



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

Current Projects & Issues

- **May 2024** – We are still processing entries for the month of May and will be doing so for the rest of this week. I would anticipate closing the month by Tuesday, June 4th and plan to have the monthly financial report prepared and distributed with the next Finance Director's Report to Council.
- **2023 Financial Reporting & Audit** – The accrual-basis financial statements were filed on the Ohio Auditor of State's Hinkle System in compliance with our May 31st deadline. At this point, we are simply waiting for the auditors to complete their review.
- **Financial Internal Controls, Policies & Procedures** – I have completed my efforts to create formal documentation of the internal controls, policies, and procedures in the Finance department. This has resulted in a *Financial Policies & Procedures Manual* for the city and includes all aspects of fiscal-related operations such as payroll, accounts payable, accounts receivable, debt management and investments. This document is currently going through a review process with the Administration and will be presented to Council for approval once that review process is complete.
- **2025 Budget** – I am still in the early stages of preparing for the 2025 budget season. I have begun preparing the departmental operating budget templates and the new system for the Capital Improvement Program (CIP). We will be rolling this system out to the departments in early June.
- **RITA Collection Cost Rebate** – RITA assesses the city a fee equal to 3.0% of collections each month as an estimated cost of collections (e.g., retainer). Once the calendar year has been completed, the agency calculates its' actual cost of collection by entity. The effort expended to collect each dollar of tax revenue by entity varies and depends upon the number of returns filed, as well as the total dollars collected. In Pataskala's case, the 2023 actual cost of collections was equal to 1.42% of the \$8.19 million in total collections, or \$116,362. Because this was less than the 3.0% retainer, it resulted in a refund of approximately \$126,391 back to the city which will be allocated to the four funds (Street, Police, Capital Improvements and Debt Service) based upon the 2023 distribution rates. A copy of RITA's analysis accompanies this report.
- **Bid Opening** – Held a successful bid opening on May 23rd for the 2024 Streets Program. Although we only received a single bid from Shelly Company, their bid came in under the engineer's official estimate. The bid documents were then turned over to the engineer for their review to ensure that there were no issues with any of the bid documents.
- **Finance Director Vacation** – I will be out of the continental US from June 13-21 on a Caribbean cruise and absent from the June 17th Council meeting. Although I may have access to wi-fi (and email), there is no guarantee as to that being the case. During my absence, Assistant Finance Director Jennifer Dennis will be serving as Acting Finance Director.

May 24, 2024

PATASKALA
via email

Attn: James Nicholson, Finance Director/Tax Admin.

Allocation of 2023 Costs for Income Tax Collection Municipality of PATASKALA

In accordance with the Regional Council of Governments' Participation Agreement, the allocation of 2023 costs for income tax collections has been computed.

Municipality	2023 Cost of Collections	Administrative Costs*
PATASKALA	1.42%	\$1.42

*For every \$100 of taxes collected for your municipality, only \$1.42 went to the administrative cost of collections, registration, auditing, compliance, records retention, etc., leaving the balance for your fire, police, street repairs, recreational expenses and other community expenditures.

The cost of your tax services is detailed on the following page. The retainer refund will be deposited to your account on May 31, 2024.

	2023 Collections	Allocated Cost	% Cost of Collections
PATASKALA Summary	\$8,191,597	\$116,362	1.42%

RITA continues to strive to meet Agency goals and to uphold our mission to provide "Ohio cities and villages with a high quality, cost effective municipal tax collection service". Enhancing our processes and implementing new services are just two ways we work to further benefit our members.

Thank you for your continued support of the Agency. If you have any questions please feel free to contact Member Services at (866) 252-0913.

Sincerely,



Amy L. Arrighi
Executive Director

Cost of Tax Services Municipality of PATASKALA

Total 2023 Retainer	\$242,753
2023 Total Agency Transaction Count	18,696,757
Your 2023 Transaction Count	145,499
Percentage Factor Transactions	0.7782%
2023 Total Agency Collections	\$2,292,389,476
Your 2023 Collections	\$8,191,597
Percentage Factor Collections	0.3573%
Average of Two Factors x 2023 Net Overhead Costs =	\$116,362
Prorated Share of Overhead (0.5678%x \$20,494,448)	
Refund Amount	\$126,391

NOTE: ALL AMOUNTS ARE ROUNDED TO THE NEAREST DOLLAR