Questions in Chat for Dan Jones and Ryan Jones Presentation on Budgeting

Presentation on May 31, 2017 and June 6, 2017

Dan Jones, Assistant Director of DLGF Budget Division

If you need a new user name/password for Gateway email gateway@dlgf.in.gov

Where do you submit the additional appropriations to? AdditionalAppropriationRequests@dlgf.in.gov

What are “home-rule funds”? By definition a fund that is not required by statute. Like a grant fund and a bond issue, your report to DLGF but DLGF does not approve. They will not appear on your budget order. Many libraries don’t have home rule funds. Funds that are not statutorily required; they are non-reporting funds to DLGF.

Where to find the budget orders on DLGF website by county: http://www.in.gov/dlgf/2339.htm. Select county and then choose year of budget order. It will be budget order for entire county. Because libraries are special districts, they are towards the end of the order.

Do we need to post Form 3 in 3 prominent locations in our town? Posted on Gateway at least 10 days before the public hearing. Ryan adds that you have to comply with Open Door Law. Failure to advertise an Additional Appropriation has requirement that if newspaper fails to advertise, you need to post in three prominent places.

Do we foresee for the publication of additional appropriation in a newspaper go away? Dan doesn’t foresee that going away.

The libraries annual report to State Board of Accounts is LAR, now called AFR (Annual Financial Report). Does that change the threshold for the taxpayer? Contact your bond counsel for the threshold for a controlled project. Libraries still have to go to elected fiscal body for approval of debt.

Statute HEA 1450 [IC 5-14-3.8-3.5] changed the threshold to $50,000 for the uploading a contract; no longer a percentage of budget.

Question about September 1 deadline regarding submitting budget to elected fiscal body, is there a statutory deadline to wait for recommendation? Dan is not aware of any.

There is an indirect impact on libraries what a fire department does in the township regarding banking money in a Rainy Day Fund; can contribute to circuit breakers when they continue levying up to their maximum.

There are a lot of units that do not levy their maximum. Some townships if it wasn’t for levying than they might lose their income tax revenue.

When will those workshops with our Field Reps be scheduled? Middle of July to Middle of August 2017

Budget calendar is not business days, but calendar days when counting 10 days between notice and hearing and then adoption.

Contacts

- Uploading Pre-Budget Worksheet: gateway@dlgf.in.gov
  - Also use for any Gateway questions (password reset, resubmitting budget forms, etc.)
- Submit additional appropriation requests: 
  AdditionalAppropriationRequests@dlgf.in.gov
- Excess Levy Appeal questions: Fred Van Dorp at fvdandorp@dlgf.in.gov
- Budget questions or status - DLFD Budget Field
  Reps/Analysts: http://www.in.gov/dlf/2338.htm

Contact the Department

- Dan Jones, Asst. Dir. Budget Division
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- Fred Van Dorp, Director of Budget Division
  - Telephone: 317.234.3937
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- Website: www.in.gov/dlgf
  - “Contact Us”: www.in.gov/dlgf/2338.htm
Ryan Burke, Field Representative with DLGF

I am going for nonbinding review. Do I need to submit to county? No, they only review what DLGF sends them. No County Council Review Workshop unless it is a binding review.

CAGIT, and what else is called LIT? COIT is also LIT. It is not CVET, FIT.

Do I need to keep on top of committee that meets regarding local income taxes? Change to income statute last year. If they don’t meet by June 30th, then there is no change to allocation.

Elkhart County asks about still being sent PTRC and Certified shares, is this correct; same for Brown County? I believe that state wide it is known as LIT certified shares. It may be possible that county has not combined it yet and it may be true.

So the LIT Board can reallocate LIT shares so that Public Library gets a smaller share than in past? On that question, have them email djones@dlgf.in.gov regarding your local unit and how shares are distributed.

Regarding circuit breakers, can you explain how distribution or lack of distribution is spread across the taxing units? Primarily based off the taxing district itself, how the levies and rates are allocated based on district. It’s allocated to a proportion as the total. Is debt a part of that calculation? I believe it is, but remember debt receives only that over 65. So there’s the 1%, 2% and 3% and haven’t talked about the credit for homeowners over the age of 65. Property tax is allocated to the debt fund first. Then the general fund receives the bulk of circuit breaker losses.

Is this the same process that was used in pay 2017 for the pay 2018 budgets? Yes it is. But now we have the pre-budget worksheet and the circuit breakers should be more accurate.

Doing an additional appropriation, does that decrease the budget next year? No. It would simply increase the current year’s budget. One thing to keep in mind is that the calculation for the “maximum” budget a library can have and remain non-binding (adopt its own budget) is the current year’s initial certified budget plus the growth quotient. Doing an additional appropriation would not increase the current year initial certified budget and wouldn’t have an impact on next year’s “maximum” budget for non-binding review.

What’s the effect of under or over estimating circuit breaker? If funding is tight, and you underestimate your circuit breaker, your budget could be approved for an amount that is not actually funded due to not taking into account the full circuit breaker loss.

If funding is tight, and you overestimate your circuit breaker, your budget could be reduced due to essentially overstating your expenditures. Another thing to keep in mind is that a cut in your budget reduces the initial certified budget that is the starting point for next year’s maximum non-binding budget.

Circuit breakers aren’t part of the advertisement, but are there plans to make it part of the publication? It is on the form 3, Notice to Taxpayers, now.

In my library I notice a $30,000 loss to circuit breaker loss. Is that pretty consistent across the state. I haven’t noticed a pattern. Contact field representative who may notice a pattern.
Vanderburgh Co Council requested the form (County Council Review) be submitted and our presence at Co County meeting even though we were non-binding and not over the AVGQ. DLGF understands by statute you do not have to submit to county council, but they could request it. And you could submit.

It is possible that information (amortization) is not verified yet. Possible that the field representative may not have information available. So bring the amortization schedule with you.

Have I heard stories in the field regarding LIT and county boards and reducing the distribution? The June 30 deadline for the adopting council has been eliminated. The adopting council now has until November to adopt an ordinance allocating the income tax in the following year. The councils do have the authority to reallocate the income tax to other purposes, either public safety, property tax relief, or certified shares.


How to get to Gateway User Guides: go to https://gateway.ifionline.org/help.aspx