

# STATE OF INDIANA

DEPT OF LOCAL GOVERNMENT FINANCE  
BUDGET DIVISION



INDIANA GOVERNMENT CENTER NORTH  
100 NORTH SENATE AVENUE N1058  
INDIANAPOLIS, IN 46204  
PHONE (317) 232-3777  
FAX (317) 232-8779

**TO:** County Auditors and County Councils  
**FROM:** Karen Large, Director, Budget Division *KL*  
**DATE:** June 11, 2010  
**SUBJ:** Non-Binding Review and Recommendation Process

The 2011 budget workshop appointment schedule for your county has been, or will soon be, forwarded to you and to the units within your county. If you have not already scheduled the date for the county council to conduct the non-binding review meeting for the units in your county, we would encourage you to do so immediately. Please notify your Department of Local Government Finance ("Department") budget field representative prior to the start of the workshops with the date of the review. By knowing the date of the non-binding review meeting, the budget field representative can help the unit determine the dates of its public hearing and adoption meeting to be sure they comply with statutory deadlines. Below is an example of a hearing date schedule.

## EXAMPLE OF SCHEDULING HEARING DATES:

- 1) Budget workshops are scheduled in your county for July 14 and July 15 and the unit submits the Budget Form 4B and Form 3 to the county council on July 16 (at least forty-five (45) days before the civil taxing unit adopts its 2011 budget)
- 2) County council schedules non-binding review meeting for July 26 (at least fifteen (15) days before the unit adopts its budget)
- 3) After the review, the county council would send their written recommendations to the units.
- 4) DLGF budget field representative will advise the unit to set the public hearing for the week of August 16<sup>th</sup> and the adoption meeting the week of August 30<sup>th</sup>

Units will submit their adopted budgets to you by Sept. 7<sup>th</sup>. If you certify your AV's to us by August 2<sup>nd</sup> and your units have adopted early (not waiting until November 1<sup>st</sup>), we will be able to begin working your budgets before November 3<sup>rd</sup>. You will help us complete our work early and we will be able to certify your budget order before February 15<sup>th</sup>. The schools would be our only unknown variable in this scenario. However, with all other units worked, the schools should not be an issue, even if they adopted on November 1<sup>st</sup>.

During the workshops, the budget field representatives will advise unit representatives to file the unit's Budget Form 4B, Budget Form 3 and, if it has been completed, the county council budget review form, with the county auditor as soon as unit officials have met with the budget field representative.

For your convenience, a “cheat sheet” and a “Frequently Asked Questions” document are attached to assist you in determining whether the unit review must be a “non-binding” recommendation or “binding” review and adoption.

After the review, county councils must comply with I.C. 6-1.1-17-3.5(f) which requires the recommendation to include “a comparison of any increase in the civil taxing unit’s budget or tax levy to:

- (1) the average increase in Indiana nonfarm personal income for the preceding six (6) calendar years and the average increase in nonfarm personal income for the county for the preceding six (6) calendar years; and
- (2) increases in the budgets and tax levies of other civil taxing units in the county.”

**The recommendations must be written.**

The recommendations may be made by either using the optional “County Council Property Tax Budget Review Forms” provided by the Department online or by providing a written statement to the Department.

Whether you use the forms or prepare a written statement, you must submit the non-binding review and recommendation information to the Department at the same time the unit budgets are provided to your Department budget field representative. **Failure to submit a written recommendation will jeopardize the approval of the county 2011 budget and levy.**

The 2011 review forms will be available after the Department receives the assessed value growth quotient data from the State Budget Agency later this month. The forms will be updated and ready to use early July and posted <http://www.in.gov/dlgf/6800.htm>. The Department will notify counties when the forms are available.

**Again, please establish the date of the county council meeting to review the budgets and notify your budget field representative of the date.** If you have any questions about the process, please do not hesitate to contact Karen Large, Budget Division Director, at [klarge@dlgf.in.gov](mailto:klarge@dlgf.in.gov) or 317.234.3937.