

CITY OF BEECH GROVE

STATE OF THE CITY ADDRESS FOR 2014

I would like to take this time to report on the state of your city. I must report that we are doing better than I anticipated, as we have progressed well over the last 24 months, but we still have a long way to go.

In October of 2013, the City Council passed a fully funded and balanced budget for our Department Heads and administration to work with in 2014. This marks the second budget that our administration has presented and we are making strides into maintaining vital services to our citizens. The 2012 fiscal year was reviewed in 2013 as a result of an audit conducted by the State Board of Accounts. The 2012 budget was the first budget cycle that we worked with. The results which have been released to the general public show an improvement in our financial condition, record keeping, documentation, filing and overall accountability as a city. This is an improvement over the conditions found prior to our appointments pursuant to the 2011 budget.

Once again we were able to continue to provide much needed benefits to our employees and retired members, and our Board of Public Works and Safety approved agreements with the FOP Lodge 86, and Firefighters Local 416. One of the indicators that lead me to believe that our government is stabilizing is with our workman's compensation and liability insurance renewal. Our city has struggled finding companies to underwrite us a few years ago, now with all of the new equipment and upgrades, assets inventory and along with new policies concerning safety and workforce development, our annual premium increased by less than \$12,000.00, which is really good.

Our governing boards and City Council were very busy in 2013. Our Board of Sanitation and Board of Public Works and Safety approved new agreements with Covanta, Keystone Programs, Storm Water Services, Sanitary Services, Paving, Safe Routes to School, Storm Water Development and a rate study for Storm Water Implementation.

Our City Council approved ordinances pertaining to Sanitary Sewer Rates, Commercial Trash Pick Up, Residential Trash Pickup, Violation Fees for the City Court, Employee Drug Testing, Holiday Work Schedule, Commercial Vehicle Parking, License Fees, Building Codes, Panhandling, Municipal Vehicle Accidents, Greenscape Commission, and Salary Ordinances for appointed and elected officials.

In 2013, Main Street was re-constructed. It caused a terrible inconvenience to those who reside and conduct business on Main Street, but it was the most important project that the city has undertaken in years and needed to be done. I have said on many occasions that I regret the hardship I have caused citizens and business owners, but I do not regret going forward with the re-construction. As a result of this, our city has benefited from new business and more people visiting our business district than in years past, plus our water drainage problem has went away. This was apparent when we had a 4 inch rain event in December and no flooding occurred (not even in basements). We are down to the final payments on the project and are looking forward to having the project paid in full by spring. Special thanks goes to Gradex and Crossroads Engineers for their work on this project. As you can see, this project has changed the face of our city. My thoughts are “lets keep good things happening”.

We continue to look for alternative ways to fund our departments and projects. In 2013, we utilized a 4.6 million dollar grant to re-construct Main Street, our Fire Department received funding to replace protective clothing (15,724.00), our Police Department accessed already approved grants to purchase and install cameras in vehicles and a license plate reader, and at years end we received notification of grant approvals for a Sign Inventory and Replacement Program (684,000.00), and Safe Routes to Schools (340,000.00). All of these grants will make a significant improvement to our city. In 2014 we will apply for funding through OCRA (Office of Community and Rural Affairs) in an attempt to purchase a new fire engine. Soon some local business owners will receive an application to improve the facades on the fronts of their buildings through a Small Business program called Fostering Commercial Urban Strategies (FOCUS). We continue to charge for heavy trash and brush removal, and soon we will make adjustments to our Sewage Works bill by 57 cents per month, to off set the cost adjustments by Covanta for disposing of trash.

In 2013, our city placed a second ambulance in service. This ambulance is staffed by Franciscan Alliance personnel and serves our city from 8AM to 8PM daily. Not only does it provide a much needed service, but it also generates our

city thousands of dollars in revenue to offset expenses and to make new improvements. In 2013, both of our ambulances made 3,695 ambulance responses and our city collected approximately (880,000.00) in revenues as a result of ambulance billing. In 2014 it may be prudent to move forward and make this ambulance a 24 hour a day service to generate even better EMS protection and more revenue for our city. I will also ask the Fire Chief to look into ways to better retrieve new equipment through Med-Bill, so budget funds can be set up to continue to lease purchase ambulances in the future. This is soon becoming a priority as our ambulances are placing thousands of miles a year on the drive train do to the run load and demands.

In 2013 we continued with our commitment to pave local roads. This was the second round of paving that we have participated in. Detroit Street from 10th to 17th, 13th Avenue from Albany to Southern, 23rd Avenue (partially paved), 8th Avenue from Alton to Bellfountaine, Schaff Street from Garstang to Bellfountaine, and the alley south of Main Street from 15th to 17th were all re-paved. As a result of this, we have invested approximately \$700,000.00 in our local roads and streets in the last 2 years. We now budget \$400,000.00 in LRS (Local Roads and Streets) for paving and this is a much needed improvement over years past. In 2014 we will focus our efforts on the completion of 23rd Street, and the complete re-construction of Royal Road, which has deteriorated as a result of severe drainage issues. Thanks goes to United Consulting for their work over the past two years on re-paving our roads. When paving doesn't occur over an extended period of time, it takes years to get caught up. For 7 to 8 years prior to our administration, very little was done in as far as re-paving was concerned and we all see the condition of our roads.

In 2013 we began the process of conducting repairs to our sanitary sewer system and storm water drainage. In 2013 we conducted approximately \$200,000.00 in repairs to these systems as much needed work was done on South 4th Avenue, the intersection of Fletcher and 9th., behind 302 N. 8th., the 200 block of Albany Street, on Detroit from 14th to 16th Avenues, the intersection of 15th and Buffalo, 1200 Block of Parkway, and our sanitary sewer system was extended by the addition of the Teachers Credit Union on Emerson Avenue. Thanks goes to Wessler Engineering for their work in assisting our city with rehabbing our sanitary sewers. This city can simply not afford to go years without maintenance or repairs to the sanitary sewer system, and that has exactly been the case.

Some of these projects listed above should have been completed back in 2005 and 2006. Now we have an employee who has been hired full time to work exclusively on both the sanitary and storm waters systems in our city. As the weather breaks, we will begin a major sanitary sewer rehab project in the area of 8th and Bellfountaine, to replace the sanitary sewer system, which has caused serious backups over the years and was recommended to be replaced back in 2005 by Wessler Engineering.

In 2013, we began the process of developing ordinances and rates pursuant to storm water management. In 2006, our city established a storm water utility by ordinance but never progressed with rules and fees to address storm water matters. I intend to bring the guidelines and fees forward to the city council in March to begin the process of collecting storm water fees. This is yet another very difficult decision that had to be made, but it is the right thing to do and needs to be done. It constitutes a good business decision based on a simple premise. We have several identified drainage issues identified by Wessler Engineering and classified as Capital Improvement Projects throughout our city. These identified projects were brought forward in 2009 and have a projected cost of approximately 4.9 million dollars to correct and we have no funding to make corrections. We are subject to inspections by IDEM and are required to file MS4 reports annually and without having a storm water utility in place makes it extremely difficult to comply. Coming within the next 5 to 10 years, all cities will be required to separate fluids and solids in their storm water drains prior to introduction into a waterway or creek and I'm thinking how is any city going to pay for these requirements if they don't have a storm water utility in place to assess fees. In 2006, residents were paying \$1.50 per month for storm water drainage on their property taxes to Marion County. We have gone almost 8 years without collecting any fees to offset expenses. It is time to move the city forward pursuant to storm water management.

In 2013, we continued to invest in our departments and the services provided to our citizens. Our Police Department purchased 4 new vehicles, our Fire Department purchased 3 new staff vehicles and a pick up truck with plow capabilities, and we took delivery of a new fire engine. The Fire Department also ordered 5,000 feet of new hose and 35 trauma kits were ordered for our Police Department. Our Department of Public Works purchased two new vehicles with plows and two more spreaders were purchased bring our total to six, which is the most we have ever had. These are all good purchases that have made it easier to deliver much needed services to the citizens of our city. In the first quarter of 2014, we expect to take delivery of a new skid steerer, which

will greatly assist the workers out at DPW and in our Parks system. In 2014, our Police Department has already ordered two new vehicles through the Criminal Investigative Fund, and by years end we will have no choice but to replace the lap top computers that our police officers currently use as they have become obsolete. As we progress, we will continue to identify equipment that should be replaced and we are looking at the leaf collection equipment out at DPW for replacement as well.

My thoughts again are “lets keep good things happening”.

In 2013, we rededicated South Gove Park by naming it Challis Park, after long time Parks Director Don Challis, and we re-dedicated the Baseball Field in the City Park by naming it Dick Templin Field after Dick Templin.

In 2012-13 approximately \$400,000.00 was invested in our park system. This included new shelters, roofs, restroom facility, playground equipment, walkways at Hartman Field, and we installed ADA compliant playground equipment. Over \$300,000.00 was spent to repair an age old erosion problem in Lick Creek and additional trees were planted near the creek line at Sarah T. Bolton Park.

In 2013, our City participated in many civic events and recognized citizens on special accomplishments. Our City participated in the Fall Festival, Fall Festival Parade, Beech Party, Summer Concert Series, Little League Parade, Homecoming Parade, Relay for Life, Promoters Club Fireworks, Lions Club Pork Chop Dinner, Lions Club Bean Dinner, Chamber of Commerce, Beautify Beech Grove Walk, St. Francis Walk to Remember, Octoberfest, Memorial Day Service and the Veterans Day Service.

In 2013 our City issued Proclamations for the American Legion, Tri Kappa, Constitution Week, Fire Prevention Week, Walk to Remember, Relay for Life, and recognized Nancy Roberts (retirement), Evan Smiley (wrestling), Roger Knight (birthday), John Quinn (birthday), John O’Gara (business) the Beech Grove Middle School Cross Country team and the Beech Grove Middle School Basketball team.

And last but not least, economic development. For the past 5 years, our assessed valuation has headed downward, but I think that may change within the next year. This is the direct result of investments made in our city by private corporations. Sometime I gage how we are doing by how busy our Building

Commissioner is and by how many permits get issued for construction. In 2013 our Building Commissioner and the permit department kept very busy and I suspect that the coming construction season will be good for our city.

In 2013 ADM Milling announced plans to construct a new mill in our city. This is a 30 million dollar investment for our city, which is expected to go on line by the end of April 2014. Kinetrex Energy announced plans to make 14 million dollars worth of improvements to the LNG facility, which is expected to go on line by the end of March 2014. I would like to thank the City of Indianapolis and Develop Indy for their assistance in working with ADM Milling to provide the opportunity to make this investment.

I would also like to thank Citizens Energy Group for all of their investments in our city in 2013. Citizens Energy Group installed new water mains on Main Street prior to construction, completed a STEP on Sumner Avenue and their investment with LNG. These are critical investments for our city and are very much appreciated.

Much needed new business began to arrive as Main Street was completed. Yes, we lost some businesses during construction but, we gained at least 12 new ones after construction was complete. Main Street was not the only benefactor of new businesses. Our industrial park gained some new business as well.

We are now the home of the Klosterman's Bakery distribution center, Tool Shed Tool Rental Center, Industrial Paint Coating, Lamping Huser Heating and Cooling who moved from Sumner Avenue to Bellfountaine and Priority One Ambulance Service.

In 2014, we expect to welcome new businesses such as Waffle House, Steverino's Eatery, Jimmy John's, and Beech Grove Senior NRP Group and hopefully we will finally receive some type of direction from Franciscan Alliance concerning the vacant hospital property.

So what does all this mean? It means that we have begun to stabilize our city and we are focusing on the basics. We should pave our roads, rehab and clean our sewers, fix our drainage issues, invest in our parks, pick up trash, and continue to provide police and fire protection. That's the core of any good city, so we should do it as well.

We have also stabilized ourselves financially. We can no longer depend on increasing property taxes to fund local government. We have to have different forms of revenue that we can generate to make investments in our infrastructure and services that we provide. Growing as a city is the only way that we can maintain the quality of services that the citizens of our city are accustomed to. We are pleased to report that our pension funds are solid, our portion of the Public Safety COIT balance is good, our ROI concerning the sewage utility is adequate, the rainy day fund balance is approaching \$200,000.00, and the Main Street Loan Program, which was in complete shambles is in the process of being turned around and for the first time since our administration took office, the Clerk and I met with a prospective new business owner who has an interest in the loan program.. I am proud to say that we have not lost any employee due to budget constraints nor have we had to eliminate any service as a result of diminished revenues. That was not the case when we began our service to the city in 2012. The Clerk and the web administrator continue to release information for public knowledge as you should be informed as to what your government is doing. Thousands upon thousands of citizens have logged on to our web site to access public information and that is a far cry from previous administrations concerning openness. We said from the beginning that we would be accessible and accountable, and that is exactly the case.

So where do we go from here? We continue to provide good services, adjust our user fees as needed and move away from property taxes. Governor Pence desires to eliminate the personal property tax on business equipment. Whether or not that passes is up to the legislature, but we as a city cannot continue to be handcuffed by government decreasing the amounts of tax payments to our city. We have to fund our government differently. Let's continue to fix our roads, sewers and invest in our services. We should create a funding mechanism to fix our storm water problems and finally solve drainage issues that have plagued us for years.

Let's continue to promote new and existing business, create jobs and increase our value as a city, and let's invest in our employees. Let's create a healthcare network that is user friendly and provides wellness to employees and family members. We should consider giving employees incentives to reduce healthcare costs and how about rewarding employees who are healthy.

Beginning this March, we will begin hiring part time compliance officers, whose job it will be to enforce and clean up our neighborhoods. We will utilize our local city court as the enforcement arm for local ordinances pursuant to

environmental matters. In a recent meeting with our Judge, I advised him that this is going to take a great deal of time to get up and running and I would not expect tickets to show up on the court schedule until mid to late summer.

Last year I had the opportunity to listen to presentations by students regarding re-cycling. I thought it was very interesting and it has convinced me that we should look into re-cycling as a city and provide re-cycling to our citizens. We should all do our part to keep our city clean and I appreciated the insight from our young students. It is my intent to re-visit this matter with local students and gain more knowledge about re-cycling and then maybe moving forward with a different way to re-cycle.

In closing, I always look for indicators as to how we are doing as a city both operationally and financially and I keep going back to a simple question that I want all of you to think about. My question to all of you is this. Is our city better off now then it was two years ago.

I want to say thank you for giving me the opportunity to serve as your Mayor. It is a blessing that I can give back to this wonderful city as well. To our Clerk, City Council members, to the citizens who serve on boards and committees I say thank you. To the employees of our city I say thank you for your dedicated service and helping to cause minimal interruptions in the lives of our citizens. We have had several challenges in 2013 including the weather and you have performed very well.

Bless each one of you and bless our beautiful city.

Thank you very much.

Respectfully Submitted,

Dennis B. Buckley
Mayor
City of Beech Grove