

# Official: Use last year's fire levy rate for budget

Rate increase likely to be halted after budget procedures not followed

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The Department of Local Government Finance will recommend Indian Creek Township's 2008 general and fire budgets remain at last year's levy rate because the proper procedures weren't followed, a spokeswoman with the state department said Wednesday.

At hearings Tuesday before the state agency, which is charged with ensuring local government budgeting is carried out according to state law, township residents raised concerns about a variety of issues with the township budget.

Those complaints included that there were no written findings prepared by the fiscal body in response to a taxpayer appeal, department spokeswoman Mary Jane Michalak said Wednesday. The department's field representatives agreed no such findings were prepared, and therefore will recommend denial of those two township budgets, she said.

The portion of state code requiring written findings only applies if an appeal has been filed, Michalak said.

While the Department of Local Government Finance director still must sign off on the budget, the field representatives' recommendations will likely be upheld because it is a statutory issue, she said.

"That statute does not allow us to approve a budget if the particular provisions weren't followed, as was the case here," Michalak said.

The denial would only apply to those two budgets within Indian Creek Township's overall budget, and would only affect township residents, she said.

"That's great news," resident Christine Conrad said Wednesday when she heard the news. "We've been working on this for going on a year now. I'm so ecstatic."

Township trustee Linda Hollingsworth couldn't be reached for comment Wednesday afternoon or evening, but board member Cheryl Ann Munson had a strong opinion on the ruling.

"My immediate reaction is that's very gratifying. Because the citizens who were shocked by the proposed increase, they have stepped up and governed themselves," Munson said. "The proposed budget has so many things wrong with it. It was filled with numerical errors, the trustee had used counterfeit budget documents, and so on. Any one of these problems would have been enough to shut it down. And I'm so glad the citizens followed the exact procedure to fix this."

More than 30 township residents attended Tuesday's hearing before the state agency to express their concerns about the budget, Conrad said. Residents had complained last year that timely, accurate and complete information about the then-proposed 2008 budget wasn't available to residents, that the 2008 fire fund figures were inaccurate and that the entire budget included large increases without explanation or rationale.

The 2008 budget represented a 92 percent increase over 2007 figures, residents said. Hollingsworth's budget increased the town's firefighting fund by 111 percent, adding \$55,000 from the township's savings. At the time, she said she was advised by the State Board of Accounts to incorporate the reserve funds into her budget but promised it wouldn't be spent.

The budget had also included an increased sum for legal services. At the time, Hollingsworth was embroiled in a lawsuit with the township volunteer fire department, seeking to evict them and start her own force. However, she subsequently lost that suit.

The hearings Tuesday were the last step taxing units had to take at the state level before officials receive a tax rate, which is needed to calculate property tax bills. County Treasurer Barbara Clark has said it will likely be the first of July before bills go out.

See for yourself

Indiana Code 6-1.1-17-5 calls for written findings to be prepared by a township's fiscal body in the event of a taxpayer appeal. Here's the relevant portion:

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. The objection petition must specifically identify the provisions of the budget, tax rate, and tax levy to which the taxpayers object.

(c) If a petition is filed under subsection (b), the fiscal body of the political subdivision shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing.