

TOWNSHIP BULLETIN

AND UNIFORM COMPLIANCE GUIDELINES ISSUED BY STATE BOARD OF ACCOUNTS

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August 2011

SEPTEMBER

- September 2: Last day for first publication of proposed 2012 tax levy, budget, notice to taxpayers of public hearing (Form 3). Give notice of township's public hearing. Must be at least 10 days before public hearing. (IC 6-1.1-17-3)
- September 5: Legal Holiday - Labor Day (IC 1-1-9-1)
- September 9: Last day for second publication of proposed 2012 tax levy, budget, notice to taxpayers of public hearing (Form 3). Give notice of township's public hearing. Must be at least 3 days before the public hearing. (IC 6-1.1-17-3)
- September 16: Last day for township to submit proposed 2012 budgets, rates, and levies to county council at least 45 days before budget adoption. (IC 6-1.1-17-3.5)
- September: All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)

NOTE: The Township Board should set the salaries of township officials and employees in conjunction with the preparation and completion of the township budget using Township Form No. 17.

OCTOBER

- October 10: Legal Holiday - Columbus Day (IC 1-1-9-1)
- October 15: Last day to make pension report and payment for third quarter by townships participating in PERF.
- October 19: Last date to file appeals for an excessive tax levy. (IC 6-1.1-18.5-12)
- October 21: Last day for township to hold public hearing to review proposed tax rates, levy and budget and non-binding recommendation from county council. Must be at least 10 days before budget adoption hearing. (IC 6-1.1-17-5)
- October 28: Last day for 10 or more taxpayers to file an objection of the proposed tax rates, levies and budgets with the township not more than 7 days after the public hearing. (IC 6-1.1-17-5)
- October 31: Last day to file quarterly report for third quarter to Internal Revenue Service.
- October: All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)

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NOVEMBER

- November 1: Last day for township to hold budget adoption hearing and adopt tax rate, levy and budget and adopt finding if objection is filed. (IC 6-1.1-17-5)
- November 3: Last day for township to file adopted 2012 budget with County Auditor. Must not be later than 2 days after budget adoption. (IC 6-1.1-17-5)
- November 8: Legal Holiday - Election Day (IC 1-1-9-1)
- November 11: Legal Holiday - Veterans' Day (IC 1-1-9-1)
- November 24: Legal Holiday - Thanksgiving Day (IC 1-1-9-1)
- November 30: On or before June 1 and December 1 of each year (or more frequently if the County Legislative Body adopts an ordinance requiring additional certifications) the Trustee shall certify a list of the names and addresses of each person who has money due from the township to the County Treasurer. (IC 6-1.1-22-14)
- November: All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)

STATE BOARD OF ACCOUNTS CALLED MEETING

Once again the State Board of Accounts anticipates (in accordance with IC 5-11-14-1) calling a meeting of all Township Trustees in conjunction with the Township Convention September 25 through September 28, 2011, in Indianapolis. Many items pertaining to our audits of townships will be discussed at our meeting on Wednesday, September 28, 2011, including the web-based electronic reporting. The Indiana Township Association will again provide for arrangements of the meeting location at the Sheraton, Keystone at the Crossing.

DESIGNATION OF TRUSTEE

We have received inquiries concerning designating an acting Trustee under certain circumstances.

The State Board of Accounts is of the audit position that IC 36-6-4-18 states: "(a) Within thirty (30) days after taking office, the executive shall designate a person who shall perform the executive's duties whenever the executive is incapable of performing the executive's functions because the executive: (1) is absent from the township; or (2) becomes incapacitated. The executive shall give notice of the designation to the chairman of the township legislative body, the county sheriff, and any other persons that the executive chooses. The designee shall have all the powers of the executive. The executive is responsible for all acts of the designee. The executive may change the designee under this section at any time. (b) The designee shall perform the executive's duties until: (1) the executive is no longer absent from the township; or (2) an acting executive is appointed by the county executive under section 16 of this chapter."

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DESIGNATION OF TRUSTEE (Continued)

We have not received any Official Opinions of the Attorney General of the State of Indiana which would indicate that a trustee could appoint a current township board member to serve as acting trustee in a township. Potential constitutional conflicts could exist concerning the holding of two (2) lucrative offices. However, Official Opinion No. 87-22 issued November 18, 1987, of the Attorney General of the State of Indiana discussed the possibility of designating another trustee and provides: "It is, therefore, my Official Opinion that a township trustee may appoint or designate pursuant to Public Law 105-1986 (HEA 1374), a township trustee of another township to act for him while he is absent from the township or while he is incapacitated. However, if any compensation is paid to the designee for the performance of the duties of the appointing township trustee, there may be a violation of Article 2, § 9 of the Constitution of Indiana." Therefore, we are of the audit position townships should consider appointing someone who is a resident of the township not currently holding another lucrative office. Examples might be the previous township trustee, previous board members, or a current clerk in the office. Finally, we are of the audit position that we are not aware of any provision for payment of compensation to an individual designated in accordance with IC 36-6-4-18.

**RESOLUTION ESTABLISHING SALARIES OF TOWNSHIP OFFICERS
AND EMPLOYEES (TOWNSHIP FORM NO. 17 – Revised 2008)**

As a reminder to all trustees, the township board is required to set the salaries and wages for each township employee every year. Listings of positions on budget forms are not considered sufficient for documentation of approved salaries and wages. The State Board of Accounts has provided a prescribed form, Township Form No. 17, to document the approved salaries and wages.

IC 36-6-6-10 requires the township board to set the salaries; wages; rates of hourly pay; and remuneration other than statutory allowances of all township officials and employees, except assessing officials and employees, for the year 1985 and each year thereafter. However, please remember the township board should RECORD THE SALARIES SO FIXED IN THE TOWNSHIP BOARD MINUTES. A type of format for recording these salaries should be the existing format of Township Form No. 17. We recommend the board set the salaries of township officials and employees, in conjunction with the preparation and completion of the township budget.

Salaries established for any one position should not have multiple classifications i.e., a clerk position should not be annual and hourly and weekly, etc.

IC 36-6-6-10 (c) provides subject to subsection (d) the township legislative body may reduce the salary of an elected or appointed official. However, the official is entitled to salary not less than the salary fixed for the first year of the term of office that immediately preceded the current term of office.

Township Form No. 17 (Revised 2008) has been prescribed to fulfill the requirements of the statute.