



Clerk-Treasurer's Conference

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October 2014



Introduction

- Updates:
 - 18 Counties had submitted Certified Net Assessed Values by the statutory deadline of August 1.
 - Last year only 8 counties had certified.
 - As of October 1, 2014, 68 counties had certified 2015 net assessed values.



Introduction

- Goals for 2014/2015:
 - 50 counties with certified Budget Orders by December 31, 2014.
 - 92 county budget orders certified by Feb 15.
 - 92 counties with on-time property tax bills for 2015.



Preview of Upcoming Events

- Budget Calendar:
 - October 1 – Last day for county fiscal body to complete budget review and issue recommendations for 2015 budgets, rates, and levies.
 - October 20 – Last day to file appeals for excessive levy.
 - October 24 – Last possible day to hold public hearing on 2015 budget (except for Marion County and 2nd class cities).
 - October 31 – Last possible day for 10 or more taxpayers to object to 2015 budget, rates, or levies.



Preview of Upcoming Events

- Budget Calendar (Continued):
 - November 3 – Last day for fiscal body to adopt 2015 budgets, rates, and tax levies.
 - November 5 – Last day for fiscal body to file budgets with the DLGF through Gateway .
 - Last day to file shortfall appeals with the DLGF is December 30.
 - February 16 – Budgets, tax rates, and tax levies to be certified by the DLGF.



What's Next?

- Public Hearing: Last possible day is Oct 24.
 - Public Hearing is the opportunity for the public to voice their opinion on the budget, tax rates, and levies.
 - Hearing must be at least 10 days before the adoption meeting.
 - Hearing must be held on the date, time, and place advertised on the budget notice.
 - Public hearing must be held by the body that adopts the budget, rates, and levies.
 - Any objections to the budget, tax rates, or levies must be filed with the fiscal body within seven (7) days of the public hearing.



After the Public Hearing...

- Adoption Meeting:
 - Adoption meeting should be held by the fiscal body on the day, time, and place advertised on the budget notice.
 - Objections to the budget, rates, or levies must be addressed in the resolution adopting the budget.
 - Meeting must be at least ten (10) days after the Public Hearing and by November 3.
 - A majority of the fiscal body is a quorum.
 - In cases where a quorum is not present, “continue” the meeting to another day and time as stated at the original meeting time.



After the Adoption Meeting...

- Budget is submitted to the DLGF by November 5 through Gateway.
- DLGF will begin working the budgets in the order each county certified the assessed values.
- Field Representative may contact you for additional information or with questions.



DLGF Hearings

- The DLGF is no longer required to conduct additional public hearings in each county before we take any action on a budget, tax rate, or levy unless...
- Any taxpayer in a county can request a public hearing and a DLGF representative will hold a hearing.
- Hearing will require a five (5) day notice to be published by the DLGF.
- After the hearing, DLGF will act on the budgets.



1782 Notice

- DLGF is required to give each civil taxing unit a ten (10) calendar day notice of any action the DLGF has taken on a budget, rate, or levy.
 - This Notice is called the “1782 Notice.”
 - 1782 Notice is an opportunity for each unit to review the DLGF’s actions and request changes, corrections, or adjustments to the budget, rates, or levies.
 - The 1782 Notice will be sent to each unit by email. So, make certain you enter your email address on the new line on the “accordion” in Gateway. (It’s at the bottom of the forms.)



1782 Notice

- The 1782 Notice has several parts:
 - Notice (page 1)
 - 1782 Notice Notes Report
 - Fund Report
 - Estimates of Miscellaneous Revenues for Year Ending 20__
 - Maximum Levy Report and
 - Rate Cap Calculations



1782 Notice

- The 1782 Notice (Page 1):
 - First page is the Notice with instructions.
 - Provides information of how and where to respond.
 - First page is also a signature page with two boxes (choices):
 - No Changes Requested or
 - Please Make Changes According to the Attached Information.
 - First page includes the deadline to respond.
 - Return the 1782 Notice to DLGF ASAP.
 - Accelerates processing of Budget Order.



1782 Notice

- 1782 Notice Notes Report
 - As DLGF staff work through budgets and make adjustments, they assign notes for certain lines. Those notes describe why a line was changed.
 - Examples of the notes are:
 - “Lesser of unit adopted or prior year budget due to proof of publication not submitted in Gateway” or
 - “Rate reduced due to increased assessed valuation.”
 - Dollar amounts or tax rates may also be included with the notes.



1782 Notice

- Fund Report:
 - A Fund Report is similar to the 16-Line Statements you submitted with your budget.
 - Each line is important but line 16 is critical – Line 16 is the Tax Levy for that fund for the following year. Once the levy is certified you cannot change it. That is the amount of property taxes that will be billed for this fund for the year.
 - Taxes collected exceeding this amount are to be deposited into a levy excess fund and used to reduce a future year's levy.



1782 Notice

- Fund Report (Continued):
- Other Important Lines:
 - Line 1 – Budget Estimate for following year
 - Line 2 – 2nd Half expense of current year
 - Line 6 – June 30 Cash & Investment balances
 - Line 7 – Dec. Property Tax Distribution
 - Lines 8 a & b – Miscellaneous Revenues
 - Line 11 – Projected Operating Balance



1782 Notice

- Fund Report:
 - The second part of the Fund Report is a summary of each fund and a total of the rates and total levies of each fund of the unit

Fund	Assessed Value	Rate	Levy	CNTRL
• General	140,000,000	0.0150	21,000	UT
• Park	140,000,000	0.0090	12,600	UT
• MVH	140,000,000	0.0000	0	O
• CCD	140,000,000	0.0333	46,620	O
• CTL UT	Working Max 33,900			Under Max by 300



1782 Notice

- Estimates of Miscellaneous Revenues:
 - Another important part of 1782 Notice is the summary of Miscellaneous Revenues (Form 2)
 - Lists revenues by fund and source
 - Contains two columns:
 - Column A: July 1, 2014 – Dec. 31 2014
 - Column B: Jan 1, 2015 – Dec. 31, 2015
 - Totals from each column are the amounts on Lines 8a and 8B of the Fund Report. These revenues provide additional funding for your budget.



1782 Notice

- Max Levy Report:
 - This section of the 1782 Notice shows the calculation of the maximum levy amount.
 - Formula begins with last years max:
 - Adjusts for Annexation adjustment (if applicable)
 - Adjusts for PTRC (if any)
 - Excessive Levy Appeal
 - State-wide Average Growth Quotient
 - Cumulative Funds (if applicable)



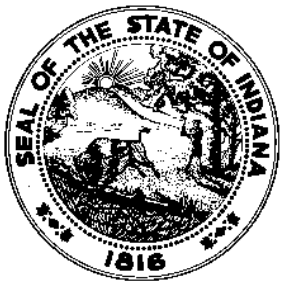
1782 Notice

- 2015 RATE CAP CALCULATION
 - This page shows the eight steps for calculating the maximum rate for the cumulative fund.
 - Formula is primarily based on the past four years average annual percent change in assessed value.
 - Formula determines the maximum cumulative fund rate that can be allowed.



How to Respond

- Write the requested changes on the Notice.
- Scan the Notice and email to 1782Notices@dlgf.in.gov.
- Include a written explanation for the request if you think it's needed.
- Remember to closely review the 1782 Notice and to respond quickly.
- Contact your field representative or the DLGF Budget Division with questions about the 1782.



How to Respond

- Common Responses to 1782 Notice:
 - Reduction to Line 2 – 2nd Half Expense
 - 2nd half expense are frequently overstated. A reduction to this line may increase available funds on Line 11 (Operating Balance). Reducing Line 2 can be done by the Board passing a Resolution.
 - Revision to Estimated Revenues
 - More information regarding revenues is available when the 1782 Notice is issued than when revenues were originally estimated. Some revenues may be higher than originally estimated which provides more funding.



Budget Order

- DLGF's certification of appropriations, property tax rates, and levies by unit and fund.
 - Provides units with the authority to spend and tax.
 - Budget Order is issued by county.
 - Certifies by each unit in the county their budget, assessed value, tax rate, and levy for each fund.
 - Order also includes:
 - Certified tax rates for each tax district in the county.
 - Notes that explain certain actions taken on budget, rates, or levies.
 - Notice and authority to transfer balances in levy excess fund to operating fund.



New for 2014-2015

- OPEB (Other Post Employment Benefits) replaced with reporting of retirement benefits and expense by March 1.
- Protected Taxes effective in 2014.
- Fiscal Dashboard (Benchmarks) in 2015.
- TIF report to LSA.
- Last year for newspaper budget advertisements.
 - Next year budget notices are only online.



Reminders

- AVGQ for 2015 is 2.7%.
- Transfers to a rainy day fund require passage of an ordinance or resolution.
 - Cities and towns can transfer from rainy day fund.
 - IC 36-1-8-5
- Income tax distributions are available.
- Some units will have an extra payroll in 2015.
 - Count your pay periods.
- Submit your additional appropriations to DLGF before December 15.
 - DLGF has 15 days to process.



Reminders

- Other Reporting Requirements:
 - DLGF may only approve annual budgets or additional appropriations for units that have electronically filed with the State Board of Accounts:
 - The Annual Financial Report (Includes TA-7).
 - The Annual Personnel Report (which also indicates if the governmental unit offers a health plan, a pension, and other benefits to full-time and part-time employees).
 - Statement by executive that unit has adopted an anti-nepotism policy.
 - Debt issuance report to DLGF (DLGF may not issue a budget or levy for debt service if this report is not filed.)



References

- Budget Calendar:
 - <http://www.in.gov/dlgf/files/pdf/140528> - [Jones Memo - 2014 - 2015 Budget Calendar.pdf](#)
- 2014 Circuit Breaker Reports:
 - <http://www.in.gov/dlgf/9354.htm>
- Additional Appropriations and Transfers:
 - <http://www.in.gov/dlgf/files/pdf/140730> - [Jones Memo - Additional Appropriations and Transfer Procedures.pdf](#)
- Excess Levy Appeals:
 - <http://www.in.gov/dlgf/files/pdf/140919> - [Schaafsma Memo - 2014 pay 2015 Excess Levy Appeals Forms.pdf](#)



Closing

QUESTIONS???



Contact the Department

- Dan Jones, Assistant Director of DLGF Budget Division
 - Telephone: 317.232.0651
 - Fax: 317.974.1629
 - E-mail: djones@dlgf.in.gov
- Website: www.in.gov/dlgf
 - “Contact Us”: www.in.gov/dlgf/2338.htm