

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7128
BILL NUMBER: SB 621

NOTE PREPARED: May 1, 2013
BILL AMENDED: Apr 26, 2013

SUBJECT: Marion County Government.

FIRST AUTHOR: Sen. Young R Michael
FIRST SPONSOR: Rep. Frizzell

BILL STATUS: Enrolled

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill has the following provisions:

Department of Public Safety: It provides that the consolidated law enforcement department of a county having a consolidated city is a division of the department of public safety under the direction and control of the director of public safety.

Appointments: It allows the city-county council to approve the initial director and deputy appointments of the mayor of the consolidated city.

Capital Improvement Board: It eliminates provisions that allow the city-county council to require the capital improvement board of managers to make payments in lieu of taxes (PILOTS) for deposit in the consolidated county fund.

Allotment: It allows the controller of the consolidated city and county to allot amounts appropriated to an office, department, or agency of the consolidated city or county.

Residency: It requires a candidate for mayor of the consolidated city to reside in the city for at least one year (instead of five years) before taking office. It also requires a candidate for member of the city-county council to reside within the council district for at least one year (instead of two years) before taking office.

Marion County Township Board Membership: It provides that in Marion County, a township board consists of five (instead of seven) members. It provides that members of the initial five member township board are

elected at the November 2016 general election.

Counting Absentee Ballots: The bill requires absentee ballots in Marion County to be counted at a central location unless the county election board unanimously adopts a resolution that:

- (1) requires absentee ballots to be counted at individual precincts; and
- (2) states the county election board's basis for adopting the requirement.

It provides that Marion County is subject to the provisions for counting absentee ballots cast on ballot cards, unless the county election board adopts a resolution adopting the provisions for counting absentee ballots cast on paper ballots.

Membership of City-County Council: Effective January 1, 2016, the bill reduces the membership of the city-county council from 29 to 25 members by eliminating the members elected at large.

Review of District Divisions: The bill provides that if the division of the county into city-county council districts is reviewed by a panel of judges, the clerk of the court must keep a record of the method and process of selecting the panel and make the record available for public inspection and copying.

Metropolitan Development Commission: It allows the mayor of a consolidated city and the city-county council to each appoint one additional member to the metropolitan development commission, and eliminates the two appointments of the county board of commissioners (the county board of commissioners consists of the county auditor, the county treasurer, and the county assessor).

Effective Date: July 1, 2013.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The bill will have indeterminate cost savings to the extent that the controller will allot appropriations or make reductions to allotments in certain circumstances. It will also provide cost savings by reducing the membership of the city-county council and the township boards in Marion County.

Allotment: Under the bill, the controller will allot funds to all offices, agencies, and departments that the city-county council has appropriated for the year based on the schedule submitted by the offices, agencies, and departments. The appropriation will be divided into two allotment periods in January and July, unless the semiannual allotment period is impractical. Allotment applies to all types of funds, including dedicated funds. However, it does not apply to money for post-audit of financial transactions and appropriations for construction or acquisition of real estate. If, in the opinion of the controller, the anticipated revenues are insufficient to support the full appropriation, the controller will reduce the amount of the allotment after providing notice to an office, department, or agency.

An appropriation is not available for expenditures until the office, agency, or department completes an allotment schedule, which must be submitted to the controller by December 1st each year. The controller makes an estimate of anticipated revenue and a determination if the anticipated revenue will be sufficient for the appropriation. The allotment may be revised up to 100% of the appropriation if anticipated revenues are determined to be sufficient later in the year. If an allotment is reduced by more than 5% of the total amount

appropriated, the controller must submit a fiscal justification to the county fiscal body before the beginning of the revised allotment period.

Membership of City-County Council: The bill would reduce the city-county council by removing the four at-large members. The average salary cost for a city-county councillor is estimated at \$21,192 plus per diem, based on the 2013 budget. This would save a total of about \$84,770 for salary and benefits expense.

Marion County Township Board Membership: The bill would reduce the salary expense for townships in Marion County by reducing the board members from seven members to five. The average annual savings for all townships in Marion County is estimated at \$80,504 based on 2011 Annual Report expenditure data. The information for each township is presented in the table below.

Township	Average Salary per member	Salary Expense for Two Members
Center	\$6,850	\$13,700
Decatur	3,000	6,000
Franklin	4,000	8,000
Lawrence	5,000	10,000
Pike	4,151	8,302
Warren	5,302	10,604
Washington	3,785	7,569
Wayne	8,164	16,328
Average/Total	\$5,031	\$80,504

Source: 2011 Annual Report Data from the Gateway for Indiana Government.

Counting Absentee Ballots: Marion County currently counts absentee ballots in the individual precincts and would have to change to centralized counting under the bill. The bill also specifies that Marion County would have to count centrally using optical scan (ballot-card) procedures for counting the ballots, unless the three-member County Election Board passes a resolution allowing for the use of paper ballot procedures for counting the absentee ballots centrally.

However, if the Marion County Election Board's entire membership unanimously adopted a resolution to count absentees at the individual precincts, the County could continue to do so. A resolution for precinct counting would have to state the CEB's basis for continuing to allow precinct absentee ballot counting.

Centralized Counting Impact- Centralized counting would require the Marion County Clerk to still send absentee ballot record lists to the precincts to check against precinct election board poll lists and still have additional staff available to count the absentee ballots at the central count facility. The Marion County Clerk would require similar transportation costs to get the absentee voting lists to the precincts, instead of the ballots.

Additionally, Marion County may also require additional transportation costs to send of absentee ballots received on election day at the precincts to the central count facility.

Department of Public Safety: The ordinance consolidating the police department and sheriff's department contains provisions for the department of public safety to be under the direction and control of the director of public safety. The bill would codify this in state statute.

Other proposed changes concerning appointments have no direct fiscal impact on the expenditures of the consolidated city.

Explanation of Local Revenues: *Capital Improvement Board:* The bill will remove one of three public entities that may be subject to payments in lieu of taxes (PILOTS), thereby limiting this potential source of revenue for the consolidated city.

Background: The city-county council passed Ordinance 295 requiring the capital improvement board of managers (CIB) to a PILOTS of \$15 million for 2013. The CIB has refused to pay the PILOTS for several reasons and has appealed to the State Board of Accounts. The CIB has paid no PILOTS since FY 2001.

State Agencies Affected:

Local Agencies Affected: Consolidated city.

Information Sources: Capital Improvement Board of Managers, *Comprehensive Annual Financial Report*, December 31, 2010; Gateway for Indiana Government accessed at <https://gateway.ifionline.org/default.aspx>; Jeff Spaulding, Controller, Consolidated City of Indianapolis, Marion County; Beth White, Marion County Circuit Court Clerk.

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