

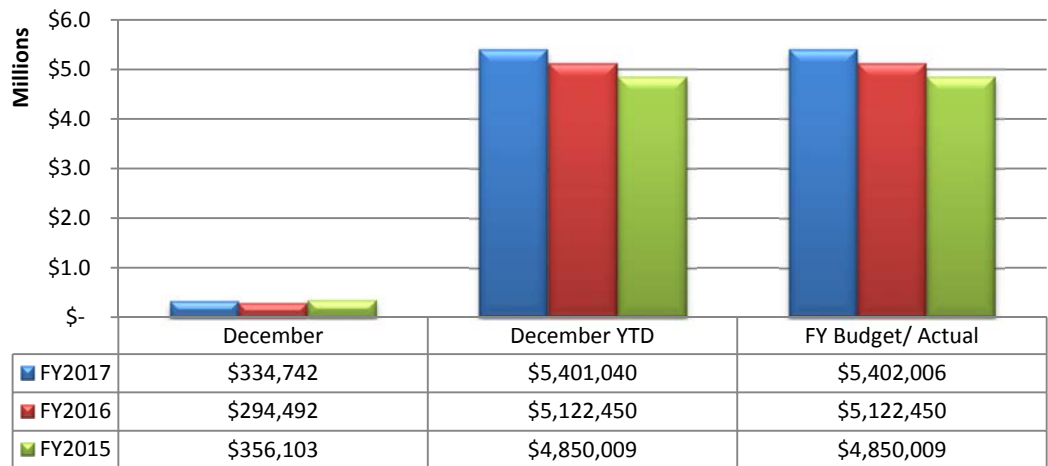


City of Pataskala Finance Department
James M. Nicholson, Finance Director
Finance Director's Report to Council

Current Projects & Issues

- **December 2017** – Over the next week, we will begin the process of closing the books for the month of December. I would anticipate closing the month within 10 days after the New Year's holiday, and plan to have the monthly financial report prepared and distributed shortly thereafter. At this point in time, however, I am able to update Council on the status of December's income tax collections.
 - **Income Tax Revenue** - Collections for the month of December were \$334,742 and are \$40,250 (13.67%) higher than December 2016 collections. On a year to-date basis, total collections are \$5,401,040 and are \$278,590 (5.15%) higher than last year. On a full-year basis, the 2017 collections ended the year within 0.02% (\$966) of budget. When comparing our year over year increase to other comparable RITA communities, we are experiencing a significantly higher rate of increase than those other communities combined. The average 2016-2017 increase for all 223 comparable communities (including Pataskala) was 1.8%, while ours was approximately 5.2%.

Income Tax Collections - All Funds



- **2018 Property, Casualty & Liability Insurance Renewal** – We recently received notification that the city's 2018 insurance renewal has come out of underwriting, and is ready to be presented. We have a meeting scheduled for January 5th with our broker to go over the proposal and any significant changes from the 2017 policy. We will bring the authorizing legislation (Res. 2018-002) to Council at the January 16th meeting for approval. A comprehensive analysis of the rates and changes will be provided to Council as a part of that meeting's legislative report.

- **2016 Popular Annual Financial Report (PAFR)** – Last week, we received formal notification from the Government Finance Officers Association (GFOA) that our 2016 PAFR document received their *Award for Outstanding Achievement in Popular Annual Financial Reporting*. This was our first-attempt at creating a resident-friendly financial report, and I am very proud that we were recognized by the GFOA on our first attempt. Nationwide, only 362 organizations were recognized by the GFOA for their PAFR document, and in Ohio the number was only 41. Given that there are more than 5,900 state and local organizations in Ohio, we are definitely in good company with this recognition!
- **Police Station Financing** – Now that Council has formally approved the Police station project, and the funding requirements have been identified, we will begin the funding process in earnest. A complicating factor that will need to be considered is the impact of the new tax code beginning on and after January 1, 2018. It may force the city to issue general obligation (GO) debt (e.g., bonds) instead of taking a bank private placement approach. These details will be resolved by the working group over the next several weeks, and the most efficient structure will be identified. We will be seeking a total of \$4.6 million in new money funding to cover the complete project cost, including the cruiser shelter.
- **Employee Health Insurance** – On December 11th, we held two all-employee benefits fair/open enrollment meetings. These meetings provided the administration with an opportunity to go over the changes in the health insurance program. Additionally, we had a number of vendors (PNC Bank, Liberty Mutual Insurance and AFLAC) attend the meetings, and set up tables to present their products and services to our employees.

The conversion process from Medical Mutual to UMR (the COHCC's third-party administrator or TPA) was completed in early December. We were notified by UMR's implementation team that all city employees should have received their 2018 insurance cards from UMR on or before December 22nd. At the all-employee meetings, employees were notified that their HRA debit cards for prescriptions will, unfortunately, not be received prior to January 20th. Information on the interim payment/reimbursement process was distributed to employees during the benefits meetings. Once the HRA debit cards have been received, our new insurance program should be pretty much 'hands off', requiring very little intervention on the part of the employee.

- **2018 Budget** – The revenue and expenditure budgets have now been loaded into the accounting system, so that operations will be able to continue smoothly into 2018. Over the course of the several January Council meetings, department heads will be submitting requests to Council seeking approval of their respective capital projects.
- **Collective Bargaining** – Since Council ratified the 3-year collective bargaining agreement (e.g., contract) with the USW, all city employees who are members of the USW received their retroactive pay increases in their December 8th paycheck. With that step, all 2017 employee pay increases (including steps) have been processed and paid.



Government Finance Officers Association

**Award for
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Presented to

**City of Pataskala
Ohio**

For its Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO