

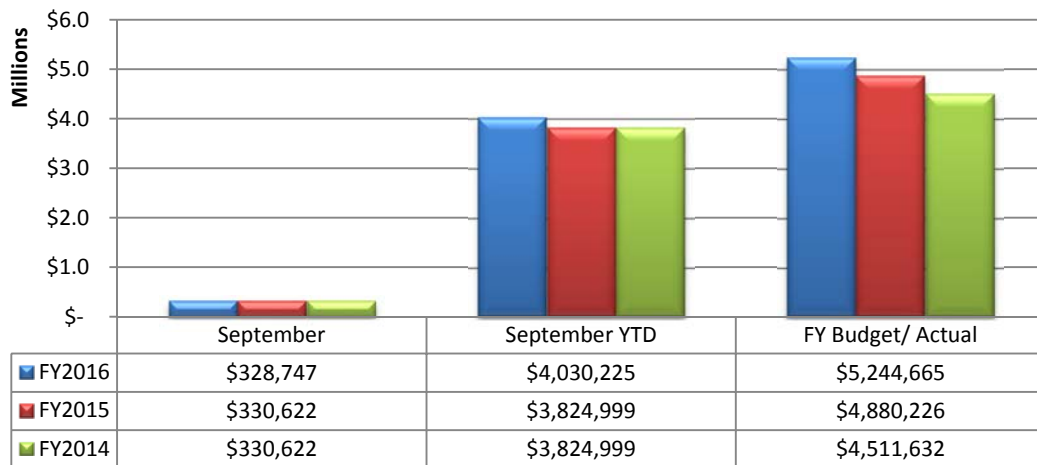


City of Pataskala Finance Department
James M. Nicholson, Finance Director
Finance Director's Report to Council

Current Projects & Issues

- **September 2016** – Although we are still posting entries for the month of September, 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 September's income tax collections.
 - **Income Tax Revenue** - Collections for the month of September are \$328,747 and are only \$1,875 (0.56%) lower than the September 2015 collections. On a year to-date basis, however, total collections are \$4,030,225 and are \$205,226 (5.36%) 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 5.4%, while ours is approximately 6.4%.

Income Tax Collections - All Funds



- **2017 Budget** – The proposed budget has been amended to reflect the changes requested by Council, specifically: (1) reducing the Recreation (206) fund's revenues from program registrations, and increasing its' operating expenses to reflect payment of referees and umpires; (2) splitting the parks managers' wages and benefits between the General (101) and Recreation (206) funds; and (3) updating the 2017-2021 health insurance costs incorporating the recently received 12.5% increase for 2017 (along with reducing the employee contribution to the contractually agreed-to 10%). I have begun the process of updating the formal budget document, and plan to have it ready on or before the October 10th Council meeting.

- **2017 Medical Insurance Renewal** – As mentioned at the recent Council meeting, the city received its 2017 medical insurance renewal of 12.4% over current 2016 rates. This equates to a nearly 36% increase over the three-year period, which will have a significant financial impact to the city. The Administrator and I are continuing to evaluate our options, including identifying and pricing potential alternative carriers. We have requested and have received employee/dependent medical questionnaires. These documents have been provided to an independent broker in order to identify potential alternatives to our current plan with the Ohio Public Entities Consortium Healthcare Cooperative (OPEC-HC). At the same time, the Administrator and I recently met with our current agent from Ohio Insurance Services, Frank Harmon, and requested that he petition the board (on our behalf) for our contractual release from the final year of the 3-year trust agreement without penalty. Mr. Harmon requested a formal letter from the city with that direction, and the Administrator will be drafting and sending such a formal request. Unfortunately, the next OPEC-HC board meeting is at the end of October, which won't provide the city with much in the way of lead time.