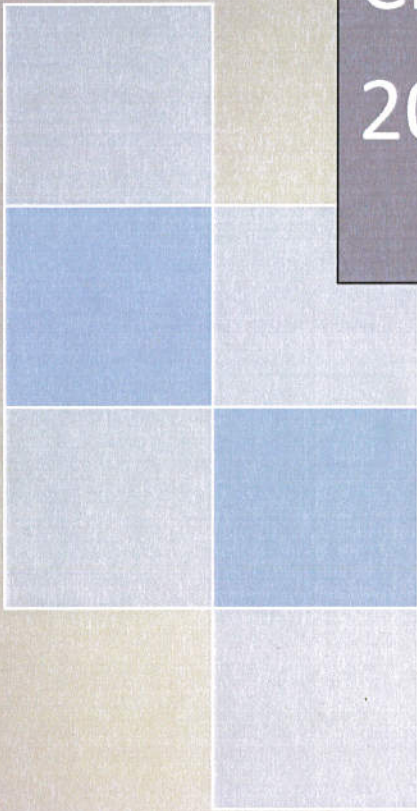


Year
2013

City of Beech Grove 2012 Financial Report



Presented by,
Dan McMillan, Clerk Treasurer
City of Beech Grove

Financial Report

I would like to say that after my first year as your Clerk Treasurer, transparency has been “Job #1”! I have accomplished this through many avenues.

- The city website, which volunteers and I personally built and continue to maintain, saving the taxpayers thousands of dollars each year has been a great source of information. The city website is nonpolitical and has information from library, to city news, to church events. It is packed with information.
- This year’s appropriation report has been reduced from approximately 28 pages to 17 pages, yet contains more detail and is more user friendly than ever before. Appropriation reports, fund reports, and revenue reports are posted on the website monthly. The finances on the Main Street Project, Sewer Restoration and other projects can all be found on the city website. The city debt is all listed on the website by individual bond or loan, and bank statements are available also.
- The city website continues to garner approx. 30,000 hits per month. Information received from city administration offices and organizations is posted within 24 hours, and actually more often the same day it is received.

The 2012 audit has been completed and Mayor Buckley and I have both signed off on it, however it has not yet been released by the SBOA for publication.

Our 2012 Annual Report was completed on January 8th, 2013 and published in the Indy Star and Court & Commercial Record. Last year it was February 26th before it was completed and that was unacceptable, and we received a ding on the audit for that.

Upon taking office last year, I noticed four things that needed immediate attention.

- 1) **Commercial Trash Pick-Up** -was being provided for free to certain businesses. This was corrected, and all businesses that are receiving the service are charged the same rates.
- 2) **Main Street Loan Program**- Many of these loans were in serious default and had no collateral associated with them. Title searches on these loans have been completed. We have negotiated a settlement with one loan, and have another loan that is close to being settled. We are working to bring all of them in compliance and up to date.
- 3) **Capital Assets Inventory**- There was not a capital assets inventory upon taking office in 2012, so with the assistance of all Department Heads a capital assets inventory was performed on the entire city, and is being kept updated as new equipment is bought and we surplus or sell old equipment.
- 4) **Employee Handbook**-The employee handbook has not been updated in years, consequently my office is working from ordinances that are outdated. The council has been working to update the manual. I have requested from Mayor Buckley a resolution or ordinance that would clearly define holidays and personal days for city employees, as there are no personal days listed in ordinances and holidays are listed as whatever the “National Holidays” are. Since, the clerk’s office is responsible for administering payroll in the city, I am asking for clarification.

In 2012 we were able to negotiate a raise in the city employee’s life insurance from \$25,000/ \$50,000 indemnity to \$50,000/\$100,000 indemnity at a cost of \$24.00 each year to the employee.

We changed dental insurance carriers from Guardian to MetLife and got better benefits at a lower cost to the city employees and the city.

We formed an insurance committee made up of the Local #416 Rep, F.O.P #86 Rep, a Public Works employee, Dave Harrison Council Member, and former Board of Works Member, Chris Duffer, former Clerk Treasurer and myself. After participating in several meetings with presentations from 2 different brokers, that had obtained bids from over 20 companies, the decision was unanimous to stay with the current carrier. This is the 4th year in a row that city employees have not seen an increase in their premiums, or a reduction in their benefits and Health Savings Accounts. Also, we realized a savings that will be deposited into the insurance trust.

In 2013 we shored up funds for the health savings accounts, dental insurance and life insurance. We also created appropriations for City & Sewage Retiree's benefits.

While doing the budget for 2013 I increased the budget from \$205,000.00 in Local Roads & Streets to \$490,000 for paving. I will continue to budget \$490,000.00 or more each and every year for the remainder of our terms, and Mayor Buckley will continue to analyze and prioritize the streets that need paved.

The interest rate for our Tax Anticipation rate last year was 1.02%, the 2013 Tax Anticipation Warrant is 0.85%.

Liability insurance was put out for bid with 3 different carriers, and only one of those carriers put a bid in for the insurance, which was our current carrier. One of the companies that chose not to bid said they would have to bid it with a 50% increase, because of our poor claims history. Our current carrier had a slight increase of \$2,500.00.

In the office of Clerk Treasurer for December of 2011 they spent over \$11,000.00 for a financial consultant, versus the month of December in 2012, my office spent \$505.00 on a financial consultant.

2012 was a tough financial year and we dug ourselves out of a tough financial situation. I believe 2013 will be better for us financially, because I think we have a hold on things and are moving in the right direction.

Respectfully,

Dan McMillan, Clerk Treasurer
City of Beech Grove