

June 21, 2000

Council members met with Jim Craft with the State Board of Tax Commissioners to discuss budget planning and maximum levy. Richard Pepple and Leon Ridenour were absent. Council wants to collect the maximum levy for 2001, and the county was only \$151. under the maximum levy for 2000. The actual cash balance on hand as of 1/1/00 was about \$680,000. higher than projected last November. Still, \$498,542. more than was budgeted for 1999, was spent between 1/1/99 and 1/1/00. Council will strive to keep enough unencumbered funds to cover about 5 months of county expenses. Ted Little learned Tippecanoe County uses the 16 line budget form to find how much they can afford to spend at budget time, and still maintain a cash cushion. He also talked with Auditor's in surrounding counties, and learned that several have Cumulative Capital Development (CCD) funds that became available for adoption by counties in 1984. Jim Craft says these CCD funds aren't included in maximum levy figures, and a CCD is less restrictive than a cumulative building fund, as some counties use a CCD for equipment purchases as well as building projects. Craft says a county unit with more debt may get a larger share of the local option monies, and when a unit loses debt levy (ie: pays off a hospital bond) it may lose some of the local option pie. That's not to say he recommends the county go into debt. Craft says since the state recommends units advertise higher than they expect the final budget figures to be, the rates that are initially advertised, don't have to be based on any specific figures. At the time budgets are first advertised, the state doesn't yet know what the rate will finally be. Council thanked Mr. Craft for his guidance, and with no further business, adjourned.