

Pulaski County, Indiana
2006 Pay 2007 Budget Order

An analysis of the data with the 2006 Pay 2007 Budget Order for Pulaski County shows that the budgets, levies and tax rates to be approved are in compliance with Indiana statutes.

Pulaski County has five cross-county units; Culver Community School Corporation, Eastern Pulaski Community School Corporation, North Judson - San Pierre School Corporation, West Central School Corporation and Northwest Indiana Solid Waste Management. West Central School Corporation and Northwest Indiana Solid Waste Management cross county lines with Jasper County. North Judson - San Pierre School Corporation crosses county lines with Starke County. Eastern Pulaski Community School Corporation crosses county lines with Fulton County. Culver Community School Corporation crosses county lines with Fulton, Marshall and Starke Counties. Because the Northwest Indiana Solid Waste Management unit makes up such a small portion of each taxing district's rate, it has been included in this analysis. Pulaski County is the major county for both Eastern Pulaski Community School Corporation and West Central School Corporation; therefore, these units have been included in this analysis. Culver Community School Corporation has been excluded from this analysis.

Pulaski County includes two Conservancy Districts. A Conservancy District is a special taxing district created to provide flood control, irrigation, potable water or wastewater service within a specified area. The cost of providing these services are charged to landowners in the form of a special assessment based on the benefit provided. These special assessments are added to the property tax bill of each landowner and collected along with property taxes. Since the benefit derived may not relate to the assessed value of the property, these assessments are normally expressed in terms of dollars of assessment and not as a tax rate per \$100 of net assessed value. Therefore, the Conservancy District special assessment has not been included in this analysis.

According to DLGF staff, real property and sales data are in compliance with departmental and statutory requirements. Auditor data will not be available until after certification.

Changes in Local Tax Levies

Tax levy increases are made up of routine increases in controlled levies, increases in tax rate controlled levies and debt service levies. Controlled levies increase based on an annual growth factor or excess levy appeals. Tax rate controlled levies increase based on increases in assessed value applied to a specific tax rate (tax rates are adjusted downward to eliminate the effect of reassessment or trending).

The total net increase in tax levy for Pay 2007 on a county-wide basis was approximately \$989,400, or 6.4%. Just under \$748,000 of this increase comes from the County and County Welfare units' net levy increases. Following are the levy changes that were greater than a 10% change over the previous year levy.

1. Pulaski County unit's Health Fund levy increased \$16,279 (10.0%), the Children Psychiatric Residential Treatment Fund levy increased \$52,487 (61.5%), and the Jail Lease Rental Fund levy increased \$27,439 (10.0%).
2. The Pulaski County Welfare Family and Children Fund levy increased \$490,179 (66.9%).
3. Cass Township unit's General Fund levy increased \$579 (10.4%) and the Township Assistance Fund levy decreased \$131 (-10.4%).

4. Harrison Township unit's General Fund levy increased \$1,119 (14.0%) and the Township Assistance Fund levy decreased \$823 (-46.0%).
5. Indian Creek Township unit's General Fund levy decreased \$1,252 (-12.1%).
6. Jefferson Township unit's Township Assistance Fund levy increased \$496 (47.1%).
7. Rich Grove Township unit's General Fund levy decreased \$1,120 (-24.4%), and the Township Assistance Fund levy increased \$1,406 (96.3%).
8. Tippecanoe Township unit's General Fund levy increased \$15,026 (474.2%), and the Township Assistance Fund levy decreased \$13,937 to zero.
9. Van Buren Township unit's Township Assistance Fund levy increased \$1,150 (77.8%).
10. White Post Township unit's General Fund levy decreased \$3,262 (-16.1%), and the Township Assistance Fund levy increased \$3,000 (37.6%).
11. Francesville Civil Town unit's Motor Vehicle Highway Fund levy increased \$8,802 (22.1%), and the Park and Recreation Fund levy decreased \$7,493 to zero.
12. Medaryville Civil Town unit's General Fund levy decreased \$28,911 (-21.7%), and the Motor Vehicle Highway Fund levy increased \$11,883 (34.0%).
13. Monterey Civil Town unit's General Fund levy increased \$7,842 (22.2%).
14. Winamac Civil Town unit's Motor Vehicle Highway Fund levy increased \$6,962 (14.4%).
15. West Central School Corporation unit's Capital Projects Fund levy increased \$79,126 (30.0%).
16. Francesville Public Library unit's Library Capital Projects Fund levy \$1,071 (15.6%).
17. Pulaski County Public Library unit's Library Capital Projects Fund levy decreased \$44,153 to zero.

No units in the County exceeded the working maximum levy. All units in the County levied up to the working maximum levy except for Beaver Township, Francesville Public Library, Medaryville Town, Monterey Public Library, Monterey Town, County Welfare Children with Health Needs, Pulaski County, West Central School Corporation (Transportation only) and Winamac Town.

Pulaski County is a CAGIT county, and, in CAGIT counties, controlled levies grow at a rate higher than non-CAGIT counties. No units in the County had controlled levy growth higher than what would be expected for a CAGIT county.

Changes in Real Property Gross Assessed Values

Real Property Gross Assessed Values increases by property class are as follows.

<u>Class</u>	<u>% Increase</u>
Agriculture	0.89%
Industrial	6.96%
Commercial	3.14%
Residential	5.29%
Utilities	18.59%

Changes in the proportion of Gross Assessed Value by Class can create a burden shift from one class to another. The proportion (mix) of values of real property by class (this can represent the relative tax burden by class, except that it does not include the impact of deductions or credits).

<u>Class</u>	<u>2006 Ratio</u>	<u>2007 Ratio</u>
Agriculture	44.63%	43.57%
Industrial	6.05%	6.27%
Commercial	4.81%	4.80%
Residential	44.31%	45.14%
Utilities	0.19%	0.22%

As can be seen from the analysis, a shift from Agriculture and Commercial to Industrial, Residential and Utilities has occurred. This shift was approximately 1.08% of the total, with the majority (0.83%) of the shift going toward Residential.

Change in Net Tax Rates

Changes in net tax rate by district were as follows. Due to the incomplete information available for Culver Community School Corporation and North Judson - San Pierre School Corporation, Cass Township (North), Rich Grove Township, Tippecanoe Township and Monterey Corporate (Tippecanoe) taxing districts are not included in the analysis below. It is likely that the gross tax rates, and therefore net tax rates, are not accurately calculated for these districts because of the absence of the major county portions of the cross-county units' rate components.

<u>District</u>	<u>Change in NAV</u>	<u>Change in Gross Tax Rate</u>	<u>Change in Business Personal Property Net Tax Rate</u>	<u>Change in Real Estate and Other Personal Property Net Tax Rate</u>	<u>Change in Homestead Net Tax Rate</u>
Beaver Township II	6.82%	8.13%	10.10%	12.78%	21.91%
Beaver Township I	3.97%	7.15%	10.89%	14.12%	26.28%
Cass Township	2.41%	6.75%	10.17%	13.24%	25.35%
Franklin Township	-4.86%	7.87%	10.28%	12.26%	21.46%
Harrison Township	1.39%	7.70%	10.04%	12.04%	21.28%
Indian Creek Township	4.74%	7.69%	10.05%	12.05%	21.25%
Jefferson Township - East	-4.85%	7.96%	10.36%	12.34%	21.61%
Jefferson Township	-5.80%	7.00%	10.51%	13.57%	25.73%
Monroe Township	-4.19%	7.93%	10.34%	12.30%	21.33%
Winamac Corp (Monroe)	9.22%	4.89%	6.16%	8.47%	19.51%
Salem Township	-0.95%	6.52%	9.65%	12.52%	23.79%
Francesville Corp (Salem)	2.29%	6.09%	8.45%	11.39%	24.39%
Van Buren Township	1.13%	7.54%	9.77%	11.74%	20.92%
White Post Township	2.02%	6.12%	9.27%	12.26%	24.19%
Medaryville Corp (White Post)	6.43%	-2.21%	-1.49%	1.44%	15.16%
Average	1.32%	6.48%	8.97%	11.50%	22.28%

Downward pressure on tax rates came from increases in Assessed Value due to trending. However, this downward pressure was minimal for Pulaski County because of relatively low increases in average growth of Gross Assessed Value.

Upward pressure on tax rates came from the increased Homestead Deduction and decreased Homestead Credit rate, as well as increases in tax levies. The County was an early adopter of the inventory deduction.

Assessment Status

According to DLGF staff, real property and sales data are in compliance with departmental and statutory requirements, and auditor data will not be available until after certification is complete. Until review is completed, it is not possible to say whether the data is compliant with departmental and statutory requirements.

The DLGF has prepared an analysis of assessed valuation change by property class based on a review of parcel data. The results of this analysis are summarized in the table below:

Property Class	Percent of Parcels with Identified Assessed Valuation Change				
	<u>Decrease</u>	<u>No Change</u>	<u>0 - 30% Increase</u>	<u>30 - 100% Increase</u>	<u>More Than Doubled</u>
Commercial	16.4%	7.8%	71.6%	3.7%	0.4%
Industrial	33.9%	6.3%	55.2%	4.1%	0.5%
Residential	24.6%	19.8%	49.4%	4.9%	1.4%
Overall	24.4%	18.8%	50.6%	4.8%	1.3%