

Controller's Office

Rebecca Miller, Controller

The Controller's Office has a staff of seven full-time employees: the Controller, Deputy Controller, Purchasing Agent, Payroll Clerk, Accountant, Financial Analyst, and Bookkeeper.

We are the center of finance and budgeting for the City of Mishawaka and Mishawaka Utilities. The financial position of the City influences everything we do. Managing the resources of the City can be complicated, but we take great pride in managing taxpayer and ratepayer funds responsibly.

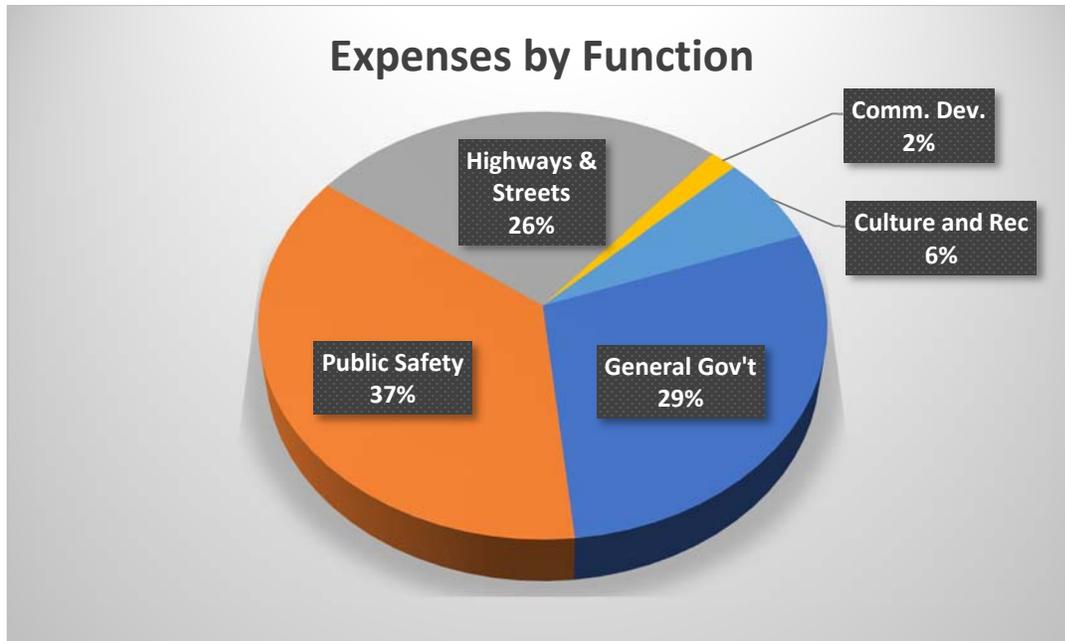
Internal controls are very important to provide oversight and checks and balances. Our office practices segregation of duties, and has adopted cash handling and internal control policies that all City and Utility departments follow.

Other responsibilities include:

- Compiling the annual budget
- Processing and filing federal, state, and local financial reports
- Processing payroll, withholdings, and reporting
- Processing all accounts payable
- Receipting and reconciling all deposits on a daily basis, and
- Issuing various licenses and permits
- Authorizing and directing all investments

In 2018, we continued to build cash balances to weather the fiscal cliff in 2020 when property tax caps lower from 1.5% / 2.5% / 3.5% to 1% / 2% / 3%. In 2020 our property tax revenue will be reduced an additional \$2.9 million in the General Fund alone. In 2023, our loss of property tax is estimated at \$10.0 million. For comparison purposes, our loss in 2018 was \$5.4 million. As a whole, the City continues to strive to keep budgets flat and payroll costs reasonable, reviews health insurance plans annually for savings and cost reductions, engages the Common Council in the budget process, and keeps up-to-date on any changes in the fiscal cliff status.

In addition to the fiscal cliff, Dark Store legislation has allowed large box stores to appeal their assessed value based on like stores that are empty (dark). County and township assessor offices have neither the staff nor budgets to fight the high-profile law firms reaching out to the corporate stores. Together the City, along with the City of South Bend and St. Joseph County, meet to discuss appeals and strategies to combat this growing trend.



Due to lost tax revenue, the City has utilized our own Bond Bank to make necessary purchases. The Bond Bank allows us to borrow money and “pay ourselves back” with interest. Purchased in 2018 was a \$1.1 million Records Management System for the police department. In 2019, we have purchased a complete set of turnout gear for our firefighters so they will always have clean, protective gear to wear. Additionally, on order is a \$960,000 aerial fire truck for the fire department. With the hospital and the building of taller apartments, a safe, reliable reaching ladder is necessary.

Expected this quarter is our 32nd consecutive Certificate of Achievement for Excellence in Financial Reporting (CAFR) for the 2017 fiscal year. Alas, all good things must to an end. While we will no longer be preparing a CAFR for submission to the GFOA, we will still be preparing a report based on Generally Accepted Accounting Principles (GAAP) that will satisfy all requirements for a city our size for the State Board of Accounts and our bondholders. This decision was made after careful consideration due to the cost and time needed to produce this voluntary report.

Key data points with history are shown in the following table:

General Fund Balance			
2015	2016	2017	2018
\$2,877,933	\$4,730,384	\$6,392,197	\$9,851,063
Tax Rate History			
2015	2016	2017	2018
\$1.8795 -6.32%	\$1.997 +6.25%	\$1.999 +.07%	\$2.0516 +.026%
Assessed Value History			
2015	2016	2017	2018
\$1,372,100,311 +5.28%	\$1,341,719,802 -2.21%	\$1,391,035,674 +3.68%	\$1,409,003,003 +1.30%
Budget Book Totals			
2015	2016	2017	2018
\$49,964,351 -5.98%	\$52,926,916 +5.93%	\$50,545,983 -4.5%	\$52,847,785 +4.5%
Wage Increases			
2016	2017	2018	2019
1.0%	1.0%	1.0% + \$500	1.5% + \$500

In conclusion, the City Controller’s office has the job of keeping the City financially sound. This may be with earnings, or with savings on purchasing, but either way it is a benefit to all citizens of Mishawaka. Sound financial management is fundamental to keeping Mishawaka moving forward.