

The Delaware County Taxpayer Crier



Muncie City Council hesitates on less costly, privatized County and City combined Animal Shelter

For many years, both the City of Muncie and Delaware County have gone separate ways relative to their animal control issues. All told, the City and County are currently paying \$550,000.00 per year for their Animal Control. At the December Muncie City Council meeting, the City was presented a plan to both combine those services and substantially cut costs. Unfortunately, City Councilperson, Jerry Dishman, who had apparently been delegated the responsibility of trying to thwart this effort, spent the lion's share of the discussion on the issue raking Kathy Onieal over the coals on issues that weren't even relevant. So instead of proactively moving towards a comprehensive Animal control solution, the City Council has delayed the effort for at least another month.

The Muncie Delaware County Humane Society was organized to provide to the City of Muncie and Delaware County a viable, and affordable professional alternative to the program owned and operated by the city today. By contracting with the Muncie Delaware County Humane Society, the City will save in excess of \$1,750,000 over the next ten years: the community will have a new shelter in a campus setting; the operation for the City and the County will be available 24/7 ... and no animal will be put down for lack of real estate

They have projected their costs of borrowing via a bond issue to build the new building and for operations. The cash flow reports have been prepared by a CPA. Based on the contractual amount asked of the city and county, it's believed they will be able to provide a healthy, environmentally friendly facility that all can be proud of .

Other sources of income for operations will include the offering of services to other communities in our county, spay and neuter fees and adoption fees. These numbers have been tested and will be again when the bonding process approaches. They have knowingly overestimated costs and underestimated compliance so as not to project success without substance.

Organized as a LLC, they are also have a 501c3 designation.

As for displaced City workers, they have agreed to hire existing employees, if needed.

Phase 2 studies have been

Phase 2 studies have been completed and the land they plan to build on has been determined to be appropriate for their needs.

The Board of Directors on the Muncie Delaware County Humane Society includes:

- **Doug Bakken**, retired, Executive Director of the Ball Brothers Foundation.
- Mary Slafkosky, Executive Director of the Muncie Children's Museum
- Julie Bering, Commercial Realtor, ADM.
- Dr. Mike Brown, DVM
- Dr. John Boyce, DVM
- Joel Scherrer, Scherrer Construction, owner
- Bob Taylor, Bob Taylor Architects
- Ray Brassart, Attorney at Law
- Magi Kirkpatrick, CPA Estep Doctor
- Bonnie Krupa, Project Manager, BSU
- Kathie Onieal, Senior Vice President-Investments, Raymond James and Associates
- Linda Bir Conn, consultant to the board.

Muncie City Council tables effort to correct defective Resolution stalling Modernization effort in the process!

In the face of massive tax revenue shortages and nearly eleven months after the citizens brought forth their petition for local government modernization and reorganization, the Muncie City Council has successfully brought the effort to a screeching halt.

One needs to go back to January, 2007 when the CDCPTR delivered to the Council's attorney, Joe Hunter, a legally perfected template Resolution and then the next month delivered petitions signed by nearly 2,200 citizens. While to this point, the petitions have been wholly ignored by the Council, they did voluntarily introduce the Resolution, as provided by the CDCPTR at the February meeting when the petitions were filed with their Clerk.

However, in the March City Council meeting the Resolution was "amended" by the Council that, amongst other things, changed the legal verbage to the extent that it was rendered invalid. Nobody in attendance caught the exact changes as they were verbally read into the record by Councilperson Mike King. Since there is never any written record of the Ordinances and Resolutions provided for public scrutiny either before or during the

Council meetings, nobody, other than the Council members really new what was contained in the newly authored Modernization Resolution.

However, the Modernization effort moved forward to the extent that a Committee was appointed and actually met on several occasions before their newly hired attorney discovered the deficiency in the Resolution.

Now comes the November City Council meeting and the Modernization Committee Chair, Eric Kelly, having previously prepared and submitted to the Council a corrected Resolution, to address the Council and ask for their unanimous support to keep the effort moving along. Unfortunately, the City Council had apparently developed their own plans regarding this effort and with the General Elections looming the very next day, chose to table the issue before it could be even introduced.

So, for the past 2 months, the Modernization effort has been tabled by the City Council and in the process, the Modernization Committee remains in a holding pattern.

Center Township Voters send resounding consolidation message in Center Township Assessor Referendum results

Congratulations to the voters of Center Township as they came to the polls unified on at least one major issue. By a margin of 2-1 the voters let their collective voices be known regarding their feeling for government consolidation and subsequent efficiency and costs savings by abolishing the office of the Center Township Assessor.

Of the 43 remaining township assessors in townships of 15,000 parcels or more, 31 of them were eliminated in the November

election

This result, in fact, is a resounding mandate to both the State and Local governing bodies that the citizens are wanting to move into a more modern and efficient form of governing.

In the process, Governor Daniels has now indicated he will introduce legislation addressing most of the remaining recommendations of the Kernan-Shepard Commission. Let's hope that our local officials are listening!

The Delaware County Taxpayer Crier

Hoosiers deserve a voice on property taxes By Aaron Smith, Founder, Watchdog Indiana

Patrick Bauer opposes the prompt passage of the constitutional property tax caps in Senate Joint Resolution 1. He says the caps could force cuts in public safety and other local services, or lead to big increases in local option income taxes. Bauer supposedly wants to assess the effect of the legislative property tax caps next year before voting on SJR 1 in 2010. What Bauer really wants is a repeat of his 2002 property tax scheme. Hoosier working families can't afford another Bauer property tax failure.

Bauer promised homeowners a 16.3 percent property tax cut in return for his 2002 statewide sales tax increase. The 16.3 percent cut dwindled to just 2.4% in only four years. Homeowner property tax relief disappeared while Bauer's sales tax increase is permanent.

The 2008 House Bill 1001 imposed another statewide sales tax increase on April 1 in return for property taxes that are supposed to be capped at 1% assessed value on homesteads, 2% on residential and farm property, and 3% on other property. However, the Distressed Unit Appeals Board in HB 1001 is a ticking property tax bomb.

A political subdivision that expects to have its property tax collections reduced by at least 5 percent can appeal to the state's Distressed Unit Appeals Board, which consists of four state bureaucrats, three governorappointed local officials, one other governor appointee, and one Bauer appointee. The board, which is stacked against the interests of working families, may increase the subdivision's property tax caps. The SJR constitutional caps must be passed to keep the HB 1001 legislative caps from being rapidly increased by the board. SJR 1 would make unconstitutional any Distressed Unit Appeals Board decision that would increase a political subdivision's caps.

The HB 1001 legislative caps are blatantly unconstitutional without SJR 1. The deep-pocket, unconstitutional single-interest power brokers will undoubtedly take court action if the SJR 1 constitutional caps

Indiana House Speaker B. are not passed by the General Assembly.

The average working family already spends about 4.5 percent of its state taxable income on property taxes. Local option income tax increases will be readily supported to pay for needed government services that would otherwise be cut because of reduced property tax revenue caused by caps. Working families are not afraid of income taxes because they are based on the ability to pay. Working families are afraid that one health emergency, one job loss or one job injury will result in their having to make terrible choices between nutritious foods or life-sustaining medicines, and losing their home because of an onerous property tax burden.

Postponing the vote on SJR beyond the 2009 General Assembly session is a signal that the wishes of single-issue property tax spenders are being put ahead of the needs of working families. The single-interest manipulators who stroll the Statehouse halls will likely overwhelm the working families who only have their elected public servants to look after their interests.

Failing to pass the SJR 1 constitutional property tax caps will repeat the 2002 Bauer property tax failure where property tax relief disappears and working families are left with nothing but another statewide sales tax increase. Bauer needs to follow the lead of Rep. John Day and support SJR 1 because the question is important enough that all the voters should have a voice on this issue. Bauer should lead the effort to pass SJR 1 in 2009 so Hoosiers can vote on the constitutional caps in 2010. Let's all make our case and inform the voters for 18 months so the collective wisdom of the people can be expressed at the ballot box.

Aaron Smith, Founder of Watchdog Indiana has been a staunch supporter of tax and government reforms. His valuable insights, political scorecards and whistleblowing alerts to the many issues and political positions of our elected officials can be conveniently accessed at:

www.watchdogindiana.org

Daniels announces Kernan-Shepard effort

Governor Daniels has announced that he will introduce new legislation this Legislative Session to further reform local governments throughout

BasedupontheremainingKernan-

Shepard recommendations, the effort will involve radical changes including a single countywide elected Executive, many appointed versus elected Offices and consolidation of smaller school districts.

Legal Chambers: Local Option Income Taxes... taxation without representation?

At the Muncie City Council on Monday, January 5th, an important issue may be discussed that affects all of Delaware County. LOIT or COIT. The Muncie City Council has the authority by Law to make that consideration and subsequent decision for the entire County.

Muncie City Council President Sam Marshall has indicated that the only tool that the state has given them to deal with budget shortfalls, short of actually cutting expenses, is the Local or County Option Income Taxes.

Additional local income taxes are unpopular for the same reason almost any new tax is unpopular... we're paying more of our money to the government to get the same, or in some instances, reduced They are special in their ability to anger people since the people who are imposing it throughout the entire County are the City Council. That can easily be interpreted by many as taxation without representation.

Income tax is paid by all Delaware County individuals who earn an income whether they are renters or homeowners. Businesses are not subject to the tax. But, it will be primarily homeowners and businesses who stand to benefit. Especially if the new tax, like a LOIT, incorporates property tax relief. So the tax burden, in many regards, will have just been shifted.

Because our City Council may be considering a tax that affects all citizens of Delaware County, it should hear the voices of all of those citizens, not just the Muncie residents. Just like the sales tax increase from 6% to 7%, a COIT increase from .6% to .7% will equate to a 17% increase in your local income taxes. In the process it will generate about \$1.7 million of additional revenues countywide.

CDCPTR recognizes three with "Good Government Awards"

So many times it has been our call to say what's wrong with government and offer solutions that we think might make government better. But along the way we have found many things that are good with our county government. It was our pleasure to give these awards to 3 very deserving recipients. These certificates are a small token of our appreciation for outstanding public service.

County commissioner John Brooke:

John Brooke, as president of the county commissioners for the past 24 months, has shown the knowledge and leadership that I can assure you will be missed. He has allowed open discussion from government officials and the public on all issues that affect county government. John was also instrumental in creating a more efficient hi-way department by combining departments. John government introduced modernization under IC 36-1.5. John's knowledge of how local government works has been an asset to the community. We would like to thank all of the commissioners for their service.

Delaware County Auditor Judy Rust:

Judy has transformed her office into a user friendly environment and customer service based operation. Judy has made her office more efficient and is providing better services that the changing times demand. She and her office have been proactive. Their web site is constantly updating new information. The web site has meeting minutes from county council and county commissioners meetings and most recently the results from the Umbaugh report. The Umbaugh report was so necessary for planning for shortfalls in revenue with the changes in HEA 1001. Judy has reached out to other government units, Ball State University and anybody else that might be able to provide help when needed. We can only hope that Judy's dedication and leadership spreads through the county government like wildfire with the tough times we face ahead.

The Hamilton County Volunteer Fire Department:

This award was given to them for their annual hog roast. Hamilton Township started this fundraiser in the early 70's raising funds to start the fire company. Since then they have raised well over \$225,000 and in recent years raise somewhere between \$16,000-18,000 per year. proceeds go to buy fire equipment and maintain apparatus in the fire company. This along with other fundraising throughout the year allows them to maintain one of the lowest tax rates for fire protection in the county. Our hats are off to Hamilton Township Volunteer Fire Company and all the Volunteer fire houses in the County for their contributions to public safety.

The Delaware County Taxpayer Crier Budget Realities Call for Painful Choices

By Michael J. Hicks, Director, Bureau of Business Research at Ball State University

During the coming weeks a number of Indiana cities and counties are coming to terms with their new budget realities. The property tax caps which will be phased-in over the next two years have prompted discussion "economic emergency" declarations. I have seen this before, while working at a university in a town that dabbled with bankruptcy for a full three years before coming to grips with a bloated budget.

The sad truth is that shrinking pains can be as difficult as growing pains, without the soothing balm of a certain happy outcome. Many communities in the Midwest are shrinking. That need not mean life will get worse for their citizens. Smaller, but more prosperous cities are possible. But that requires that community leaders, elected and otherwise, come to grips with the alternatives the future offers. This will take the courage to do what is right, not simply what wins the next election.

IntoomanyHoosiercommunities, an attachment to the past has seriously hindered economic and community development. The property tax alarms that arose last year were caused by ineffective and bloated government in many locations throughout the state. Those communities now feeling the pain of budget cuts created unsustainable conditions. These are the places in which businesses and residents fled.

The town I used to live in faced bankruptcy. Its tax base had dwindled, property taxes were high, local services were expensive and ineffectual. In the first year of precarious circumstances, many in leadership were unable to face the music. Instead of warning their constituents (the loudest of whom were city employees), they simply begged the state for help. That came to naught and

they muddled by until the second year. By then, the reality of self determination struck home. They increased taxes, to include a nonresident income tax. Business fled the city in droves. This has been happening in many Hoosier cities for two decades.

In year three they cut the budget. The city dramatically cut public safety employment to come in line with national norms. They trimmed non-essential services and they privatized trash collection. Throughout the process they thought carefully about quality of life issues, investing in parks and other amenities. The city emerged much stronger as a result. It still has its troubles but its direction of change is now for the better.

Over the next two years I expect the same scenario will play out in Indiana. In countless places the city council and mayor will wrestle with tough issues. Council meetings will be scenes of participative democracy. This will lead to a struggle between those who cling desperately to a distant past and those who boldly embrace the future. This year we'll hear lots of debates about the need for new taxes. Many will turn to the state for help. But the fact that new revenues won't cover costs will force tough budget cuts. But the earlier the budget reality is confronted, the less painful the choices.

- Michael J. Hicks, Director of the Ball State University Bureau of Business Research has been actively involved on many local fronts regarding the property tax crisis, the subsequent legislation of HEA1001 and now the issue of local taxing units dealing with the realities of restricted revenues. He is a regular columnist for The Star Press and has been asked to offer his input and resources by the Muncie-Delaware County Reorganization Committee.

Elected Officials Scorecard

The voting and public positions of our elected public officials.

Legend Y = Yes, in favor N = No, not in favor - = Undecided (yet to demonstrate by vote)	Property Tax Repeal	Constitutional PrptyTax Caps	County Consolidations	City Consolidations	City/Co. Consolidations	Dept. Consolidations	Personnel Reductions	Privatization of Svcs	Tax Abatement	TA Non-compliance Penalty	Forced Annexation	Allied with Spc. Interests	Favors Alt. taxes (LOIT)
Sen. Sue Errington	N	N										-	Υ
Rep. Bill Davis	Υ	Υ										-	N
Rep. Dennis Tyler	N	Υ										-	Υ
Rep. Jack Lutz	Υ	Υ										-	Υ
DC Cms. John Brooke			N		N	N	N	N	Υ	N	Υ	Υ	
DC Cms. Tom Bennington			N		N	N	N	Ν	Υ	N	Υ	Υ	
DC Cms. Larry Bledsoe			N		N	N	N	N	Υ	N	Υ	Υ	
DC Cnc. Brad Bookout			Υ		N	N	N	Υ	Υ	Υ	N	Ν	
DC Cnc. Joe Russell			Υ		Υ	Υ	Υ	Υ	N	Υ	N	ı	
DC Cnc. Ron Quakenbush			Υ		N	Υ	Υ	N	N	Υ	N	N	_
DC Cnc. Mary Chambers			N		N	N	N	Ν	Υ	N	N	ı	
DC Cnc. Mel Botkin			Υ		Υ	Υ	Υ	-	Υ	N	N	Ν	
DC Cnc. Ted Bowman			N		N	N	N	Ν	Υ	_	Υ	-	
DC Cnc. Chris Matchett			Υ		N	Υ	N	Υ	Υ	Υ	N	ı	
Mayor Sharon McShurley				Υ	Υ	Υ	Υ	Υ	Υ	_	Υ	Ν	
MC Cnc. Sam Marshall				N	N	N	N	Ν	Υ	N	Υ	Υ	Υ
MC Cnc. Alison Quirk				N	N	N	N	N	Υ	N	Υ	-	
MC Cnc. Mary Jo Barton				N	N	N	N	N	Υ	N	Υ	Υ	
MC Cnc. Monte Murphy				N	N	N	N	N	Υ	N	Υ	Υ	
MC Cnc. Jerry Dishman				N	N	N	N	N	Υ	N	Υ	ı	
MC Cnc. Mike King				N	N	N	N	N	Υ	N	Υ	_	
MC Cnc. Linda Gregory				Υ	Υ	Υ	Υ	Υ	Υ	N	Υ	N	
MC Cnc. Brad Polk				Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	N	
MC Cnc. Mark Conatser				Υ	Υ	Υ	Υ	Υ	Υ	Υ	N	N	

Important Government Meetings Schedule

Please plan on attending at least some of these meetings! Cut this schedule out and place it where you can't forget!

Monday, 1/5/09 @ 9:30 am: Del. Co. Commissioners Meeting Commissioners Court, Room 309 County Building, Muncie, IN

Monday, 1/5/09 @ 7:30 pm: Muncie City Council Meeting (Public meetings and special meetings may begin earlier) City Hall Courtroom Muncie City Hall

Tuesday, 1/13/09 @ 6:30 pm: Muncie Schools Board Meeting MCS Administration Building 2501 N. Oakwood Avenue, Muncie, IN

Monday, 1/19/09 @ 9:30 am: Del. Co. Commissioners Meeting Commissioners Court, Room 309 County Building, Muncie, IN

Tuesday, 1/27/09 @ 9:00 am: Delaware County Council Meeting Commissioners Court, Room 309 County Building, Muncie, IN

Tuesday, 1/27/09 @ 6:30 pm: Muncie Schools Board Meeting MCS Administration Building 2501 N. Oakwood Avenue, Muncie, IN

Monday, 2/2/09 @ 9:30 am: Del. Co. Commissioners Meeting Commissioners Court, Room 309 County Building, Muncie, IN

Monday, 2/2/09 @ 7:30 pm: Muncie City Council Meeting (Public meetings and special meetings may begin earlier) City Hall Courtroom Muncie City Hall

Tuesday, 2/10/09 @ 6:30 pm: Muncie Schools Board Meeting MCS Administration Building 2501 N. Oakwood Avenue, Muncie, IN

Monday, 2/16/09 @ 9:30 am: Del. Co. Commissioners Meeting Commissioners Court, Room 309 County Building, Muncie, IN

Tuesday, 2/24/09 @ 9:00 am: **Delaware County Council Meeting** Commissioners Court, Room 309 County Building, Muncie, IN

Tuesday, 2/24/09 @ 6:30 pm: Muncie Schools Board Meeting MCS Administration Building 2501 N. Oakwood Avenue, Muncie, IN

Monday, 3/2/09 @ 9:30 am: Del. Co. Commissioners Meeting Commissioners Court, Room 309 County Building, Muncie, IN

Monday, 3/2/09 @ 7:30 pm: Muncie City Council Meeting (Public meetings and special meetings may begin earlier) City Hall Courtroom Muncie City Hall

Tuesday, 3/10/09 @ 6:30 pm: Muncie Schools Board Meeting MCS Administration Building 2501 N. Oakwood Avenue, Muncie, IN

Monday, 3/16/09 @ 9:30 am: Del. Co. Commissioners Meeting Commissioners Court, Room 309 County Building, Muncie, IN

The Citizens of Delaware County for Property Tax Repeal, Inc. 1716 N. Wheeling Ave. Muncie, IN 47303

The Delaware County Taxpayer Crier



RETURN SERVICE REQUESTED

December 2008/January 2009

Committed to educating the taxpaying and voting citizens of Delaware County for the betterment of government, community and reduced taxes.

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HELP US HELP YOU!

January challenge: Attend the Muncie City Council meeting on January 5, 2009, 7:30 pm at City Hall and express your thoughts about additional income taxes!

<u>February challenge</u>: Contact your State Representatives and urge their support for SJR1 and the Kernan-Shepard reforms for Local Government!!

If your name is "Current Resident", please update your information with the CDCPTR!!



The Delaware County Taxpaper Crier

The Delaware County Taxpayer Crier is published bimonthly by the Citizens of Delaware County for Property Tax Repeal, Inc. promoting the dissemination of information for the purpose of educating the Citizens, Voters and Taxpayers in pursuit of our primary goals:

Responsible Government Spending;

Responsible and Responsive Public Officials;

Repeal of Indiana Property Taxes.

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Memorable Quotes:

"A government that is big enough to give you all you want, is big enough to take it all away" – Barry Goldwater

"Performance is the best politics!...." – Former Ft. Wayne Mayor, Graham Richard

"I think....No, I know....that we must find the money to keep these people working." –

<u>Councilperson Mary Jo Barton commenting on the reduction of local government workforce</u>

"Those who govern, having much business on their hands, do not generally like to take the trouble of considering and carrying into execution new projects. The best public measures are therefore seldom adopted from previous wisdom, but forced by the occasion." – Benjamin Franklin

"I know our budget is tight, but it just seems strange that the mayor chose this time to do it,.....I guess that politics are more important than experience. ... I hope some time we can put agendas aside." – City Council President, Sam Marshall, upon being laid off by the Mayor