

---

# STATE OF INDIANA

---

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



INDIANA GOVERNMENT CENTER NORTH  
100 NORTH SENATE AVENUE N1058(B)  
INDIANAPOLIS, IN 46204  
PHONE (317) 232-3777  
FAX (317) 974-1629

**TO: Township Trustees**

**FROM: Fred Van Dorp, Budget Division Director**

**SUBJECT: HEA 1177-2019 Capital Project Plan Overview and Guidelines**

**DATE: July 28, 2020**

The Department of Local Government Finance (“Department”) releases this memo to provide additional guidance on the interpretation, implementation, certification, and submission by townships of the capital improvement plan (“CIP”) as outlined in House Enrolled Act (“HEA”) 1177-2019. This memo expands on township eligibility and submission requirements for all townships.

As a recap of HEA 1177-2019, townships must adopt a CIP if the total amount in the township’s capital improvement funds exceeds both of the following thresholds:

- (1) one hundred fifty percent (150%) of the township’s total annual budget estimate prepared under IC 6-1.1-17-2 for the ensuing year; and
- (2) two hundred thousand dollars (\$200,000).

The Department has developed the template, linked below, to help townships determine if they are required to adopt a plan.

[HEA 1177 – 2019 CIP Template](#)

All townships are asked to complete the first tab of the template to determine their eligibility.

- A. If the template indicates that the township is not required to complete a CIP, then the township trustee will upload the first page of the template in Gateway using the “File Type” of “Signed Bgt. Ordinance/Resolution.”
- B. If the template indicates that the township is required to complete a CIP, then the township trustee shall prepare the entire plan and the township board shall adopt the plan. The board must hold a public hearing on a proposed plan or amended plan prior to adoption. After adopting a plan, the township must submit a copy of the adopted plan to the Department. Submissions to the Department must be made via Gateway upload. Units will upload the plan in Gateway using the “File Type” of “Signed Bgt. Ordinance/Resolution.” The county council must consider the plan in reviewing a township’s budget under IC 6-1.1-17-3.6.

All townships required to adopt plans must do so no later than September 30, 2020. If a township is required to adopt a plan but fails to adopt prior to the deadline, the township will not be able to collect property taxes for any capital improvement fund in the ensuing year.

The Department will use the template uploaded into Gateway for all townships to determine if the plan was required. If a township fails to upload the template confirming that they were not required to submit a plan, the Department will assume a plan was required and not completed by the deadline.

Questions pertaining to the CIP requirement may be directed to the Department's [Budget Field Representative Team](#).