



Department of Local Government Finance

State Library Introduction to the 2026 Pay 2027 Budget Cycle

Ryan Burke

May 2026



Disclaimer

- This presentation and other Department of Local Government Finance materials are not a substitute for the law. The following is not legal advice, just an informative presentation. The Indiana Code always governs.



Agenda

- New Legislation Webinar
- Maximum Non-Binding Budgets (Ind. Code § 6-1.1-17-20.3)
- Public Library Eligibility for Binding Review by Fiscal Body Resolution (Ind. Code § 6-1.1-17-20.4)
- Abridged Budget Calendar
- Department Resources
- “Budgets 2.0” Demo



Legislative Overview Webinar

- On June 17, the Department will be holding a legislative overview webinar.
- Sign up for the webinar at:
 - <https://www.in.gov/dlgef/continuing-education/webinars/>
- The webinar will be recorded and posted shortly after.

Webinars

The Department will host a series of webinars held virtually every month. The webinars will last approximately one hour and are held at 10 a.m. and 2 p.m. EST. You may attend the webinar at your convenience. The Department will provide one (1) hour of continuing education credit per class.

Registration

To register, click on the hyperlinked topic below and select the time of your webinar. After you submit your registration, you will receive a confirmation email. The day before the webinar, webinar instructions will be sent out.

January 28, 2026	2026 Gateway Overview	PowerPoint	PDF	Video	CE Form	Survey
February 18, 2026	Additional Appropriations New Application Overview	PowerPoint FAQs	PDF	Video	CE Form	Survey
March 18, 2026	Budgets 2.0 Overview	PowerPoint	PDF	Video	CE Form	Survey
April 15, 2026	Budget 101	PowerPoint	PDF	Video	CE Form	Survey
May 20, 2026	Exemptions					
June 17, 2026	2026 Legislative Update					



Maximum Non-Binding Budgets for Libraries



Maximum Non-Binding Budgets for Libraries

- Libraries are unique as it relates to determining the appropriate fiscal body that is responsible for adopting their annual budget.
- Annually, libraries will determine whether the budget will be adopted by the library board or an appropriate county, city, or town fiscal body.
- The determination will be based on the:
 - Current year Department certified budget.
 - Maximum Levy Growth Quotient (MLGQ)
 - Ensuing year advertised budget.



Maximum Non-Binding Budgets for Libraries (Change for Pay 2027)

- Ind. Code § 6-1.1-17-20.3 states that a public library is subject to binding review if its proposed upcoming year's budget is increased by a certain percentage compared to the previous year's budget. As amended by HEA 1406-2026, the threshold is the percent increase that is the result of:
 - the MLGQ, rounded to the nearest thousandth (0.001);
 - minus one (1);
 - multiplied by five-tenths (0.5).
- For example, assume that for the upcoming budget year, the MLGQ is 1.05. Following the order of operations above, the percent increase that would determine whether a public library's budget is subject to binding review is 0.025 or 2.5%.



Maximum Non-Binding Budgets for Libraries (Change for Pay 2027)

- Library boards wanting to advertise and adopt their own budgets and levies, may not increase their budget by half of the MLGQ or more.
- In the next two examples for the ensuing year, the library board will have the authority to advertise and adopt any budget less than or equal to the calculated maximum amount.
- Any budget advertised for more than this maximum amount, must be adopted by the appropriate county, city, or town fiscal body.



Maximum Non-Binding Budgets for Libraries (Change for Pay 2027)

Example Calculation #1 (Whole number product)

<i>Example 2027 MLGQ</i>	1.05
<i>'Example 2027 MLGQ' minus 1</i>	0.05
<i>Half of ('Example 2027 MLGQ minus 1')</i>	0.025

2026 Total DLGF Certified Budget	100,000
Times <u>'Half of Example 2027 MLGQ minus 1'</u>	0.025
Growth to the 2027 Budget Must be Less Than:	2,500.00

Amount that the budget must be under <i>(Prior Year Certified Budget + Growth Must Be Less Than Amount")</i>	102,500.00
Highest Possible Non-Binding Review 2027 Budget <i>(Largest whole dollar amount that is less than the number above)</i>	102,499



Maximum Non-Binding Budgets for Libraries (Change for Pay 2027)

- The Budget application doesn't accommodate the budgeting/advertising of cents in budget.
- In this example, the "Amount that the budget must be under" contains cents.
- In these cases, rounding down would be sufficient to not exceed the maximum amount.

Example Calculation #2 (Product with Decimals)

<i>Example 2027 MLGQ</i>	1.05
<i>'Example 2027 MLGQ' minus 1</i>	0.05
Half of (Example 2027 MLGQ minus 1)	0.025

2026 Total DLGF Certified Budget	99,999
Times <u>Half of Example 2027 MLGQ minus 1</u>	0.025
Growth to the 2027 Budget Must be Less Than:	2,499.98

Amount that the budget must be under (<i>Prior Year Certified Budget + Growth Must Be Less Than Amount</i>)	102,498.98
Highest Possible Non-Binding Review 2027 Budget (<i>Largest whole dollar amount that is less than the number above</i>)	102,498



Maximum Non-Binding Budgets for Libraries

- The Department notes that the library may advertise a budget of any amount, but if the library in this example advertises a budget that is greater than the maximum, then the library becomes subject to a binding budget adoption.
- For binding libraries, the appropriate fiscal body of the city, town, or county (whichever applies) shall review and adopt each budget and tax levy for the public library.
- The fiscal body may reduce or modify but not increase the proposed budget or tax levy.



Maximum Non-Binding Budgets for Libraries

- After the budget adoption by the appropriate fiscal body, the budget will be reviewed and certified by the Department.
- If the advertised budget does not exceed maximum non-binding review budget, then the library board will be able to adopt their own budget.
- For the following budget cycle, the budget control will default back to the library board.



Maximum Non-Binding Budgets for Libraries

- The Department created a report specifically for libraries that will outline the maximum budget amount.
- The Pay 2027 Library Report will be posted by July 15, 2026 at:
 - <https://www.in.gov/dlgf/county-specific-information/>
 - This excel spreadsheet will display the detailed calculation after you select your county and library.
- Budget 2.0's Unit Questions page will ask libraries if they are pursuing a binding or non-binding review. If a library selects that it is pursuing a non-binding review, a library will not be able to mark Form 1 as complete if the budget exceeds the maximum non-binding amount.



Maximum Budgets for Libraries – FAQ #1

- *If I accidentally advertise too high, can I just readvertise a lower amount so that I'm not binding?*
- Ind. Code § 6-1.1-17-20.3(d) outlines that binding units, including certain libraries, must submit their budget to their appropriate fiscal body no later than September 1*.
- A library may correct their advertised budget to avoid a binding adoption if it is readvertised by September 1. On September 2, the Form 3 can be changed, but the change will not change the appropriate adopting body.

**If September 1 falls on a weekend or legal holiday, the deadline is extended until the next business day.*



Maximum Budgets for Libraries – FAQ #2

- *Does that mean that a library cannot update any of their budget forms after September 1?*
- A library may make updates to any of their budget forms throughout the process but must be aware of the impact that the changes have on their advertised budget on the Form 3.
- If the changes cause the library to advertise over their maximum budget, they will need to work with the appropriate fiscal body to have their budget adopted.
- Libraries advertising a budget over their maximum non-binding amount will have read-only access after September 1.



Maximum Budgets for Libraries – FAQ #3

- *When calculating the maximum budget for the ensuing year, do I include my home rule or gift funds?*
- No, The maximum budget is calculated exclusively using the budgets for funds certified by the Department on the budget order.
- This includes, but is not limited to the General, LIRF, Rainy Day, and/or any debt funds.



Maximum Budgets for Libraries – FAQ #4

- *Is the Department considering the advertised budget (Form 3), the adopted budget (Form 4), or the certified budget?*
- When calculating the maximum budget, the Department is using the certified budget amount found on the budget order.
- The advertised and adopted amounts are not considered for this calculation.



Maximum Budgets for Libraries – FAQ #5

- *What impact do approved additional appropriations have on the “maximum budget calculation”?*
- The maximum budget calculation only considers the total budget amount listed on the Department budget order and the max levy growth quotient.
- If a library had an approved additional appropriation during the budget year, it is not factored into the calculation.



Public Library Eligibility for Binding Review by Fiscal Body Resolution



Binding Review by Fiscal Body Resolution

- Libraries are unique as it relates to determining the appropriate fiscal body that is responsible for adopting their annual budget.
- In the prior section, we examined how the budgeted amount a library advertises may impact its authority to adopt its own budget.
- In this section, we will examine how the fiscal body of a county, city, or town may require a library to become subject to binding review (Ind. Code § 6-1.1-17-20.4).



Binding Review by Fiscal Body Resolution

- A library will be subject to a binding adoption if both conditions below are met:
 1. Based on the Annual Financial Report (AFR), if the library's cash balance of all funds derived from tax revenue is greater than one hundred fifty percent (150%) of the library's certified budget for the ensuing year.
 2. If the appropriate fiscal body for the library advertises a public hearing to make the library subject to binding adoption and adopts the resolution not later than July 1.



Binding Review by Fiscal Body Resolution

- The fiscal body of the city, town, or county may not reduce a public library's proposed budget or levy in a budget year by more than ten percent (10%) of the public library's operating levy in the immediately preceding budget year.
- The library will be subject to binding review until the December 31 cash balance of all funds of the public library derived from tax revenue, as reported on the AFR, no longer exceeds one hundred fifty percent (150%) of the library's certified budget.



Budget Calendar



Budget Calendar

- The Department has posted its 2026 Pay 2027 budget calendar. The calendar contains the statutory submission/due dates for some of the key deadlines for the budget certification process.
- Units are encouraged to use the budget calendar as a starting point for creating a unit specific calendar.
 - <https://www.in.gov/dlgf/files/2026-memos/260218-Culy-Memo-2026-Budget-Calendar.pdf>



Budget Calendar – June 2026

- The Pre-Budget Worksheet has been replaced with the Unit Questions and Debt Worksheet (if applicable) in Budget 2.0.
 - The Budget 2.0 application is estimated to launch in early June.
 - These pages are to be completed by June 30.
 - The Department incorporates this data into their July estimates.



Budget Calendar – June 30

- Deadline for State Budget Agency (“SBA”) to provide the MLGQ to civil taxing units, school corporations, and the Department. (Ind. Code § 6-1.1-18.5-2(d))



Budget Calendar – July 15

- The Department will provide each unit with an:
 - Estimate of the maximum amount of property taxes that may be levied in the ensuing budget year.
 - Estimate for non-property tax revenues for FIT, CVET, and Excise.
 - Estimate for circuit breaker loss for the ensuing year.
- The Department will provide each library with:
 - The “Library Estimated Maximum Budget Report” based on the MLGQ and the certified budget amount.



Budget Calendar – August 1

- Last day for county auditor to certify net assessed values (“CNAV”) to the Department.
 - The Department will make assessed values (“AV”s) visible to every political subdivision via Gateway.
 - All units are encouraged to use Gateway’s public site to validate the AVs certified by the county auditor.
 - https://gateway.ifionline.org/report_builder



Budget Calendar – September 1

- Last day for units with appointed boards, including certain libraries, to have the proposed 2027 budgets, tax rates, and tax levies entered into Budget 2.0 for the appropriate fiscal body to conduct the binding adoption.
- Pertains exclusively to units that are subject to binding review, libraries that prepare a budget in excess of the maximum allowable, and libraries whose fiscal body adopted a resolution no later than July 1.



Budget Calendar – Last Action Dates

- October 13: Last day to post a notice to taxpayers (“Budget Form 3”) of proposed 2027 budgets, net tax levies, and a public hearing to Gateway.
- October 23: Last possible day for most taxing units to hold a public hearing on their 2027 budgets.
- November 2: Deadline for all taxing units to adopt 2027 budgets, tax rates, and tax levies.



Budget Calendar – Budget Order Dates

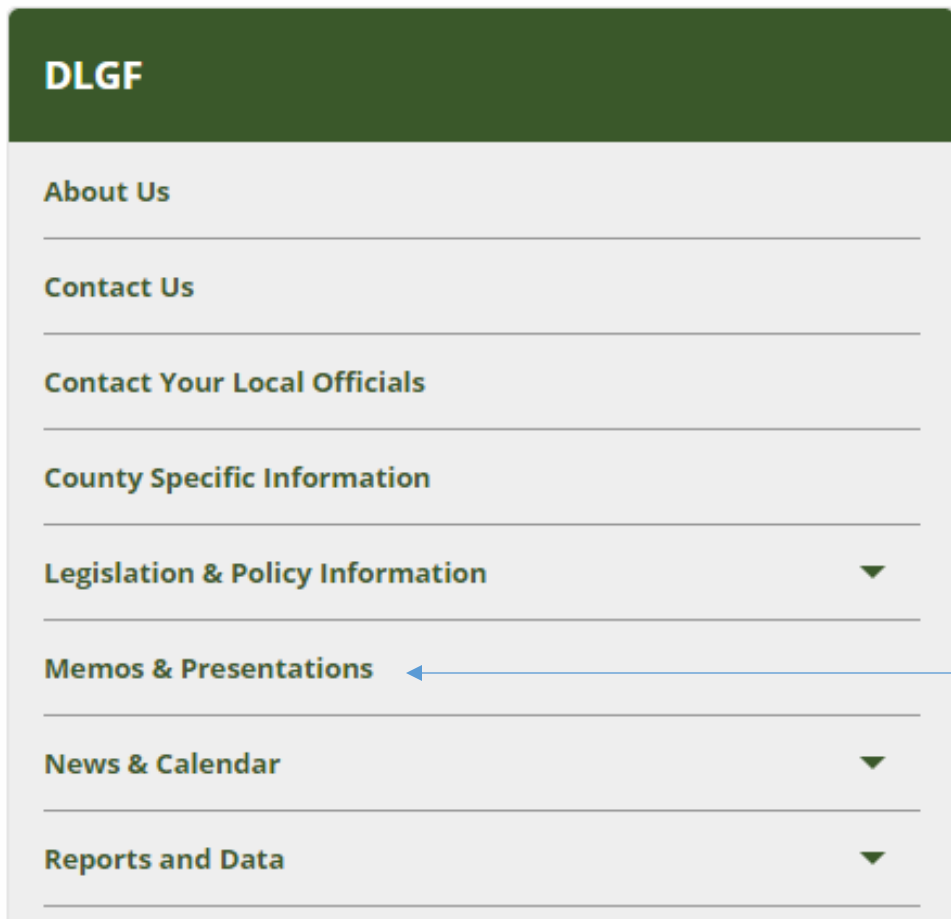
- December 31
 - Deadline for the Department to certify 2027 budgets, tax rates, and tax levies unless a taxing unit in a county is issuing debt after December 1 in the year preceding the budget year or intends to file a shortfall appeal.
- January 15
 - Deadline for the Department to certify 2027 budgets, tax rates, and tax levies if a taxing unit in a county is issuing debt after December 1 in the year preceding the budget year or intends to file a shortfall appeal.



Resources



Memos & Presentations



- The Department maintains a listing of the communications and legislative guidance from the last 5 years.
- This section of the website is where the following memos and more are posted:
 - Budget Calendar
 - Additional Appropriation
 - Various Department presentations
- This page can be accessed by going to www.in.gov/dlgef and selecting “[Memos and Presentations](#)”.



County Specific Information

DLGF

[About Us](#)

[Contact Us](#)

[Contact Your Local Officials](#)

[County Specific Information](#) ←

[Legislation & Policy Information](#) ▼

[Memos & Presentations](#)

[News & Calendar](#) ▼

[Reports and Data](#) ▼

- In addition to the written guidance, the Department posts various calculations summarized by county.
- This includes budget orders, maximum levies, estimated circuit breaker report, and the Library Maximum Budget Report.



County Specific Information

- The Department will issue the following reports on the [County Specific Information](#) page.
- Not all reports will apply to all unit types.

Statewide Reports

- ★ [2026 Certified Local Income Tax Report \(all counties\) - 12/5/25](#)
- ★ [2026 Estimated Property Tax Cap Credits by Unit Report \(all counties\)](#)
 - [2026 Operating and School Safety Referendum Information Report \(all counties\)](#)
- ★ [2026 Estimated Library Maximum Budget Report \(all counties\)](#)
 - [2026 Estimated Cumulative Fund Maximum Rates Report \(all counties\)](#)
- ★ [2026 Estimated Maximum Levy Report \(all counties\)](#)
 - *Includes 2026 Maximum Mental Health and Developmental Disabilities Appropriations*
- ★ [2026 Estimated Debt Service Payments and Levies Report \(all counties\)](#)
- ★ [2026 Estimated Miscellaneous Revenues Report \(all counties\)](#)
- ★ [2026 December Property Tax Collections Calculation Worksheet \(all counties\)](#)
- ★ [2026 Circuit Breaker Report](#)



Budget Workshops

- One of the most important resources available are the Budget Workshops held from July 15 through early September.
- Many units can:
 - Work through a majority of the budget forms with their Budget Field Representative.
 - Learn to evaluate their proposed budget to understand if it is fully funded and if not, options to adopting a funded budget.
 - Receive a checklist that provides a detailed walkthrough of the remainder of the budgeting process that highlights important deadlines.



Budget Workshops

- Be sure to carefully review the list of required documents in the invitation that largely includes:
 - June 30 cash balances and expenditures
 - Next year's budget (Form 1) completed in Budgets 2.0
 - Public hearing and adoption meeting dates
- Preparation is required to get the most from this 45-minute appointment.



Contact the Department














- Gateway Support: support@dlgf.in.gov
- Telephone: (317) 232-3777
- Toll Free: (888) 739-9826
- Website: www.in.gov/dlgf
 - “Contact Us”: <https://www.in.gov/dlgf/contact-us/>
 - Budget Field Representative Map:
<https://www.in.gov/dlgf/files/maps/Map-Field-Rep-Map-Budget.pdf>



Resources Available

- Your Budget Field Representative is your primary point of contact for Department budget matters.
- While not able to provide legal or financial advice, they can:
 - Explain changes in procedures.
 - Identify resources available for local officials.
 - Help you to avoid common mistakes made during the budget cycle.
- [Budget Field Rep Assignments Map.](#)

Budget Field Reps

-  Anna Culy
317-864-6950
ACuly@dlgf.in.gov
-  Cathy Stockhoff
317-727-9622
CStockhoff@dlgf.in.gov
-  Judy Robertson
317-650-2508
JRobertson@dlgf.in.gov
-  Miranda Bucy
317-232-0651
MBucy@dlgf.in.gov
-  Robert Norris
317-650-3932
RobNorris@dlgf.in.gov
-  Ryan Burke
317-719-3546
RBurke@dlgf.in.gov
-  Sam VanderVeen
317-430-8678
SVanderVeen@dlgf.in.gov
-  Tina Market
317-677-4655
TMarket@dlgf.in.gov
-  Alisyn Mata
317-234-8889
AMata@dlgf.in.gov
-  Kelly Alcala
317-671-0511
KAlcala@dlgf.in.gov
-  Barry Stewart
317-995-9063
BStewart@dlgf.in.gov
-  Benjamin Swift
317-995-3852
BenSwift@dlgf.in.gov
-  Kyle Nash
317-650-2497
KNash@dlgf.in.gov





Budget 2.0 Demo



Budget 2.0 Testing

- This streamlined budget application is currently launched for testing until May 28, 2026 at Budget2.ifionline.org. Budget 2.0 is currently scheduled to launch in early June for 2026 Pay 2027.
- Below are some of the notable planned features The budgeting steps presented in a clear linear process.
 - It will ask a few questions before certain forms to tailor the data collection process to only those that apply to you.
 - Side by side comparisons of the previous year's amounts will be available in the Form 1: Line-Item Budget Estimates and Form 2: Non-Property Tax Revenue Estimates.
 - Incorporation of Department estimates available if desired.