



Town of Burns Harbor, Porter County, Indiana

Office of the Clerk-Treasurer

Annual Report

Fiscal Year 2020

January 1, 2020 – December 31, 2020

March 10, 2021

The Honorable Town Council

Town of Burns Harbor

1240 North Boo Road

Burns Harbor, IN 46304

Dear Councilmembers:

In accordance with Ordinance 292-2020, I hereby submit the Annual Financial Report of the Office of the Clerk-Treasurer for the Town of Burns Harbor.

The following information is a summary of the business transactions for Burns Harbor's General Fund and all other funds managed by this office for the Fiscal Year of 2020.

Sincerely,

Jane M. Jordan, IAMC, MMC, CPFA, CPFIM

Burns Harbor Clerk-Treasurer

Dear Burns Harbor residents:

I am pleased to present the Clerk-Treasurer's Office Fiscal Year 2020 Annual Report to the elected officials and citizens of Burns Harbor. The primary responsibility of the Clerk-Treasurer's office is to serve as fiscal officer of the town and the safekeeping and investment of monies paid into the town treasury. By meeting this responsibility and many others given to my office by statute, the Clerk-Treasurer serves the citizens of the Town of Burns Harbor, Indiana.

Of course, the COVID-19 pandemic is at the forefront of all of our minds. You may not be aware of the effects the pandemic has had on Burns Harbor's 2020 revenue and its revenue projections for years 2021 and 2022. High unemployment, 3 months of casino closures, reduced fuel purchases as people shelter in place, delinquent utility and property tax payments, all play a role in the Town's lower 2020 revenues and the expectation of seeing a reduction in revenue for the next few years.

In 2019, my office enrolled in PositivePay, a program to reduce the town's exposure to fraudulent banking activity. When the program was first implemented, it was verifying check number and check amount. Recently, the program was upgraded to verify payee information as well.

Indiana's local government investment pool, TrustIndiana, with over \$1.83 billion in assets, continues to be a safe investment option for local units of government. In 2020, the Town invested an additional \$1,041,000 into its accounts with TrustIndiana. FY20 ended with \$1,837,864 assets under management with TrustIndiana. This fiscal year, our office was able to increase the investment income by more than \$9,667. This is a gain of almost 24% over FY 2019 returns in another year of extremely low interest rates.

In FY 2020, the Town issued no new debt. The Town's current debt is a 15-year lease- to-own purchase of a 2006 E-One Ladder Fire Truck at 4.74% interest rate. \$40,215.25 in principal and \$5,993.95 in interest was paid in FY 2020. The remaining debt on this loan is \$69,313.80 which, equates to one and a half payments schedule for retirement on January 15, 2023.

The Town received \$2,116,187.24 in grant money in FY 2020. \$1,341,424 was used for the construction of the Marquette Greenway Trail, \$710,065.83 to pave roads, \$58,528 for police payroll, \$3,976.98 was used for extra police patrol manhours, and \$2,192.43 for ambulance equipment.

FY 2020, the Town received \$11,646 in donations for the Fire Department, \$500 for the Parks Department and \$500 for the Police Department.

The Town saw another record growth in building permits. The Building Department issued 162 building permits totaling \$32,658.53, 91 business licenses and 307 contractor licenses totaling \$27,650.00 in revenue.

To assist our residents and businesses during the pandemic, the Sanitary Board and Town Council suspended water shut offs, liens, and charging late fees from March through December 2020. The Department ended the year with less than 2% of collections being delinquent. Of those \$7,655.66 delinquencies, only \$1,174.35 was more than 90+ days. At year end, there were no remaining unpaid liens in the Porter County Recorder's Office.

Finally, despite PayGov's 3% convenience fee for making payments using a credit or debit card, our office saw a 37% increase in PayGov transactions from 2019 to 1,199 in 2020 with \$83,165.61 collected. Although a majority of those fees collected can be attributed to the Sanitation Sewer Department, all town departments are seeing growth in customers utilizing this service.

Respectfully,
Jane M. Jordan, IAMC, MMC, CPFA, CPFIM
Burns Harbor Clerk-Treasurer

History of the Burns Harbor Clerk-Treasurer's Office

The Porter County Commissioners created the Town of Burns Harbor by Ordinance No. 67-11 on September 9, 1967. Betty Boo became the Town's first Clerk-Treasurer at the Town's election held at the Westport Community Club on October 7, 1967. The first Clerk-Treasurer's Office was located in a house on Ferguson's farm on West North Boo Road; property owned by Bethlehem Steel Corporation. In 1980 the Clerk-Treasurer's office moved to a newly constructed Town Complex at 1240 North Boo Road.

The Town's budget in 1967 was \$16,165 paid entirely by Bethlehem Steel Corporation. In 1968, the Town's budget was \$75,311.25. The Town's assessed valuation was \$3,874,560 and its tax rate was \$1.38. Census data listed the population of Burns Harbor as 1,263.

Today, the Clerk-Treasurer's Office still resides at 1240 North Boo Road and manages an investment portfolio of over \$5 million dollars comprised of almost \$9 million in annual receipts from Burns Harbor's General Fund and 39 other funds. It distributed nearly \$7.1 million dollars in 2020. The Town's assessed value was \$588,414,764 with a tax rate of \$0.3789 per hundred. The official 2010 Census is 1,156 people. The 2020 Census numbers, expected to be approved by President Biden and released later this year, are expected to increase our population count exponentially.

The Clerk-Treasurer also serves as the Treasurer to the Burns Harbor Scholarship Fund and the Treasurer for the Burns Harbor Redevelopment Commission.

| Burns Harbor's Clerk-Treasurers | | |
|---------------------------------|---|-------------|
| Betty Boo | R | 1967 - 1987 |
| Donna Wilson | R | 1988 - 1991 |
| Esther Nickell | R | 1991 - 2003 |
| Jane Jordan | D | 2004 - |

Clerk-Treasurer Staff

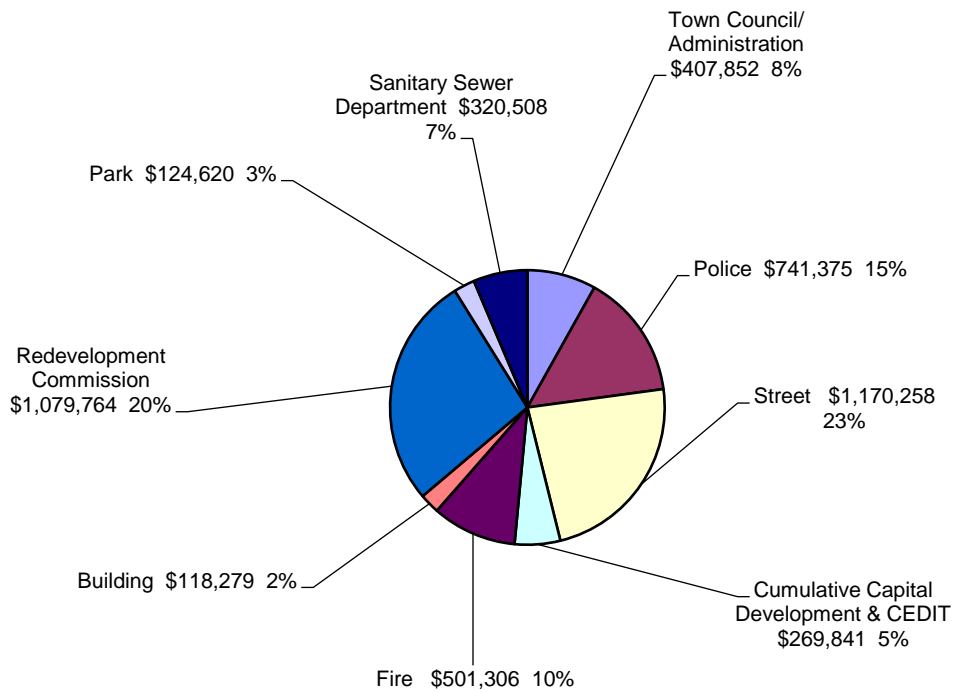
Corinne Peffers, Deputy Clerk

Lori McCormick, License & Permit Clerk

General Fund Revenue Projections

| Revenue Projections | | | | | | | |
|--|---------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|
| General Fund | ACTUAL | | | | | | 2021 Est. |
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | |
| Operating Receipts: | | | | | | | |
| Property Taxes | \$ 1,464,551 | \$1,437,256 | \$1,538,668 | \$1,594,865 | \$ 1,723,478 | \$ 1,672,541 | \$ 1,814,224 |
| License Excise Tax | \$ 19,269 | \$ 20,835 | \$ 23,887 | \$ 28,842 | \$ 29,688 | \$ 28,342 | \$ 23,132 |
| CVET Comm Vehicle Excise Tax | \$ 658 | \$ 587 | \$ 578 | \$ 552 | \$ 676 | \$ 644 | \$ 640 |
| In lieu of Taxes | \$ 104 | \$ 130 | \$ 136 | \$ 113 | \$ 115 | \$ 117 | \$ 116 |
| Cable Franchise Fees | \$ 22,541 | \$ 23,322 | \$ 25,410 | \$ 25,578 | \$ 25,489 | \$ 28,311 | \$ 23,876 |
| Licenses Building/Business/Contract | \$ 56,329 | \$ 70,941 | \$ 67,090 | \$ 57,834 | \$ 89,793 | \$ 60,559 | \$ 69,780 |
| Alcoholic Beverage Tax | \$ 3,083 | \$ 3,691 | \$ 3,229 | \$ 3,649 | \$ 3,563 | \$ 4,462 | \$ 2,623 |
| Cigarette Tax General | \$ 792 | \$ 804 | \$ 767 | \$ 737 | \$ 720 | \$ 684 | \$ 684 |
| Ordinance Violations | \$ 1,147 | \$ 490 | \$ 13,879 | \$ 8,949 | \$ 13,851 | \$ 6,700 | \$ 6,000 |
| Interest on Investments | \$ 15,184 | \$ 14,623 | \$ 15,085 | \$ 15,904 | \$ 15,145 | \$ 5,380 | \$ 7,200 |
| Riverboat Distributions | \$ 6,848 | \$ 6,848 | \$ 6,848 | \$ 6,848 | \$ 6,848 | \$ 6,848 | \$ 6,848 |
| BZA/Plan Comm Fees | \$ 1,850 | \$ 900 | \$ 450 | \$ 500 | \$ 1,150 | \$ 600 | \$ 600 |
| Copies of Public Record | \$ 1 | \$ - | \$ 8 | \$ 8 | \$ 15 | \$ 11 | \$ 10 |
| Total Operating Receipts General Fund | \$ 1,592,356 | \$1,580,426 | \$1,696,035 | \$1,744,379 | \$ 1,910,531 | \$ 1,815,199 | \$ 1,955,733 |
| Operating Disbursements: | | | | | | | |
| Personal Services | 863,196 | 903,578 | 1,040,206 | 1,016,467 | 1,096,838 | 1,110,399 | 1,230,552 |
| Supplies | 66,601 | 72,069 | 60,107 | 73,475 | 72,010 | 79,146 | 111,275 |
| Other Services & Charges | 464,176 | 477,173 | 543,048 | 474,669 | 446,842 | 499,293 | 521,321 |
| Capital Outlay | 71,287 | 245,259 | 168,286 | 12,043 | 75,640 | 55,643 | 21,350 |
| Budget Reduction Required | | | | - | - | - | - |
| Total Operating Disbursements | 1,465,260 | 1,698,079 | 1,811,648 | 1,576,654 | 1,691,331 | 1,744,481 | 1,884,498 |
| Increase/(Decrease) in Cash | \$ 127,096 | \$ (117,653) | \$ (115,613) | \$ 167,725 | \$ 219,201 | \$ 70,718 | \$ 71,235 |
| Beginning Cash | 733,839 | 781,089 | 651,527 | 539,818 | 743,724 | 895,751 | 1,115,229 |
| Ending Cash | \$ 860,935 | \$ 663,436 | \$ 535,914 | \$ 707,544 | \$ 962,924 | \$ 966,469 | \$ 1,186,464 |
| Operating Balance Percentage | 58.76% | 39.07% | 29.58% | 44.88% | 56.93% | 55.40% | 62.96% |
| Cigarette Tax CCI Fund | \$ 2,904 | \$ 2,346 | \$ 2,811 | \$ 2,702 | \$ 2,641 | \$ 2,507 | \$ 2,612 |

Expenditure by Department for FY 2020



2020 Tax Rates and Levy

The Town's 2020 tax rate was \$2.1017 up 0.0492 cents from 2019. Of the \$2.1017, the Town received 0.3789 cents per hundred. The Duneland School District received \$1.0414, Porter County 0.4569, and the remainder was divided among the library, airport, and township. Despite this rise, Burns Harbor remained one of the lowest municipal tax rates in Porter County.

The Town had a tax levy of \$2,229,504 however, the Town only received \$2,141,052; or 96.0326% collections.

The Redevelopment Commission collected \$786,672 in Tax Increment Funds (TIF) and \$310,533 in tax abatement fees.

Clerk-Treasurer of Burns Harbor, Porter County, Indiana

Fiscal Year 2020 Investment Summary

Cash Basis

| Fund Name | Average Daily Balance | Interest Collected | Average Monthly Yield |
|----------------------------------|------------------------------|---------------------------|------------------------------|
| Warrant Clearing/Savings Account | \$ 3,150,429.96 | \$ 4,837.24 | 0.15% |
| Certificate of Deposits | \$ 250,000.00 | \$ 727.87 | 0.58% |
| | | | |
| TrustIndiana: | | | |
| General Fund | \$ 270,217.88 | \$ 543.06 | 0.53% |
| Park & Rec Fund | \$ 10,085.81 | \$ 52.97 | 0.53% |
| Park Donation Fund | \$ 5,042.96 | \$ 26.49 | 0.53% |
| Rainy Day Fund | \$ 50,429.11 | \$ 265.08 | 0.53% |
| Redevelopment General Fund | \$ 133,215.14 | \$ 1,577.50 | 0.53% |
| Wastewater Operations Fund | \$ 302,574.80 | \$ 1,590.44 | 0.53% |
| RDC NLT Grant Fund * | \$ 705,208.48 | \$ 46.31 | .0865% |

* Funds deposited December 2020

Burns Harbor ALS Ambulance Service I.C. 36-1-3

In October 2018, the Town of Burns Harbor Advanced Life Support (ALS) ambulance service contract with Superior expired. In order to ensure immediate and safe access to emergency services in time of need, the Council instated its own ALS service run by in-house part-time personnel. The fees collected are used to oversee the operations. \$239,490 of tax abatement fees were used to support salaries of the staff made by Burns Harbor Redevelopment Commission motions in February, April and June 2020. The General, Cumulative Capital Development and Economic Development Funds supported the operations of the service in the amount of \$33,763.40.

FY end 2020's outstanding account balances totaled \$66,907.01 from 87 customers. Of those delinquent accounts, \$37,879.42 were 180+ days past due.

Statements of Revenue, Expenditures & Change in Net Position

| | | |
|-------------------------------|----|--------------|
| Operating Revenue | \$ | 71,801.93 |
| Operating Expenses | \$ | 318,462.03 |
| Net Ordinary Income (Loss) | \$ | (246,660.10) |
| Total Other Income (Expenses) | \$ | 273,253.40 |
| Change in Net Position | \$ | 26,593.30 |
| Net Position Beginning | \$ | 10,835.63 |
| Net Position Ending | \$ | 37,428.93 |

Burns Harbor Local Law Enforcement Continuing Education Fund I.C. 5-2-8-2

The Burns Harbor Police Department received fees for services it provides such as vehicle identification number checks, accident and case reports, violation tickets, etc. By State Statute, these fees collected are to be used for education, training, supplies and equipment for the police department.

Statements of Revenue, Expenditures & Change in Net Position

| | | |
|-------------------------------|----|------------|
| Operating Revenue | \$ | 5,973.81 |
| Operating Expenses | \$ | 13,621.85 |
| Net Ordinary Income (Loss) | \$ | (7,648.04) |
| Total Other Income (Expenses) | \$ | 0.00 |
| Change in Net Position | \$ | (7,648.04) |
| Net Position Beginning | \$ | 15,916.06 |
| Net Position Ending | \$ | 8,268.02 |

Burns Harbor Park Non-Reverting Operating Fund I.C. 36-10-3-22

The Burns Harbor Park and Recreation Department rents its building, shelters and gazebo to the public for a small fee. The fees collected oversee the operations of park events, programs and purchase of equipment the Department provides to the community. The Park rented their building and shelters twenty-eight (28) times in FY 2020, down significantly from 2019 due to the COVID pandemic.

Statements of Revenue, Expenditures & Change in Net Position

| | | |
|-------------------------------|----|-------------|
| Operating Revenue | \$ | 4,334.98 |
| Operating Expenses | \$ | 20,332.44 |
| Net Ordinary Income (Loss) | \$ | (15,997.46) |
| Total Other Income (Expenses) | \$ | 0.00 |
| Change in Net Position | \$ | (15,997.46) |
| Net Position Beginning | \$ | 20,577.94 |
| Net Position Ending | \$ | 4,580.48 |

Burns Harbor Wastewater Fund I.C. 13-26-1-1

Burns Harbor provides waste water service to residents and businesses within its town boundaries. Fees collected oversee the utility's operations, improvements and infrastructure maintenance.

FY end 2020 the utility had 608 customers broke down as follows: 552 residential, 26 business/commercial, 4 governmental and 26 multifamily units. Outstanding account balances totaled \$7,655.66 from 63 customers. Of those accounts, \$2,045.56 was 30 days past due, \$1,033.39 was 60 days past due, and \$1,174.35 was delinquent 90+ days past due. There were no unpaid liens on file in the Porter County Recorder's Office.

Statements of Revenue, Expenditures & Change in Net Position

| | | |
|-------------------------------|----|--------------|
| Operating Revenue | \$ | 492,689.11 |
| Operating Expenses | \$ | 320,507.67 |
| Net Ordinary Income (Loss) | \$ | 172,181.44 |
| Total Other Income (Expenses) | \$ | 0.00 |
| Change in Net Position | \$ | 172,181.44 |
| Net Position Beginning | \$ | 806,015.89 |
| Net Position Ending | \$ | 1,278,197.33 |

Clerk-Treasurer of the Town of Burns Harbor, Porter County, Indiana

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Burns Harbor, IN 46304

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