


To: President and Members of the Munster Town Council
From: David F. Shafer, Clerk-Treasurer 
Copy to: Dustin Anderson, Town Manager
Date: September 19, 2016
Re: Levy Appeal, Resolution 2013

Indiana Code 6-1.1-18.5-3 imposes limitations on the amount of property taxes that can be levied by the Town. Other sections of the Indiana Code 6-1.1-18.5-3 allow exceptions to those limitations.

Indiana Code 6-1.1-18.5-16 allows an excess levy appeal for property tax shortfalls due to erroneous assessed valuation. This appeal includes refunds paid on successful assessment appeals and can be filed for the past three years.

Over the past two years, the Town experienced marked shortfalls due to the successful appeals of Community Hospital and Franciscan Hospital. The amounts are derived from reports supplied by the County Auditor's Office for the pay 2013, 2014, and 2015 tax years. These amounts include all assessment appeal amounts not just those of Community and Franciscan Hospitals. The total appeal will be as follows.

Pay 2013	\$ 608,750
Pay 2014	\$ 436,810
Pay 2015	<u>\$ 316,407</u>
Total Appeal	\$1,361,967

Resolution 2013 has been prepared to authorize the Town Council President to execute the petition required to file for these appeals

RECOMMENDED ACTION:

By motion and roll-call vote, adopt Resolution 2013 as presented authorizing the Town Council President to execute the necessary documents to file levy appeals with the Department of Local Government Finance.

(Please be aware that Accounting Supervisor Tricia Abbott researched, framed, and authored this memorandum, the resolution, and the associated petition. -- DFS)

RESOLUTION 2013

**A RESOLUTION AUTHORIZING AND APPROVING
A PETITION FOR A LEVY APPEAL TO BE FILED WITH THE
INDIANA DEPARTMENT OF LOCAL GOVERNMENT FINANCE**

WHEREAS, The Town Council of the Town of Munster, Indiana, as the fiscal and legislative body of the Town is planning to pass and adopt an “Ordinance for Appropriations and Tax Rates” for the 2017 fiscal and calendar year; and

WHEREAS, The Town of Munster, through its Town Council, has determined that it would be unable to carry out in the ensuing budget year the governmental functions and responsibilities committed to it by law without tax relief; and

WHEREAS, Pursuant to the procedures provided in IC 6-1.1-18.5-12, IC 6-1.1-18.5-13, IC 6-1.1-18.5-14 and IC 6-1.1-18.5-16, it is necessary for the Town of Munster to petition for relief from the limitations imposed by IC 6-1.1-18.5-3; now, therefore, be it

RESOLVED That the Town Council President of the Town of Munster is hereby authorized and directed to execute documents necessary to file an appeal with the Department of Local Government Finance for relief from maximum levy limitations as determined by IC 6-1.1-18.5-3 and as allowed by IC 6-1.1-1.5-16; and

RESOLVED To proceed with a petition for an excess property tax levy to the Department of Local Government Finance to increase the taxing unit’s maximum levy and represent that the taxing unit cannot carry out its governmental functions under its current maximum levy for the ensuing calendar year without the excess levy.

PASSED AND ADOPTED By the Town Council of the Town of Munster on the 19th day of September, 2016, by a vote of _____ in favor and _____ opposed.

**TOWN COUNCIL OF THE TOWN
OF MUNSTER, LAKE COUNTY,
INDIANA.**

John P. Reed, President

ATTEST:

David F. Shafer, Clerk-Treasurer

STATE OF INDIANA)
)
COUNTY OF LAKE) SS:

**BEFORE THE DEPARTMENT OF
LOCAL GOVERNMENT FINANCE**

**PETITION OF THE TOWN OF MUNSTER, LAKE COUNTY, INDIANA,
APPEALING FOR RELIEF FROM PROPERTY TAX LEVY LIMITATIONS**

The Petitioner, the Town of Munster, pursuant to the procedures provided in IC 6-1.1-18.5-12, IC 6-1.1-18.5-13, IC 6-1.1-18.5-14 and IC 6-1.1-18.5-16, filed this petition for relief from the limitations imposed by IC 6-1.1-18.5-3 and alleges:

1. This petition has been duly authorized by Resolution 2013 of the Munster Town Council, a copy of which is attached;
2. In 2013,
 - a. The Certified Property Tax Levy of the non-debt service funds of the Petitioner was \$5,874,696.
 - b. The Petitioner received \$5,321,418 in property tax, a shortfall of \$553,278.
 - c. The Petitioner's portion of errors and refunds was \$316,407
3. In 2014,
 - a. The Certified Property Tax Levy of the non-debt service funds of the Petitioner was \$6,028,724.
 - b. The Petitioner received \$5,052,944 in property tax, a shortfall of \$975,780.
 - c. The Petitioner's portion of errors and refunds was \$436,810
4. In 2015,
 - a. The Certified Property Tax Levy of the non-debt service funds of the Petitioner was \$5,937,796.
 - b. The Petitioner received \$4,978,544 in property tax, a shortfall of \$959,252.
 - c. The Petitioner's portion of errors and refunds was \$608,750

5. The petitioner appeals for \$316,407 in relief due to property tax shortfalls for 2013 as allowed in IC 6-1.1-18.5-16.
6. The petitioner appeals for \$436,810 in relief due to property tax shortfalls for 2014 as allowed in IC 6-1.1-18.5-16.
7. The petitioner appeals for \$608,750 in relief due to property tax shortfalls for 2015 as allowed in IC 6-1.1-18.5-16.
8. Without relief, the Petitioner would be unable to carry out the governmental functions and responsibilities committed to it by law during the ensuing budget year. The following would not be able to be accomplished:
 - a. \$971,422 of the property tax shortfall is associated with the General Fund. Without relief, the Petitioner could not replace police vehicles and related equipment (\$397,000), replace police equipment (vests, tasers, defibrillators, radios) (\$284,500), make equipment lease payments (\$193,450), make required fire equipment replacement (\$120,400).
 - b. \$53,869 of the shortfall is associated with the Motor Vehicle Highway Fund. Without relief, the Petitioner could not resurface about 2,693 lineal feet of roadway.
 - c. \$314,514 of the shortfall is associated with the Park and Recreation Fund. Without relief, the Petitioner could not make planned park improvements to meet current standards.
 - d. \$22,162 of the shortfall is associated with the Redevelopment - General Fund. Without relief, the Petitioner could not make planned federal grant matching fund contributions for the Calumet Avenue and 45th Street Grade Separation Project.

The Petitioner asks the Department of Local Government Finance that the Town of Munster be granted relief from the provisions of IC 6-1.118.5-3 and as allowed by IC 6-1.1-18.5-16 and that it be allowed to impose additional property tax levy in the amount of \$1,361,967.00.

John P. Reed, President
Munster Town Council

ATTEST:

David F. Shafer, Clerk-Treasurer