

INTERNAL SERVICE FUNDS

Employee Benefits Fund

2015 Cash Balance Statement

The employee benefits fund was established in 1993. A portion of this fund is dedicated to the administration of the risk management section of the Department of Human Resources. The fund's primary source of revenue is the monthly insurance premium paid by each division for all participating employees of the city's insurance program.



2015 Employee Benefits Fund

Balance Summary

Unencumbered Cash Balance (January 1, 2015)	\$ -
Plus Estimated 2015 Receipts	4,306,536
Total Estimated Available Resources	<u>\$ 4,306,536</u>
Less 2015 Recommended Operating Budget	(4,306,536)
Projected Available Balance (December 31, 2015)	<u><u>\$ -</u></u>

Notes:

- The figures cited above reflect only the revenues and expenditures associated with administration of the risk management section of the Department of Human Resources.
- Revenues and expenditures associated with the payment of claims are not represented in this section.

Print and Mailroom Services Fund

2015 Cash Balance Statement

The print and copy center operates as an internal service fund, with costs supported by billing user agencies for print and copy services provided. Mailroom services, transferred from the Department of Technology to the Department of Finance and Management in 2008, are included in this fund as well. Revenues and expenditures for both the print center and the mailroom are accounted for in this fund. Charges for the mailroom, including postage charges, are billed back to user agencies. The fund is projected to begin 2015 with a negative unencumbered cash balance of \$11,747, primarily due to historically low print shop revenues. The fund is expected to end 2015 in a better position, with a unencumbered cash balance of \$23,253. Revenues are expected to increase over 2014 in both the print shop and the mailroom. Significant improvements in billing procedures, office space and equipment have been implemented and the resulting benefits continue to be reflected in both operations. In addition, the Print Shop will begin working towards becoming the primary print source for all city agencies in 2015.

2015 Print and Mailroom Services Fund	
Balance Summary	
Unencumbered Cash Balance (January 1, 2015)	\$ (11,747)
Plus Estimated 2015 Print Services Receipts	395,025
Plus Estimated 2015 Mailroom Services Receipts	1,236,173
Plus Estimated Encumbrance Cancellations	35,000
Total Estimated Available Resources	<u>\$ 1,654,451</u>
Less 2015 Recommended Operating Budget - Print	(395,025)
Less 2015 Recommended Operating Budget - Mailroom	(1,236,173)
Projected Available Balance (December 31, 2015)	<u><u>\$ 23,253</u></u>

2015 Revenue Summary

2015 Print and Mailroom Services Fund				
Revenue by Source and Year				
Historical and Projected				
Revenue Summary	2012	2013	2014	2015
	Actual	Actual	Estimated	Proposed
Print Services	\$ 223,516	\$ 282,800	\$ 354,010	\$ 395,024
Mailroom Services	1,006,760	1,006,905	1,160,788	1,236,173
Encumbrance Cancellations	14	32,550	35,137	35,000
Unencumbered Cash Balance	7,805	(115,489)	(39,228)	(11,747)
Total Resources	<u>\$ 1,238,095</u>	<u>\$ 1,206,766</u>	<u>\$ 1,510,707</u>	<u>\$ 1,654,450</u>
Percent Change		-2.53%	25.19%	9.51%

Land Acquisition Fund

2015 Cash Balance Statement

Revenues to the land acquisition fund are comprised of charges to other city divisions for land acquisition services. The 2015 revenue estimate is equal to a projection of 2,860 hours of services billed at a rate of \$300 per hour. The division reviews its rate periodically and increases it when necessary to fully recover costs. The land acquisition fund should end 2015 with a projected unencumbered cash balance of \$438,872.

2015 Land Acquisition Fund	
Balance Summary	
Unencumbered Cash Balance (January 1, 2015)	\$ 527,055
Plus Estimated 2015 Receipts	858,000
Plus Estimated Encumbrance Cancellations	-
Total Estimated Available Resources	<u>\$ 1,385,055</u>
Less 2015 Recommended Operating Budget	(946,183)
Projected Available Balance (December 31, 2015)	<u><u>\$ 438,872</u></u>

Technology Services Fund

2015 Cash Balance Statement

The technology services fund is housed in the Department of Technology and is projected to begin the year with no unencumbered cash balance and end the year with \$142,776. Revenues to the fund consist of charges to other city divisions for technology services, utilizing an updated rate model to determine applicable rates for various operational functions. In addition, the department procures goods, services, and other computer related equipment on behalf of city divisions and bills back the cost as a direct charge. The department also receives revenue from outside sources, such as Franklin County, the Franklin Park Conservatory and the Martin Luther King facility, for services provided.

2015 Technology Services Fund	
Balance Summary	
Unencumbered Cash Balance (January 1, 2015)	\$ -
Plus Estimated 2015 Receipts	33,698,452
Plus Estimated Encumbrance Cancellations	200,000
Total Estimated Available Resources	<u>\$ 33,898,452</u>
Less 2015 Recommended Operating Budget	(33,755,676)
Projected Available Balance (December 31, 2015)	<u><u>\$ 142,776</u></u>

Pro Forma Operating Statement

The department will continue to use a charge-back methodology to fully recover costs related to information technology services. In 2009, an updated rate model was completed which more accurately reflects user charges and services as well as cost recovery. The department continues to use a time and attendance reporting system for many of its services.

A pro forma operating statement for the ten-year period follows this section and represents the Director's Office and the Information Services Division (ISD) revenues and expenditures for that period. The major assumptions are as follows:

- Personnel expenses, supplies, and maintenance expenses are inflated at two percent per year. Insurance costs are projected to grow by five percent annually in 2016 and beyond; however, projections include offsets due to incremental increases in employee shares.
- The Information Services Division incurs debt service for capital expenditures such as terminal replacement, system migration, network expansion, the city's Oracle site license and enterprise-wide network management software, data center renovations, hardware upgrades and mass storage, software upgrades, telephony upgrades, and other projects.
- Recovery rates in the pro forma are adjusted as necessary to allow the division to maintain positive year-end unencumbered cash balances. This pro forma indicates a two and one quarter percent increase in revenues in 2017, as necessary, to meet that goal. Revenues in each of the years thereafter are adjusted to maintain a positive balance in the fund.

**INFORMATION SERVICES DIVISION
PRO FORMA OPERATING STATEMENT**

	Actual 2013	Estimated 2014	Proposed 2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
REVENUES BY SOURCE												
Other Fund-Direct Charge	3,664,237	2,691,018	4,376,655	4,442,305	4,542,257	4,712,591	4,783,280	4,855,029	4,927,855	5,001,773	5,076,799	5,152,951
Other Fund-Indirect Charge	11,820,334	10,739,406	12,066,066	12,247,057	12,522,616	12,992,214	13,446,941	13,816,732	14,334,860	14,800,743	15,059,756	15,285,652
General Fund-Direct Charge	1,120,557	788,039	950,240	964,494	986,195	1,023,177	1,058,988	1,088,110	1,128,915	1,165,604	1,186,002	1,203,792
General Fund-Indirect Charge	13,619,779	14,939,576	16,245,963	16,489,652	16,860,670	17,492,945	18,105,198	18,603,091	19,300,707	19,927,980	20,276,719	20,580,870
Outside Source Revenue	154,268	49,596	59,528	60,719	62,085	64,413	66,667	68,501	71,069	73,379	74,663	76,157
Total Revenue	30,379,175	29,207,635	33,698,452	34,204,226	34,973,822	36,285,340	37,461,075	38,431,463	39,763,405	40,969,478	41,673,940	42,299,422
Encumbrance Cancellations	268,637	550,400	200,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,001
Beginning Fund Balance	227,041	910,462	-	142,776	276,117	65,904	59,265	62,246	73,858	75,109	37,997	27,313
TOTAL RESOURCES	30,874,853	30,668,497	33,898,452	34,497,002	35,399,939	36,501,244	37,670,340	38,643,710	39,987,263	41,194,588	41,861,937	42,476,736
EXPENDITURES												
Operating- Admin & ISD												
Personnel Services	12,741,382	13,554,943	14,431,382	14,720,010	15,014,410	15,314,698	15,620,992	15,933,412	16,252,080	16,577,122	16,908,664	17,246,837
Health Insurance	2,058,012	2,250,342	2,442,045	2,564,147	2,692,355	2,826,972	2,968,321	3,116,737	3,272,574	3,436,203	3,608,013	3,788,413
Materials & Supplies	759,668	1,049,767	1,521,140	1,551,563	1,582,594	1,614,246	1,646,531	1,679,461	1,713,051	1,747,312	1,782,258	1,817,903
Services	8,827,010	8,520,610	10,036,197	10,236,921	10,441,659	10,650,493	10,863,502	11,080,772	11,302,388	11,528,436	11,759,004	11,994,184
Fleet	26,841	15,492	19,566	19,566	19,566	19,566	19,566	19,566	19,566	19,566	19,566	19,566
Other	217,449	23,740	-	-	-	-	-	-	-	-	-	-
Capital Outlay	258,190	122,933	241,000	245,820	250,736	255,751	260,866	266,083	271,405	276,833	282,370	288,017
Total Operating Expenses	24,888,552	25,537,827	28,691,330	29,338,027	30,001,320	30,681,726	31,379,778	32,096,032	32,831,064	33,585,471	34,359,875	35,154,922
Debt Service - Principal	4,290,700	4,295,700	4,220,700	3,775,286	4,118,143	4,444,286	4,826,286	4,987,857	5,642,857	6,305,000	6,429,286	5,581,429
Debt Service - Interest	785,139	834,970	843,646	1,107,573	1,214,572	1,315,967	1,402,030	1,485,962	1,438,233	1,266,120	1,045,463	815,789
Total Debt Service Expenses	5,075,839	5,130,670	5,064,346	4,882,859	5,332,714	5,760,252	6,228,316	6,473,819	7,081,090	7,571,120	7,474,749	6,397,217
TOTAL EXPENSES	29,964,391	30,668,497	33,755,676	34,220,885	35,334,035	36,441,978	37,608,094	38,569,852	39,912,154	41,156,591	41,834,624	41,552,139
ENDING FUND BALANCE	910,462	-	142,776	276,117	65,904	59,265	62,246	73,858	75,109	37,997	27,313	924,597
Assumptions:												
Expenditures increase 2% for personnel expenses, materials & supplies, and services; Insurance increases at 5%.												
Revenues increase at a minimum variable rate from 2016-2024 to maintain fund solvency.												

Fleet Management Fund

2015 Cash Balance Statement

The Fleet Management Division recovers its costs by billing user agencies for services provided. The revenue includes rates of \$75 per hour for light vehicles and \$95 per hour for heavy vehicles, a 35 percent markup on parts, a 5 percent markup on commercial services and credit card fuel purchases, and a fuel overhead rate of \$0.25 per gallon for bulk fuel.

The fleet management services fund is projected to start the year with an unencumbered cash balance of \$129,345 and will end 2015 with an unencumbered cash balance of \$1,196,001.



2015 Fleet Management Fund	
Balance Summary	
Unencumbered Cash Balance (January 1, 2015)	\$ 129,345
Plus Estimated 2015 Receipts	35,743,349
Plus Estimated Encumbrance Cancellations	500,000
Total Estimated Available Resources	<u>\$ 36,372,693</u>
Less 2015 Recommended Operating Budget	(35,176,692)
Projected Available Balance (December 31, 2015)	<u><u>\$ 1,196,001</u></u>

2015 Revenue Summary

2015 Fleet Management Fund				
Revenue by Source and Year				
Historical and Projected				
Revenue Summary	2012 Actual	2013 Actual	2014 Estimated	2015 Proposed
Public Safety	\$ 16,603,874	\$ 13,365,672	\$ 15,558,580	\$ 16,336,066
Refuse Collection	7,092,822	6,741,749	7,516,200	8,109,060
Other General Fund	1,581,662	1,443,956	1,614,960	1,584,332
Other Funds	8,748,371	9,473,018	9,036,279	9,145,486
Refunds/Miscellaneous	175,403	336,555	100,000	568,405
Encumbrance Cancellations	504,407	701,902	5,024,202	500,000
Unencumbered Cash Balance	(2,718,501)	(4,656,312)	(5,382,291)	129,344
Total Resources	\$ 31,988,038	\$ 27,406,540	\$ 33,467,930	\$ 36,372,693
Percent Change		-14.32%	22.12%	8.68%

Pro Forma Operating Statement

A ten-year pro forma operating statement is presented on the following page. It represents the Division of Fleet Management's projected revenues and expenditures for that period, given certain assumptions. The pro forma is essential in planning recovery rate percentage increases or decreases and for maintaining an acceptable year-end balance. The major assumptions included in this pro forma are as follows:

- Personnel expenses, supplies, and maintenance expenses are inflated at two percent per year. Insurance costs are projected to grow by five percent annually in 2016 and beyond; however, projections include offsets due to incremental increases in employee shares. Other expenditures are held flat.
- Debt service principal and interest have been broken out separately. A portion of the debt service principal and interest payments represent reimbursement to the special income tax fund for the retirement of bonds issued for the design of the city's second compressed natural gas fueling station.
- Recovery rates in the pro forma are adjusted as necessary to allow the division to maintain positive year-end unencumbered cash balances. This pro forma indicates a three percent increase in revenues in 2018, as necessary, to meet that goal. Revenues in each of the years thereafter are adjusted to maintain a positive balance in the fund.

FLEET MANAGEMENT FUND
PRO FORMA OPERATING STATEMENT

	Actual 2013	Estimated 2014	Proposed 2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
REVENUE SOURCE												
MAINTENANCE SERVICE CHARGES												
Public Safety	13,365,672	15,558,580	16,336,066	16,336,066	16,336,066	16,826,148	17,330,932	17,547,569	17,854,652	18,211,745	18,575,979	18,947,499
Refuse Collection	6,741,749	7,516,200	8,109,060	8,109,060	8,109,060	8,352,332	8,602,902	8,710,438	8,862,871	9,040,128	9,220,931	9,405,349
Other General Fund Divisions	1,443,956	1,614,960	1,584,332	1,584,332	1,584,332	1,631,862	1,680,818	1,701,828	1,731,610	1,766,242	1,801,567	1,837,598
Other Funds	9,473,018	9,036,279	9,145,486	9,145,486	9,145,486	9,419,851	9,702,446	9,823,727	9,995,642	10,195,555	10,399,466	10,607,455
State Highway Fuel Tax Refund	20,217	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	316,338	100,000	568,405	585,457	603,021	621,111	639,745	658,937	678,705	692,279	706,125	720,247
TOTAL REVENUE	31,360,950	33,826,019	35,743,349	35,760,401	35,777,965	36,851,304	37,956,843	38,442,499	39,123,479	39,905,949	40,704,068	41,518,149
Beginning Fund Balance	(4,656,312)	(5,382,391)	129,345	1,196,002	1,146,917	432,174	31,980	11,327	31,281	42,281	27,114	15,673
Encumbrance Cancellations	701,902	5,024,202	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,001	500,002	500,003
TOTAL RESOURCES	27,406,540	33,467,830	36,372,694	37,456,403	37,424,882	37,783,478	38,488,823	38,953,826	39,654,761	40,448,231	41,231,184	42,033,826
EXPENDITURES												
Operations and Maintenance												
Personnel Services	7,433,845	7,869,807	8,400,224	8,568,228	8,739,593	8,914,385	9,092,673	9,274,526	9,460,017	9,649,217	9,842,201	10,039,045
Health Insurance	1,853,677	2,050,700	2,235,677	2,347,461	2,464,834	2,588,076	2,717,479	2,853,353	2,996,021	3,145,822	3,303,113	3,468,269
Materials & Supplies	16,190,710	16,079,325	15,825,389	16,141,897	16,464,735	16,794,029	17,129,910	17,472,508	17,821,958	18,178,398	18,541,965	18,912,805
Services	3,924,567	3,788,093	4,073,554	4,155,025	4,238,126	4,322,888	4,409,346	4,497,533	4,587,483	4,679,233	4,772,818	4,868,274
Other Disbursements	12,693	15,197	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Capital	-	-	50,000	51,000	52,020	53,060	54,122	55,204	56,308	57,434	58,583	59,755
Total Operations & Maintenance	29,415,492	29,803,122	30,589,844	31,268,611	31,964,307	32,677,438	33,408,529	34,158,124	34,926,787	35,715,104	36,523,681	37,353,148
Director's Office	636,148	632,320	746,504	757,702	769,067	780,603	792,312	804,197	816,260	828,504	840,931	853,545
Debt Service												
Principal	1,873,174	1,915,300	2,655,300	3,216,000	3,236,000	3,310,000	3,337,000	3,100,000	3,090,000	3,175,000	3,265,000	3,345,000
Interest	864,116	987,744	1,185,044	1,067,173	1,023,334	983,456	939,655	860,223	779,433	702,509	585,899	481,985
Total Debt Service	2,737,290	2,903,044	3,840,344	4,283,173	4,259,334	4,293,456	4,276,655	3,960,223	3,869,433	3,877,509	3,850,899	3,826,985
TOTAL EXPENSES	32,788,930	33,338,486	35,176,692	36,309,486	36,992,708	37,751,497	38,477,497	38,922,544	39,612,480	40,421,117	41,215,511	42,033,678
ENDING FUND BALANCE	(5,382,391)	129,345	1,196,002	1,146,917	432,174	31,980	11,327	31,281	42,281	27,114	15,673	148

Construction Inspection Fund

2015 Cash Balance Statement

On April 1, 2009, the Department of Public Service ceased all expenditure and revenue activity in the development services fund and established two new funds: the private construction inspection fund and the internal service construction inspection fund. The internal service construction inspection fund captures the accounting activity associated with the construction administration and inspection services of the Division of Design and Construction. This agency provides these services for roadway, bridge, water, sanitary and storm sewer, electric power, and signal infrastructure for the City of Columbus. Revenues for 2015 are budgeted at \$9,505,051 and encumbrance cancellations of \$130,000 are expected. The fund is expected to end 2015 with an unencumbered cash balance of \$2,403,639.

2015 Construction Inspection Fund	
Balance Summary	
Unencumbered Cash Balance (January 1, 2015)	\$ 1,639,195
Plus Estimated 2015 Receipts	9,505,051
Plus Estimated Encumbrance Cancellations	130,000
Total Estimated Available Resources	<u>\$ 11,274,246</u>
Less 2015 Recommended Operating Budget	(8,870,607)
Projected Available Balance (December 31, 2015)	<u><u>\$ 2,403,639</u></u>

Internal Service Funds

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