optic Expansion	\$ 100,000
Total		\$ 1,364,700

Staffing & Organization

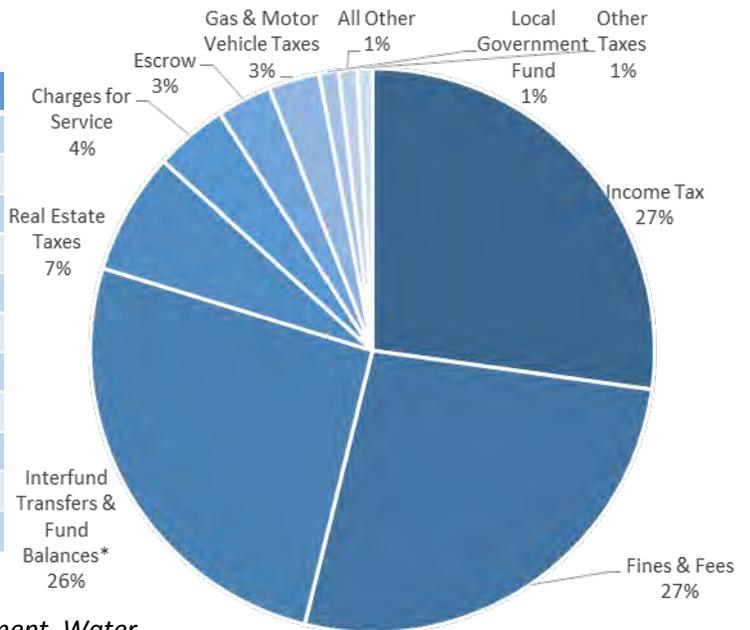
Gahanna's City government is, at its core, a service organization. Our greatest strength is our people. From the 55 sworn members of our Police force who serve and protect the citizens of Gahanna to our Parks & Recreation staff who maintain over 775 acres of award-winning parks and open spaces throughout the City, Gahanna employs 147 full-time, 6 part-time and seasonal employees who keep the City running. An additional 40 elected and appointed officials serve on City Council, and various boards and commissions.

City of Gahanna Organization Chart



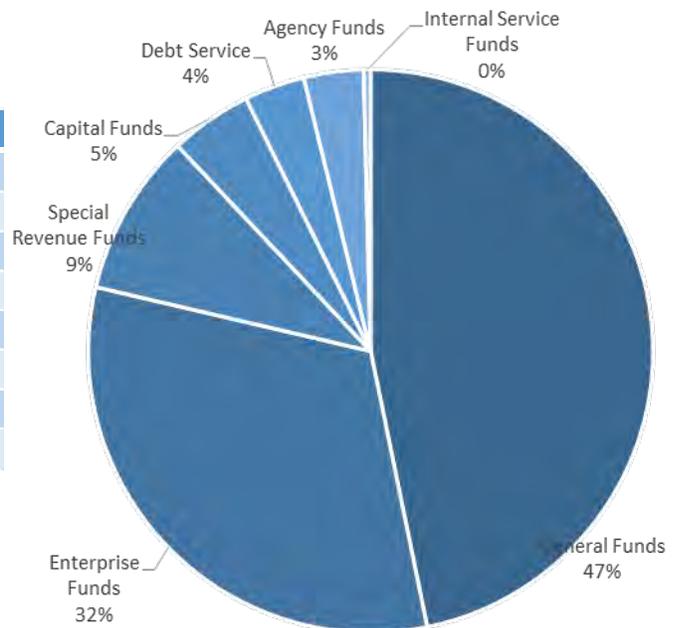
Where the Money Comes From

All Funds-Resources by Category	
Income Tax	\$ 17,549,200
Fines & Fees	\$ 17,189,900
Interfund Transfers & Fund Balances*	\$ 16,674,540
Real Estate Taxes	\$ 4,511,500
Charges for Service	\$ 2,692,040
Escrow	\$ 2,034,200
Gas & Motor Vehicle Taxes	\$ 1,878,000
Local Government Fund	\$ 722,000
All Other	\$ 691,300
Other Taxes	\$ 548,900
Total	\$ 64,491,580

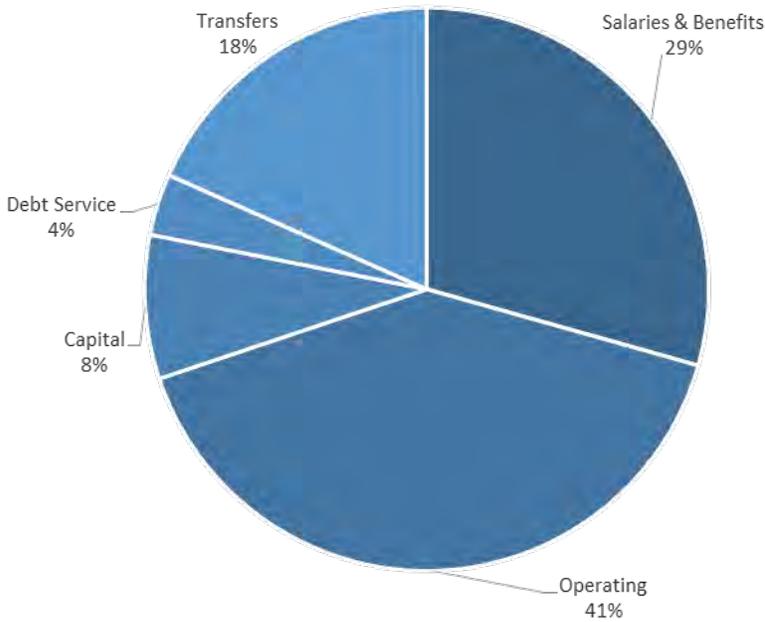


**Many of the City's funds, like the Capital Improvement, Water and Sewer funds, have dedicated resources which can only be spent on these programs. Fund balances maybe higher in these programs due to saving for future projects.*

All Funds-Resources by Fund Type	
General Funds	\$ 29,779,970
Enterprise Funds	\$ 21,414,010
Special Revenue Funds	\$ 5,957,500
Capital Funds	\$ 2,793,400
Debt Service	\$ 2,282,900
Agency Funds	\$ 2,034,400
Internal Service Funds	\$ 229,500
Total	\$ 64,491,680

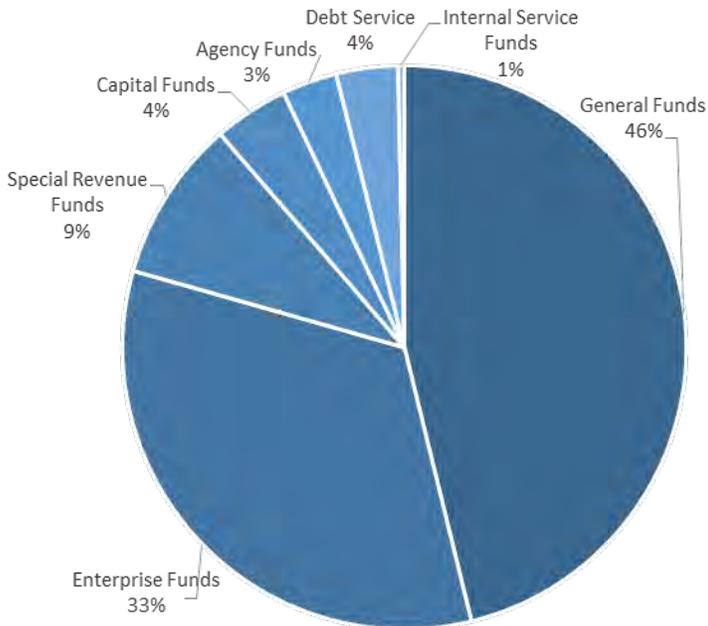


Where the Money Goes



All Funds-Expenditures by Type	
Salaries & Benefits	\$ 18,938,090
Operating	\$ 26,107,670
Capital	\$ 5,332,990
Debt Service	\$ 2,273,400
Transfers	\$ 11,839,430
Total	\$ 64,491,580

- Salaries & Benefits**: all wages, salaries, and fringe and insurance benefits for the City's workforce
- Operating Expenses**: supplies, materials, contract services and maintenance expenses
- Capital Expenditures**: construction or purchase of capital assets and infrastructure that have a value of at least \$5,000 and useful life of at least five years
- Debt Service**: annual principal and interest for bonds issued to finance past capital projects
- Transfers**: repayments and movement of money between City funds



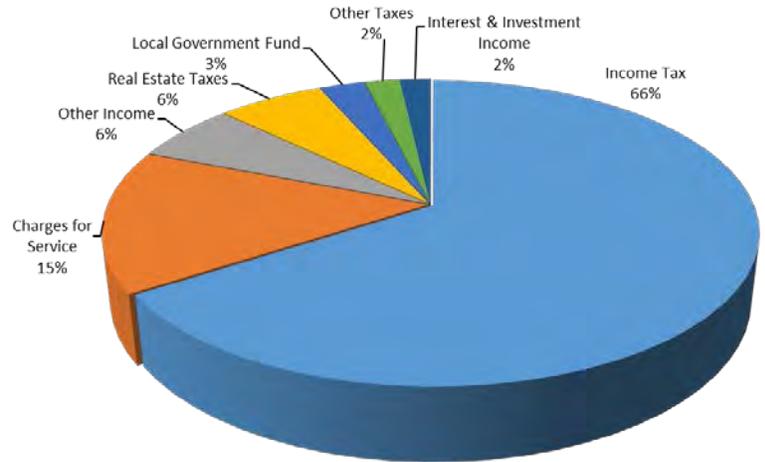
All Funds-Expenditures by Fund Type	
General Funds	\$ 29,779,970
Enterprise Funds	\$ 21,414,010
Special Revenue Funds	\$ 5,988,200
Capital Funds	\$ 2,762,700
Agency Funds	\$ 2,034,300
Debt Service	\$ 2,282,900
Internal Service Funds	\$ 229,500
Total	\$ 64,491,580

Gahanna's General Fund

The City's General Fund provides the majority of resources for most of the services that cities typically offer, including public safety, maintenance, and general government functions required to support direct services to the community.

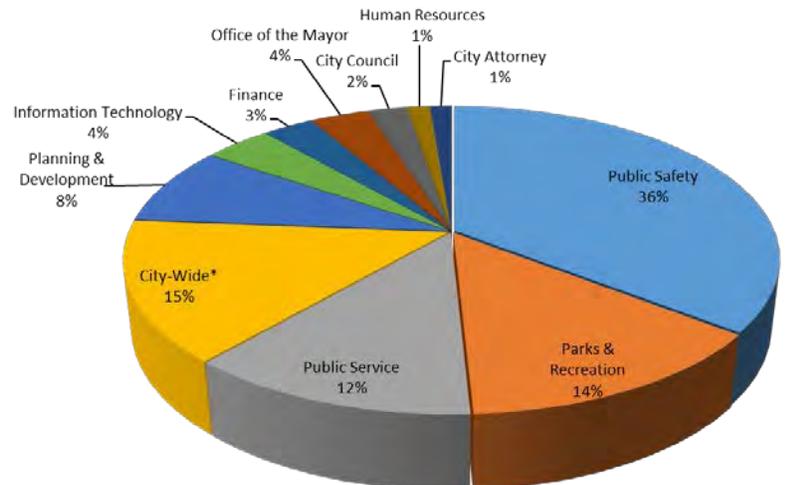
General Fund Revenue

General Fund Revenue	
Income Tax	\$ 17,549,200
Charges for Service	\$ 4,023,800
Other Income	\$ 1,654,570
Real Estate Taxes	\$ 1,679,000
Local Government Fund	\$ 722,000
Other Taxes	\$ 548,900
Interest & Investment Income	\$ 483,000
Total	\$ 26,660,470



General Fund Expenditures

General Fund Expense by Department	
Public Safety	\$ 10,518,150
Parks & Recreation	\$ 4,053,870
Public Service	\$ 3,614,030
City-Wide*	\$ 4,400,260
Planning & Development	\$ 2,461,220
Information Technology	\$ 1,186,350
Finance	\$ 902,040
Office of the Mayor	\$ 1,038,390
City Council	\$ 682,270
Human Resources	\$ 395,020
City Attorney	\$ 373,190
Total	\$ 29,624,790



City-Wide expenses include fund transfers, auditor deductions, and revenue sharing expenses.

Gahanna maintains an emergency reserve in the General Fund of 25% of planned operating expenses for the year (excluding one-time capital). In 2016, this amount is \$6.7 million.

Excess reserves of \$2.9M will be used to fund high priority one-time capital and operating investments.

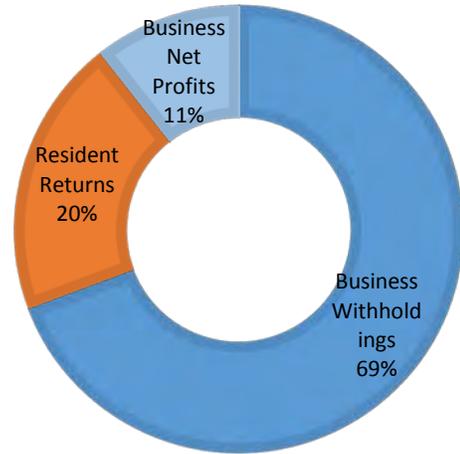
Understanding Your Taxes

Income Tax

Gahanna's primary source of General Fund revenue is our local income tax. It makes up two-thirds of total General Fund revenue. Gahanna's income tax rate is 1.5%, with an 83.33% credit for the first 1.5% in taxes residents pay to another municipality.

Income Tax: How much do I owe? (\$50,000 income)		
Resident who works in Columbus	Resident who works in Gahanna	Retiree/Under 18
<ul style="list-style-type: none"> • Pay Columbus \$1,250 • Pay Gahanna \$125 	<ul style="list-style-type: none"> • Pay Gahanna \$750 	<ul style="list-style-type: none"> • No income tax

2015 INCOME TAX REVENUE



The majority of the income tax the City collects come from Gahanna businesses, between their withholdings (69%) and net profits (11%). For this reason, City efforts to create jobs and strengthen our business base are essential to the financial health of the City.

Real Estate Tax

Real Estate taxes are based on the tax rate where the property is located and the taxable value of your property as determined by the County Auditor (www.franklincountyauditor.com). The total tax rate in Gahanna tax district 025 (Gahanna Jefferson Schools & Mifflin Township) is 82.42 mills per \$1,000 in Assessed Value.

Real Estate Tax: How much do I owe? (\$200,000 Assessed Value)	
\$5,769 Total Amount of Real Estate Tax for 2015	\$121 Amount that Gahanna Receives

In Gahanna, **only 2.1%** of the real estate taxes paid by property owners is collected by the City of Gahanna. The rest is distributed to the Schools, Franklin County (including social services and the zoo) the Township general fund and fire department, the Library and the Vocational Schools.



Your Real Estate Tax Dollar At Work

Get Involved

There are numerous opportunities for Gahanna's Citizens to get involved with City government.

City Council

Attend a City Council meeting on Monday nights at 7 pm. Public comment is encouraged during the formal Council meetings on the first and third Mondays of each month. The second and fourth Mondays are used for committee meetings and work sessions. The public is welcome to attend those as well.

City Council hosts quarterly "Coffees with Council" sessions to connect with citizens. Check the City's website for a schedule of upcoming dates and times.

Boards and Commissions

City Council and the Mayor appoint citizen members to sit on a number of boards and commissions that guide the work of the City. Contact us if you're interested in learning more or to see if vacancies exist in any of these groups

- Board of Zoning and Building Appeals (BZA)
- Charter Review Commission
- Civil Service Commission
- Community Improvement Corporation (CIC)
- Community Reinvestment Area Housing Council (CRAHC)
- Community Urban Redevelopment Council (CURC)
- Convention and Visitors' Bureau (CVB)
- Income Tax Board of Review
- Landscape Board
- Parks & Recreation Board
- Parks & Recreation Foundation
- Planning Commission
- Records Commissions
- Senior Center Advisory Board
- Tax Incentive Review Council
- Water and Sewer Advisory Board

CONTACT US

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www.instagram.com/CityOfGahanna

And sign up for our new online forum for civic engagement:

Open Town Hall

www.gahanna.gov/forum.aspx

