

STATE OF INDIANA
DEPARTMENT OF LOCAL GOVERNMENT FINANCE
Room 1058, IGCN – 100 North Senate Avenue
Indianapolis, IN 46204

IN THE MATTER OF THE REQUEST)
OF TOWN OF WHITELAND, JOHNSON)
COUNTY, FOR AN EXCESS LEVY DUE) A14-024
TO EXTENSION OF SERVICES)

The Department of Local Government Finance (“Department”) has reviewed the town of Whiteland’s (“Town”) appeal for an excess levy in the amount of \$60,000 due to an extension of services. Specifically, in 2012 the Town annexed certain property. The Town has since concluded that additional police personnel are needed to serve the annexed area. The Town states that “At the time the annexations were under consideration, the level of activity . . . and the associated amount of time to be spent on these matters was not fully known to the Town.”

The Town also asserts that “In the appropriation ledgers of the Town, the advertised budget was entered at the start of the year and on February 4, 2013 (when the 2013 Budget Order was issued); the appropriation records were not adjusted to reflect the lower appropriation amount. This oversight went undetected, for almost nine-months – as the impact to the General Fund balance became nearly depleted.” Moreover, “The Town is hopeful that it can get through 2015 with a much small temporary loan to meets its day to day cash flow obligations. The loss of approximately \$90,000 in General Fund appropriations (2010 – 2014) is primarily contributed to the economic downturn, lack of housing starts (and the associated building permit fees), lower interest rates on investments and decreased assessed values (increasing tax rates and increasing circuit breaker credits).”

Upon review of the petition, the Department, following IC 6-1.1-18.5-12, and in consideration of all evidence provided, finds as follows:

DENIED:

First, the Town’s fiscal plan, which pre-dates the annexations, provides that “It is expected that all of the expanded non-capital service responsibilities of the Town will be funded through the existing property tax revenues generated within the currently existing boundaries of the Town, as well as through other supplemental municipal revenue streams.” Specific to police service, the Town’s fiscal plan asserts that “It is clear, however, that the annexation territory is not a ‘high-crime’ area which would require substantial new police resources.” Thus, the Town represented to taxpayers that the annexed areas were not expected to trigger property tax increases or a need for new police resources. Consequently, granting the Town’s request would require the Department to effect a result contrary to the Town’s official representations to taxpayers.

Second, the Town already received a maximum levy increase of \$59,150 for Pay 2014 through the statutory maximum levy formula under IC 6-1.1-18.5-3 due to the annexation. The Town has not explained why this annexation-related increase cannot be used to hire an additional police officer. Based on the Town’s documentation, the alleged need for additional funding stems most directly from economic circumstances unrelated to the annexation itself.

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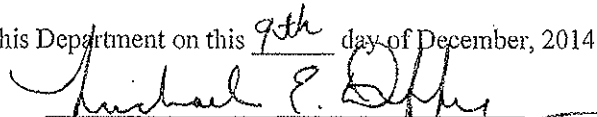


Courtney L. Schaafsma, Commissioner

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I, Michael E. Duffy, General Counsel for the Department of Local Government Finance, hereby certify that the above is an order of the Commissioner of the Department of Local Government Finance made this date in the above-entitled matter and that the Commissioner has personally signed the same under her statutory authority.

WITNESS MY HAND AND SEAL of this Department on this 9th day of December, 2014.



Michael E. Duffy, General Counsel