



# Department of Local Government Finance

## Department of Local Government Finance Introduction

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# Agenda

- Resources
  - Field Representatives
  - Memos and Presentations
  - Budget Calendar
  - County Specific Information
  - July Estimates
- Gateway Updates

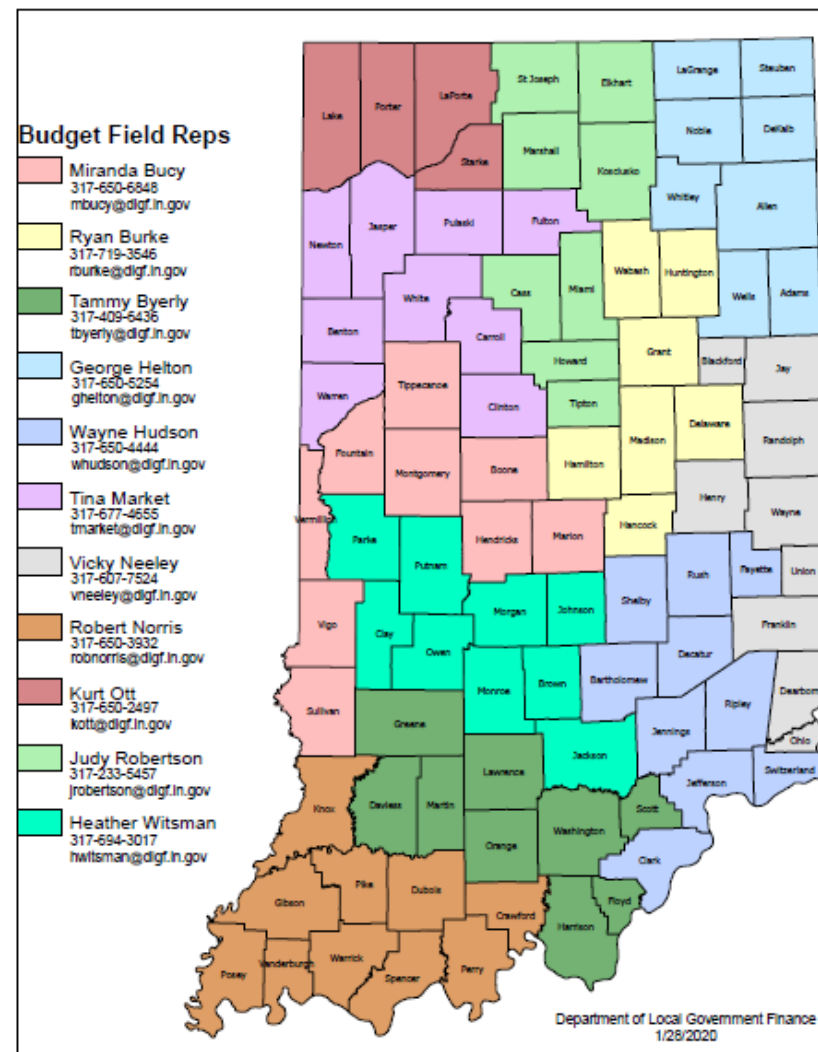


# Resources



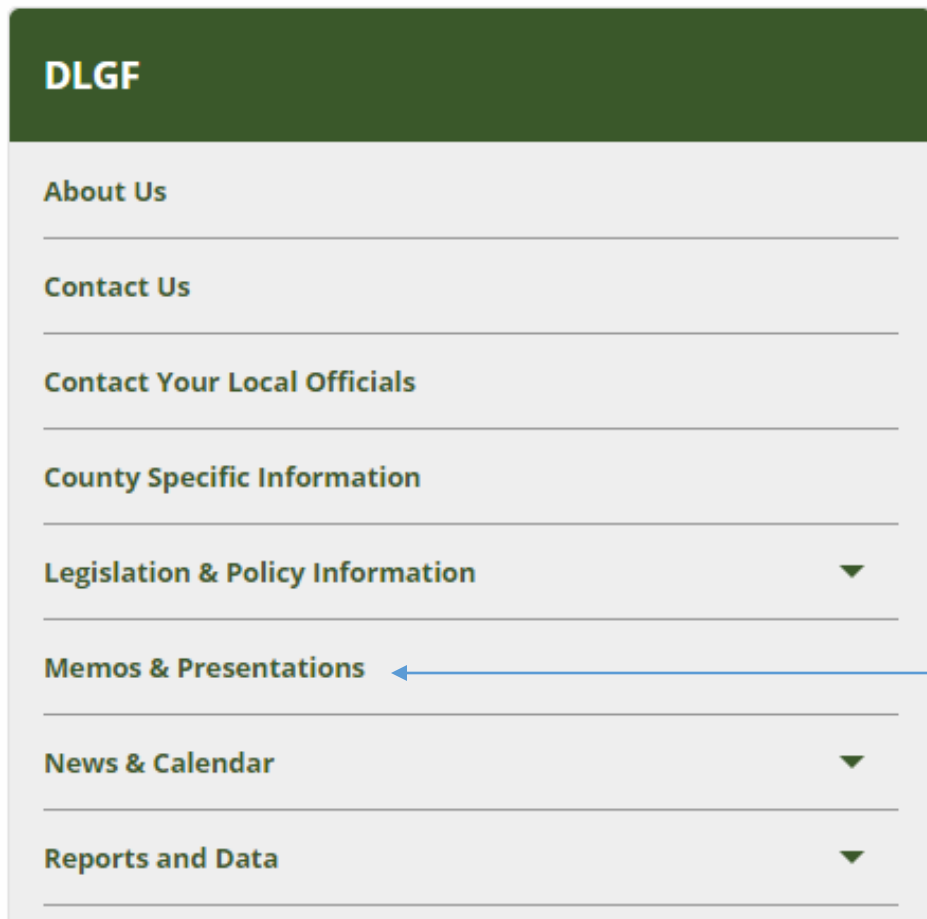
# Budget Field Representatives

- We are your #1 Contact at the Department
- We are here to answer questions.
- We can help explain changes in procedures.
- We can help you avoid common mistakes and, in some cases, help correct those mistakes.
- [https://www.in.gov/dlgf/files/Budget\\_Field\\_Reps.pdf](https://www.in.gov/dlgf/files/Budget_Field_Reps.pdf).





# Memos and Presentations



Lists all the current year memos and presentations listed by release date:

<https://www.in.gov/dlgf/2444.htm>

Links to archived memos for past 3 years to give you an idea when memos are usually released.

Memos will be listed first then the presentations that have been given.



# Memos and Presentations

**DLGF**

- About Us
- Contact Us
- Contact Your Local Officials
- County Specific Information
- Legislation & Policy Information
- Memos & Presentations** ←
- News & Calendar
- Reports and Data

- Currently the memos released related to the budget include the Budget Calendar and Additional Appropriations memo
- Review the Budget Calendar each year for any changes

<https://www.in.gov/dlgf/files/pdf/200123%20-%20Van%20Dorp%20Memo%20-%202020%20-%202021%20Budget%20Calendar.pdf>



# Budget Calendar



# Budget Calendar

|         |   |
|---------|---|
| June 30 | Deadline for State Budget Agency (“SBA”) to provide Assessed Value Growth Quotient (“AVGQ”) to civil taxing units, school corporations, and Department.<br>IC 6-1.1-18.5-2(c)   |
| July 14 | <p>Department provides each taxing unit an estimate of their 2021 maximum permissible property tax levy for the ensuing year and guidance on calculating allowable adjustments to the maximum levy. The report will be posted on DLGF website. IC 6-1.1-18.5-24</p> <p>Department provides to each county, city, and town an estimate of several miscellaneous revenue sources, including FIT, CVET, MVH, and Local Road and Street. The report will be posted on DLGF website.</p> |
| July 31 | <p>Deadline for Department to provide to each taxing unit that levies property taxes an estimate of the amount by which the taxing unit's distribution of property taxes will be reduced in the ensuing year due to property tax cap loss (“circuit breaker impact”).</p> <p>The report will be posted on DLGF website. IC 6-1.1-20.6-11.1.</p>   |





# Budget Calendar

|             |   |
|-------------|---|
| August 3    | Last day for county auditor to certify net assessed values to the Department. The Department will make AV visible to every political subdivisions via Gateway. All units are encouraged to validate the AVs certified by the county auditor. IC 6-1.1-17-1  |
| August 3    | The county fiscal body shall review at its first meeting in August the estimated property tax levy limits and the estimated reductions due to circuit breakers for each taxing unit. The county fiscal body will prepare and distribute a written recommendation for the taxing units or the county auditor will distribute the minutes of the meeting to all taxing units after the minutes are approved by the fiscal body. IC 6-1.1-17-3.6 |
| September 1 | Last day for schools with appointed boards to submit proposed 2021 budgets, tax rates, and tax levies to appropriate fiscal body for binding adoption. For these units, the Department will remove access to the Gateway Budget module at the end of the day. IC 6-1.1-17-20; IC 6-1.1-17-20.3  |



# Budget Calendar

|         |  |
|---------|--|
| Oct. 12 | Last day to post notice to taxpayers (Budget Form 3) of proposed 2021 budgets and net tax levies and public hearing to Gateway. Units who have not submitted by October 12 will not have time to complete the process before deadline. IC 6-1.1-17-3   |
| Oct. 22 | Last possible day for taxing units to hold a public hearing on their 2021 budgets. Public hearing must be held at least ten days before budget is adopted. Units who have not had a public hearing by October 22 will not have time to complete the process before the deadline. IC 6-1.1-17-5<br>Note: This deadline is subject to scheduling of the public hearing. See October 12 for additional information.   |
| Nov. 2  | Deadline for all taxing units to adopt 2021 budgets, tax rates, and tax levies. IC 6-1.1-17-5(a)<br>If a taxpayer objection petition is filed, the appropriate fiscal body shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing. IC 6-1.1-17-5(c)<br>This deadline is subject to scheduling of the public hearing and the actual hearing. See October 12 and October 22 for additional information. |



# Budget Calendar

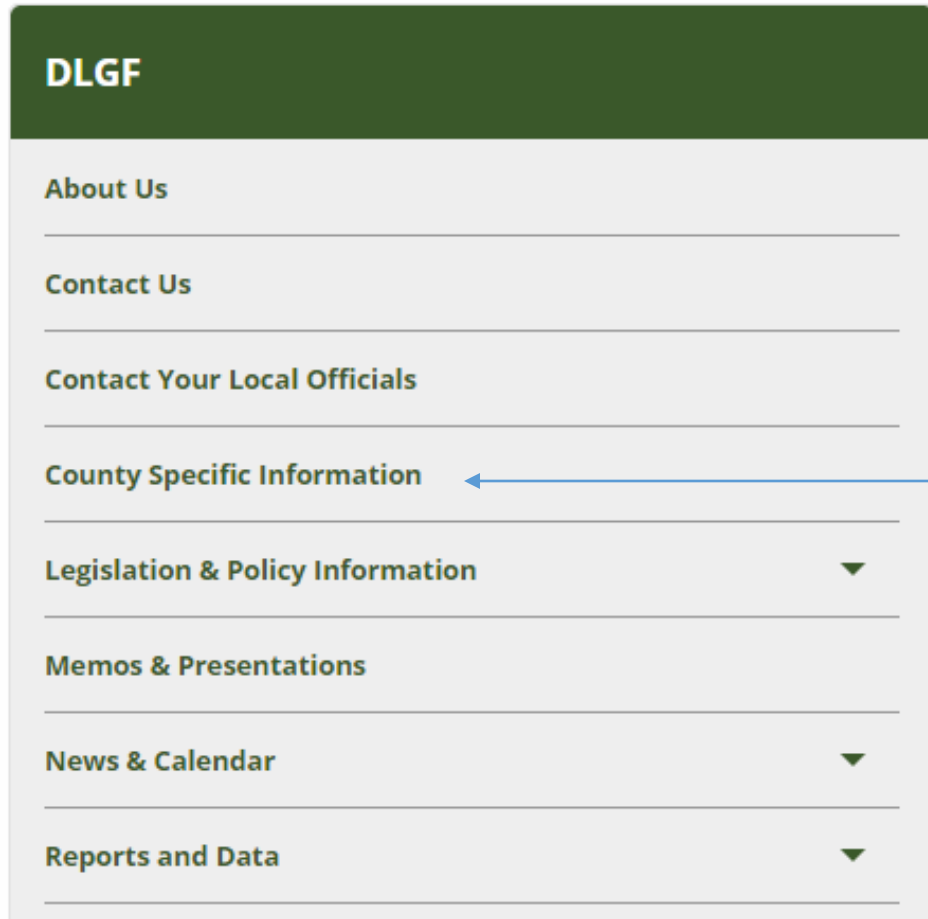
|             |   |
|-------------|---|
| November 9  | Last day for units to submit their 2021 budgets, tax rates, and tax levies to the Department through Gateway as prescribed by the Department.   |
| December 16 | Last day for the Department to accept additional appropriation requests for the 2020 budget year from units as prescribed by the Department.  |
| December 31 | Deadline for the Department to certify 2021 budgets, tax rates, and tax levies unless a taxing unit in a county is issuing debt after December 1 in the year preceding the budget year or intends to file a shortfall appeal.<br>IC 6-1.1-17-16<br><br>Note: See January 15, 2021 for additional information. |



# County Specific Information



# County Specific Information



- County Specific Information is where you can find current or past Budget Orders.
- Actual Circuit Breaker amounts that will be released in April.
- July estimates.



# County Specific Information

- The Department is statutorily required to create the following reports.
  - Not all reports will apply to all unit types.
- 
- ★• 2020 Report 1 - Estimated Tax Cap Credits by Unit
  - 2020 Maximum Mental Health and Developmental Disabilities Appropriations
  - ★• 2020 Estimated Debt Service Payments and Levies
  - ★• 2020 Calculation of Estimated Maximum Levy
    - 2020 Library Estimated Maximum Budget Report
    - 2020 Calculation of Estimated Cumulative Fund Maximum Rates
  - ★• 2020 Line 7 Worksheet
  - ★• 2020 Estimated Miscellaneous Revenues



# Estimated Tax Cap Credits by Unit

|                                |                    |
|--------------------------------|--------------------|
| School Operations Credits      | \$2,154,585        |
| Debt Fund Credits              | \$7,520            |
| <b>Total Estimated Credits</b> | <b>\$2,162,105</b> |

- The Department's estimate of Circuit Breaker Loss for the upcoming budget year.
- Based on answers to the Pre-Budget Worksheet answers and prior year Circuit Breaker amounts.
- Units are required to consider the impact of Circuit Breaker loss when adopting a budget but are not required to use our estimates.



# Estimated Debt Service Payments and Levies

| Debt Name  | Estimated Line 1<br>Payments | Estimated Line 2<br>Payments | Estimated Line 11<br>Operating Balance |
|--|------------------------------|------------------------------|--|
|  | 01/01/20 - 12/31/20          | 07/01/19 - 12/31/19          |  |
| Interest on Temporary Loans  | 300,000                      | 300,000                      | 0                                      |
| Unreimbursed Textbooks   | 10,000                       | 0                            | 0                                      |
| Ad Valorem Property Tax First Mortgage Refunding and Improvement Bonds,<br>Series 2016 | 1,652,000                    | 830,500                      | 825,500                                |
|  | <u>1,962,000</u>             | <u>1,130,500</u>             | <u>825,500</u>                         |
|  |                              | <b>Estimated 2020 Levy:</b>  | <b>1,471,083</b>                       |

- Debt payments are taken directly from the Pre-Budget Debt worksheet.
- Estimated levy is based on estimated June 30 cash balance on Pre-Budget worksheet.
- The levy you actually need could be higher or lower than what is listed.





# Calculation of Estimated Maximum Levy

Maximum Levy Type: SO School Operating

|  |                         |
|--|-------------------------|
| 2019 Maximum Levy  | 4,937,763               |
| PLUS: 2019 Permanent Appeal Amount and New Max Levies              | 0                       |
| PLUS: Other Adjustments to 2019 Maximum Levy (1)                   | 0                       |
| 2019 Maximum Levy for Growth Quotient                              | <u>4,937,763</u>        |
| TIMES: Assessed Value Growth Quotient (2)                          | 1.0350                  |
| Initial 2020 Maximum Levy  | <u>5,110,585</u>        |
| PLUS: Potential 2020 Appeals as Reported by Unit                   | 1,000,000               |
| Estimated 2020 Maximum Levy Prior to Allowable Adjustments         | <u>6,110,585</u>        |
| PLUS: Estimated 2020 Cumulative Capital Development Adjustment (3) | 0                       |
| PLUS: Estimated 2020 Mental Health Adjustment (4)                  | 0                       |
| PLUS: Estimated 2020 Developmental Disabilities Adjustment (4)     | 0                       |
| PLUS: Other adjustments reported by the taxing unit                | 0                       |
| <b>Estimated 2020 Maximum Levy</b>                                 | <u><b>6,110,585</b></u> |

- Starts with prior year maximum levy.
- Review the growth factor.
- If you listed any appeal on Pre-Budget Worksheet that amount will be used in the Calculation.



# Line 7 Worksheet

|      | <u>Fund</u>                                    | 2019<br><u>Certified Levy</u> | 2019<br><u>Abstract Levy</u> | Starting Levy<br><u>for Line 7</u> | June 2019<br><u>Distributions</u> | Estimated 2020<br><u>Line 7</u> |
|------|--|-------------------------------|------------------------------|------------------------------------|-----------------------------------|---------------------------------|
| 0022 | REFERENDUM FUND - EXEMPT OPERATING - POST 2009 | 18,427,936                    | 18,422,640                   | 18,422,640                         | _____                             | _____                           |
| 0180 | DEBT SERVICE                                   | 22,732,196                    | 22,585,773                   | 22,732,196                         | _____                             | _____                           |
| 3101 | EDUCATION                                      | 0                             | 0                            | 0                                  | _____                             | _____                           |
| 3300 | OPERATIONS                                     | 26,307,266                    | 24,259,891                   | 24,259,891                         | _____                             | _____                           |

- Lists all the funds on the Budget Order.
- Lists the Certified Levy and the Abstract Levy.
- Starting point is the lessor of Certified or Abstract, except for Debt is always Certified.
- Do not use if you have been approved for a waiver, use the waiver workbook to calculate Estimated December tax draw.



# Estimated Miscellaneous Revenue

| <u>Revenue Type</u>                | <u>Max Levy Type<br/>(If Applicable)</u> | <u>Estimated Revenues</u> |                        | <u>Notes</u>  |
|------------------------------------|--|---------------------------|------------------------|---|
|                                    |  | <u>7/1/19-12/31/19</u>    | <u>1/1/20-12/31/20</u> |   |
| 1211 License Excise Tax            |  | 143,795                   | 287,590                | Estimates based on three year average of EXCISE reported on Gateway for unit.   |
| 1212 Commercial Vehicle Excise Tax |  | 27,025                    | 50,807                 | Estimates based on three year average of CVET reported on Gateway. Actual distribution amounts available through State Auditor's Office:<br><a href="https://www.in.gov/auditor/1267.htm">https://www.in.gov/auditor/1267.htm</a> |
| R112 Financial Institutions Tax    |  | 23,450                    | 46,900                 | Estimates based on three year average of FIT reported on Gateway. Actual distribution amounts available through State Auditor's Office: <a href="https://www.in.gov/auditor/1265.htm">https://www.in.gov/auditor/1265.htm</a>     |

- Lists estimates of License Excise Tax, Commercial Vehicle Excise (CVET) Tax, and Financial Institutions Tax (FIT.)
- Our estimates are at the unit level, not the fund level.
- Units are not required to use our estimates.



# Gateway Updates



# Gateway Updates

- Two big changes this year:
  1. Online Additional Appropriations and
  2. Debuting a new Form 4B.



# NEW Additional Appropriation Procedures

- Online Additional Appropriations will go live April 1.
- Webinar presentation given on February 27.
- Presentation can be found at:  
<https://www.in.gov/dlgf/9697.htm>



# NEW Additional Appropriation Procedures

- IC 6-1.1-18-5 outlines a series of steps that need to be completed in order to receive and additional appropriation:
  1. SBOA Reporting
  2. Public Notice
  3. Public Hearing
  4. Submission to the Department\*
  5. Department review and response\*
- The Department is changing the submission, review, and response procedures for 2020 Additional Appropriations.



# NEW Additional Appropriation Procedures

A screenshot of the "Indiana Gateway for Government Units" website. The header features the "Gateway" logo in blue and "INDIANA for government units" in orange. A navigation bar includes links for Home, About, Account Settings, User Guides, and Logout. The main content area has a welcome message and a "Select Application" section with two tables. The first table lists applications for the Department of Local Government Finance (DLGF), and the second table lists applications for the State Board of Accounts (SBOA).

Welcome to the Indiana Gateway for Government Units

As an authorized user, you will have at least one application to use. Each of these applications enables a local unit to submit its required forms, reports or files to the appropriate state agency. Agencies currently include Department of Local Government Finance, State Board of Accounts, Indiana Education Employment Relations Board and Indiana Gaming Commission.

### Select Application

| Department of Local Government Finance (DLGF)  | Deadline                |
|--|-------------------------|
| <a href="#">New* Additional Appropriations</a> | <a href="#">Details</a> |
| <a href="#">Abstract</a>                       | <a href="#">Details</a> |
| <a href="#">Assessor Reports</a>               | Mar 31                  |
| <a href="#">Budgets</a>                        | <a href="#">Details</a> |

| State Board of Accounts (SBOA)                        | Deadline                |
|---|-------------------------|
| 100R  | Jan 31                  |
| <a href="#">Annual Financial Report</a>               | <a href="#">Details</a> |
| <a href="#">Monthly and Annual Engagement Uploads</a> | <a href="#">Details</a> |
| <a href="#">Conflict of Interest Disclosure</a>       | 15 days                 |

- All units will submit their AA petitions through the new “Additional Appropriation” Application in Gateway.





# NEW Additional Appropriation Procedures

**Publication Information**

Resolution Date  
 \*

Newspaper Name

Date of Publication

Newspaper Name

Date of Publication

Public Hearing Date

Publication Dates Timely  
Resolution Dates Timely  
All applicable SBoA reports filed: Yes

**Additional Appropriation Order Recipient**

Email:

1. The Additional Appropriation Application is largely based on the Form 55819. The first step of the process is modelled after Section 1.
2. Units will start their submission by entering information about their public notice, public hearing, and resolution.



# NEW Additional Appropriation Procedures

Select Unit > Manage Petitions > Select Funds > Manage Funds

Selected Year 2020 Select Unit: ADAMS COUNTY - 0000 Adams County

Edit Funds

Select Fund Code 0706 - LOCAL ROAD & STREET ▾

|  |           |
|--|-----------|
| C. Appropriation Amount Requested                                | \$75,000  |
| D. Amount By Reduction (Enter as a positive number)              | \$0       |
| 6. January 1 Cash Balance (Includes investments)                 | \$350,000 |
| 11. Encumbered Appropriations Carried Forward from Previous Year | \$25,000  |
| 12. Temporary Loans Outstanding as of January 1                  | \$0       |
| 16. Amount transferred to Rainy Day Fund                         | \$0       |

- Step three of the new process mirrors Section 2 of the Form 55819. This section of the Form 55819 has 22 lines that are either populated with formulas or require data entry to complete.
- During the prior year budget certification process, the Department collected most of that information from your unit.
- The new application only requires a unit to provide six additional pieces of data. All other information will default into the application.



# New Form 4B

- Changing the Form 4B allowed for the removal of Property Tax Caps from Form 1.
- Changes in the 4B required changes in the text of the Current Year Financial Worksheet and Debt Worksheet.