

DEPARTMENT OF LOCAL GOVERNMENT FINANCE
100 NORTH SENATE AVENUE
IGC-N, ROOM N1058
INDIANAPOLIS, INDIANA 46204

IN THE MATTER OF THE REVIEW OF PROPOSED)
LANGUAGE AND ESTIMATED RATE CERTIFICATION)
FOR A BALLOT QUESTION REGARDING THE) No. 11-003-REF
JASPER PUBLIC LIBRARY, DUBOIS COUNTY)

FINDINGS AND FINAL DETERMINATION ON PROPOSED QUESTION SUBMITTED
JUNE 21, 2011

1. The Jasper Public Library ("Library") proposes to borrow money for a \$7,300,000 project to build a new library facility.
2. Under Indiana law, the voters in the area served by the Library will vote in a referendum to approve or deny borrowing for the project and raise property taxes to support it.
3. Indiana law governs the format and wording of the ballot question for the referendum. Indiana Code 6-1.1-20-3.6(c).
4. Under Indiana law, "the following question shall be submitted to the eligible voters at the election":

"Shall _____ (insert the name of the political subdivision) issue bonds or enter into a lease to finance _____ (insert a brief description of the controlled project), which is estimated to cost not more than _____ (insert the total cost of the project) and is estimated to increase the property tax rate for debt service by _____ (insert increase in tax rate as determined by the department of local government finance)?"

Indiana Code 6-1.1-20-3.6(c) (emphasis added).

5. The ballot question then must contain three parts:
 - a brief description of the project
 - estimated total project cost
 - estimated tax rate increase for the project
6. The law requires the Department of Local Government Finance ("Department") to determine the estimate of the tax rate increase.

7. The law also requires the Department to either approve the ballot language or recommend that it be modified to ensure that the description of the controlled project is accurate and not biased.
8. On June 21, 2011, the Department received a letter (dated June 17, 2011) from the Dubois County Election Board enclosing a proposed ballot question for the referendum sought by the Library.
9. The Dubois County Election Board requested that the Department review this proposed question:

“Shall the Jasper Public Library issue bonds to finance the construction of a new public library located at South Newton Street, Jasper, Indiana (the “Project”), which Project is estimated to cost not more than \$6,300,000 and is estimated to increase the property tax rate for the debt service by a maximum of \$0.0524 per \$100 assessed value?”

Determination of Tax Rate Increase

10. The Department estimates the tax rate increase in reliance on the Library’s proposed debt from the project, assessed valuation of the property in the area served by the Library, and an amortization schedule submitted by the Library. Based on this information, the Department determines the estimated tax rate increase of the project to be “\$0.0534 per \$100 of assessed valuation.”

Accuracy and Bias

11. The Department has been informed that although the Library plans to borrow \$6,300,000 to fund the project, it will also be allocating approximately \$1,000,000 from its Rainy Day Fund for a total project cost of \$7,300,000. *E-mail from Jane Neuhauser Herndon, Library Bond Counsel, to Micah G. Vincent, Department General Counsel (June 27, 2011, 11:59:21 EST) (on file with Department).*
12. Indiana Code 6-1.1-20-3.6(c) requires the “total cost of the project” to be inserted into the public question. The total cost of the Library’s proposed project is approximately \$7,300,000, not \$6,300,000. The Library’s use of the \$6,300,000 figure inaccurately states the “total cost of the project” and may mislead voters. The total cost of the project must be listed as \$7,300,000 without any additional qualifying text.
13. The Department finds that the rest of the proposed language is not inaccurate or biased against either a vote in favor of or a vote against the controlled project.

Final Determination

WHEREFORE, based on the above findings and applicable law, the Department finds that the ballot question is inaccurate. To be approved, the ballot question must be modified consistent

with this order. For any resubmitted question, the Department certifies the proposed rate of "\$0.0534 per \$100 of assessed valuation."

Dated this 27th day of June, 2011.

STATE OF INDIANA
DEPARTMENT OF LOCAL GOVERNMENT FINANCE

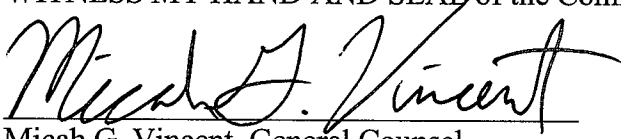


Brian E. Bailey, Commissioner
Department of Local Government Finance

STATE OF INDIANA
DEPARTMENT OF LOCAL GOVERNMENT FINANCE

I, Micah G. Vincent, General Counsel for the Department of Local Government Finance, hereby certify that the above is an order of the Commissioner of the Department of Local Government Finance made this date in the above-entitled matter and that the Commissioner has personally signed the same under his statutory authority.

WITNESS MY HAND AND SEAL of the Commissioner on this the 27th day of June, 2011.



Micah G. Vincent, General Counsel
Department of Local Government Finance