STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE

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June 19, 2009

Dear Local Official:

It has been six months since my appointment as Commissioner of the Department of Local Government Finance on December 15, 2008. The purpose of this letter is to recap where we are today, and how I see the next six months developing. I am pleased to report that progress was made in 2009, and we have set the stage for greater success toward achieving our goal of on-time property tax billing in 2010.

When I was appointed the commissioner of the Department, I set a goal of on-time property tax billing. To guide us in the accomplishment of that goal, I established three Core Values to guide the Department in all of its decision-making and communication with members of the public and local officials:

1. Taxpayer First. This Core Value is first because it is the most important. It means we will protect the taxpayers from unequal and unjust assessments and taxation. We will also enforce assessment standards, deadlines, and laws to ensure on-time property tax billing in each county in order to reduce borrowing by local taxing units. Those borrowing costs are eventually paid by the taxpayer in the form of property taxes. As a result, meeting our goal of on-time property tax billing is very taxpayer-friendly and certainly places the Taxpayer First.

2. Respect for Local Control. The Department provides oversight of the local assessment and budget processes, enforces assessment standards and legal deadlines, and interprets the property tax laws of the state; however, we recognize that we must allow local officials to perform their administrative duties and fulfill their legal responsibilities without unnecessary meddling.

3. Excellence in All We Do. We will demonstrate attention to detail in our work product, act with a sense of purpose and urgency, and provide easily understood guidance and direction to local officials.

2009 Property Assessment-to-Tax Billing Cycle Status

We have a great opportunity in 2010 to accomplish our mission of restoring the property assessment-to-tax billing cycle, so the May 10 and November 10 tax bill due dates are the norm once again. In fact, I have called 2010 "The Year of No Excuses," because I am confident we can meet our goal. I am also convinced that, if we are to meet our goal, it will take everyone involved in the property assessment-to-tax billing cycle (DLGF, county assessor, county auditor,

county treasurer, vendors, etc…) working together as a team, communicating with one another, meeting deadlines, and providing feedback and encouragement.

The following information is proof that we have made great strides toward on-time property tax billing in 2009:

- 79 county auditors have submitted their 2009 certified net assessed values to the Department. Last year on this date, the Department had received certified net assessed values from only 58 county auditors.

- 64 budget orders have been issued for 2009. Last year on this date, only 41 budget orders had been issued. I expect to issue at least four additional budget orders in the next two to four weeks and an additional 11 budget orders within the next four to six weeks for an estimate of 79 budget orders by the end of July 2009.

- 27 counties have set 2009 Spring tax bill due dates in May or June. Last year, only one county had a 2008 Spring tax bill due date in May or June.

- 54 counties have set 2009 Spring tax bill due dates in May, June, or July. Last year, only 17 counties had 2008 Spring tax bill dates in May, June, or July.

2010 Property Assessment-to-Tax Billing Cycle Status

As much progress as we have made in 2009, we need to do better in 2010. I have challenged our team at the Department to make 2010 "The Year of No Excuses." In response to this challenge, the DLGF Team has accomplished the following:

- streamlined the data compliance process for assessment-sales ratio study approval purposes;

- simplified the annual adjustment rule to allow for the use of only one year of sales and repealed the previous guidance that assessments be changed even if assessment level and uniformity statistical measures were within international standards; and

- established a goal to issue 2010 budget orders within 60 days from receipt of certified net assessed values from the county auditor.

The good news is we are off to a great start toward on-time property tax billing in 2010. As of today, 23 county assessors have submitted assessment-sales ratio studies for 2009-pay-2010. 12 of the 23 have received approval: Rush, Ohio, Hancock, Warrick, Owen, Dubois, Gibson, Monroe, Vanderburgh, Tipton, Grant, and Allen. Last year on this date for pay-2009, the Department had received 0 assessment-sales ratio studies; in fact, the first assessment-sales ratio studies for pay-2009 were not received until July 1, 2008, and only eight assessment-sales ratio studies were received in the entire month of July 2008. Yet already this year, we have approved 12 of 23 ratio studies and we are only a little more than half-way through June.

2010 U.S. Census

The U.S. 2010 Census is fast approaching. The census means business - dollars to your community from the state and the federal government; representation in Congress and in the Indiana General Assembly; and ensuring site locators, economic developers and others know just what your community is like. We must promote the 2010 federal Census in your community to ensure that every resident in your community is counted.

Indiana ranks as the 20th "hardest to count" population in the nation. With the objective of getting every Hoosier counted, a statewide complete count committee was established to serve as a partnership of key stakeholders, including those from businesses, community and faith-based organizations, cultural institutions, higher education and local government. If anyone is interested in participating on a committee to work to ensure that every Hoosier is counted, please contact me. Please visit the U.S. 2010 Census Indiana Web page at www.census.indiana.edu.

Conclusion

I appreciate everyone's hard work these past six months and I am looking forward to what we will accomplish in the next six months. Progress toward achieving our goal of on-time property tax billing was made in 2009, and I expect even greater progress toward meeting our goal of on-time property tax billing in 2010 – "The Year of No Excuses."

If you have any suggestions, comments, or questions, please feel free to contact me at (317) 232-3777 or trushenberg@dlgf.in.gov. Visit our Web site at www.in.gov/dlgf for further information.

Sincerely,

Timothy J. Rushenberg
Commissioner