



May 29, 2012

Today and tomorrow I am attending a conference on "Preparing the Budget" sponsored by IACT for Indiana Clerk Treasurer's. Next week should begin our annual audit by the State Board of Accounts. I have been compiling a list of questions for them. I have started the process of developing a budget committee to assist us with preparing the budget for next year, and I am doing my best to work within the budget for this year. Mr. Peters, the financial consultant for the city has informed me that we are working within a 2% margin, so there is no room for error.

As of today, our general fund balance is \$2,008,609.07. This amount includes \$750,000.00 for Main Street, approximately \$350,000.00 in make-up payments from the State of Indiana, a \$29,000.00 refund from Workman's Comp Insurance, and \$712,000.00 in advance property tax payments that I requested.

Between now and June 30th the city has three payrolls and one retirement payroll that total approximately \$750,000.00. We also have two Board of Works and Sanitation Meetings in June that will produce four dockets that average over \$500,000.00 per month. In addition to these expenses we have payments due on our Tax Anticipation Warrant, our State Revolving Fund Loan and our 2002 GO Bond that total over \$900,000.00.

As you can see without the tax advance, and make up payments, I don't believe the city would have been able to meet payroll in June. We are working diligently to get through this year's budget and we have hope for the future. In establishing a budget committee, I intend to include people from both sides of the isle. I don't want to make the budget a political issue. The success of this city is too important for that. The city employee's Health Savings Accounts were not funded for this year, so I am still working to try to fit them into the budget. They total over \$160,000.00. The dental insurance was inadequately funded also, so the city match is almost gone. I am working to resolve that issue as well.

I continue to provide expense and revenue reports on the city website, I also include the monthly bank statements. I have established a webpage for city projects that includes invoices for each project and running totals. We also have established a webpage for the 2012 Bond Issue that is updated on a regular basis. Very soon, I will begin to add the bids on the projects that are listed in the bond. If you have a question on any of the city finances, please don't hesitate to ask. If I don't have the answer, I will do my best to get that for you.

I am investigating the possibility of updating our accounting and payroll software. I need to do a cost analysis to make sure it will provide a savings to the city, as well as making information more easily accessible, for everyone working with the program. I am limited on choices, because only certain programs are state approved and compatible with the new "Gateway site provided by the State of Indiana.

The website continues to grow and draw a lot of interest. I continue to manage it with the assistance of two great citizen volunteers. It's hard to believe that in today's society anything is free, but this website is. It doesn't cost the city a dime. I am very grateful to the volunteers that spend countless hours keeping it updated. It's a good thing for the City of Beech Grove. I will do my best to continue to keep you updated with finances on the city website. I have every confidence that with continued hard work, and perseverance we will squeak through this budget year. Thank you.

Dan McMillan, Clerk Treasurer

City of Beech Grove