

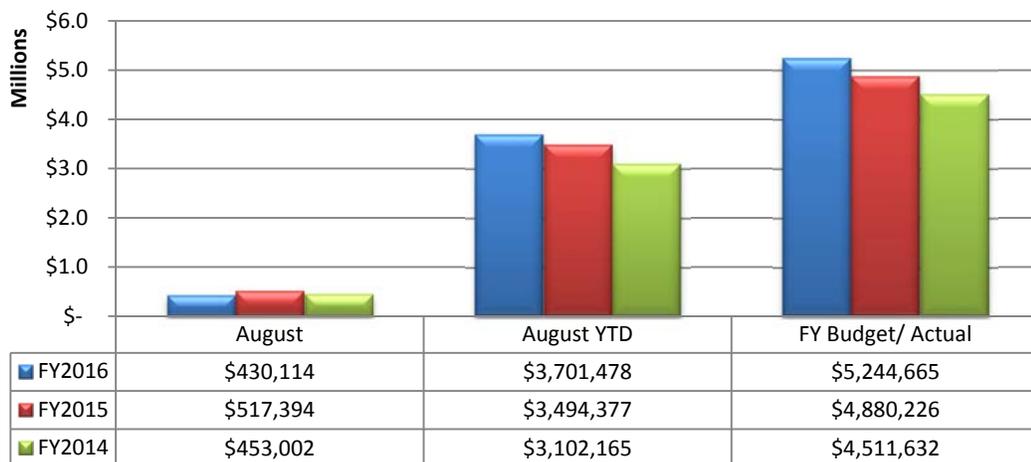


City of Pataskala Finance Department
James M. Nicholson, Finance Director
Finance Director's Report to Council

Current Projects & Issues

- **August 2016** – Although we are still posting entries for the month of August, I would anticipate closing the month by mid-next week. I plan to have the monthly financial report prepared and distributed with the next Finance Director's Report to Council. At this point in time, however, I am able to update Council on the status of August's income tax collections.
 - **Income Tax Revenue** - Collections for the month of August are \$430,114 and are \$87,280 (16.87%) lower than the August 2015 collections. On a year to-date basis, total collections are \$3,701,478 and are \$207,101 (5.93%) higher than last year. When comparing our year over year increase to other comparable communities, we are experiencing a slightly higher rate of increase than comparable RITA communities. The average 2015-2016 increase statewide for the 217 communities (including Pataskala) is currently running at 4.2%, while ours is approximately 6.2%.

Income Tax Collections - All Funds



- **2017 Budget** – I am pleased to announce that we now have a preliminary draft of the 2017 budget compiled and ready for review. I received and compiled all of the departmental CIP worksheets, and incorporated the results in the departmental operating budgets. The Administrator and I will be meeting with the department heads next week to review their proposals, and determine if any changes are required to be made to the proposed budgets. I want to recognize and commend the participation of all the directors in the budget development process. Because of the timely submission of their 2017-2021 spending requirements, I was able to have the first-round of the budget ready before September 1st. This is a major accomplishment, as we are usually at this point in the budget process in early-October. I will now begin working on the Council presentation materials for the September 12th budget workshop.

- **AEP Contract** – The Administrator, Finance Manager and I met with a representative of AEP Energy (electricity provider) to discuss the city’s contract with the company. Our current contract expires in April, 2017, and we are currently paying approximately \$53.00 per MWh (excluding the distribution fee) on all of our accounts (utility included). The city has been offered a contract through May, 2019 at a blended rate of \$49.94 per MWh. Based upon our historical consumption rates, accepting this proposal would result in a savings to the city approximately \$1,300 per month and about \$41,000 over the life of the contract.

- **Police Station Design Funding** – On Monday, August 22nd we closed on the financing transaction with PNC. The final rate on the 9-month note was a 1.05% APR, and the funds were received by the city on the 22nd. Overall, I am extremely pleased with the results of the financing, as well as the performance by all parties involved in the transaction. We are currently planning to begin the construction funding process in December, with an eye to bring legislation to Council in mid-January.