

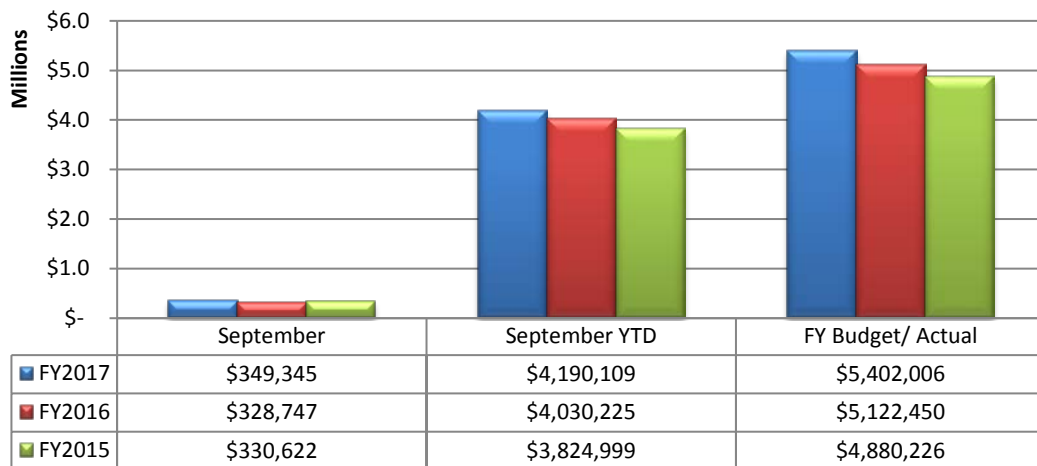


City of Pataskala Finance Department
James M. Nicholson, Finance Director
Finance Director's Report to Council

Current Projects & Issues

- **September 2017** – We continue to post entries for the month of September, but would anticipate closing the month by early-next week. Once the books have been closed and reconciled, 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 were \$349,345 and are \$20,598 (6.27%) higher than September 2016 collections. On a year to-date basis, total collections are \$4,190,109 and are \$159,884 (3.97%) higher than last year. This amount equates to 77.57% of the full-year budget, above the 75% straight-line rate if revenues were collected evenly throughout the year. In 2016, the September year to-date collections amount equated to 78.68% of full-year collections, and the rate was 78.38% in 2015. After completing three-quarters of the budget year and based upon the current collections rate, it would appear that collections are maintaining a trend that is in line with expectations. We will continue monitor this trend closely over the next few months, however, to ensure that collections do not fall off as we go into the 2018 budget season.

Income Tax Collections - All Funds



- **2018 Budget** – Copies of the 2018 budget 'deck', or summary reporting were distributed to Council prior to the September 18th Council meeting. Unfortunately, the September 25th special Council meeting to review the document had to be cancelled. Council should consider rescheduling this meeting in order to have the budget proposal go through a formal review and evaluation process. The development of the formal budget presentation materials, including the comprehensive budget book, has been completed. The current plan is to have the binders

distributed to Council prior to the October 2nd Council meeting. The appropriations legislation is being presented to Council for a 1st reading on October 2nd. This is the earliest a budget proposal has been presented to Council for consideration, and should provide Council with more than enough time to review and approve the 2018 budget. As stated previously, I am able to sit down and go over the budget proposal one-on-one with any Council member who wishes to do so. Simply call or email your request, and we can get a meeting scheduled.

- **2017 Budget** – The comprehensive 2017 budget document was submitted to the Government Finance Officers Association (GFOA) for consideration in their budget awards program. I am both proud and pleased to inform Council that we have been awarded their *Distinguished Budget Presentation Award* for that submission. To put this accomplishment into perspective, there are approximately 19,500 cities in the US, and only 982 municipalities, or 5% of all cities nationwide, receive this recognition. In Ohio, there are 937 municipalities, and only 17 (less than 2%) receive the award in any year. To be recognized amongst such a small group of outstanding organizations is truly an honor, and is indicative of the level of support from the Administration and leadership team!
- **2017 GFOA Conference** – Last week, I attended the Ohio GFOA’s annual conference in Cleveland. At the conference, I presented a session on ‘Budget 101’ to a large number of attendees, and the session was well received. In addition to that session, I also attended a number of outstanding sessions on government finance, risk management, regulatory compliance and leadership. At the annual business meeting, I was given the oath of office as President-Elect, and had the honor to be sworn in by Ohio Auditor of State David Yost. This is an incredible honor to be chosen to be a leader of this nearly 750 member organization. I will serve as President-Elect for the 2017-18 term, and as President of the organization for the 2018-19 term.
- **NPR Podcast** – I was recently invited by National Public Radio (NPR) to be interviewed by one of their reporters for their Marketplace show. The topic of the interview was the proposed elimination by Congress of the deductibility of state and local taxes (SALT) on individual tax returns. This is a topic of serious concern for the GFOA and a host of other municipal advocacy groups. The result of such a tax code change could easily result in higher taxes for our residents, increasing the difficulty in getting voter ‘buy-in’ on levy initiatives. Potentially, it could potentially drive ballot referendum initiatives, given that levies would cost the taxpayers significantly more due to the loss of the tax deduction. The interview went well and lasted about 15-20 minutes. Interestingly, however, it was condensed to about 4-5 comments on the final product. Here’s a link to the interview:
<https://www.marketplace.org/2017/09/22/economy/officials-fight-keep-state-local-tax-deduction>.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**City of Pataskala
Ohio**

For the Fiscal Year Beginning

January 1, 2017

Christopher P. Morrill

Executive Director