



City of Pataskala, Ohio **POPULAR ANNUAL FINANCIAL REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2021

Dear Citizens of the City of Pataskala:



The City of Pataskala's Finance Department is pleased to present the City's sixth Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2021. This report provides transparency of where the City revenues come from and where those dollars are going for residents that may not have finance or accounting

backgrounds. Additionally, we have highlighted some of the economic development activity and capital improvements that we saw during 2021 and what to look forward to this year.

The financial information for this report has been taken from the 2021 City of Pataskala Annual Comprehensive Financial Report (ACFR). The Annual Report consists of approximately 250 pages of detailed financial statements, notes and schedules as well as very detailed statistical information. The ACFR was prepared in accordance with Accounting Principles Generally Accepted in the United States of America (GAAP) and audited by Julian & Grube, Inc., a CPA firm in Westerville, Ohio. The City once again received an unmodified opinion on the audit, which means that no significant deficiencies were identified that required modification. The City's ACFR can be obtained on the City's website at <http://www.cityofpataskalaohio.gov/city-departments/finance/financial-reports/comprehensive-annual-financial-reports/>. The City of Pataskala's PAFR is unaudited and presented on a GAAP basis, unless otherwise noted.

The purpose of the PAFR is to provide our citizens with summarized financial data and as a means of increasing awareness and knowledge of the operations of the City. We feel that citizens deserve transparency when it comes to their tax dollars and this report is designed to help assist you in gaining a better understanding of the City's resources and how we put your tax dollars to use.

Sincerely,

James M. Nicholson
Finance Director

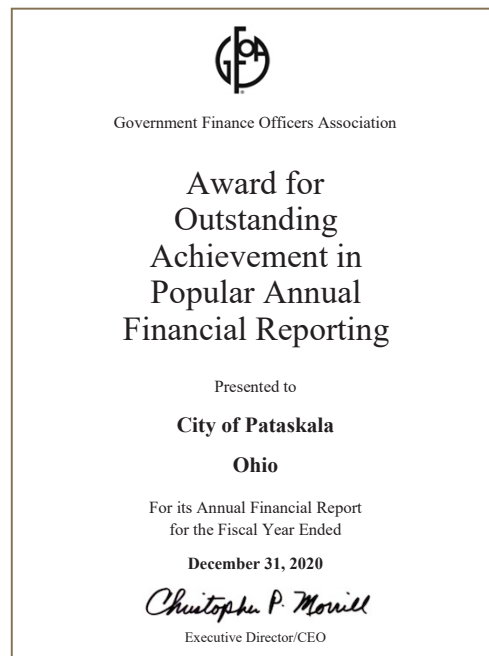
Table of Contents

- 1 Introductory Letter, Awards and Accomplishments
- 2 City Organization
- 3 Property and Income Taxes
- 4 Where the Money Comes From
- 5 Where the Money Goes
- 6 General Fund Analysis
- 7 Street Fund Analysis
- 8 Police Fund Analysis
- 9 City Utility Funds Analysis
- 10 Debt Obligations, Capital Improvements

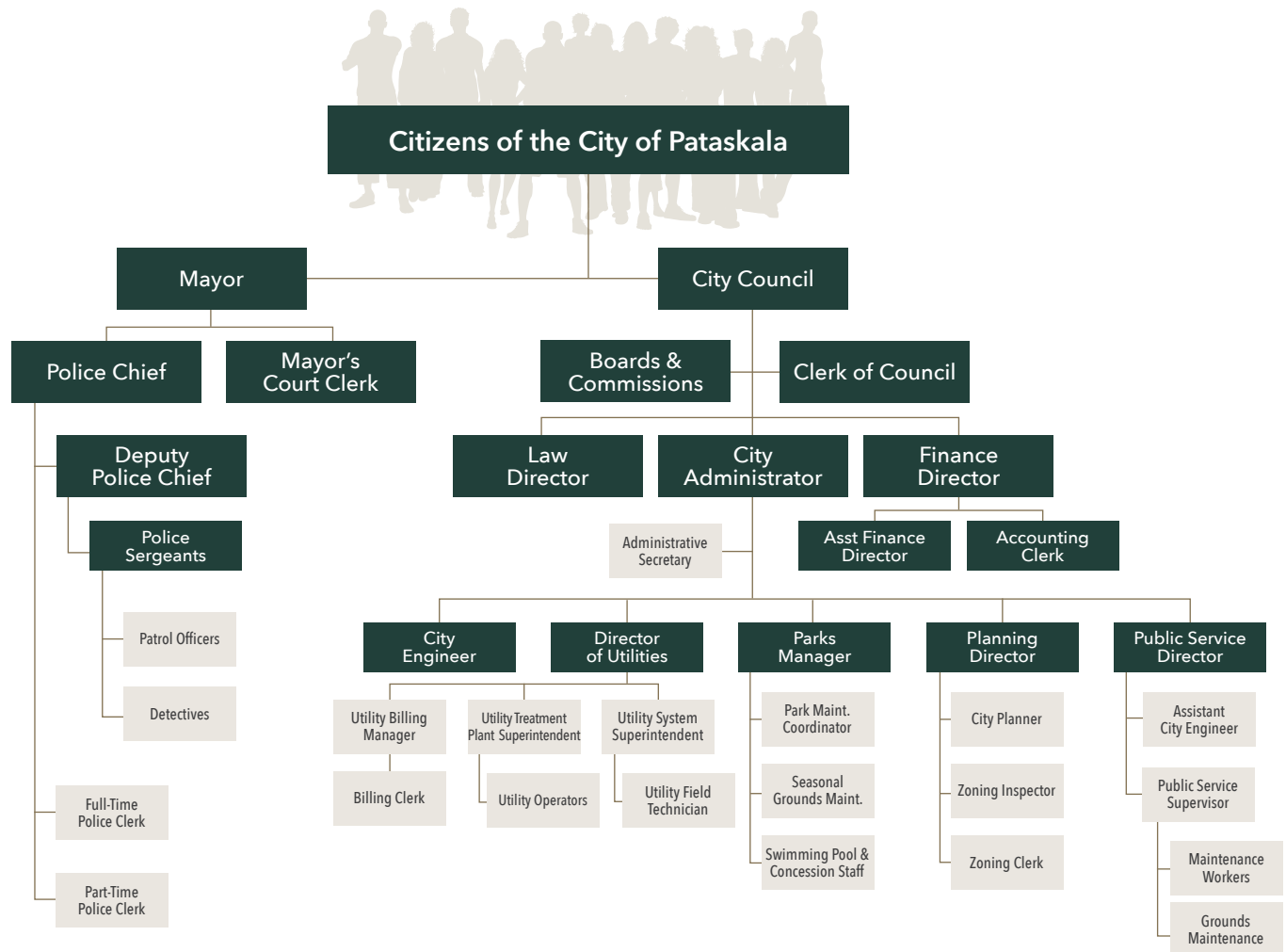
Awards & Accomplishments

The City received the GFOA Award for Outstanding Achievement in Popular Annual Financial Report for 2020.

The City has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the past 12 years (2009-2020) and has applied for the same award for 2020.



City Organization



City Council & Mayor

Although the City Administrator, Tim Hickin, manages City operations on a day to day basis, an elected 7-member Council and Mayor provide oversight and direction to the Administration. Council members are elected to staggered 4-year terms. The current members and their term expirations are as follows:

Mayor	Michael W. Compton (2025)
Council President	Thomas H. Lee (2023)
Ward 1	
At-Large	Dustin Epperson (2021)
At-Large	Jude Hampshire (2021)
At-Large	Andrew W. Walther (2021)
Ward 2	Melissa A. Carter (2023)
Ward 3	Todd W. Barstow (2023)
Ward 4	Brandon Galik (2023)



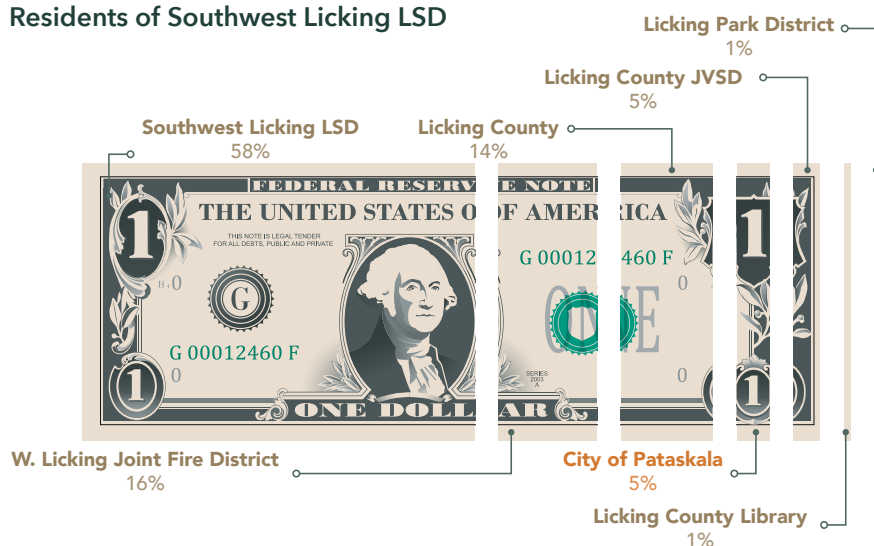
Property Taxes

Only a small portion of your property taxes support City operations. The City's General Fund receives approximately \$0.04–\$0.05 of every dollar of property tax paid. School districts, Licking County, and various other entities receive a portion of the taxes paid by the City of Pataskala residents.

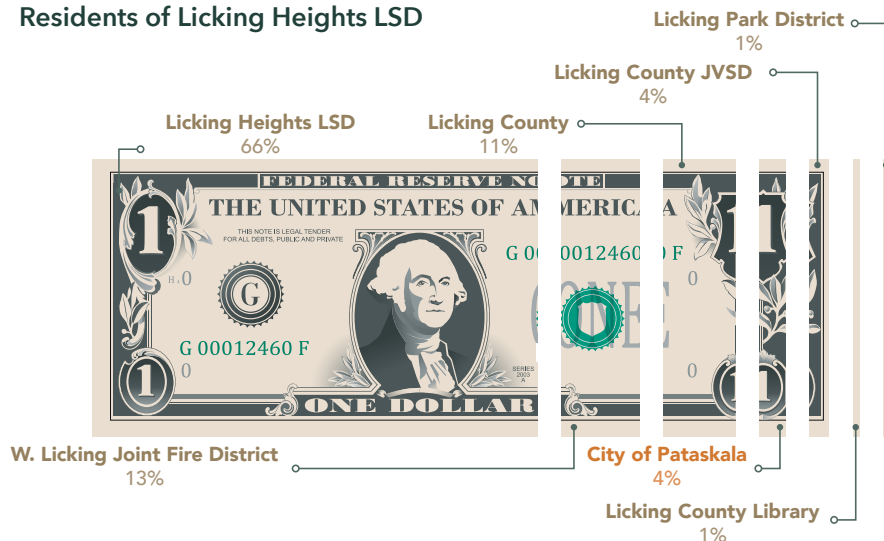
Understanding Property Taxes

Property tax is based on the amount charged per \$1,000 worth of taxable property value, also known as 'millage'. Amounts collected for levies other than general operating must be used for those specific purposes. The County Auditor's office handles the administration of property taxes in the state of Ohio by collecting and distributing the taxes paid to the appropriate jurisdiction. The City has no voted levies outstanding and only receives 2.9 mill of 'inside' or unvoted millage.

Residents of Southwest Licking LSD



Residents of Licking Heights LSD



Income Taxes

Income taxes represent the largest source of revenue for the City, and are collected by the Regional Income Tax Agency (RITA). Income tax collections are comprised of three sources: taxes withheld from employees working in the City, taxes from individual residents, and taxes on net profits of businesses operating in the City. Since mid-2010, the City has levied a 1.00% income tax and has allocated the amount to four City funds. The City adjusts the income tax allocations each year based on the needs of the City.

Where your income taxes go by fund:

	2021	2020	2019	2018
Street fund	32.90%	29.95%	33.00%	32.10%
Police fund	55.00%	53.88%	51.50%	52.00%
Capital improvements fund	1.50%	1.75%	6.00%	2.00%
Debt service fund	10.60%	14.42%	9.50%	13.90%

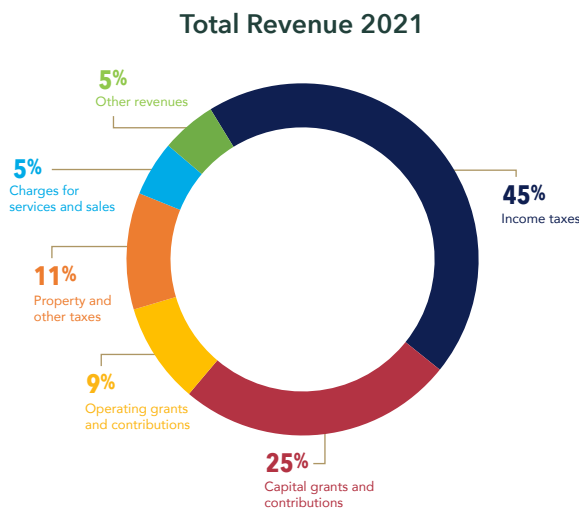
The chart below shows how Pataskala compares to other neighboring communities in their income tax rate.

City of Columbus	2.50%
City of Newark	1.75%
City of Reynoldsburg	2.50%
City of Gahanna	2.50%
Village of Granville	1.50%
City of Johnstown	1.00%
City of Pataskala	1.00%

Where the Money Comes From

Revenues - Governmental Activities

The funding the City receives in order to provide services to citizens and the community as a whole comes from a variety of sources at the local, state and federal levels. The chart below presents a summary of governmental activities revenue by primary type for 2021. The significance of income taxes is clearly evident as they make up 44.52% of governmental activities revenue. This indicates the importance for the need of a strong local economic base to keep this revenue stream strong. The increase in income tax was the result of a better economy and more business within the City. The increase in capital grants and contributions was the result of donated infrastructure to the City from completed construction projects. The decrease in operating grants and contributions is the result of the City receiving CARES Act money due to the pandemic in the previous year.



Total Revenue By Department/Function

	2021	2020	2019
Income taxes	\$6,793,034	\$6,271,030	\$5,970,471
Capital grants and contributions	\$3,874,341	\$2,458,870	\$5,544,396
Operating grants and contributions	\$1,411,305	\$2,297,068	\$1,911,985
Property and other taxes	\$1,634,662	\$1,414,175	\$1,086,866
Charges for services and sales	\$773,879	\$624,338	\$648,310
Other revenues	\$771,340	\$955,428	\$573,362
Total Governmental Activities Revenues	\$15,258,561	\$14,020,909	\$15,735,390

Definitions

Income Taxes

The City levies a 1.00% income tax on substantially all income earned within the City by residents and City businesses.

Capital Grants and Contributions

Revenues received from various sources that are restricted for capital projects. These include amounts received from the State of Ohio and the Ohio Department of Transportation (ODOT) for road projects.

Operating Grants and Contributions

Revenues received from intergovernmental sources that are restricted for operations. These include amounts received related to gas tax and motor vehicle license fees.

Property Taxes

Revenues received from the City's portion of the taxes due on real property and public utility. The City assesses a property tax rate of \$2.90 per \$1,000 of assessed valuation.

Charges for Services and Sales

Revenues received related to charges billed to users. These can include fines and forfeitures, cable franchise fees, building permits and rent.

Other Revenues

These include amounts consisting of payments in lieu of taxes, unrestricted intergovernmental grants like local government support, and investment income.



Definitions

Security of Persons and Property

This expense accounts of the operations of the City's police department.

Transportation

This expense accounts for the operations of the City's Public Service department.

General Government

This expense accounts for the operations of the City Administrator, Finance, City Council, Mayor's Office, Mayor's Court and Law Director.

Community Environment

This expense accounts for the operations of the City's planning and zoning department.

Interest and Fiscal Charges

This expense accounts for interest and other fees charged on the City's debt.

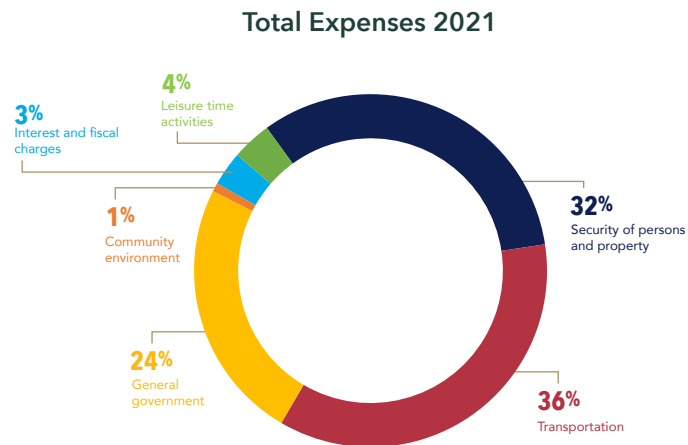
Leisure Time Activities

This expense accounts for the operations of the City's parks and recreation department.

Where the Money Goes To

Expenses - Governmental Activities

The City's governmental activities account for much of the basic services provided by the City's various departments and offices. The City's expenses are reported at the function level which describes the primary purpose of the expense. Within each function the expense of one or more City departments or offices are reported. The overall decrease in expenses was related to a change in other postemployment benefits (OPEB) provided by the Ohio Public Employees Retirement System (OPERS).



Total Expenses By Department/Function

	2021	2020	2019
Security of persons and property	\$2,766,186	\$2,967,669	\$597,100
Transportation	\$3,038,305	\$3,179,013	\$2,964,015
General government	\$2,036,758	\$2,249,518	\$2,387,838
Community environment	\$67,332	\$407,761	\$458,597
Interest and fiscal charges	\$266,232	\$282,867	\$300,197
Leisure time activities	\$307,058	\$446,534	\$357,519
Total Governmental Activities Expenses	\$8,481,871	\$9,533,362	\$7,065,266



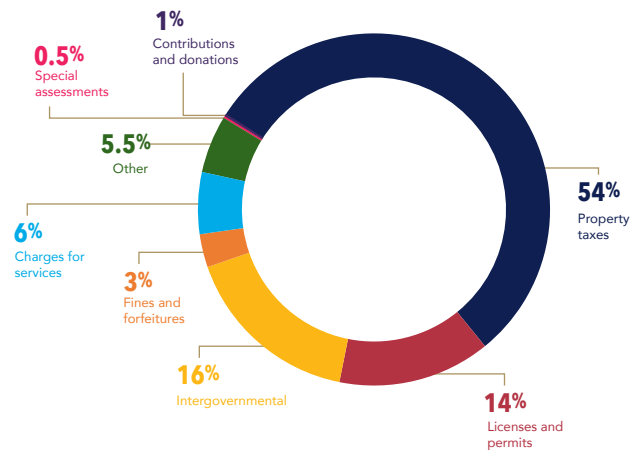
General Fund Analysis

The General Fund is the main operating fund of the City and accounts for all financial resources not accounted for and reported in other City funds. The General Fund is primarily supported by property taxes assessed on property owners; licenses and permits; intergovernmental revenues like homestead and rollback revenue received from the state and local government support; and fines and forfeitures. The General Fund spends those resources on salaries and wages, contractual services and materials and supplies for the City Administrator, Planning and Zoning, City Council, the Mayor's Office, Mayor's Court, Finance and Parks.

Revenues and Other Financing Sources

	2021	2020	2019
Property taxes	\$1,329,840	\$1,116,937	\$1,127,029
Licenses and permits	\$337,541	\$293,662	\$274,890
Intergovernmental	\$398,743	\$286,328	\$175,056
Fines and forfeitures	\$73,540	\$59,868	\$84,836
Charges for services	\$136,704	\$75,528	\$83,319
Investment income	\$-	\$48,467	\$63,097
Other	\$91,009	\$345,771	\$17,538
Rental income	\$-	\$4,905	\$6,776
Special assessments	\$5,855	\$460	\$239
Contributions and donations	\$36,602	\$10,155	\$16,856
Total General Fund Revenues	\$2,409,834	\$2,242,081	\$1,849,636

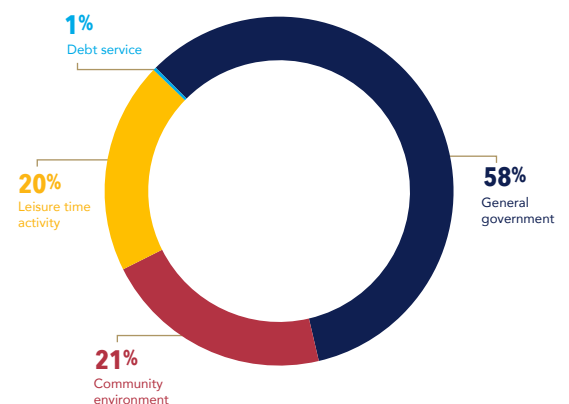
2021 Revenue Amounts



Expenditures and Other Financing Uses

	2021	2020	2019
General government	\$956,052	\$820,139	\$889,154
Community environment	\$345,490	\$368,621	\$384,949
Leisure time activity	\$318,755	\$359,112	\$304,184
Debt service	\$4,541	\$9,341	\$9,342
Total General Fund Expenditures	\$1,624,838	\$1,557,213	\$1,587,629

2021 Expenditure Amounts



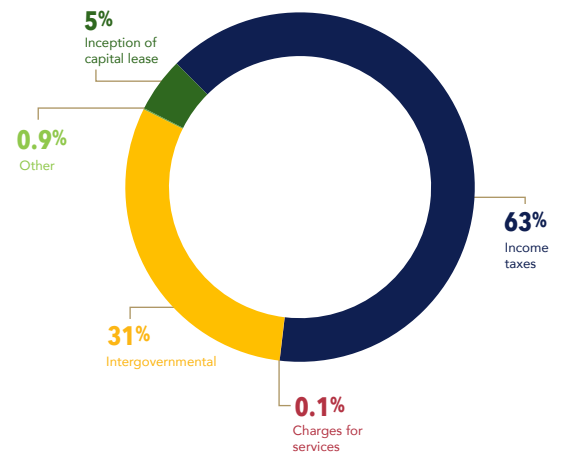
Street Fund Analysis

The Street Fund is funded by a portion of the City's income tax collections as well as motor vehicle license and gas tax fees. The Street fund uses those sources to fund employee wages and benefits, materials and equipment used by the Public Service department as well as to maintain local roads and related infrastructure of the City.

Revenues and Other Financing Sources

	2021	2020	2019
Income taxes	\$2,462,404	\$1,834,983	\$1,927,201
Charges for services	\$900	\$765	\$705
Intergovernmental	\$1,164,837	\$1,057,611	\$892,341
Investment income	\$-	\$65,493	\$152,607
Other	\$4,421	\$43,715	\$74,145
Inception of capital lease	\$193,100	\$180,000	\$106,000
Total Street Fund Revenues	\$3,825,662	\$3,182,567	\$3,152,999

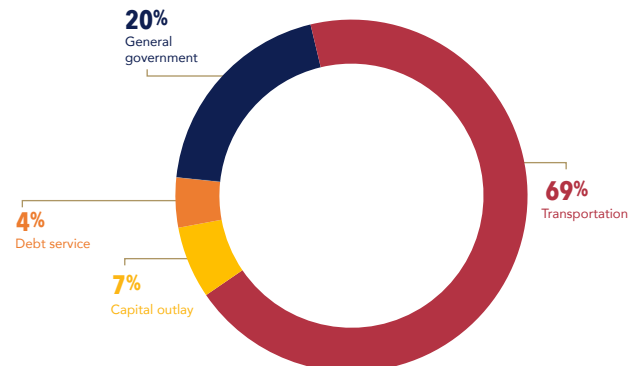
2021 Revenue Amounts



Expenditures and Other Financing Uses

	2021	2020	2019
General government	\$580,976	\$591,463	\$631,691
Transportation	\$2,051,198	\$2,115,703	\$2,694,114
Capital outlay	\$196,623	\$150,185	\$169,341
Debt service	\$135,823	\$149,769	\$216,464
Transfers out	\$-	\$45,000	\$106,000
Total Street Fund Expenditures	\$2,964,620	\$3,052,120	\$3,817,610

2021 Expenditure Amounts



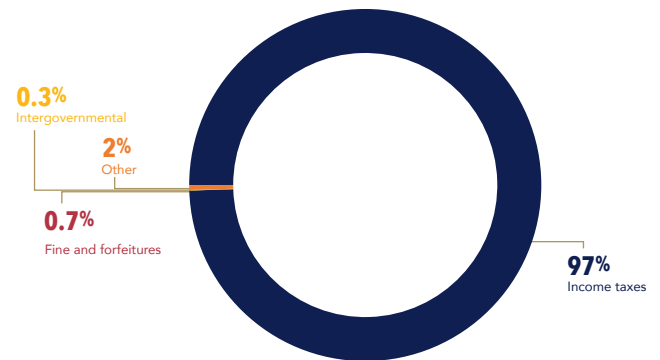
Police Fund Analysis

The Police Fund is funded primarily by a portion of the City's income tax collections. The Police fund uses those sources to fund the police department and pay the wages and benefits of police officers and equipment used to protect the City and its citizens.

Revenues and Other Financing Sources

	2021	2020	2019
Income taxes	\$3,803,423	\$3,270,735	\$3,069,544
Fines and forfeitures	\$1,406	\$710	\$1,439
Intergovernmental	\$715	\$2,012	\$16,986
Other	\$17,032	\$160,072	\$179,198
Total Police Fund Revenues	\$3,822,576	\$3,433,529	\$3,267,167

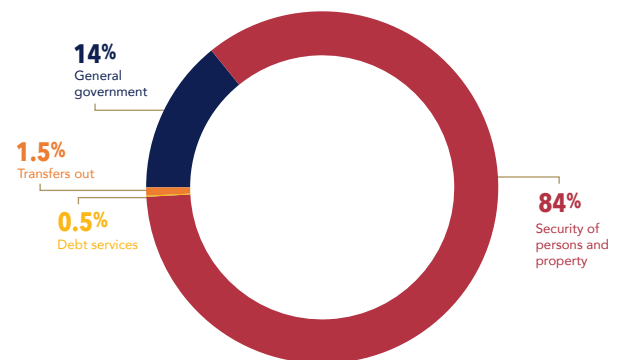
2021 Revenue Amounts



Expenditures and Other Financing Uses

	2021	2020	2019
General government	\$422,837	\$399,844	\$403,055
Security of persons and property	\$2,534,635	\$1,974,144	\$2,361,208
Debt service	\$2,924	\$2,924	\$2,923
Transfers out	\$22,500	\$52,500	\$22,500
Total Police Fund Expenditures	\$2,982,896	\$2,429,412	\$2,789,686

2021 Expenditure Amounts



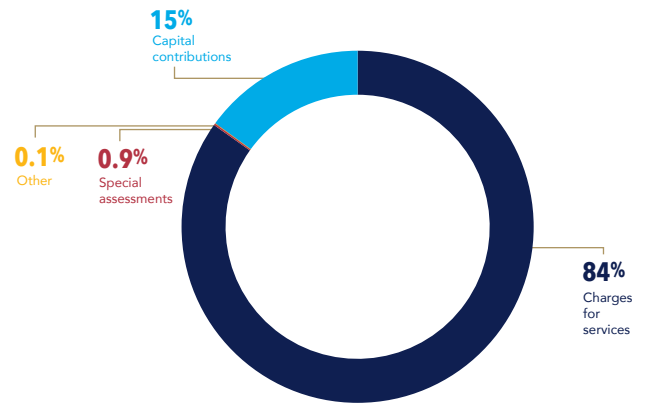
City Utility Funds Analysis

The Utility Funds account for the City's Water and Sewer operations. The funds are almost exclusively supported by water and sewer rates charged to over 3,200 customers. Resources are used to support salaries and wages and other costs to maintain the Water & Sewer plants and related infrastructure.

Operating and Non-Operating Revenues

	2021	2020	2019
Charges for services	\$4,798,458	\$4,923,332	\$4,615,138
Special assessments	\$9,192	\$8,539	\$9,491
Other	\$2,158	\$34,316	\$32,935
Interest income	\$-	\$162,522	\$259,932
Capital contributions	\$847,989	\$403,730	\$1,730,712
Total Utility Fund Revenues	\$3,822,576	\$3,433,529	\$3,267,167

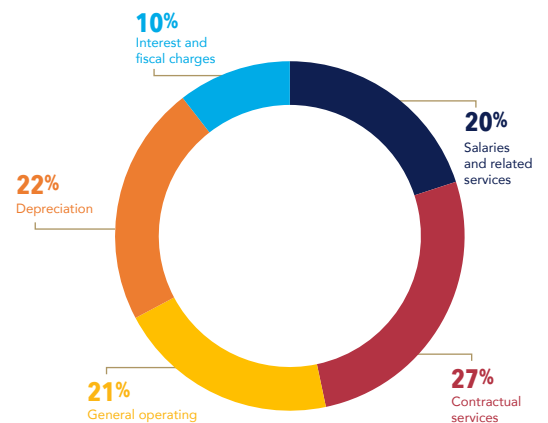
2021 Revenue Amounts



Operating and Non-Operating Expenses

	2021	2020	2019
Salaries and related services	\$567,310	\$1,186,419	\$1,204,223
Contractual services	\$758,113	\$704,388	\$615,397
General operating	\$583,131	\$841,338	\$513,332
Depreciation	\$632,207	\$660,594	\$651,159
Interest and fiscal charges	\$298,164	\$312,515	\$330,328
Total Utility Fund Expenditures	\$2,838,925	\$3,705,254	\$3,314,439

2021 Expenditure Amounts



Water and Sewer Rates per 1,000 Gallons

	In-Town		Out-Of-Town		CIP
	Water	Sewer	Water	Sewer	
2021	\$4.94	\$8.92	\$7.41	\$13.39	\$3.00
2020	\$4.70	\$8.26	\$7.06	\$12.40	\$3.00
2019	\$4.48	\$3.17	\$6.72	\$4.76	\$3.00



Debt Obligations

As of December 31, 2021, the City had \$19,684,382 in outstanding long term debt. The City maintains a credit rating of Aa3 from Moody's. A high credit rating benefits the City and citizens by lowering the interest rates charged on its debt.

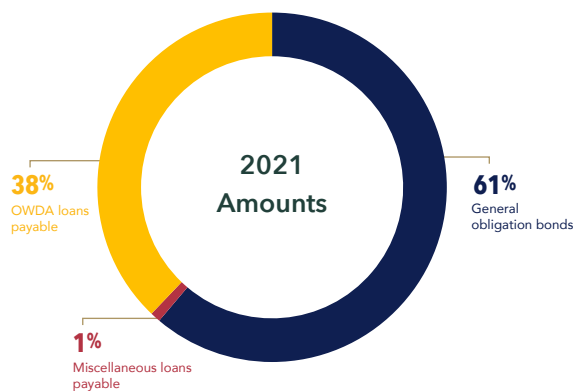
Governmental Activities

	2021	2020	2019
General obligation bonds	\$8,500,000	\$9,060,000	\$9,605,000
Miscellaneous loans payable	\$139,285	\$297,107	\$453,894
Capital leases	\$338,077	\$277,835	\$250,359
OPWC loans	\$172,228	\$187,196	\$202,164
Total Governmental Activities	\$9,149,590	\$9,822,138	\$10,511,417



Business-type Activities (Water & Sewer)

	2021	2020	2019
General obligation bonds	\$6,445,000	\$6,790,000	\$7,130,000
Miscellaneous loans payable	\$100,000	\$200,000	\$300,000
OWDA loans payable	\$3,989,792	\$3,423,637	\$3,148,974
Total Business-Type Activities	\$10,534,792	\$10,413,637	\$10,578,974



Capital Improvements

Over the past several years, the City has undertaken many capital improvement projects to enhance various aspects of the City including:

Utility Department

- **WRF Upgrade Project** – Completion of the upgrade to the Water Reclamation Facility including VFD's at the two influent pump stations, installation of a jet aeration system for improved DO control, etc.
- **2" Waterline Replacement Design** – A design for the replacement and upsizing of the existing waterline along Poplar, Denison and Willow streets.
- **Water Tower Maintenance Program** – Maintenance program for three of our water towers.
- **Meter Equipment Replacement** – An ongoing annual project to ensure accurate and reliable meter reading throughout our system

Public Service

- **Clark State Road** – 0.75 miles of asphalt overlay.
- **Town Street** – 0.2 miles of milling and asphalt repaving with new curbs.
- **Summit Ridge Heights North Subdivision** – 1.4 miles of asphalt overlay.
- **Columbia Road North** – 2.42 miles of repair and double chip seal.
- **McIntosh Road** – 1.2 miles of repair, asphalt overlay and chip seal.
- **Cable Road Bridge** – commenced design for replacement of this bridge.
- **Traffic Controls** – Installed traffic signal battery back-ups at the intersections of Broad Street and Taylor Road and Broad Street and Watkins Road.

Parks & Recreation

- **Foundation Park** – A walking path was constructed as a joint community partnership between the City of Pataskala, the Licking Park District, the Thomas J Evans Foundation, and the Gilbert Reese Family Foundation.
- **Karr Park** – Improvements were made to the existing walking path and an additional path was added to connect all the amenities within the park. In addition, a multi-generational fitness equipment area was added which also included a functional fitness rig.



City of Pataskala

621 W. Broad Street Suite 1D
Pataskala, Ohio 43062
cityofpataskalaohio.gov

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Community Profile

Pataskala was settled in the 1800's and incorporated as a village in 1891. Through multiple annexations throughout the years and a merger with Lima Township effective January 1, 1996, the City of Pataskala was formed.

The City has a population of 17,886 residents based on the 2021 annual population estimate by the Mid-Ohio Regional Planning Commission (MORPC), which makes the City the 2nd largest City in the county, and the 13th largest in the central Ohio region. The City's median household income is \$75,851, has an unemployment rate of 2.7% and has a median housing value of \$162,900.

City residents have easy access to downtown Columbus and the entire central Ohio area via Interstate 270 and Interstate 70, U.S. Route 40 and State Routes 16 and 310. Commercial passenger air service is available at Port Columbus International Airport and Rickenbacker International Airport in the City of Columbus. The Licking County Heath Airport is located approximately 15 miles to the east of the City in Heath, Ohio and provides private commuter service.