

CHAPTER V  
THE TOWNSHIP BOARD

ELECTION

At the time of electing township trustees, the voters of the several townships shall elect a township board consisting of three residents and qualified voters of the township. The term of office shall be for four years, or until their successors are elected and qualified, and shall begin on the first day of January succeeding their election. IC 3-10-2-13; IC 36-6-6-3

QUALIFICATION

Members of the township board shall subscribe and file with the township trustee an oath to faithfully and honestly discharge their duties as prescribed by law. IC 5-4-1-4

If a vacancy occurs in the board, it shall be filled by a political party caucus, of the same party as the officer who vacated, for the unexpired term as provided in IC 3-13-10-1. Other township board vacancies shall be filled by the county commissioners. IC 3-13-10-4

A member shall reside in the township in which he was elected. If a member ceases to be a resident of the township, the office becomes vacant. IC 36-6-6-3

SALARY

The annual salary of each member of the township board may be set by the township board in any amount, at least, or in excess of the amount fixed for that salary for the year 1980. IC 36-6-6-10

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 a salary not less than the salary fixed for the first year of the term of office that immediately preceded the current term of office.

If a township board member serves for part of the year only, the compensation shall be the annual salary prorated on the basis of the time served. IC 36-6-8-13

IC 36-6-6-10 provides in part (i) In a year in which there is not an election of members to the township legislative body, the township legislative body may by unanimous vote reduce the salaries of the members of the township legislative body by any amount.

MEETINGS

The township board shall meet annually on or before the first Tuesday after the first Monday in January at the office of the township trustee. The board shall meet and organize annually on the above date by electing one of its members chairman and one of its member's secretary for that year. Any two members shall constitute a quorum. IC 36-6-6-4; IC 36-6-6-7

If a newly elected township board holds a special meeting before the first Tuesday after the first Monday in the January following its election, it shall elect a chairman and a secretary before conducting any other business. The chairman and secretary elected at the special meeting retain those positions until the first Tuesday after the first Monday in January of the year following the special meeting. IC 36-6-6-7

The board shall meet annually on or before the third Tuesday after the first Monday in January to consider and approve in whole or in part the annual report of the township trustee. IC 36-6-6-9

#### BOARD OF FINANCE MEETING

The township board shall meet annually after the first Monday and on or before the last day of January and organize as a board of finance. IC 5-13-7-6

During the annual meeting required by IC 5-13-7, the investment officer shall make a written report of the investing officer's investments during the previous calendar year. The report must contain the name of each financial institution, government agency or instrumentality, or other person with whom the political subdivision invested money during the previous calendar year. The local board of finance shall do the following at the meeting: (1) review the report; and (2) review the overall investment policy. IC 5-13-7-7

#### BUDGET ADOPTION - MEETING

The annual meeting for the adoption of the annual budget, and any special meetings, may be held at a convenient place in the township, notice of which shall be given as provided by law.

#### SPECIAL MEETINGS

Special meetings may be held if the township trustee, or chairman of the township board, or a majority of the members of the township board, issue a written notice of the meeting to each member of the board. IC 36-6-6-14

At such meetings, the township board is empowered to act upon matters pertaining to the school township as well as the civil township. (McDonald v. State ex rel. Gibbs, 1931, 202 Ind. 409, 175 N.E. 276)

#### ALL MEETINGS

The board shall keep a record of proceedings in a separate book to be furnished by the trustee, and kept as a part of the records of the township, to be known as "The Record of the Township Board" of such township. Said record is to remain in the custody of the chairman of the board. IC 36-6-6-8

All proceedings had and decisions made by a township board must be entered of record, which record shall be open to public inspection and persons dealing with the township trustee must take notice of such record. (First National Bank v. Van Buren School Tp., 1911, 47 Ind. App. 79, 93 N.E. 863)

The secretary of the township board shall under the direction of the board record the minutes of the proceedings of each meeting in full and provide copies of the minutes to each member of the township board before the next meeting is convened. After the minutes are approved by the township board, the secretary of the township board shall place the minutes in the permanent record book. Any meeting may adjourn from day to day until the business is completed. IC 36-6-6-5, IC 36-6-6-8

## DUTIES OF THE TOWNSHIP BOARD

Some of the most important duties of a township board are:

To advise with the township trustee concerning matters pertaining to the civil township.

To organize by electing a chairman and secretary at each annual meeting of the board held on the first Tuesday after the first Monday in January. IC 36-6-6-7

To examine and approve, in whole or in part, the annual report of the township trustee on or before the third Tuesday after the first Monday in January of each year. When such examination is completed, the board shall enter of record the action thereon, specifically stating such parts and items as may be altered or disallowed. The chairman retains custody of the report. IC 36-6-6-9

To keep a record of all business transacted at all meetings.

To make appropriations and establish tax rates and levies for the ensuing year (no later than September 30) with notice given by the trustee. IC 6-1.1-17-5

To make additional or emergency appropriations as the need or emergency arises.

Resolve tie votes in township office elections. IC 3-12-9-4

When a vacancy has been created in the office of township trustee for the period of time between when the vacancy occurs and when the vacancy is filled, the chief deputy employee of the trustee assumes the duties of the township trustee. If no chief deputy employee exists, the chairman of the township board assumes the duties of the township trustee.

Any person who assumes the duties of any vacant office has all of its rights and duties. IC 3-13-11-18

### Special Meeting - Emergency Matters

A special meeting may be held by the legislative body if the executive, the chairman of the legislative body, or a majority of the members of the legislative body issue a written notice of the meeting to each member of the legislative body. The notice must state the time, place, and purpose of the meeting. IC 36-6-6-13.5

At any special meeting, if two (2) or more members give their consent, the legislative body may determine whether there is a need for fire and emergency services or other emergency requiring the expenditure of money not included in the township's budget estimates and levy. (b) Subject to section 14.5 of this chapter, if the legislative body finds that a need for fire and emergency services or other emergency exists, it may issue a special order, entered and signed on the record, authorizing the executive to borrow a specified amount of money sufficient to meet the emergency. (d) In determining whether a fire and emergency services need exists requiring the expenditure of money not included in the township's budget estimates and levy, the legislative body and any reviewing authority considering the approval of the additional borrowing shall consider the following factors: (1) The current and projected certified and noncertified public safety payroll needs of the township. (2) The current and projected need for fire and emergency services within the jurisdiction served by the township. (3) Any applicable national standards or recommendations for the provision of fire protection and emergency services. (4) Current and projected growth in the number of residents and other citizens served by the township, emergency

service runs, certified and noncertified personnel, and other appropriate measures of public safety needs in the jurisdiction served by the township. (5) Salary comparisons for certified and noncertified public safety personnel in the township and other surrounding or comparable jurisdictions. (6) Prior annual expenditures for fire and emergency services, including all amounts budgeted under this chapter. (7) Current and projected growth in the assessed value of property requiring protection in the jurisdiction served by the township. (8) Other factors directly related to the provision of public safety within the jurisdiction served by the township. (e) In the event the township received additional funds under this chapter in the immediately preceding budget year for an approved expenditure, any reviewing authority shall take into consideration the use of the funds in the immediately preceding budget year and the continued need for funding the services and operations to be funded with the proceeds of the loan. IC 36-6-6-14

Not less than ten (10) taxpayers may file an objecting petition for special orders issued in accordance with IC 36-6-6-14. IC 36-6-6-14.5

### Temporary Loans

If the legislative body finds that an emergency requires the borrowing of money to meet the township's current expenses; it may take out temporary loans in an amount not more than eighty percent (80%) of the total anticipated revenue for the remainder of the year in which the loans are taken out.

The legislative body must authorize the temporary loans by a resolution stating the nature of the consideration for the loans; stating the time the loans are payable; stating the place the loans are payable; stating a rate of interest; stating the anticipated revenues on which the loans are based and out of which they are payable; and appropriating a sufficient amount of the anticipated revenues on which the loans are based and out of which they are payable for the payment of the loans.

The loans must be evidenced by time warrants of the township stating: the nature of the consideration; the time payable; the place payable; and the anticipated revenues on which they are based and out of which they are payable. IC 36-6-6-15

This section does not apply to bonds, notes, or warrants for which a political subdivision: (1) after June 30, 2008, makes a preliminary determination as described in section 3.1 or 3.5 of this chapter or a decision as described in section 5 of this chapter; or (2) in the case of bonds, notes, or warrants not subject to section 3.1, 3.5, or 5 of this chapter, adopts a resolution or ordinance authorizing the bonds, notes, or warrants after June 30, 2008. (b) When the proper officers of a political subdivision decide to issue any bonds, notes, or warrants which will be payable from property taxes and which will bear interest in excess of eight percent (8%) per annum, the political subdivision shall submit the matter to the department of local government finance for review. The department of local government finance may either approve or disapprove the rate of interest. IC 6-1.1-20-7

### FUNDING AND REFUNDING INDEBTEDNESS

Any civil or school township in the state whose indebtedness is evidenced by bonds, notes, judgments, or other obligations issued or negotiated by such township, or rendered against such township, may for the purpose of funding or refunding such indebtedness, or any part thereof, reducing the rate of interest thereon, extending the time of payment and canceling so much thereof as may be or become due, by the vote of two thirds (2/3) of the members of the township board, and with the approval of the township trustee, issue its bonds, with interest coupons attached, for an amount not exceeding in the aggregate the whole amount of the indebtedness of such township. IC 5-1-10-1

BOARD OF FINANCE

The township board shall constitute a board of finance for their respective townships. They shall annually after the first Monday and on or before the last day of January meet and organize as a board of finance. IC 5-13-7-5, IC 5-13-7-6

TOWNSHIP BOARD - LUCRATIVE OFFICE

The office of township board is a lucrative office. Hence, a member cannot hold any other lucrative office at the same time such as member of the county council. It is the accepted rule of law in Indiana that the acceptance of a second lucrative office, in violation of the constitutional provision, automatically vacates the office occupied at the time of such acceptance. (Opinions of Attorney General 1935, page 333; Wells v. State ex rel. Peden, 175 Ind. 381)

UNUSED AND UNENCUMBERED BALANCE IN TOWNSHIP FUND -  
TRANSFER TO DEBT SERVICE FUND OF SCHOOL CORPORATION

Whenever an unused and unencumbered balance remains in the civil township fund of a township and a current tax levy for the fund is not needed, the township fiscal body may order any part of the balance of that fund transferred to the debt service fund of the school corporation located in or partly in the township. However, if more than one (1) school corporation is located in or partly in the township, then any sum transferred shall be transferred to the debt service fund of each of those school corporations in the same proportion that the part of the assessed valuation of the school corporation in the township bears to the total assessed valuation of the township. IC 36-1-8-5

Other provisions for unencumbered balances are provided in IC 36-1-8-5.

MEMBERSHIP IN GOVERNMENTAL ASSOCIATIONS - BOARD'S  
AUTHORITY TO APPROPRIATE FUNDS - REPRESENTATION

Township boards are hereby authorized to appropriate necessary funds to provide membership of townships in county, state and national association of a civic, educational or governmental nature, which have as their purpose the betterment and improvement of township governmental operations. Townships are also authorized to participate in the activities of these associations, and the township boards are authorized to appropriate money to defray the expenses of such representatives in connection with these activities. IC 36-6-6-12

RESOLUTION ESTABLISHING SALARIES OF TOWNSHIP  
OFFICERS AND EMPLOYEES (Form 17-Revised 2008)

The township board shall set: (1) Salaries; (2) Wages; (3) Rates of hourly pay; and (4) Remuneration other than statutory allowances; of all officers and employees of the township, except the assessor and his deputies and employees. IC 36-6-6-10

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 a salary not less than the salary fixed for the first year of the term of office that immediately preceded the current term of office.

For more information see Pages 1-3 and 2-3.

### DISPOSAL OF PROPERTY

The fiscal body of a unit must approve every sale of real property having an appraised value of fifty thousand dollars (\$50,000) or more and every lease of real property for which the annual rental payments will be more than twenty-five thousand dollars (\$25,000) or more. IC 36-1-11-3

Public hearing and notice requirements exist under IC 36-1-11-3 for certain disposals of real property.

### HOME RULE

If there is a constitutional or statutory provision requiring a specific manner for exercising a power, a unit wanting to exercise the power must do so in that manner.

If there is no constitutional or statutory provision requiring a specific manner for exercising a power, a unit wanting to exercise a power must either adopt a resolution prescribing a specific manner for exercising the power or comply with a statutory provision permitting a specific manner for exercising the power. A resolution must be adopted by the legislative body of the township.

A township may not exercise power the township has if another unit in which all or part of the township is located exercises that same power. IC 36-1-3-5

IC 36-1-3-8 provides:

- (a) Subject to subsection (b), a unit does not have the following:
1. The power to condition or limit its civil liability, except as expressly granted by statute.
  2. The power to prescribe the law governing civil actions between private persons.
  3. The power to impose duties on another political subdivision, except as expressly granted by statute.
  4. The power to impose a tax, except as expressly granted by statute.
  5. The power to impose a license fee greater than that reasonably related to the administrative cost of exercising a regulatory power.
  6. The power to impose a service charge or user fee greater than that reasonably related to reasonable and just rates and charges for services.
  7. The power to regulate conduct that is regulated by a state agency except as expressly granted by statute.
  8. The power to prescribe a penalty for conduct constituting a crime or infraction under statute.
  9. The power to prescribe a penalty of imprisonment for an ordinance violation.
  10. The power to prescribe a penalty of a fine of more than two thousand five hundred dollars (\$2,500) for an ordinance violation.

11. The power to invest money, except as expressly granted by statute.
12. The power to order or conduct an election, except as expressly granted by statute.
  - (b) A township does not have the following, except as expressly granted by statute:
    1. The power to require a license or impose a license fee.
    2. The power to impose a service charge or user fee.
    3. The power to prescribe a penalty.