

To: Department of Local Government Finance
Indiana Government Center North
100 North Senate Avenue, Room N1058
Indianapolis, IN 46204

Cc: Marion County Auditor's Office
200 E. Washington St.
Suite 841
Indianapolis, IN 46204

Subject: Request for Public Hearing on Budget, Tax Rate, and Levy for the City of Lawrence

To whom it may concern,

We, the undersigned taxpayers of the City of Lawrence, are writing to formally request that the Department of Local Government Finance (DLGF) hold a public hearing on the proposed budget, tax rate, and levy for the City of Lawrence. Pursuant to Indiana Code § 6-1.1-17-16.1, we are exercising our right as taxpayers to ensure our concerns are fully reviewed and addressed.

We object to specific provisions within the proposed budget that will impose significant financial burdens on the taxpayers of the City of Lawrence. We previously raised these objections to the Lawrence Common Council, but unfortunately, the responses left a number of items unanswered, and created additional areas of concern. Of particular concern, were the Whitfield administration's multiple responses citing the use of one-time revenues such as **American Recovery Act (ARPA) funds** and **current unspent bond proceeds** to cover recurring expenses that may fall outside of the legal use of these funds. These one-time revenues are not sustainable, and an irresponsible budgeting tactic to hide shortfalls from taxpayers.

Further concerns arise regarding the use of ARPA funds, and their lack of inclusion in the budget process. Their designation is unclear and gives rise to concern of if they are within the stated purpose or intent of ARPA mandates. ARPA funds should be designated as **Revenue Replacement** they are to be used for the stated purpose. The allowable uses for ARPA funds include:

1. **Premium pay for public safety,**
2. **Infrastructure investment,**
3. **Offsetting negative economic impacts.**

If ARPA funds are properly designated and expended as **Revenue Replacement**, then their use may be justified. However, **Revenue Replacement** means funding City projects that could not be financed due to lost revenue resulting from the COVID pandemic. The funds should not be used for expenses that were already budgeted for.

Our specific objections are as follows:

1. Lack of Transparency and Accountability

The Whitfield Administration has consistently failed to provide transparent financial reporting and has neglected to present the budget in a clear and comprehensive manner. The administration failed to provide these financial reports, legally required notice, or a draft budget with sufficient time for taxpayers to review them prior to a public hearing to make their voices heard. In addition, the passed budget appears to include several inconsistencies and errors.

- *Lack of Legally Required Monthly Financial Reporting:* Members of the Lawrence Common Council repeatedly expressed skepticism during the recent budget hearings about the City's accounting practices regarding development of the 2025 budget. In addition, from January through August of this year, repeated calls by the Council for the administration to provide **legally mandated financial reports** were answered with vague promises that Councilors would have the reports "soon." Not until September, just days before presenting the administration's 2025 budget proposal, were these reports provided to the Council and the public, leaving little time to prepare for a public hearing on the proposed budget.
- *Last-Minute Public Hearing Notification:* Despite providing the minimum standard of notice to the State of Indiana, the administration added the public hearing for the budget to their agenda on September 17th, with the hearing scheduled for the very next day, September 18th, hiding the ball from the general public. This gave residents only one day's clear notice of the public hearing, suppressing public comment and engagement, and depriving residents of a meaningful opportunity to participate.
- *Failure to Post Proposed Budget Prior to Public Hearing:* To make matters worse, the actual budget was not posted until after the public hearing had ended. This last-minute notice and failure to provide timely access to budget documents severely undermines public confidence in the administration's commitment to transparency and accountability.
- *Budget Includes Multiple Errors and Inconsistencies:* The City's 2025 Budget Book contains multiple errors and Inconsistencies. For example, Page 28 indicates a projected year-end cash balance of \$6.1 million for 2024; however, page 34 projects the 2024 cash balance at \$7.9 million. These basic inconsistencies raise serious concerns about the accuracy and reliability of the financial data provided by the administration.

2. Significant Unexplained Increase in the Mayor's Office Budget

The mayor's office budget for 2025 shows an unjustifiable increase, the exact amount of which is difficult for the public to ascertain. This increase is fiscally irresponsible in the current economic climate. Key concerns include:

- *Unjustified Salary Increase, and Inconsistencies in Response:* The Administration's Budget included a \$465,000 increase in salaries. In response to citizen's objections duly submitted under IC 6-1.1-17-5(b) regarding this increase, the Whitfield Administration suggested the increase could be explained by a shift of city public relations employees from the Comptroller's Office budget to the Mayor's Office budget which reduced said budget by \$527,499.00. However, the Personal Services budget for the Comptroller's Office only saw a reduction of \$360,328 leaving yet to be explained salary increase of over \$100,000 in the Mayor's Office Budget. The vast majority of the referenced \$527,499.00 reduction of the comptroller's office budget came from the zeroing out of line items 438.001 and 438.002 (Principle & Interest funds in the Comptroller's Office budget) totaling an additional reduction of \$377,693 in the Comptroller's Office budget. This inconsistency is confusing to the public and begs the question of what they are hiding.
- *Significant Increase in Consulting Services:* The Mayor's Office Budget was also increased by \$74,000 allocated for general consulting without sufficient explanation.
- *Excessive Travel and Subscriptions:* The travel budget has increased from \$0 to \$21,000, and subscription costs have surged from \$150 to \$7,200.
- *Unexplained Budget Lines:* New budget items like \$23,000 for "Other" lacks clear justification. Upon further examination, there appears to be an additional \$200,000 increase in an "Other" line item in the Comptroller's budget.

3. **Public Safety Risks**

The Whitfield Administration's budget places public safety at risk through various financial gimmicks, including:

- *Moving PERF to the Public Safety Tax Fund:* The city has shifted the employer portion of PERF for police officers to the Public Safety Tax Fund, a move that will bankrupt the fund by the end of 2025. The fund's spending will increase from \$3.8 million to \$5.1 million. The Administration admits that this will not be a long-term solution, and claims that the change will be funded through increased taxes. This approach is clearly a gimmick intended to make an unbalanced budget appear balanced.
- *No Gasoline or Diesel Allocations and Cut Funding for Police Body Cameras:* Neither the police nor fire departments appear to have been allocated funds for fuel, and police body camera funding is not budgeted for creating operational risks. The Whitfield Administration claimed, in their response to the aforementioned citizens objections, that these expenses will be funded through ARPA funds, which they again admit is unsustainable. We question if this is a legal use of ARPA funds and know that it is another tactic to hide an unbalanced budget from taxpayers.

- *Cuts to Fire Overtime and Body Cameras:* The fire department's overtime budget has been cut by \$150,000. We question the Whitfield Administration response that these cuts are sustainable.

4. **Irresponsible Approach to Infrastructure and Roads**

The 2025 budget demonstrates an irresponsible approach to infrastructure and road maintenance, shifting significant expenses to ARPA:

- *No Capital Investment in Roads:* Despite a \$5.4 million cash balance, the street department appears to have no planned capital investments budgeted for. Instead, the administration claims they will fund debt service out of these funds, and fund investment through one time ARPA funds, but failed to outline this in the budget.
- *Lowest Paving Budget in Eight Years:* The paving budget is at \$250,000, the lowest in eight years, despite the highest cash balance.
- *Lack of Transparency:* There has been no public verification or transparency regarding how these shifts are impacting the long-term financial stability of the City's infrastructure. Claiming to fund all infrastructure and road capital investment through ARPA funds without including them in their budget lacks transparency for Lawrence taxpayers at a time where the city is increasing taxes.

5. **Unjustified Tax Rate Increase**

We strongly oppose the city's proposed increase in the tax rate from 0.6988 to 0.8058, representing a 15.3% increase. This increase is especially egregious given the wasteful and erroneous budget presented by the administration.

- *Unnecessary Tax Burden:* The significant 15.3% tax rate increase will place an undue burden on taxpayers, residents, and business owners alike. This increase is unjustifiable given the numerous examples of fiscal mismanagement, overspending, and lack of transparency in the proposed budget.
- *Incompetence and Wastefulness:* The budget demonstrates clear wastefulness, such as unexplained increases in the mayor's budget, underfunding critical public safety services, and failure to transparently address infrastructure needs. Taxpayers should not be punished with higher taxes to cover up these budgetary shortcomings.

6. **Irresponsible Budgeting**

The administration is relying on unsustainable one-time revenues, such as American Recovery Act funds and current unspent bond proceeds, to cover budget gaps. This approach is fiscally irresponsible and does not account for long-term financial stability. Failure to budget for essential debt obligations and utilities, as well as numerous accounting errors and inconsistencies

7. **Internal Service Funds (ISFs)**

The administration handling of Internal Service Funds (ISFs) is irresponsible.

- *Removing Budget Line Items for Internal Service Funds:* Revenue for these funds are typically budgeted within departmental budgets. However, the administration's budget specifically removes these budget lines from departments, effectively leaving the ISFs unfunded. If this situation remains uncorrected, the City's Internal Service Funds will likely end 2025 with a negative balance.
- *Lack of Ability to Identify Shortfall:* If the ISFs are not adequately funded, the City will face a significant financial shortfall in 2026. Furthermore, the 2026 budget will be proposed before the 2025 year-end ISF figures are available, potentially delaying the identification of this issue until 2027. Addressing this concern now will help avoid compounding financial difficulties in future budget cycles.

Request for Investigation:

We, the undersigned, request that the Department of Local Government Finance refer the following concern to the appropriate body for further investigation. An audit conducted by the State Board of Accounts signals a significant lack of internal controls within the Whitfield administration, which concern us as taxpayers. These sorts of basic controls are best practice for any entity, public or private, and taxpayers deserve these basic checks and balances on their public officials. These concerns are exasperated by the clear lack of transparency of this administration's approach to the 2025 budget process.

Conclusion:

Despite these serious concerns being raised, the Common Council passed the 2025 budget as presented without making any significant amendments to address the issues. We believe that the City of Lawrence deserves a responsible and transparent budgeting process that prioritizes the needs of the taxpayers over political gimmicks and financial mismanagement.

We respectfully request that the DLGF hold a public hearing in Marion County to address these concerns prior to your review and approval of the proposed budget, tax rate, and levy. We are prepared to submit additional documentation or testimony at such a hearing if required. Enclosed with this letter, you will find the signatures of twenty-five or more taxpayers who support this request, as required under Indiana Code § 6-1.1-17-16.1.

We appreciate your attention to this matter and look forward to your response.

Enclosure:

- Signatures of twenty-five (25) or more taxpayers requesting a public hearing
- Petition of Taxpayers Objecting to Budget, Tax Rate, and Levy duly submitted to the Lawrence Common Council
- Mayor Deb Whitfield's Response to Citizen Objections

[Signature Page Follows]

	SIGNATURE	PRINTED NAME	PROPERTY ADDRESS
1.	<i>Vicki Rafalco</i>	Vicki Rafalco	12104 Broadway St
2.	<i>Emily Parker</i>	Emily Parker	12104 Broadway St
3.	<i>Heather Hewitt</i>	Heather Hewitt	10980 Echo Grove Cir 46236
4.	<i>Diane Meyer</i>	Diane Meyer	11494 Hidden Bay Ln. 46236
5.	<i>Lacey Everett</i>	Lacey Everett	6150 Twyckenham Dr. 46236
6.	<i>Matt Everett</i>	Matt Everett	6150 Twyckenham Dr. 46236
7.	<i>Christina Z Collier</i>	Christina Z Collier	10105 Hermosa Dr. Lawrence 46236
8.	<i>Donna Palmer</i>	Donna Palmer	10075 Hermosa Dr., Indpls 46236
9.	<i>JONATHAN PALMER</i>	JONATHAN PALMER	10075 HERMOSA DR. Indpls 46236
10.	<i>Doug Reeser</i>	Doug Reeser	11912 Seven Oaks Dr. Indpls. 46236
11.	<i>Debra Reeser</i>	Debra Reeser	11912 Seven Oaks Dr. Indpls. 46236
12.	<i>MARTIN DUSZL</i>	MARTIN DUSZL	11850 SEVEN OAKS DR. INDPIS 46236
13.	<i>MARY V DUSZL</i>	MARY V DUSZL	11850 SEVEN OAKS DR. Indpls 46236
14.	<i>Susan E. Tite</i>	Susan E. Tite	11913 Seven Oaks Dr. N. Indpls 46236
15.	<i>Al Myer</i>	Al Myer	11932 Seven Oaks Dr 46236
16.	<i>Stacy Hoffacker</i>	Stacy Hoffacker	12010 SEVEN OAKS DR 46236
17.	<i>ROBERT E. MORELAND</i>	ROBERT E. MORELAND	12030 SEVEN OAKS DR. 46236
18.	<i>Sandra Fishel</i>	Sandra Fishel	12050 Pin Oak Trail 46236
19.	<i>DOUG ROUSH</i>	DOUG ROUSH	12050 PIN OAK TRAIL 46236
20.	<i>Linda Bly</i>	Linda Bly	5742 Lawton Loop. W. Dr. 46216

SIGNATURE

PRINTED NAME

PROPERTY ADDRESS

1. *[Signature]* Michael Hewitt 10720 Echo Grove Cir
2. *[Signature]* Amy Duncan Amy Duncan 6418 W Fiana 46236
3. *[Signature]* Judy Duncan Judy Duncan " "
4. *[Signature]* 'Duncan Hewitt 10980 Echo Grove Circle
5. *[Signature]* Janet Valasek Janet Valasek 7270 Cherokee Dr, Indpls, IN
6. *[Signature]* LEO SPAANS 9120 HARRISON PARK COVD
7. *[Signature]* JERRY T. CLIFFORD 5634 LAWTON LOOP WEST DRIVE 46216
8. *[Signature]* Pamela Anderson 6722 Silver Tree Dr. 46230
9. *[Signature]* Aaron Short 12453 Doe Lane, 46236
10. *[Signature]* MICHAEL POPICH 8339 CARLOWAY RD. INDIANAPOLIS, IN 46236
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SIGNATURE

PRINTED NAME

PROPERTY ADDRESS

1. Daniel E Rapp Daniel E RAPP 5718 Wallingwood Dr 46226
2. Charles C Knapp CHARLES C KNAPP, JR 5728 WALLINGWOOD DR, 46226
3. Vonna L. Knapp Vonna L. Knapp 5728 WALLINGWOOD DR, 46226
4. Debra Sizemore Debra Sizemore 5641 Wallingwood Dr, 46226
5. Jane M Sizemore Jane M Sizemore 5641 Wallingwood Dr 46226
6. Tammara Nieten Tammara Nieten 5632 Wallingwood Dr 46226
7. Donald H. Nieten Donald H. Nieten 5632 Wallingwood Dr 46226
8. Mary Jo Rothenbush Mary Jo Rothenbush 10444 Rainbow Ln 46236
9. Matthew Huck Matthew Huck 10216 Wellborne Dr, 46236
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