CALL TO ORDER
Chair William W. Bailey announced that there was a quorum present (attendance roster attached) and called the meeting to order at approximately 1:40 P.M.

AGENDA

- Call to Order
  Chair Bill Bailey

- Approval of Minutes of 11/12/98
  Chair Bill Bailey

- Introductions of New Commission Member and New Staff Member
  John L. Krauss

- Review of Annexation Legislation
  Jamie L. Palmer

- Discussion of Upcoming Local Government Survey
  Jamie L. Palmer

- Potential New Projects
  John L. Krauss

- Transition to New Chair/New Appointments
  John L. Krauss

- Next Meeting
  Chair Bill Bailey

- Adjournment
  Chair Bill Bailey

APPROVAL OF MINUTES
Minutes of 11/12/98 were approved by consent.

INTRODUCTIONS
John Krauss introduced Seth B. Payton as the Commission’s new staff member. Jamie Palmer announced that Judy Anderson, Vigo County Auditor, has replaced Leslie Goss on the Commission. Ms. Anderson was unable to attend the meeting.

REVIEW OF ANNEXATION LEGISLATION
Ms. Palmer indicated that there were 11 bills proposed during the 1999 legislative session, many of which contained provisions for referenda and/or owner veto provisions. Two of these bills passed. She
further summarized the changes made to the state statute governing municipal annexation as related to the issues identified by the Commission in its letter to the Legislative Council. This summary appears in Attachment A. Copies of the two annexation bills as well as the annexation provision that appeared in HB 1983 appear in Attachments B-D.

Ms. Palmer complimented the Commission for setting a civil tone for debate on the issue during the annexation forums that carried through the legislative session.

Representative Bailey indicated that the annexation legislation had significant policy import to the state. He praised the Commission for framing the issues that were most germane for the debate.

Mr. Krauss thanked the legislative Commission members for their bi-partisan leadership in addressing the issues identified by the Commission. He reiterated that the process and the end product were good. He expressed thanks from the staff.

Senator Zakas thanked the Commission and reiterated the Commission’s positive impact on the legislative process. Historically, annexation has been a very volatile issue before the legislature. The Commission’s tone and attendance at the summer forums set a tone that was quite remarkable.

Representative Bailey acknowledged the efforts of Commission staff.

Senator Gard praised the Commission also. She further commended the House and Senate committee chairmen for their patience in allowing much needed debate on this important issue.

UPDATE ON ANNUAL SURVEY OF LOCAL GOVERNMENT
Ms. Palmer indicated that the Commission would administer its third survey of local government during late summer. She presented the 1997 questionnaire (Attachment E) as an example and solicited input on timely issues to be included in the 1999 survey. She indicated also that she would include questions about annexations since 1997 and efforts by local governments to ensure a complete census count. The deadline for submitting ideas for survey questions was July 10, 1999.

Mr. Krauss indicated that one question would address Y2K readiness.

Joyce Poling commented that Governing magazine publishes a listing of annual state rankings. These rankings can be used to give some perspective to the survey. Residents and local officials often feel that the state is doing well and as such have become complacent. The Governing survey indicates that there are some measures for which Indiana does not rank well.

Representative Scholer suggested that information about the Governing article would be good for the survey cover letter. She also suggested adding a question about assessment to address concerns regarding the impact that the changes in personal property tax assessment will affect local communities.
Representative Klinker commented that legislators had received many telephone calls from assessors indicating concern.

Representative Scholer said that there is concern at all levels of government.

Senator Gard suggested giving respondents an opportunity to comment on the assessment process.

John Fernandez surmised that there is a need to have some continuity in questions across years to allow comparisons.

Mr. Krauss said that the survey was originally based on the survey conducted annually by the National League of Cities. It is important to not only maintain continuity but to ensure that it addresses issues relevant to Indiana. Clearly, reassessment is an important issue to the state.

John Ryan suggested a question regarding customer/constituent contact with state government. He indicated that the Lt. Governor’s Jobs Council had identified some frustration from citizens when trying to get answers from state government.

Mr. Krauss concurred that the survey is administered to varied local governments that all interact with state government.

Representative Bailey asked the group for agreement that the 1997 survey was a good template with the additions suggested by the staff and Commission members.

Mr. Fernandez and Representative Goeglein suggested the removal of questions 17-19 on the 1997 survey.

Ms. Palmer indicated that she would remove questions reflecting issues that were timely in 1997 and were not in 1999 as well as add new issues that were timely in 1999.

Mr. Fernandez suggested that there might be value in including school boards as respondents to the survey.

Senator Zakas and Mr. Krauss gave a brief history of the IACIR and the decision not to include school board representatives on the Commission. They concurred, however, that there would be value in soliciting the input of the state’s school boards on issues affecting local government.

Mr. Fernandez clarified that he was not suggesting adding school boards to the membership of the Commission but rather that their perspective would be useful in addressing local government issues.

Senator Gard reiterated the value of including school boards in the survey.
Representative Bailey entertained a motion to direct staff to prepare and administer the 1999 local government survey and to include the various issues identified during the previous discussion.

The motion was made by Senator Zakas and seconded by Joyce Poling.

POTENTIAL NEW PROJECTS
Mr. Krauss summarized the budget process relative to the funding of the IACIR. The Commission budget is approximately $50,000 for each year of the biennium. This pays for staffing and administrative costs. He indicated that several potential new efforts had been discussed during the budget process.

Year 2000
Mr. Krauss said that one of the issues, suggested by Senator Zakas, had been assistance to local governments for Y2K planning efforts. There had been an initial proposal to prepare a manual for local governments. He indicated that staff had collected data on efforts in other states. Minnesota is one state that has made significant efforts on this issue. In addition, Mr. Krauss had testified on the issue before Senator Lubbers committee during the legislative session. He also met with Laura Larimer within the Department of Administration. She felt that it would be too late to produce a manual but that other activities might be appropriate.

Senator Zakas expressed concern about whether small towns are doing enough to address this issue.

Gardest Gillespie indicated that the National League of Cities had produced a series of materials that are available to local governments.

Representative Bailey asked representatives of the Association of Indiana Counties and the Indiana Association of Cities and Towns whether their organizations were addressing the issue with local governments.

Matt Brooks, Association of Indiana Counties, and Tonya Galbraith, Indiana Association of Cities and Towns, both indicated that there organizations had published information in organizational newsletters and made materials available to local governments. Mr. Brooks made reference to the information packet produced cooperatively by Public Technology, Inc., the National League of Cities, the National Association of Counties, and the International City/County Management Association.

Senator Zakas requested that copies of the packet be forwarded to Commission members.

Linda Williams indicated that most townships are also working on this issue.

Reassessment
Mr. Krauss also indicated that he had spoken with Peggy Boehm and the Governor’s Office about the reassessment issue. Both agreed that there would be value in public forums, like those presented for
annexation, to bring together varied interests. The Commission, however, was cautioned about proceeding because of the volatile nature of the issue.

Mr. Krauss further commented that he has spoken with Frank Sabatine at the Indiana State Board of Tax Commissioners. Mr. Sabatine indicated interest in assistance but was not sure at the time what the nature of that assistance would be.

Mr. Krauss addressed the Commission directly about the interest in the issue indicated in the discussion regarding the Commission survey. He requested guidance from Commission members about the appropriateness of the issue for the Commission as an intergovernmental forum.

**Census**

Mr. Krauss also indicated that he had a conversation with Phillip Sachtleben, Executive Director of the Legislative Services Agency (LSA) about assistance to local governments for completion of the Boundary and Annexation Survey (BAS). This issue has bearing on reapportionment.

He said that there also had been discussions with Morton Marcus about complete count issues.

Ms. Palmer added that the census issue identified by LSA revolved around the need to match precinct boundaries with municipal boundaries whenever possible. Matching boundaries would create more flexibility in redistricting. This was made more difficult in recent years because precinct boundaries were fixed prior to the moratorium on annexations in the year preceding the census.

She further commented that her professional experience pointed to a need by local governments for technical assistance with BAS. Many communities do not know how to complete the maps. Providing this assistance would ensure that people get counted within the correct jurisdiction.

Susan Craig indicated that her office receives requests for assistance. While she is unable to provide direct assistance, the office does host Census workshops for local governments. She concurred with the need for specialized technical assistance to ensure a complete and accurate count.

Mr. Krauss indicated that any of the suggested projects would require additional funding to complete. These funds would have to come from existing appropriations to relevant agencies.

Representative Bailey asserted that Y2K is fast approaching and that reassessment is a very complicated issue.

Peggy Boehm suggested that it was too soon to address the reassessment issue. Many relevant facets of the issue remain to be established.

Linda Williams reiterated that it is an important issue and a scary one for local governments.
Representative Bailey suggested that assisting local governments with the Boundary and Annexation Survey might be the best issue to pursue among those discussed.

Representative Scholer commented that it was imperative for Indiana to ensure a complete and accurate count.

Representative Bailey entertained a motion to direct staff to pursue funds to provide technical assistance to local governments regarding the Boundary and Annexation Survey.

The motion carried by unanimous consent.

Representative Bailey made reference to a letter received by legislators regarding a meeting of the Indiana Complete Count Committee on June 22, 1999. He indicated that Ms. Palmer would attend the meeting.

Senator Craycraft inquired about the availability of per diem funding should a Commission member wish to attend.

Representative Bailey entertained a motion to prepare a letter requesting that Commission members be provided a per diem if they attended the June 22, 1999 meeting.

Senator Craycraft made the motion. It carried by unanimous consent.

TRANSITION TO NEW CHAIR/NEW APPOINTMENTS

Mr. Krauss announced that Senator Zakas had been appointed the new chair by the President Pro-Tempore Robert Garton for the 1999-2000 term. He also indicated that about half of the remaining appointments were due to expire on July 1, 1999. He suggested that those Commission members who wished to remain on the Commission should forward letters of interest to the appropriate appointing bodies.

NEXT MEETING
No subsequent meeting date was established.

ADJOURNMENT
The meeting was adjourned at approximately 3:00 P.M.