



# Department of Local Government Finance

## AIC Budget Finance II Class

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# Disclaimer

- This presentation and other Department of Local Government Finance materials are not a substitute for the law. This is not legal advice, just an informative presentation. The Indiana Code always governs.



# Introductions



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# Agenda

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- Certified Net Assessed Values
- Budget Deadlines
- LDA Changes
- Legislative Updates
- Helpful DLGF Webinars
- Questions



# CNAV: What it is, Why it is important

- The CNAV submission ultimately is the “tax base” for each taxing district in your county.
- Mathematically, it serves as the denominator in the tax rate calculation:

$$\textit{Tax Rate} = \frac{\textit{Unit Certified Levy}}{(\textit{Tax District Certified Net Assessed Value}/100)}$$

- A great tool to combat against circuit breaker loss.



# CNAV: Finding Preventable Errors

- Before submitting your information consider asking yourself the following questions:

## 1. Historical Comparisons

- a) How does my data compare to last year?
- b) Do the differences pass the smell test?

## 2. TIF, Appeals & AV Withholding

- a) How are TIFs performing in my area?
- b) Are there major appeals I should know about?
- c) Am I withholding AV? Should I be?

## 3. Taxing District Configurations

- a) Are there new taxing districts, or new configurations? Should there be?
- b) Have there been any annexations this year?

## 4. State Distributable Personal Property

- a) Is PP AV included in your taxing districts?



# CNAV: What we're saying to other units

- Ultimately, the adage of “see something, say something” applies.
- Errors in CNAV that are caught late in the process are costly, difficult to fix, and often cause significant delays that could lead to delayed or reissued tax bills in the most extreme cases.
- Mistakes happen, and just because they happen in another organization’s office does not mean they will not impact you.
- Your county auditor and county assessor are great partners in understanding your tax base.



# Calendar Year 2025 Budget Deadlines

- The Department has posted the 2024 budget calendar. The calendar contains the statutory submission/due dates for some key deadlines for the budget certification process.
  - <https://www.in.gov/dlgef/files/2024-memos/240207-Van-Dorp-Memo-2024-Budget-Calendar.pdf>
- June 30 – Submission deadline for Pre-Budget Report & release of the MLGQ.
- July 15 – Release of the Department’s “July Estimates” including non-property tax revenues of FIT, CVET, and Excise.





# Calendar Year 2025 Budget Deadlines

- August 1 - Release of Department's Estimates of Circuit Breaker Loss by unit. Posted to the DLGF website at: <https://www.in.gov/dlgf/county-specific-information/>
- August 1 - Last day for county auditor to certify net assessed values ("CNAV") to the Department.
- October 12 - Last day to post a notice to taxpayers ("Budget Form 3") of proposed 2025 budgets and net tax levies and a public hearing to Gateway.
- October 22 - Last day to hold a public hearing on units 2025 budgets.
- November 1 - Deadline for all units to adopt 2025 budgets, tax rates, and tax levies.



# Calendar Year 2025 Budget Deadlines

- December 31 - Deadline for the Department to certify 2025 budgets, tax rates, and tax levies unless a taxing unit in a county is issuing debt after December 1 in the year preceding the budget year or intends to file a shortfall appeal.
- January 15, 2025 - Deadline for the Department to certify 2025 budgets, tax rates, and tax levies if a taxing unit in a county is issuing debt after December 1 in the year preceding the budget year or intends to file a shortfall appeal.



# Legislative Changes to Budgeting Practices

- <https://www.in.gov/dlgf/continuing-education/webinars/>
- DLGF's Legal Team provided much more detail on all of the following slides in their webinar on June 19, 2024.
- Units are highly encouraged to watch the video and read the materials for more information.



# Legislative Changes to Budgeting Practices

- HEA 1120:
  - Extends the period by which projects are subject to certain controls based on the unit's total tax debt service tax rate to 12/31/2025.
  - Includes changes to controlled project & remonstrance details based on changes in scope.
  - Increased AV limit for Veteran with Non-Service-Connected Disability Deduction from \$200,000 to \$240,000.
  - Changed the deduction application deadline from 1/5 to 1/15 for multiple deductions.



# Legislative Changes to Budgeting Practices

- HEA 1328:
  - Amended CNAV Submissions in Ind. Code § 6-1.1-17-1 are now permitted no later than Sept. 1 or 15 days after original submission.
  - Included apartment assessment changes as well as changes to tentative utility assessment notifications.
  - Changed the calculation of BPP late filing penalties.
  - Allows the DLGF to consider LIT levy freeze stabilization balances in LIT levy freeze tax rate reductions.
  - Specifies the approvals necessary for binding units to submit an excess levy appeal.
  - Clarifies timeline of DLGF's review for referenda review period.



# Legislative Changes to Budgeting Practices

- HEA 1328 (cont.):
  - Changed public notice of additional appropriations to Gateway.
  - Reinstates the ability for certain business entities to receive a homestead deduction.
  - Requires Fire & EMS contracts to be uploaded to Gateway within 60 days of execution.



# Legislative Changes to Budgeting Practices

- SEA 183
  - Allows for county fiscal bodies to exempt mobile homes and manufactured homes from property taxation.
- HEA 1090
  - Exempts property conveyances to the State from SDF requirements.
- HEA 1121
  - Adds a local income tax rate for expenses related to acute care hospitals.



# Limited Delegations of Authority

- The Department launched a new application for processing LDA forms last year. This past week, the Department removed all permissions for individuals that did not have submitter access. If you, your staff, vendors, financial advisors, etc. would like to regain any access that was lost, a new LDA will need to be completed and accepted in the LDA application.
- LDAs are valid for one year and will reset each year to ensure that “zombie-users” are purged from the system regularly.





# Helpful DLGF Webinars

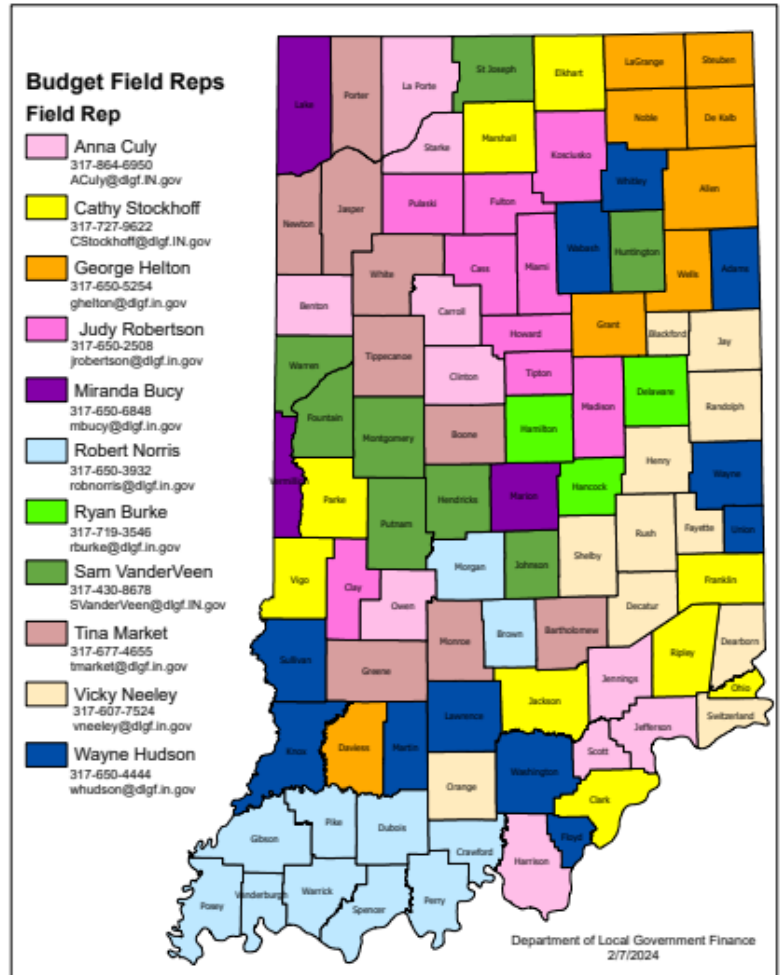
- Each month the Department hosts free, virtual webinars, covering a variety of topics. Find the schedule, recordings of previous webinars, and links to register on our website at: <https://www.in.gov/dlgf/continuing-education/webinars/>
- A few webinars that school leaders might find particularly helpful:
  - Maximum Levies Overview – April 19, 2023\*
  - Circuit Breaker Overview – May 17, 2023\*
  - Gateway Overview – Feb 21, 2024
  - Common Budget Mistakes (and how to avoid them) – May 15, 2024
  - Legislative Overview – June 19, 2024
- \*Webinars are moved to the presentations page after the calendar year rolls over. Find previous webinars here: <https://www.in.gov/dlgf/memos-and-presentations/presentations/2023-presentations/>



# Budget Field Representatives

- Budget Field Reps are your #1 contact at the Department.
- They can answer questions.
- They can help explain changes in procedures.
- They can help you avoid common mistakes, and, in some cases, help correct those mistakes.
- <https://www.in.gov/dlgef/files/maps/Field-Rep-Map-Budget.pdf>

## Budget Field Representative County Assignments





Questions?