IN THE
INDIANA TAX COURT

NO.49T10-9309-TA-70

TOWN OF ST. JOHN, et al.,	)
	)
Petitioners,	)
	)
v.	)
	)
DEPARTMENT OF LOCAL GOVERNMENT FINANCE as successor to the STATE BOARD OF TAX COMMISSIONERS,	)
	)
Respondent.	)

MONTHLY REPORT 40

As successor to the State Board of Tax Commissioners, this is monthly report forty from the Department of Local Government Finance under the Court's order dated May 31,2000,729 N.E.2d 242,247. The report explains the Department's activities during September 2003 to implement the Court's order.

Lake County Reassessment

Employees of the Department met with Lake County contractors in Schererville, on Thursday September 4,2003 and Thursday September 18,2003. These trips coincided with a series of Public Meetings sponsored by the Lake County Commissioners office. Elected assessing officials as well as council members, county commissioners, delegation members, state officials and CLT employees participated in three public hearings held throughout Lake County. The town hall style meetings took place in the

City of Gary on September 3, 2003, the Town of St. John on September 4, 2003, and the City of Hammond on September 18,2003. CLT presented a short video presentation on the process of reassessment. The panel answered questions and addressed concerns of local taxpayers. The Commissioner and staff attended all three meetings and answered questions. Press kits were also made available; along with brochures and handouts outlining the process and progress of reassessment.

The monthly meetings continue to be held to ensure that the project completes on time and that the transition from the Department to Lake County is performed smoothly and efficiently. Cole Layer Trumble continues to provide the Department with monthly progress reports as well as updates on current issues. CLT is complete with almost all of the field review and data maintenance of this project. The contractors and the Department are now focusing on the completion of the equalization phase of the reassessment. Both CL T and Crowe will perform independent equalization studies in order to ensure accuracy and increase the quality of the reassessment. As of this date, the Department has approved sending of Form 11s to Center Township taxpayers, beginning October 3,2003.

CLT and the Department continue to prepare for the next phase of this reassessment project, the appeal phase. CLT has secured a location at which to hold the informal hearings and has installed a hearing-tracking module. The Department has met with CLT and received training on the module and is in the process of establishing a dataset to capture the necessary date. The Department has scheduled a hearing to adopt procedural rules to govern the administrative informal hearings that CLT will conduct. The Form 11 Notice of Assessment for Lake County taxpayers has been finalized as well

as an informational brochure for taxpayers. These items are scheduled to be mailed starting October 3,2003. CLT is preparing an informational video and brochures about the reassessment and appeals process. This video will play in the offices where the hearings will be held and will also be provided to local assessing officials.

Manatron continues to work with Crowe to produce an accurate owner file for Lake County property as of the 2002 assessment date. Manatron also provided the Department with input on how to get data from the CAMA system to the county's MVP Tax System.

Crowe, the quality control arm of the project, continues to provide audit checks and updates on potential data issues. In addition, Crowe is obtaining MLS data through the Greater Northwest Indiana Association of Realtors in order to provide a further check on the validity of the data used in equalization. Crowe, the Department, and Lake County officials are also examining several issues regarding properties coded as potential exemptions. Crowe is assisting CLT in making sure all parcels receive the proper identification class code as well as verify with the Assessor's office whether parcels qualify for tax-exempt status.

Software Certification

All software to be used for this reassessment is fully certified at both the state and county level.

Budgets

The Department has certified 43 county budgets for assessment year 2002: Adams, Bartholomew, Blackford, Boone, Cass, Delaware, Dubois, Fayette, Floyd, Fountain, Fulton, Gibson, Harrison, Hamilton, Hancock, Howard, Jay, Jefferson,

Jennings, Johnson, Marion, Miami, Monroe, Morgan, Newton, Ohio, Owen, Pike, Posey, Putnam, Randolph, Rush, Scott, Sullivan, Switzerland, Tippecanoe, Tipton, Union, Vanderburgh, Wabash, Warren, Warrick and Wells.

Counties of Concern

Given the current status of reassessment, there are as many as thirty-one (31) counties will not complete the reassessment, bill and settle by December 31, 2003. Given the time it takes to certify budgets, rates and levies, counties that do not submit values to the Department by October 15,2003, will be extremely hard-pressed to send bills out payable in 2003. Eleven counties have not as yet submitted equalization studies. Four of these counties have also not availed themselves of the opportunity to send provisional bills: Daviess, White, Steuben and Washington.

The Commissioner and other Department staff are contacting county officials in these counties and in the others that have approved equalization studies but have not submitted certified net assessed values through the auditors, stressing the importance of provisional billing as a means to generate revenue for the local units, pay back outstanding tax anticipation warrants, and avoid double bills next year.

The list of counties that have issued or will issue provisional bills has grown. Lawrence, Jackson, Dearborn Hendricks, and Clark have recently decided to use provisional bills, as a result of the Department's efforts to draw attention to this opportunity. About eighteen (18) counties have submitted EQ studies, and the studies have been approved, but the counties have not committed to a date to request final budget certification. *See attached map.*

The Department's field representatives and central office staff continue to provide assistance to counties in completing the reassessment. The Commissioner and General Counsel, among others, traveled to Allen County on September 25, 2003, for a special meeting of the Allen County Council, auditor, assessor, and treasurer. In a public meeting of the County Council, the Department addressed questions and concerns as well as assisted all parties involved with establishing a plan to move the county forward. The Allen county treasurer, auditor, assessor and assessment venders gave updates on where the office stood and developed a plan and timeline to complete the reassessment. The Department encourages all counties to take this proactive approach and work together in formulating a countywide plan to ensure all necessary steps are taken in a timely and efficient fashion

Brown County

Brown County continues to move forward with their reassessment. The County Council opened bids September 24, 2003, during a public meeting. The county received four bids. Nexus bid $229,000 to complete the reassessment ($149,000 using the current Johnson & Associate records), Sabre bid $525,000 to complete the reassessment ($204,000 using the current Johnson & Associate records), CLT bid $577,000 to complete the reassessment, and Appraisal Research bid $491,043 to complete the reassessment ($392,622 using the current Johnson & Associate records.) A hearing to determine the ownership of the reassessment records is scheduled for October 14,2003.

Public Affairs

Commissioner Henkel and Joe Palmer, CLT coordinator, spent an hour on September 10 with WJOB radio. Both addressed the progress of reassessment in Lake

County and throughout the state. Ms. Henkel also met with the Editorial Board of the Northwest Times September 18,2003, in Hammond and attended the Energize Indiana public meeting on September 24,2003, in Gary, Indiana. Form 11's and taxpayer informational brochures were finalized for the Lake County project as well in September. The office of media relations continues to answer calls and respond to public information requests.

County Ratio Studies

The Department has approved seventy-eight (78) county ratio studies to date and recently received the Allen County and Hendricks County studies. The Lake County equalization study is in progress. *See Attached Map.* The approval allows the county assessor to issue Form 11 s and proceed forward with supplying the county auditor certified values.

Statewide Equalization Issues

The Department continues its efforts in-house and with outside experts to coordinate the statewide property tax reassessment equalization project, together with the Indiana Fiscal Policy Institute. Crowe, the IFPI, the Department and employees of state budget agency met with Manatron to discuss when county data would be available in the newly adopted data-set. The anticipated date was the end of September.

Lake County Steel Mills

The Department conducted on on-site visit at International Steel Group on September 17,2003. Members of the assessment division and the general counsel met with the tax representatives and counsel of the mill to discuss specific aspects of the valuation of the facility in addition to receiving an on site tour. The Department

continues to gather the necessary supporting documentation on which to base its assessment. It anticipates a final certification of value in the near future.

Respectfully submitted,

Steve Carter
Indiana Attorney General
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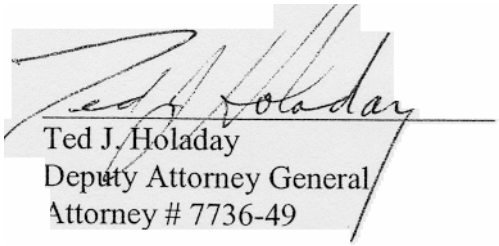

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