

# Meeting Minutes

## Indiana Advisory Commission on Intergovernmental Relations Monday, November 24, 1997

### CALL TO ORDER

Chairperson Joe Zakas announced that there was a quorum present (see attendance sheet attached) and called the meeting to order.

### AGENDA

- Call to Order Chairman Joe Zakas
- Approval of Minutes of September 29, 1997 Meeting; Commission Members
- Certificates of Appointment Chairman Joe Zakas
- Local Government Survey 1997 Results; John L. Krauss & Tracy L. Williams
- Annexation Study; John L. Krauss & Tracy L. Williams
- Indiana Township Association Report; Steve Buschmann
- Other Business
- Next Meeting
- Adjournment

### APPROVAL OF MINUTES

Senator Zakas asked for any questions or comments in regard to the September 29, 1997 minutes that everyone should have received prior to the meeting. Representative Gloria Goeglein asked that members reference her corrections to the minutes. She made corrections to the second paragraph after the four bullets on page four of the September 29, 1997 minutes (see attached correction). There was a motion and second to adopt the minutes with the correction amendment. The amended minutes were adopted unanimously.

### CERTIFICATES OF APPOINTMENT

Senator Zakas stated that staff had created certificates of appointment for each member of the IACIR. Mr. John L. Krauss said that because several members do not receive official letters or certificates appointing them to the commission, staff pursued the certificates. As he handed out the certificates to commission members, Mr. Krauss explained that each certificate was affixed with the state seal, indicated the length of the appointment, and was signed by either the senate pro tempore or the speaker of the house, depending on the appointment.

### LOCAL GOVERNMENT SURVEY

Chairman Zakas turned the floor over to Mr. Krauss who presented the second annual IACIR The State of Local, State and Federal Issues Facing Government in Indiana: 1997 survey results. Mr. Krauss pointed out that the Indianapolis Star news published an article on survey results that morning. All members received a copy of the newspaper article. Mr. Krauss explained that staff had coordinated a Power Point presentation of the survey results. The information will help the IACIR and the Indiana General Assembly to better understand the issues that are important to local governments in Indiana. Indiana is the only state to conduct such a comprehensive survey of state and local elected officials. Mr. Krauss also said that several of the survey questions were modeled after questions included in the National League of Cities' (NLC) The State of America's Cities: The Thirteenth Annual Opinion Survey of Municipal Elected Officials. Where appropriate, the NLC's results were used for comparison. Although the national survey only questioned municipal officials, it provides a comparison of similar issues that face Indiana government and governments across the nation. Likewise, the 1996 IACIR survey results were used for comparison where applicable. Mr. Krauss suggested that this comparison can provide insight into local officials' perceptions about improvement or deterioration in the conditions and issues that they face.

Mr. Krauss continued by reporting that the 1997 IACIR survey was mailed to 1,174 state and local elected officials. A total of 721 (61%) of all officials surveyed responded, nearly doubling the return rate from the 1996 survey. In addition, state senators and representatives also were included this year. Mr. Krauss emphasized that a random sample technique was not used, so the results reflect only the attitudes and perceptions of the officials responding to the survey.

Mr. Krauss proceeded in highlighting the results of the survey. All commission members received a copy of the results.

Rick Cockrum suggested that staff should send a copy of the of results to all the officials who responded.

### **THE ANNEXATION STUDY**

Tracy Williams began her presentation by reviewing the legislative council resolution, which charged the IACIR to study the issue of annexation. The resolution requires the IACIR to submit quarterly progress reports to the Legislative Council, with the first report due in November 1997. All members received a copy of the report that was presented to Legislative Council on November 17, 1997. Ms. Williams explained that the report identified the primary objective and scope of the study. In addition, the report outlined the key issues that need to be addressed as identified by IACIR member at the last meeting and representative from the Association of Indiana Counties (AIC), Indiana Association of Cities and Towns (IACT), Indiana Township Association (ITA), and the Indiana Planning Association (IPA). The report stated that the staff currently is conducting a literature review, which will analyze other annexation studies with respect to their identified issues, findings, recommendations, and implementation.

Ms. Williams stated that collecting data on annexation trends in Indiana was a key issue identified by all interest groups meeting with IACIR staff. In addition, this component of

the study will allow staff to identify the extent to which annexation is occurring in Indiana.

Ms. Williams further explained that because the State Board of Tax Commissions was the only centralized location where all municipalities were required to file annexation ordinances, preliminary data collection began at this office. Because information extracted from annexation ordinances deposited with the State Board of Tax Commissioners was incomplete, research staff have begun contacting and, in some cases, visiting both county and municipal offices to acquire the missing data.

Ms. Williams explained a flow chart of the annexation process for both municipally initiated and landowner initiated annexations. The study will include a more in depth analysis of the process and statute, as well as a comparison of Indiana's annexation statute to those of other states. A flow chart of the annexation ordinance filing requirements was presented as well. The preliminary findings were summarized, including technical corrections to two code cites.

All members received a copy of IC 36-4-3.

Representative Goeglein stated that judges handle annexation differently. Senator Gard described the debate over the definition of "subdivision" in the annexation statute. Representative Scholer reiterated the need to aid data collection. Representative Bailey stated that recommendations for substantive changes to the annexation statute during the long session in 1999 will become subject to budget votes. Mayor Frenandez commented that he would like to see changes in the annexation statute concerning the prohibition of annexation effective dates in the year before the census. He also explained that the value of tax increment financing (TIF) was eliminated when proposing to annex a fire district during the effective date freeze. Several members agreed that this provision appeared to have been created for populated areas. Therefore, it might be appropriate to exclude commercial or non-residential property from this provision.

Tonya Galbraith (IACT), Beth O'Laughlin (AIC), and Steve Buschmann (ITA) individually pledged to work together to find common ground with regard to annexation. All three interest groups agreed that there is a need to make several technical corrections to the annexation statute.

Senator Zakas suggested that other interests groups might want to provide input. Senator Gard moved that the Chair entertain a motion to endorse staff and the interest groups to identify issues of omission or correction that need to be addressed by the legislature. Representative Klinker seconded the motion. During discussion, Representative Bailey suggested the staff mail all members a list of the identified "holes" in the annexation statute.

Senator Zakas stated that he did not want to see the IACIR become solely the annexation commission at the expense of other matters concerning intergovernmental relations. Senator Gard suggested that the IACIR is the best commission positioned to recommend changes to end the ongoing debate about annexation. Representative Klinker added that

the General Assembly is looking for somebody to agree on the issue, and the IACIR is a good vehicle for working toward agreement.

Several members stated that they would like to see the IACIR's findings and recommendations to bring closure to this issue. The motion was adopted unanimously. There was further discussion as to whether or not the commission should have another meeting during the first week of session in order to discuss the list of identified "holes" in the statute that need to be addressed. It was determined that staff will send the list to all members. Members are responsible for letting staff know if they feel that these are appropriate technical corrections to address during the session. If staff does not achieve consensus, then a meeting will be called to discuss the list.

### **INDIANA TOWNSHIP ASSOCIATION**

At the request of the Chair, Steve Buschmann gave a presentation on the function of township government and funding issues (see handout). Mr. Buschmann explained that there are 1,008 townships in Indiana. The ability of townships to provide needed services at a hands-on or grassroots level was emphasized. The majority of the revenue levied for local service comes from portions of the property tax, county option income tax, and auto and aircraft excise taxes. Mr. Buschmann stated that township government often is criticized for incurring high administrative costs as a result of its one-on-one personal service. However, this hands-on type of assistance often saves tax dollars by identifying other resources such as churches and food banks.

Linda Williams stated that her township conducts workshops and seminars which teach people life skills such as, how to reduce food cost, write resumes, and interview. Senator Allie Craycraft emphasized that the township trustee's role is the closest representation to the people, and is often a one-time assistance to get someone through a bad day.

### **OTHER BUSINESS**

Staff distributed a copy of the County Government Study Commission annual report. The report summarized testimony given at the commission's first four making, as well as the findings and recommendations.

### **NEXT MEETING**

If consensus is not reached on the annexation statute technical omissions and corrections, the next meeting will be scheduled. A confirmation letter will be sent to all members.

### **ADJOURNMENT**

The meeting was adjourned.