



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

Current Projects & Issues

- **COVID-19 Fiscal Impact** – As we continue forward in our ‘stay at home’ shutdown, it gives me significant concern as to the overall fiscal impact to the city’s finances. We have reserves on hand to weather such a short-term disruption, but that can only sustain us for so long. I’ve asked all departments to curtail any discretionary spending in order to maintain our cash reserves and overall liquidity. As of today, we’ve not yet seen the impact to our revenue streams, but this is only a matter of time. Assuming that the shutdown is terminated by July 1, I would anticipate that we’ll see reductions in our full-year income tax revenues of between 15-25% (on a full-year basis). In addition to those reductions, I would anticipate that the gasoline tax, license/vehicle registration fee revenues will be significantly reduced as well as gasoline consumption is down and the BMV offices are closed for the outbreak. These are key funds for the Public Service department and may potentially impact our ability to fund road-related projects.

The goal is to slow our spending as much as possible now, before revenue reductions hit the general ledger. The benefit of this approach is that it should provide us with additional time to maneuver and operate as normally as possible. However, at some point in the near future (and in coordination with the City Administrator and Council leadership), I would anticipate the city implementing more draconian spending restrictions and freezes. These might come in the form of requisition approvals being held and most non-emergency and non-mandatory (e.g. debt service, utilities, pension payments, etc.) spending being held for the time being.

- **February 2020** – The ledger for the month of February was successfully balanced and closed by the 2nd business day of the month. I began working on the month-end financial reporting but was unable to complete it prior to preparing this report. I’m in the final stages of review and plan to have it completed in the next day or two, however. We are currently working on closing the books for the month of March.
- **2019 Financial Reporting & Audit** – We continue working on creating the schedules and documents required to support the development of the 2019 GAAP accrual-based financial statements for the city, as well as the development of the 2019 Comprehensive Annual Financial Report (CAFR). Most of these schedules involve accrued wages, accounts payable and accounts receivable. In addition, we will also be updating the fixed asset inventory with all purchases and disposals during 2019 and supporting the audit of the 2019 financial statements. Over the past several weeks we have made significant progress in completing many of these schedules.
- **Park Seasonal Staffing Recruiting** – The postings have closed and the number of applications for seasonal swimming pool staffing and grounds maintenance personnel have been compiled and presented to the Personnel Board of Review (PBR) for their review and the development of an approved eligibility list. The Parks Manager will now be arranging interviews for the applicants.
- **Other Staffing Recruiting** – We currently have two other positions currently open: (1) Utility Systems Superintendent; and (2) Mayor’s Court Clerk. We continue to work with the

Administration and the Utility Director to facilitate as stress-free transition process as possible for both unanticipated openings. Applications for the Utility Superintendent and Mayor's Court Clerk were presented to the Personnel Board of Review (PBR) On March 25th for the board's review and the development of an approved eligibility list. Interviews are now being planned by the Administration.