

CHAPTER 4

BUDGETS AND APPROPRIATIONS

GENERAL PROVISIONS

The township trustee shall annually prepare a budget for the approval of the township board. The trustee shall present an itemized written statement of the estimated expenditures for the year for which appropriations are asked. IC 36-6-4-11

Budgets must be published two times in each of two (2) newspapers published in the township. If there is only one (1) newspaper published in the political subdivision, then the notice shall be published in that newspaper. If no newspaper is published in the political subdivision, then publication shall be made in a newspaper published in the county and that circulates within the political subdivision. The first publication must be made not less than ten (10) days prior to the date of public hearing. IC 6-1.1-17-3, IC 5-3-1-4

The annual date for adoption of the budget is not later than November 1. IC 6-1.1-17-5

Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing.

Any objection filed against the budget shall be forwarded by the county auditor to the Department of Local Government Finance. IC 6-1.1-17-13

Additional or emergency appropriations may be made during the year under certain conditions. All additional appropriations shall be limited to revenues available or to be made available which are in addition to and in excess of those revenues anticipated in the original budget, and a showing of such excess revenues must be made before any such additional appropriations may be approved. Additional appropriations may also be made, which are not in excess of the original appropriations, by decreasing an unused and unexpended appropriation or appropriations, in an amount equal to the additional appropriations asked. Additional appropriations must be advertised one (1) time at least ten (10) days before the date of the hearing. IC 6-1.1-18-5; IC 5-3-12(b)

PREPARATION OF THE BUDGET

Townships should contact the Department of Local Government Finance for all current Budget Forms and procedures. The budget manual, training, and form are located on their website at <http://www.in.gov/dlgef/8945.htm>.

TRANSFER OF APPROPRIATION (WITHIN A FUND)

If the proper legal officers of any township determine that it is necessary to transfer an appropriation from one major budget classification to another, the transfer of appropriation is made by resolution of the township board of the township at a regular public meeting. A transfer may be made under IC 6-1.1-18-6 without notice and without approval of the Department of Local Government Finance.

SUMMARY OF ADDITIONAL APPROPRIATION PROCEDURES:

1. Notice to Taxpayers is published at least ten (10) days prior to the taxing unit's public meeting on the proposed additional appropriation.
2. Public meeting is held on the date and time as advertised. Resolution/Ordinance is passed.
3. Appropriations that require DLGF approval are reviewed by the Department to ensure that funds are available.
4. For all funds that are "Reporting Only", the unit must report the fund and amount appropriated to the Department of Local Government Finance.
5. The Department of Local Government Finance (DLGF) issues a written determination on appropriations requiring approval within fifteen (15) days of receipt. The deadline to submit additional appropriation requests to the DLGF can be found in the budget calendar. Appropriations are available for use upon receipt of DLGF approval.
6. If appropriations are denied, the unit may request within fifteen (15) days specific reconsideration of determination by the DLGF.
7. The DLGF will respond to a reconsideration request within 15 days of receipt.

A township may request a reconsideration of a determination of the Department of Local Government Finance under this section by filing a written request for reconsideration. A request for reconsideration must: (1) be filed with the Department of Local Government Finance within fifteen (15) days of the receipt of the determination by the political subdivision; and (2) state with reasonable specificity the reason for the request. The Department of Local Government Finance must act on a request for reconsideration within fifteen (15) days of receiving the request.

INSURANCE CLAIM PROCEEDS

IC 6-1.1-18-7 states "Notwithstanding the other provisions of this chapter, the fiscal officer of a political subdivision may appropriate funds received from an insurance company if: (1) the funds are received as a result of damage to property of the political subdivision; and (2) the funds are appropriated for the purpose of repairing or replacing the damaged property. However, this section applies only if the funds are in fact expended to repair or replace the property within the twelve (12) month period after they are received."

REFUNDS

IC 6-1.1-18-9 states "Notwithstanding the other provisions of this chapter, the proper officer of officers of a political subdivision may: (1) reappropriate money recovered from erroneous or excessive disbursements if the error and recovery are made within the current budget year; or (2) refund, without appropriation, money erroneously received."

PROPERTY TAX ADVANCES

Please be advised of the availability of a property tax distribution advance to help avoid overdrawn funds and cash flow problems. IC 5-13-6-3