

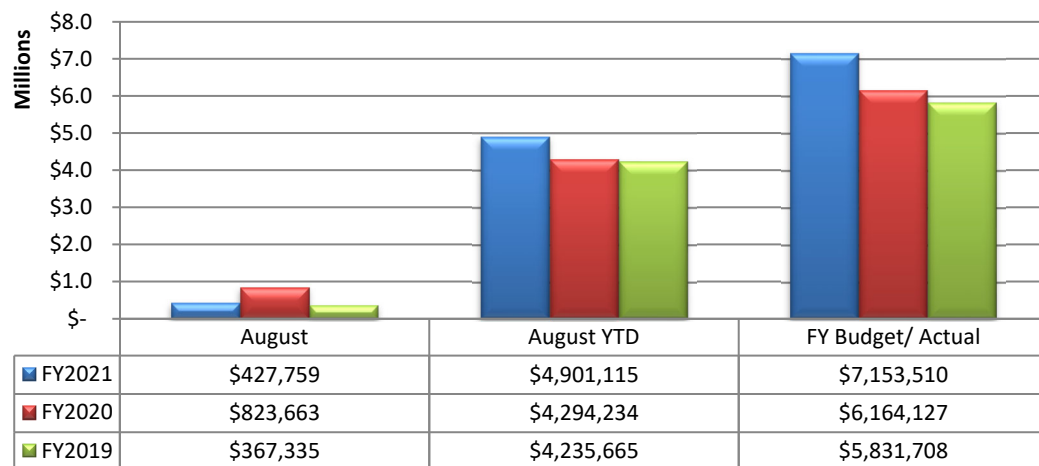


City of Pataskala Finance Department
James M. Nicholson, Finance Director
Finance Director's Report to Council

Current Projects & Issues

- **August 2021** - We are still posting entries for the month of August, but I anticipate closing the month early the week of September 6th. 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 can update Council on the status of August's income tax collections.
 - **Income Tax Revenue** - Collections for the month of August were \$427,759 (equal to 5.98% of the full-year budget) and are \$395,903 (48.07%) lower than the August 2020 collections. It is important to remember that the COVID-19 revenue impact began in April 2020. Compared to the August 2019 (pre-COVID19 impact), collections for the month were about \$60.4 thousand (16.45%) higher. Total year to-date collections are \$4,901,115 (68.51% of budget) and, when compared to a August 2020 YTD total of \$4,294,234 are \$606.9 thousand (14.31%) higher than the same 8-month period in 2020 and are somewhat higher than the 66.67% straight-line rate (if revenues were to be collected evenly throughout the year). Compared to 2019, collections are \$665.5 thousand (14.13%) higher. The total revenue forecast was increased by \$975.3 thousand (15.79%) in the month of August due to the improved collection rates.

Income Tax Collections - All Funds



- **2022 Budget** – All city departments submitted their initial 2022 budget proposals and we have finished compiling the data and begun our review and analysis. We're beginning to hold budget review sessions with the departments to provide them with feedback to assist them in making adjustments. Once we have all the adjustments made to ensure appropriate year-end fund balances, I'll begin work on a document to present to Council at the budget work session on September 27th.

- **Phishing Emails** – A number of individuals recently received a bogus email which appeared to come from the mayor. If you ever receive an email that doesn't seem quite right, I encourage you to contact the sender directly – please do not reply to the original message. In this case, I forwarded the message on to Keytel and they initiated scans of our email system to ensure that any such fraudulent messages were eliminated system wide. If you believe that you've received such an email, please contact me immediately and forward me a copy of the message. I'll submit it to Keytel to ensure that our systems remain uninfected.

- **Auditor of State Award** – I am pleased and proud to announce that we recently received the *Award With Distinction* from the Ohio Auditor of State's office based upon our 2020 financial reporting and audit. This award recognizes those organizations whose financial reporting is outstanding, with the specific requirements being:
 - The entity must file financial reports with the Auditor of State's office by the statutory due date, without extension, via the Hinkle System, on a GAAP accounting basis and prepare a CAFR (Comprehensive Annual Financial Report); and
 - The audit report does not contain any findings for recovery, material citations, material weaknesses, significant deficiencies, Uniform Guidance (Single Audit) findings or questioned costs; and
 - The entity's management letter contains no comments related to:
 - Ethics referrals
 - Questioned costs less than the threshold per the Uniform Guidance
 - Lack of timely annual financial report submission
 - Bank reconciliation issues
 - Failure to obtain a timely Single Audit in accordance with Uniform Guidance
 - Findings for recovery less than \$500
 - Public meetings or public records issues; and
 - The entity has no other financial or other concerns.

- **2022 Medical Insurance Renewal:** The COHCC Board is beginning to work with USI (our agent) to review recent claims history, plan design options and recent related legal changes that might impact our employee health insurance program. We would anticipate having renewal rates by early-October. Once that information is known, we'll bring it to Council for ratification. At first blush, however, I believe that we might be looking at an increase in the 2-5% range (although we haven't completed the review/negotiations process).