



# Township Trustee Fall Conference

Department of Local Government  
Finance

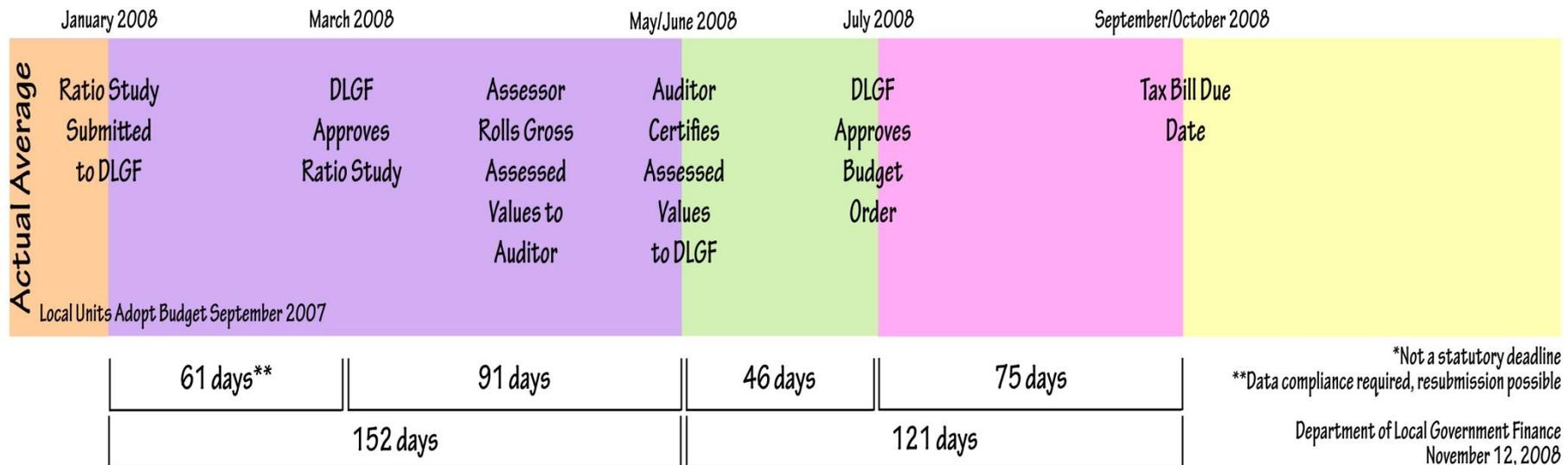
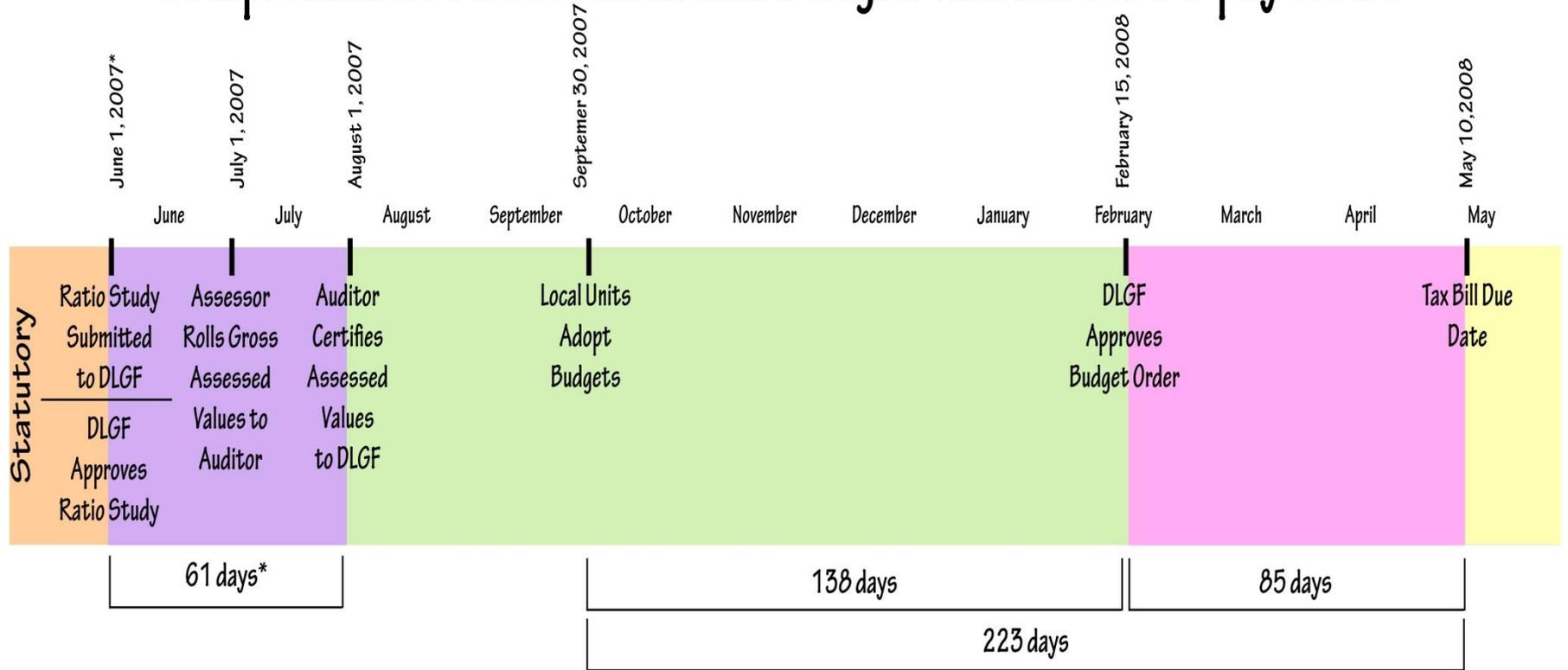
Linda Lessaris, Supervisor of Budget Division  
November 19, 2008



# 2008 Budgets

- Budget Status for 2008
  - Budget Orders certified by Nov. 14: 85
    - Orders certified last year: 79
  - County's assessed values certified: 88
    - AV's certified last year: 87
  - 2008 1782 Notices issued: 88
    - 1782's issued last year: 88
  - Budget Orders remaining to issue: 7
    - Orders remaining last year: 13

# Comprehensive Assessment and Budget Timeline 2007 pay 2008



\*Not a statutory deadline  
 \*\*Data compliance required, resubmission possible  
 Department of Local Government Finance  
 November 12, 2008

# Outlook for 2009

- Sales Ratio studies received: 58
  - Last Year 0
- Sales Ratio studies approved: 29
  - Last Year 0
- 2009 Assessed Values received: 0



# 2008 pay 2009 Budget Certification Status Map

## Indiana Counties

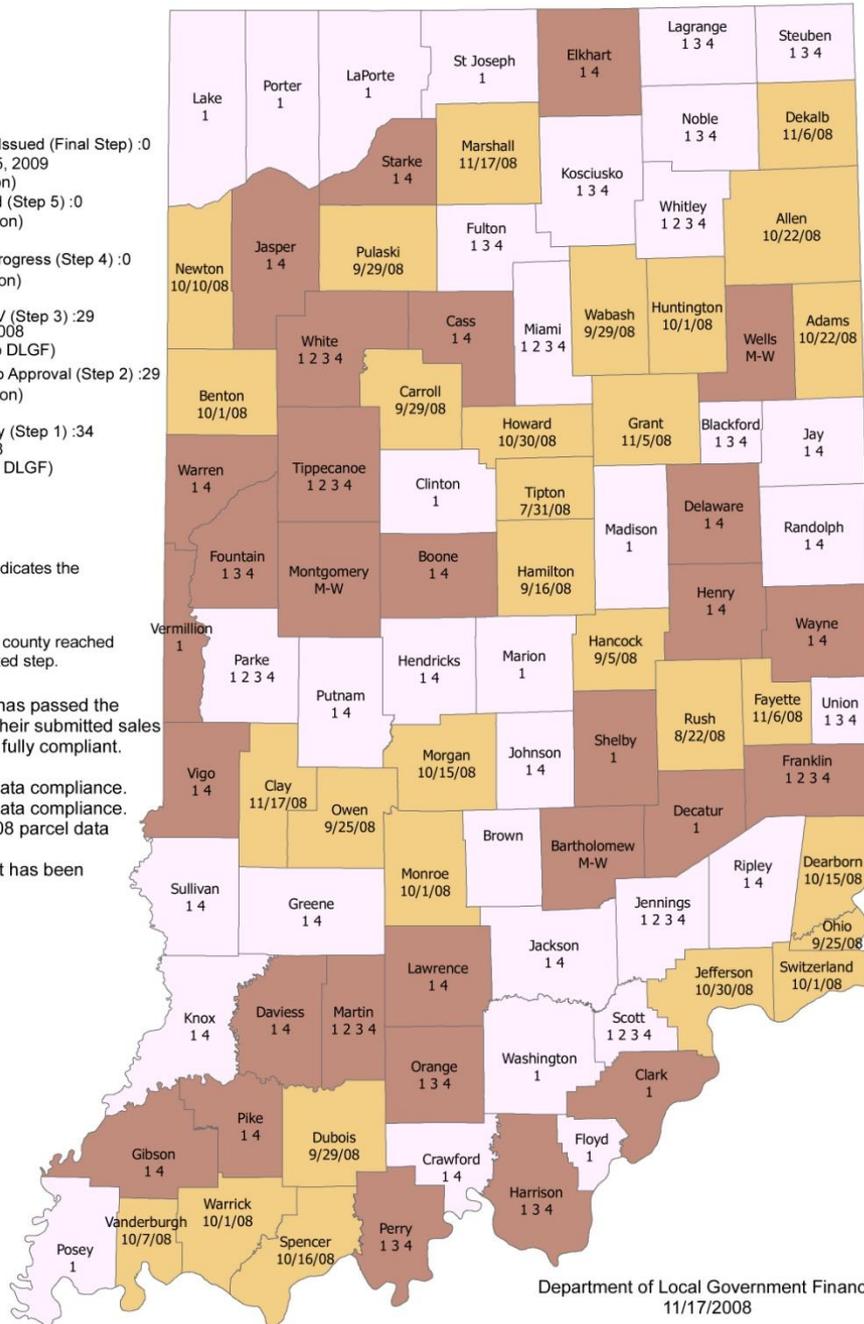
- Final Budget Order Issued (Final Step) :0  
Due February 15, 2009  
(DLGF Action)
- 1782 Notices Issued (Step 5) :0  
(DLGF Action)
- Budget Review in Progress (Step 4) :0  
(DLGF Action)
- Awaiting Certified AV (Step 3) :29  
Due August 1, 2008  
(Co. Auditor sends to DLGF)
- Awaiting Sales Ratio Approval (Step 2) :29  
(DLGF Action)
- Awaiting Ratio Study (Step 1) :34  
Due Spring 2008  
(Co. Assessor sends to DLGF)

NOTE: The current color indicates the previous step has been completed or approved.

A date indicates the date a county reached their most recently completed step.

M-W indicates a county has passed the Mann-Whitney test and their submitted sales and parcel data sets are fully compliant.

- 1 indicates 2006 Sales data compliance.
- 2 indicates 2007 Sales data compliance.
- 3 indicates 2007 pay 2008 parcel data compliance.
- 4 indicates 2008 abstract has been completed.



# 2008/2009 Budget Cycle

- Budget adoption deadline: Dec. 1
  - Provides additional time for:
    - Receiving more information (AV's)
    - Estimating miscellaneous revenues
    - Projecting second half expense
    - Contemplating budgets

# 2008/2009 Budget Cycle

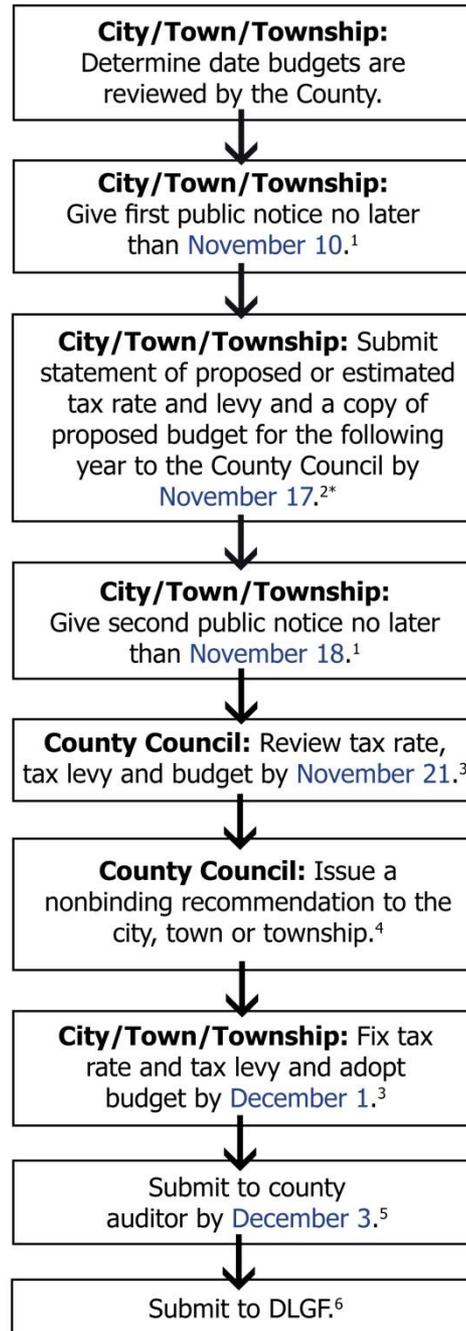
## ■ Amended Timeline:

- Nov. 10: Last day for budget advertisement
- Nov 14: Last day to submit to county council
- Nov 18: Last day for second advertisement
- Nov 20: Last day to file excess levy appeal (except shortfall)
- Nov 21: Last day for public hearing

# 2008/2009 Budget Cycle

- Amended Timeline (cont'd):
  - Dec 1: Last day for budget adoption
  - Dec 3: Last day to file budgets with county auditor (TAB)
  - Dec 17: Last day for county auditor to publish notice of adopted tax rates for each tax district

# City, Town and Township Budget Approval Process



# 2008/2009 Budget Cycle

- Must submit budgets/levies/rates to county councils
  - Prior to budget adoption
  - No later than Nov. 14

# 2008/2009 Budget Review by Council

- Council “shall” issue non-binding recommendation to unit
  - Recommendation includes:
    - comparison to non-farm personal income growth for both state and county
    - comparison to other taxing units in county
- DLGF will process budgets after recommendation provided.

# 2008/2009 Budget Review by Council

- DLGF-provided optional form for units to use for submitting data to council
  - Form available at [www.in.gov/dlgf/6800.htm](http://www.in.gov/dlgf/6800.htm)
  - Form includes fields for all information needed to comply with statute
  - County auditors may want to retain a copy of the form from each unit and include with the budgets.

XXXXXXXXXX County

County Council Property Tax Budget Review Form  
Taxing Unit Type, Levy, and Rate

Budget Year 2009

Comparison of the current year property tax levy to the proposed property tax levy.

State AVGQ Increase:            Current Year            2009 Average  
   3.700%                    4.000%

Commit

Approve

Unit Type:                    **Township**                                    Council Recommendation:  
Unit Name:                   **XXXXXXXXXXXX TOWNSHIP**  
Unit Code:                   **XXXXXXX**

Modify

Fund Code	Fund Name	A Fund Balance as of 6-30-2008	B 2008 Certified Budget	C 2009 Unit Proposed Budget	D % Change, 2008-2009	E 2009 County Approved Budget	F 2008 Certified Levy	G 2009 Unit Proposed Levy	H % Change, 2008-2009	I 2009 County Approved Levy
0101	GENERAL				N/A				N/A	
0840	TOWNSHIP ASSISTANCE				N/A				N/A	
1101	EMERG AMBUL/MED SERVICES - FIRE				N/A				N/A	
1111	FIRE				N/A				N/A	
1190	CUMULATIVE FIRE (Township)				N/A				N/A	
1312	RECREATION				N/A				N/A	
1380	PARK BOND				N/A				N/A	
					N/A				N/A	
					N/A				N/A	
					N/A				N/A	
					N/A				N/A	
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					N/A				N/A	
					N/A				N/A	
					N/A				N/A	
					N/A				N/A	
9999	TOTAL	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A	\$ -

# 2008/2009 Levy Appeals

- Excessive Levy Appeals
  - Due by Nov. 20 (except shortfalls)
    - Shortfall appeals due Dec. 31
  - Considered only if appeals advertised and adopted with the 2009 budget.
    - The advertisement needs to indicate the amount of the appeal, including shortfall appeals.

# 2008/2009 Levy Appeals

- Five appeals remain for 2009 levies
  - Annexation, consolidation, or other extension of services
  - Three-year growth in assessed value
  - Civil taxing unit cannot carry out its governmental duties due to emergency
  - Correction of errors
  - Property tax shortfall as a result of erroneous assessed values

# Township Assistance Loans

- Township Assistance loans are still required to be reviewed and approved by DLGF
- All T.A. loans are referred to Local Government Tax Control Board for a recommendation to the Commissioner

IC 6-1.1-18.5-9.7

# Emergency Fire Loans

- HEA 1001 I.C. 36-6-6-13.5
  - Legislative body may determine a need for fire and emergency services and issue a special order authorizing the executive to borrow a specified amount if emergency is related to operating expense of township fire department or volunteer fire department

# Emergency Fire Loans

- Legislative Body shall consider these factors:
  - 1. Current and projected payroll needs
  - 2. Current and projected need for fire & emergency services
  - 3. Standards or recommendations for services
  - 4. Current and projected population growth and other measures

# Emergency Fire Loans

- 5. Salary comparisons to other public safety personnel in in township and surrounding jurisdictions
- 6. Prior annual expense
- 7. Current and projected growth in AV
- 8. Other factors directly related to provision of public safety within the jurisdiction
- ***Loans are not required to be reviewed and approved by DLGF***

# Fire Protection Territories

- HEA 1001 Sec. 177 amended IC 6-1.1-18.5-10.5:
  - Beginning with taxes payable in 2009, levies may not increase more than the assessed value growth quotient minus 1

# Circuit Breakers

- Taxes payable in 2008: 2% credit applies (IC 6-1.1-20.6-7)
- Taxes payable in 2009:
  - Homesteads: 1.5%
  - Residential Property 2.5%
  - Long-term care 2.5%
  - Agricultural Land 2.5%
  - Non-residential real and personal property 3.5%

# Circuit Breakers

- Taxes payable 2010 and beyond:
  - Homesteads: 1.0%
  - Residential Property 2.0%
  - Long-term care 2.0%
  - Agricultural Land 2.0%
  - Non-residential real and personal property 3.0%

# Distressed Unit Appeals Board

- Distressed Unit may petition the Distressed Unit Appeal Board (DUAB) for relief from circuit breaker credits (IC 6-1.1-20.3-6)
- Distressed Unit: expects to have property tax collections reduced by at least 5% in a calendar year as a result of circuit breaker credits.

# Circuit Breakers

- Exempts “eligible” county’s debt service or lease levies from circuit breaker calculation
- Effective Jan 1, 2009, taxes imposed that have been approved by voter referendum or public question are not included in circuit breaker calculation
  - IC 6-1.1-20.6-7.5

# Distressed Unit Appeals Board

- Petition must include a proposed financial plan that includes:
  - Proposed budget enabling unit to cease being distressed
  - Proposed efficiencies, consolidations, cost reductions, uses of other alternative revenues enabling unit to cease being distressed

# Distressed Unit Appeals Board

- Petition must include a proposed financial plan that includes (Cont'd):
  - Proposed increases in percentage thresholds at which circuit breaker credit applies, including varying property classes
  - Proposed reductions to the percent credits

# Distressed Unit Appeals Board

## ■ Relief:

- If Board authorizes relief, governing body of each political sub-division affected by the plan must agree
- Relief may include increasing CB AV percent thresholds, decrease CB percent, exempt debt service levies from CB calculation

# Distressed Unit Appeals Board

- If DUAB grants relief from the circuit breaker credit, the board “shall” conduct audits and reviews as necessary to assure compliance with the terms of the financial plan.

# Reminders

- The budget order is normally the only notification you receive about transferring funds out of the levy excess fund
  - Order is authorization to make transfer from the fund to your Township General Fund and your Fire Fighting Fund

# Reminders

- 2008 Additional appropriation requests deadline: Dec. 15

# Operating with New Efficiency: (ONE) Indiana Program

- Allows municipalities in Indiana to pool purchasing power and receive greater discounts than when purchased individually
- DELL contract is projected to save Indiana around \$11M in IT purchases over the life of the contract
- Contact Elizabeth Lerch (Dept. of Admin) at [elerch@idoa.in.gov](mailto:elerch@idoa.in.gov) for information



# For More Information

- Dan Jones
  - 317-232-0651
  - [DJones@dlgf.in.gov](mailto:DJones@dlgf.in.gov)
- Linda Lessaris
  - 317-233-9239
  - [LLessaris@dlgf.in.gov](mailto:LLessaris@dlgf.in.gov)
- Contact the DLGF
  - 317.232.3777 or
  - [www.in.gov/dlgf/2338.htm](http://www.in.gov/dlgf/2338.htm)



# For More Information

- News and notices from the DLGF
  - [www.in.gov/dlgf/7063](http://www.in.gov/dlgf/7063)
- Presentations
  - [www.in.gov/dlgf/2444](http://www.in.gov/dlgf/2444)
- Related Links
  - [www.in.gov/dlgf/4952](http://www.in.gov/dlgf/4952)