

TAX MATTERS

**AUGUST 20, 2009, Issue #09-33, by Bernard Ridens, Executive Director
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- 1. I-69: DEAD OR ALIVE? – US 41/I-70 COULD STILL BE**
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REVIEW OF PAST TAX MATTERS

AUGUST 13, 2009 (#09-32)

- **LOCAL BUDGET REVIEW & ADOPTION FAQ**
 - Complete paper from the Indiana Department of Local Government Finance
- **FAQ – WASHINGTON H.S. PROPOSAL**
 - We have several concerns about the VCSC proposal to move the Washington Alternative H.S. program to South Vigo.
- **A SECOND WORKSHOP – CAPS**
 - Watchdog Indiana is trying to schedule discussion panels throughout the state this fall. The purpose of the panel is to educate Hoosiers regarding the constitutional property tax caps in Senate Joint Resolution 1. The Taxpayers Association will volunteer to host one of these workshops.

AUGUST 6, 2009 (#09-31)

- **COUNTY PROPOSED BUDGET IS AVAILABLE**
 - The 2009 Proposed County Budget is now available in the Taxpayer Association office. If you should like to review a specific department budget, just let Bernard know.
- **SALES DISCLOSURES**
 - A sales disclosure form is required whenever there is a transfer or sale of property. You can find this form at <http://www.in.gov/icpr/webfile/formsdiv/46021.pdf>.
- **FILING AN APPEAL**
 - When a taxpayer wants to appeal an assessment, they would have to file a property tax appeal with the Harrison Township or County Assessor by August 27, 2009.

The Taxpayers Association is a not-for-profit organization supported by membership dues. Any citizen or group of citizens in Vigo County may be a member. Current members are encouraged to promote membership in the organization by giving the attached application to a potential member. [See the TA application and dues structure.](#)
This is NOT an invoice for your dues.

1. I-69: DEAD OR ALIVE? – US 41/I-70 COULD STILL BE

At the county commissioner's meeting held Tuesday, August 18, 2009, Mr. Tim Maloney, Senior Policy Director of the Hoosier Environmental Council, presented the following Q&A on I-69:

Hoosier Environmental Council Question and Answers on I-69 August 2009



What is the process for the US 41/I-70 route being chosen as the preferred route for I69?

The Governor, through INDOT, chooses the route alignment to be used for I-69. The formal selection of the "new-terrain" route for I-69 occurred in 2003 with the release of INDOT's Environmental Impact Statement for I69 that selected this preferred route, supported at that time by Governor O'Bannon. The route selection was affirmed by a Record of Decision issued by the Federal Highway Administration (FHWA) in March 2004. The route selection decision is an administrative decision of Indiana's executive branch, and can be changed at any time by the governor and/or his state agency, INDOT. When he was elected, Governor Daniels reaffirmed the state's support for the new terrain route.

To change the route decision, INDOT would have to issue a supplemental environmental impact statement choosing a different route (41/70). This revised route selection would have to be affirmed, as the original decision was, in a Record of Decision from FHWA. This new study could be completed in 6 months. FHWA has no stake in which route the state chooses, other than that it has to be done legally, following established National Environmental Policy Act procedures.

For some time, highway boosters, and since elected, Gov. Daniels, have argued that to change the route at this time would further delay the project. Changing the route would delay the initial construction of the highway, while the supplemental environmental study was completed, but **here's why the highway would still be completed more quickly using the 41/70 route:**

Study time shortened

1. Much of the analysis and environmental impact review for the 41/70 route has already been completed, since it was an alternative that was reviewed, but not chosen, in the original EIS.
2. The I69 project is being analyzed in 2 stages, or tiers. The Tier 1 EIS, selecting a general route alignment, was completed in 2003. There will be 6 separate Tier 2 environmental studies, for the six sections of the highway route. For the new-terrain route, only one of these six sections has a completed EIS (finished in Dec. 2007). There are still 5 Tier 2 environmental studies to be completed. Thus the Tier 2 studies for the 41/70 route, once the Tier 1 supplemental EIS is completed, will not add any significant delay over the timeline of the current Tier 2 process. Moreover, only the new construction section of the 41/70 route, upgrading US41 from Evansville to Terre Haute, will require detailed environmental review before construction can begin.

Engineering and Construction less challenging, already half-completed

1. Building the 41/70 route requires upgrading about 88 miles of existing 4-lane US 41 from Evansville to Terre Haute, and completing the already started SR 641 bypass, and putting up signs on I-70 from Terre Haute to Indy. The US 41 section is relatively flat terrain, with few environmental or engineering obstacles.

The 41/70 route is one-half complete today! I-70 already extends from Indianapolis to Terre Haute – all that is needed for it to become part of I69 is to put up I69 signs under the existing I70 signs.

Part of the US 41 section of the 41/70 route is already under construction, as part of a separate SR 641 bypass project that will connect I-70 to US 41 several miles south of Terre Haute, bypassing a stretch of substantial commercial/retail development along US 41 just south of its current intersection with I70.

2. Building the new-terrain route requires 90 miles of completely new 4-lane interstate highway from Evansville to Bloomington, and then 50 miles of construction to upgrade SR 37 from Bloomington to Indianapolis, and then construction of a completely new interchange at I465. The 90 miles of new construction required for this route will encounter numerous sensitive environmental areas as well as challenging, rugged terrain in Greene and Monroe Counties. Design and engineering for this route will be much more complex than the 41/70 route.

Only half the funding needed, less impact on other transportation needs

1. The state has identified funds sufficient to complete only 1/4 of the new-terrain route, using proceeds from the Indiana Toll Road lease. The only source for funding the remainder of the highway at this time is standard highway financing which uses state and federal gas tax revenues. But these funds are declining, and the use of over \$2 billion in gas tax revenues to complete I69 will deprive other road projects around the state of funding. This has been a consistent weakness of the new-terrain I69 for a long time, and was acknowledged by Gov. Daniels when he proposed making I69 a toll road in 2006 so that gas tax revenues wouldn't have to be used. INDOT's 2006 toll road evaluation, while supporting this proposal on its surface, revealed that there would not be sufficient traffic on a tolled I69 to justify its construction. Gov. Daniels subsequently withdrew the tolling proposal.

New-terrain I69 is not a done deal, as its proponents claim, because:

1. No plan exists to fund three-quarters of the route without depriving other road projects of funding.
2. 5 of the 6 second tier environmental studies are not complete.
3. Substantial opposition exists to using SR 37 as the route from Bloomington to Indy.

He also presented a link to the reasons the I-70/US 41 route is still possible.
http://www.hecweb.org/File/I69_white_paper_final_-_revised_May_2009--HEC.pdf

2. WASHINGTON ALTERNATIVE SCHOOL RELOCATION

The many responses to last week's article concerning the Vigo County School Board proposal to relocate the Washington Alternative High School to Terre Haute South were negative. Here is a summary of the most popular objections:

1. Local property taxes will be used to fund the \$1.8 million project. At this time, taxpayers are not in the mood to add on to buildings or build new buildings.
2. The loss of six existing classrooms to this program will cause additional crowding in other classrooms.
3. Public schools should not be in the daycare business.
4. The program may not be as successful as it has been at the South 13th Street location. It has proven to be successful as it now stands.

With the above concerns in mind, I am searching for another school in the State of Indiana that has an integrated daycare alternative school as part of a regular high school. Let me know if you know of one.

3. CAPS AGAIN

There is no doubt about it. The caps concept proposed in the Kernan-Shepherd Report is a good idea. However, before it becomes constitutional, it needs some fine tuning. Here are a few problems being discussed which could be addressed if a local forum were to happen:

1. Is one, two and three percent on homestead, rental and business properties, respectively, the correct mix if there is to be a mix? Should business settle and be locked into 3% when anything less would be better? Should farmland and buildings be settled for and be locked into 2% forever when something less than 2% would be better?
2. Many homesteads are not currently taxed at the 1% cap. Would their taxes go up simply because there is a legal higher limit?
3. How could greater fairness be achieved if all properties with equal assessed valuations pay the capped amount and therefore the same dollars, but they receive unequal services? Example: Harrison Township taxpayers receive trash pickup while other township taxpayers pay approximately three hundred dollars a year (in addition to taxes) if they want the service?
4. If the people vote to make the cap concept part of the Indiana Constitution, will they be assured that additional classes of property will not be created in the future and that the percentages will never change?

When the local economy is good, what will keep the government spenders from spending unnecessarily simply because the money can be taken up to the cap amounts?

4. PUBLIC MEETINGS

The purpose of this calendar is to encourage taxpayers to attend public meetings. Taxpaying persons working at your business or living in your neighborhood should be encouraged to attend a meeting of their choice at least once per year. The date and time for the meetings listed below are always subject to change. Organizations that are underlined have a web page that can be accessed by clicking on their respective hyperlinks. The contact person is also listed. You should call the appropriate office and confirm the date and time if you plan to attend.

Date	Time	Public Meeting	Location	Contact Info
Mon. Aug. 24	2:00 pm	<u>Board of Public Works and Safety</u>	City Hall – Board of Public Works Room	Robin 232-4767
Mon. Aug. 24	4:00 pm	<u>County Park Board</u>	County Annex	Julia 462-3391
Mon. Aug. 24	5:30 pm	Terre Haute Housing Authority	2001 N. 19 th Street	Jeff 232-1381
Mon. Aug. 24	7:00 pm	<u>Vigo County School Board</u>	VCSC Board Room	Judy 462-4216
Tue. Aug. 25	9:00 am	<u>County Commissioners</u>	County Annex	Judy 462-3367
Tue. Aug. 25	5:00 pm	<u>County Council</u>	County Annex	Auditor 462-3361
Wed. Aug. 26	4:30 pm	<u>City Park Board – Business Meeting</u>	Deming Park	Eddie 232-2727
Wed. Aug. 26	5:30 pm	<u>Information Technology Advisory Board</u>	City Hall – 1 st Floor	Brad 244-2316
Wed. Aug. 26	7:00 pm	<u>Airport Authority</u>	Airport	Kara 877-2524
Tue. Sep. 1	9:00 am	<u>County Commissioners</u>	County Annex	Judy 462-3367
Tue. Sep. 1	10:00 am	<u>City Board of Sanitary Commissioners</u>	City Hall – 3 rd Floor	Sally 235-5458
Tue. Sep. 1	4:30 pm	Honey Creek Conservancy District	3241 S. 3 rd Place	Craig 232-4311
Wed. Sep. 2	9:00 am	<u>City Board of Zoning Appeals</u>	City Hall – 1 st Floor Conf. Room	Judy 462-3367
Wed. Sep. 2	7:00 pm	<u>County Area Planning Commission</u>	County Annex	Vickie 462-3354
Thur. Sep. 3	7:00 pm	<u>City Council – Sunshine Meeting</u>	City Hall – Courtroom	Michelle 232-3375
Tue. Sep. 8	9:00 am	<u>County Commissioners</u>	County Annex	Judy 462-3367
Tue. Sep. 8	4:15 pm	<u>Vigo County Redevelopment Commission</u>	County Annex	Amanda 234-2524
Tue. Sep. 8	7:00 pm	Seelyville Town Board	Seelyville Water Office	Tamara 877-2665
Wed. Sep. 9	4:30 pm	<u>City Park Board – General Meeting</u>	Deming Park	Eddie 232-2727
Wed. Sep. 9	7:00 pm	<u>Airport Authority</u>	Airport	Kara 877-2524
Thur. Sep. 10	7:00 pm	<u>City Council – Regular Meeting</u>	City Hall – Courtroom	Michelle 232-3375
Tue. Sep. 15	12:00 noon	Taxpayers Association Board Meeting	Terre Haute Savings Bank (533 Ohio St.)	Bernard 235-1361

END

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