

TOWNSHIP GOVERNANCE
IN
MONTGOMERY COUNTY INDIANA

November 2008

League of Women Voters of Montgomery County

Township Governance Committee

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BACKGROUND

Purpose and relevance of the study: In December 2007, the bipartisan Indiana Commission on Local Government Reform (the Commission) released its report called *Streamlining Local Government: We've got to stop governing like this.* (www.indianalocalgovreform.iu.edu) The Commission concluded that because local government in Indiana has not changed since it was designed in the mid 1800s when communication and transportation were far different from today, it is incapable of providing efficient and effective services to its citizens. Specifically, Commission members concluded that because there are too many layers of local government, local government costs too much, it is neither accountable nor easily understood, and citizens are not treated equally in terms of services and costs. As 2008 draws to a close, our local and national economic situation increases the urgency of the Commission's recommendations.

The Indiana Commission on Local Government Reform says:

As commissions before us have suggested, townships often are too small, in terms of land area and population, to provide cost-effective public services. This problem only becomes more pronounced with increasing administrative, staffing, training and equipment requirements, particularly for fire protection. Broad variation in resources among so many local governments creates inequities in basic services and taxes, such as fire protection, emergency medical services and poor relief (township assistance).

In May 2008, the membership of the League of Women Voters of Montgomery County (LWVMC) authorized a study of township governance in Montgomery County in order to inform members and citizens about the duties and costs, as well as to explore county alternatives to township delivery of services. The LWVMC committee sought to learn if the problems cited by the Commission were problems for Montgomery County Indiana, a rural west central community with 37,000 citizens, ranking 39th of 92 counties in population. One of the Commission's 27 recommendations called for the transfer of the duties of the township trustees to the county executive (commissioners) and two other recommendations concerned libraries, and fire and medical emergency services.

Study Design: The Committee used the published financial reports of the trustees for calendar year 2007 as the basis for financial information and analysis. In addition, Committee members interviewed the eleven township trustees in Montgomery County using a common interview form designed to gather specific information, elicit open-ended responses and allow for contrast and comparison between the offices. Members studied the report of the Indiana Commission on Local Government Reform and reviewed the State Board of Accounts audit for each of the trustees for the two-year period 2005 and 2006. They interviewed local, state and national experts concerning fire and medical emergency services, library services, and cemetery care. During October 2008, committee members visited some of the cemeteries cared for by the trustees and rated the level of care.

Data from these sources were regrouped for contrast and comparison, and tallied. In this step the Committee discovered specific Montgomery County examples of the Commission's findings. The principal author takes full responsibility for any errors in the regrouping of financial data, and for the analysis.

As a final step, trustees and other individuals who provided information were asked to read a draft of the report and make suggestions and corrections.

Recommendations of the Indiana Commission on Local Government Reform: Three of the 27 recommendations of the Indiana Commission on Local Government Reform concern the functions of the township trustees and township boards:

5. *Create a countywide body to oversee the provision of all public safety services.*
9. *Transfer the responsibility for administering the duties of township government for assessment, poor relief (township assistance), fire protection, emergency medical services (EMS), cemeteries and any other remaining responsibilities to the county executive. Establish a countywide poor relief levy.*

18. *Reorganize library systems by county and provide permanent library service for all citizens...including a countywide levy for library services.*

The Township Trustee System in Indiana and in Montgomery County. In Indiana each of the 1008 township governments, dating from the mid 1800's, has four elected officials--an executive (trustee) and three township board members--for a total of 4032 elected township officials. Of the 3086 units of local government in Indiana, townships account for one-third, more than any other type of local government. Thirty-one states have no township government. Of the 19 states that do, only eight have more townships than Indiana. Indiana is the only state where every portion of the state is part of a township government.

In Montgomery County, the eleven townships range in population from 23,837 in Union Township to 426 in Scott Township. The second largest township is Franklin with a population of 1906. Population in Montgomery County has increased by 9.3% from 1990 to 2000. Only Madison Township has decreased in population (-1.6%). The largest population increases were in Ripley Township (+24.1%) and Franklin Township (+21.5%). The town of New Market is located in three townships; its population is listed separately below.**

TOWNSHIP DEMOGRAPHICS 2007					
Township	Population	Cities & Towns In Township	Cities & Towns Population	Trustee	Deputy
Union	23,837	Crawfordsville New Market	15,243	Nevitt, G	Collom, ME
Franklin	1,906	Darlington	854	Hampton, R	Hampton, S
Clark	1,898	Ladoga	1,047	Gerald, W	Gerald, M
Brown	1,767	Waveland New Market	416	Simpson, D	
Wayne	1,621	Waynetown	909	Edwards, J	Edwards, E
Coal Creek	1,541	New Richmond Wingate	349 299	Snellenbarger	
Walnut	1,474	New Ross	334	Crumm, D	Crumm, J
Madison	1,253	Linden	700	Layton, D	
Ripley	1,101	Alamo	137	Spence, J	Spence, S
Scott	805	New Market		Burkett, M	Burkett D
Sugar Creek	426			Gable, S	
	-	New Market **	659		
TOTAL	37,629		20,947		

Township government is responsible for township assistance, abandoned cemetery care, and for providing funds for fire and medical emergency protection. Some townships also fund cultural and recreational services. In years past, the trustees appointed the superintendents of schools, a responsibility transferred to local school boards in all counties except Lagrange. In 2008, the

General Assembly transferred the real and personal property assessment duties to the county. (None of the townships in Montgomery County, except Union Township, has been assessing real property since 2003.)

Township government is funded from several sources: general property tax, county option income tax, financial institution tax, auto and aircraft excise tax, and commercial vehicle excise tax. The township board is authorized to set a tax levy rate necessary to generate the amount the township board determines is needed for township functions.

FINDINGS

FINDINGS IN BRIEF:

The Commission identified standards for local governments. They must be efficient and effective, officials should be accountable, operations understandable, and basic services available and accessible to all citizens. The Commission concluded that these standards are not being consistently met in Indiana.

The Commission described three areas of immediate concern in Indiana. The League study analyzed the data from its research to shed light on these areas in Montgomery County.

The township system costs too much: In Indiana, the Commission said that boundaries that made sense in the days of foot and horseback travel no longer provide the economies of scale necessary to deliver the services citizens want at a reasonable cost.

In Montgomery County:

- The cost of administration is more than the amount of township assistance provided in all but three townships: Brown, Madison and Ripley Townships. (Brown and Madison have higher than average assistance costs.)
- Investments (Certificates of Deposit) in some townships are many times higher than the annual budget and continue to grow while citizens continue to be taxed. Investments total \$3,100,000.00 in Union Township while its 2007 expenditures were \$549,361.95.
- Cash and investments are many times more than the yearly expenditures in most townships while the township continues to levy taxes.
- Yearly compensation for township board members ranges from \$150.00 in Sugar Creek Township to \$5,000.00 in Union Township. The boards are required to hold four regular meetings per year and may hold additional special meetings. For comparison, the yearly compensation for the Montgomery County Council members is \$4,370.00 for 12 regular meetings and for many other responsibilities.

Few citizens know the duties, the achievements, or the problems of township governance:

The Commission said Indiana citizens do not know who to blame or who to thank in the complex multi-layer system of government: towns, townships, county, taxing districts. They believe that too many officials, elected and appointed, have taxing authority.

In Montgomery County:

- Boundaries of taxing, service, and governmental units vary from function to function and are confusing.
- Forty-four elected township officials have taxing authority.
- Public participation in board meetings, including budget preparation meetings, is low.
- Signs in front of the office and phone numbers in the phone book provide access to the offices in only a few townships. (Indiana law does not require signs or phone numbers in small townships.)
- State Board of Account audit findings for 2005 and 2006 cite violations in all but two townships; four townships were in violation of the state and federal tax code.

Citizens are not treated equally: The Commission said some Indiana citizens are not receiving basic services. Some are paying too much for services while others are not paying enough.

In Montgomery County:

- The cost of administration per capita varies from \$4.75 in Franklin Township to \$18.11 in Madison Township with an average of \$8.42 per person. (Although citizens are taxed on the value of their real and personal property, the per capita cost allows comparison among townships.)
- The rate for township levies per \$100 in assessed valuation vary as much as four times from the township with the lowest rate, Franklin Township at 0.0419, to the township with the highest rate, Madison Township at 0.1682.
- Township assistance varies by township and includes differences in the number of recipients per capita, amount of aid per household, and total assistance per capita. The lowest per household assistance is \$125.36 in Franklin Township; the highest is \$1001.67 in Madison Township. The lowest assistance per capita is \$1.32 in Franklin Township; the highest is \$25.58 in Madison Township.
- Four townships provide no library service for 5,068 citizens. This number represents 1 in 7 citizens.
- 4-H and youth sports are supported in some townships but not supported in others.
- Most, but not all, abandoned cemeteries were mowed and trimmed during the Committee visits in October.
- The 6,212 residents (estimated) of Union Township, outside of Crawfordsville, served by the Crawfordsville Fire Department receive 20% of the services but pay only 7% of the cost.
- The per capita cost of fire protection for Union Township residents outside of Crawfordsville served by the Crawfordsville Fire Department is \$22.74 while the per capita cost of fire protection in Crawfordsville is \$141.55, over six times higher.
- Union Township residents pay a user fee for each ambulance run by the Crawfordsville Fire Department that does not cover the actual cost of the service. Residents served by the New Ross Fire Department pay nothing because of community donations. Residents served by the Ladoga Fire Department receive services from Ladoga Rescue and pay a minimum user fee of \$325.00 per run. Residents in the other townships pay a minimum user fee of \$325.00 to private companies for each ambulance run.
- Property insurance rates vary due to differences in national and insurance company based ratings of the fire departments.

DETAIL OF THE FINDINGS

Administration

Half of the 11 trustees in Montgomery County have served over 13 years. The Ripley Township trustee has served for one year while the Madison Township trustee has served for 29 years.

Only Union, the county's largest township, has a stand-alone office and keeps office hours. The office is open from 8:00 AM until 12:00 PM five days a week except holidays. Although trustees report people do not have a problem finding them, the accessibility varies. Only five townships are listed in the phone book and only two have signs in front of the office. The committee's efforts to reach the trustees by phone varied. Some required several phone calls to get a response, a concern since appointments for assistance are usually made by phone.

Trustees reported that administrative paperwork, such as bookkeeping and report preparation, is their most time-consuming *activity*. Over the years, the State Board of Accounts has increased reporting requirements in order to assure quality and accountability. Trustees report that township assistance is the most time-consuming *responsibility*. The other duties generally involve allocating funds to another entity: cemetery care, fire protection, and cultural and recreational services.

As elected officials, the trustee and the township board members are accountable to the electorate and are not under the jurisdiction of any other office or other unit of government. The State Board of Accounts (SBOA) sets the rules and conducts an every-other year audit of the trustee's finances and services, however the SBOA is a reporting agency, not an enforcing one. The agency does not follow-up on audit findings until the next audit cycle. Indiana Code 12-20-3 says that neither the division of family resources nor the governor has authority over the trustee. The division may not investigate the trustee's official duties and has no authority to make a report with reference to the official duties. The governor may not hold a hearing in reference to a township trustee's official duties, remove a township trustee from office or declare the office of a township trustee vacant.

The committee reviewed the state audit findings of the offices of the eleven townships in Montgomery County. (www.in.gov/sboa) Of the three townships that utilize an accounting firm, Union and Brown Townships had no negative findings while Coal Creek Township had minor negative findings. All eight of the others had negative findings. Four townships had state and federal tax violations: Clark, Madison, Ripley, and Wayne. Two had bookkeeping violations: Wayne and Scott. Madison Township failed to publish the required annual report for the past three years, a Class C Infraction. Other violations include expenditures in excess of the budget, salary ordinance violations, failure to use prescribed forms, investment violations, failure to provide supporting documents, and failure to hold title to property held jointly with another entity. In addition, the Committee discovered that Clark Township published the names of recipients of township assistance in its 2007 financial statement, a violation of federal privacy laws.

Oversight of the township budgets consists of the public budget hearing required of each township board. (Public participation in these hearings is low.) In 2008, the General Assembly added the requirement that the county council conduct a non-binding review.

In Montgomery County, township administrative costs for the eleven townships total \$323,041.00 and include: salary of the trustee, health and retirements benefits in some townships, salary of the deputy, federal and state taxes on salaries, compensation for board members, rent, office expenses, insurance, bookkeeping, and attorney fees. Townships, the county and the state incur township-related administrative costs not included above. For example, the townships incur the cost of the every-other-year audit of each of the townships. The state incurs additional administrative costs for their monitoring, technical assistance, and training. In 2008 and before, county general funds in the amount of \$40,000.00 per year were used to pay trustees and trustee assessors \$2,000.00 each in ten townships for personal property tax assessment services. (In 2009 and thereafter, assessments are the responsibility of the county assessor.)

Administrative costs vary from township to township. Due to “economies of scale,” one would expect the per capita administrative costs to trend upward as the population decreases. The trend does not hold in Montgomery County; Madison and Coal Creek Townships, with administrative costs of \$18.11 and \$16.38 per capita respectively, are higher than the expected trend.

TRUSTEE ADMINISTRATIVE COST			
<u>Township</u>	<u>Population</u>	<u>Administrative Cost</u>	<u>Administrative Per Capita</u>
Union	23,837	\$186,887.00	\$ 7.84
Franklin	1,906	9,051.52	4.75
Clark	1,898	15,007.97	7.91
Brown	1,767	17,640.44	9.98
Wayne	1,621	10,518.33	6.49
Coal Creek	1,541	25,242.02	16.38
Walnut	1,474	10,861.07	7.37
Madison	1,253	22,695.90	18.11
Ripley	1,101	12,053.00	10.95
Scott	805	6,871.33	8.54
Sugar Creek	426	6,212.38	14.58
Total	37,629	\$ 323,040.96	\$ 10.26

The township board determines the yearly compensation of the trustee and members of the township board. By state law, trustee salary has no cap but does have a floor. The salary must be no less than the salary in the first year of the prior term.

Yearly compensation for the trustee varies from \$24,000.00 in Union Township to \$1,055.00 in Wayne Township. Eight of the eleven townships also pay additional staff ranging from \$50,028 for a deputy and two clerical workers in Union Township to no staff in Clark, Coal Creek, and Sugar Creek Townships. Eight townships also pay taxes and benefits for the trustee and staff.

Yearly compensation for each board member ranges from a high of \$5,000.00 in Union Township to a low of \$150.00 in Sugar Creek with an average of about \$400.00 for the nine other townships. Boards are paid for four regular meetings per year. Some boards also call occasional special meetings. For purposes of comparison, in 2007, the Montgomery County Council members earned \$4,370.00 for twelve regular and several special meetings per year, service on committees, and attendance at, or membership on, one or more of several dozen county boards and commissions.

Many trustees do their own bookkeeping although Union, Brown and Coal Creek Townships outsource their bookkeeping at a cost of \$12,000.00, \$3,000.00, and \$3,000.00 respectively.

Six of the township offices are in the homes of the trustees. In five townships, the trustee charges rent for in-home office space ranging from \$3,788.50 and \$3,560.00 per year in Madison and Coal Creek Townships respectively to \$1,500.00 in Walnut Township. Four offices are in the community fire departments: Clark, Brown, Wayne, and Ripley.

TRUSTEE ADMINISTRATIVE EXPENSE 2007								
		Deputy	Other		Attorney			
	Trustee	and Staff	Payroll	Board	and	Other	Rent	Total
			Expenses		Bookkeeping	Office	Utilities	Administration
Union	\$ 24,000	\$ 50,028	\$ 23,611	\$ 15,000	\$ 14,450	\$ 41,531	\$ 18,267	\$ 186,887
Franklin	4,072	1,108	-	1,143	-	929	1,800	9,052
Clark	5,264	1,847	5,614	1,500	250	533	-	15,008
Brown	7,500	-	2,702	1,005	3,050	2,611	772	17,640
Wayne	1,055	1,604	2,697	1,200	200	3,762	-	10,518
Coal Creek	8,343	-	5,574	1,275	3,100	3,390	3,560	25,242
Walnut	5,541	933	1,071	1,500	-	317	1,500	10,862
Madison	7,445	3,136	3,990	1,364	-	2,972	3,789	22,696
Ripley	4,772	1,846	535	1,039	-	3,361	500	12,053
Scott	3,600	600	-	600	-	871	1,200	6,871
Sugar Creek	3,150	-	2,082	450	-	530	-	6,212
TOTAL	\$ 74,742	\$ 61,102	\$ 47,876	\$ 26,076	\$ 21,050	\$ 60,807	\$ 31,388	\$ 323,041

Five townships invest excess funds in Certificates of Deposit or Money Market funds: Union, Franklin, Clark, Ripley and Madison. Townships accumulate funds when their expenditures are less than revenues. Some townships use excess funds to lower or eliminate tax levies. However,

some trustees told the committee that the Indiana Department of Local Government Finance (DLGF) discourages them from using budget surpluses to lower the tax rate because tax rates are difficult to increase once they are lowered. As townships have excess funds and invest them, the investments also earn interest. In 2007, Union Township had \$3,100,000.00 invested; Franklin, \$72,876.76; Madison, \$119,601.00, Clark \$110,000.00, and Ripley, \$35,000. 00. Cash and/or invested funds on a per capita basis are highest in Scott Township at \$245.02 and Union Township at \$176.70. By state law and rule, these funds can be used if the township board chooses to do so; there is no limit on the amount of invested surplus funds. (The Union Township investment is primarily from the sale of a building.)

When one views cash and investments compared to disbursements in 2007, some townships have many times more cash and investments than their disbursements. These townships have excess cash and investments and yet they continue to bring in funds from the tax levies. For example, Union Township has 7.67 times the cash and investments as their yearly disbursements.

Trustees who do not invest gave three reasons: (1) Due to the recent delay in receiving tax revenues, they need to keep cash on hand to maintain adequate operating cash flow. (2) The state requires that CDs be cashed out and reinvested at maturity, a process some trustees say is not worth the effort. (3) Researching best available competitive interest rates is time-consuming.

TRUSTEE CASH/INVESTMENTS and DISBURSEMENTS 2007							
							Cash and
				Cash	Per	Disbursement	Investments
				And	Capita	Less Debt	Divided by
	<u>Population</u>	<u>Investments</u>	<u>Cash</u>	<u>Investments</u>		<u>Payment</u>	<u>Disbursements</u>
Union	23,837	\$ 3,100,000	\$ 1,111,942	\$ 4,211,942	177	549,362	8
Franklin	1,906	72,877	83,682	156,559	82	42,292	4
Clark	1,898	110,000	135,326	245,326	129	46,280	5
Brown	1,767	-	107,275	107,275	61	92,926	1
Wayne	1,621	-	76,943	76,943	47	32,118	2
Coal Creek	1,541	-	100,102	100,102	65	42,990	2
Walnut	1,273	-	208,289	208,289	164	40,808	5
Madison	1,253	119,601	91,136	210,737	168	139,364	2
Ripley	1,101	35,000	137,962	172,962	157	49,061	4
Scott	805	-	197,236	197,236	245	28,864	7
Sugar Creek	426	-	17,979	17,979	42	21,814	1
Totals	<u>37,428</u>	<u>\$ 3,437,478</u>	<u>\$ 2,267,872</u>	<u>\$ 5,705,350</u>	152	<u>1,085,879</u>	5

SERVICES

Township Assistance: Township Assistance is temporary emergency assistance to individuals and families in need and is required by Indiana law. It is designed as a last-resort after families have exhausted other sources of assistance. Several trustees reported that one of their major challenges is “separating the needy from the greedy.”

Trustees use a common state application form. They must comply with standards developed by the state, including income guidelines and limitations on kinds of benefits that may be provided. For example, trustees may pay only the most recent utility bill, and they cannot pay reconnect fees.

The most frequent request is for help with utility payments, especially heat assistance. This need will likely increase if energy costs increase or remain high. The Indiana Winter Assistance Program is one option for heat assistance, but application must be made early before the need arises. Most requests are from individuals who are already out of fuel or have been disconnected from electricity.

The per-household assistance averaged \$430.46 in the entire county for 576 cases. Per-household assistance ranged from \$125.36 in Franklin Township for 20 cases to \$1001.67 in Madison Township for 32 cases. No assistance was requested in Sugar Creek Township in 2007. Assistance cost on a per-capita basis averaged \$7.26 in the entire county and ranged from \$1.23 in Wayne Township to \$25.58 in Madison Township

TOWNSHIP ASSISTANCE 2007					
		Households		Assistance	
		Receiving		Per	Assistance
	<u>Assistance</u>	<u>Assistance</u>	<u>Population</u>	<u>Households</u>	<u>Per Capita</u>
Union	\$ 148,876.08	367	23,837	\$ 405.66	\$ 6.25
Franklin	2,507.25	20	1,906	125.36	1.32
Clark	3,691.75	24	1,898	153.82	1.95
Brown	18,476.59	48	1,767	384.93	10.46
Wayne	1,983.86	14	1,621	141.70	1.22
Coal Creek	8,309.62	14	1,541	593.54	5.39
Walnut	8,217.13	29	1,273	283.35	6.45
Madison	32,053.29	32	1,253	1,001.67	25.58
Ripley	7,406.44	8	1,101	925.81	6.73
Scott	5,774.13	20	805	288.71	7.17
Sugar Creek	-	-	425	-	-
TOTAL	<u>\$ 237,296.14</u>	<u>576</u>	<u>37,427</u>	430.46	7.26

Cultural and recreational: Clark, Franklin, Madison and Union Townships levy taxes for cultural and recreational services. The others provide support from the township general fund. The services include 4-H, youth sports, and library access. It might be noted that the county general fund also supported the 4-H grounds, facilities and program in the amount of \$66,800.00 in 2007. Seven townships spent a total of \$7,300.00 for township 4-H clubs; seven townships spent a total of \$15,049.00 for youth sports.

Montgomery County has five libraries: Crawfordsville, Ladoga, Darlington, Waveland, and Linden. Indiana law does not require that all citizens have access to library services, however, five townships levy taxes for library access. Two trustees pay for local library access from their township general fund; Sugar Creek pays \$2,000.00 to the Darlington Library and Walnut pays \$1,500.00 to the Ladoga Library. Of the remaining four townships, three provide reimbursement of the cost of cards for the local library, or for the Crawfordsville Library, to any citizen who asks: in 2007, Ripley Township provided 16 cards while Scott Township provided nine. Wayne Township reimburses the cost of cards to those who are deemed by the trustee to be in need; no cards were approved in 2007.

TRUSTEES RECREATIONAL AND LIBRARY ANALYSIS 2007							
	Recreation				Library		
	4-H	Youth Sport	Other	Levy rate	Library	Amount	Levy rate
Union	\$ -	\$ 7,599.85	\$13,093.53	\$ 0.0257	Crawfordsville	-	\$ 0.0647
Franklin	600.00	1,500.00	-	0.0022	Darlington	-	0.0641
Clark	900.00	-	2,000.00	0.0041	Ladoga	-	0.0541
Brown	700.00	1,400.00	-	-	Waveland	-	0.0826
Wayne	1,200.00	1,500.00	-	-	none	-	-
Coal Creek	1,200.00	-	-	-	none	-	-
Walnut	1,000.00	200.00	-	-	Ladoga	1,500.00	-
Madison	700.00	2,250.00	-	0.0038	Linden	-	0.1701
Ripley	-	-	-	-	none	776.00	-
Scott	-	-	-	-	none	337.50	-
Sugar Creek	1,000.00	599.00	-	-	Darlington	2,000.00	-
Total	\$ 7,300.00	\$ 15,048.85	\$15,093.53			\$4,613.50	

Cemetery care: Trustees are required by law to care for “abandoned” cemeteries. These are cemeteries that no longer have funds for their care. Our county’s 11 trustees care for 48 cemeteries; Union Township cares for 14 while Madison and Franklin Townships care for one. Trustees pay a local person(s) or firm for resetting and straightening monuments, leveling and seeding the ground, constructing and repairing fences, and destroying and cleaning up detrimental plants. During the committee visits to cemeteries, resetting of monuments was observed in a few instances. Most, but not all, cemeteries were well mowed and trimmed. Union Township is upgrading the condition of all of its 14 cemeteries and has asked the county

commissioners for deed to the land for some cemeteries. Ripley Township, in collaboration with the Montgomery County Genealogy Club, is upgrading the O'Neill Cemetery near Yountsville.

The average cost for yearly care of each cemetery is \$750.00 with costs ranging from \$2,016.80 in Union Township to \$250.00 in Scott Township.

IC 6-1.1-6.8 allows the holder of the deed to cemetery land to apply for a \$1.00 per acre tax rate. Some trustees hold a deed for the abandoned cemeteries; others do not. The Montgomery County Assessor says cemetery land is not taxed in Montgomery County.

Fire and Medical Emergency Services: Montgomery County has ten fire stations in nine townships. Some are township-based, some town-based, and some are stand-alone not-for-profit corporations. Coal Creek Township has one fire department with two fire stations. Sugar Creek and Scott Townships have no fire stations. Union Township supports the career (paid) fire fighters of the Crawfordsville Fire Department. Emergency personnel in all other fire departments are staffed with unpaid volunteers. In 2004, the Crawfordsville Fire Department had 38 paid personnel while the number of volunteers in the rest of the county was 223. Since 2004, the number of trained volunteers has decreased due to increasing State training requirements and the aging of the volunteer force.

In Crawfordsville, the three-member Board of Public Works and Safety, consisting of the mayor and two persons appointed by the mayor, oversees the operation of the fire department. The mayor appoints the fire chief and the city council approves the department's salaries. Budgetary oversight of the city/town fire departments is through the usual review of city/town budgets. Public budgetary oversight of the stand-alone fire departments consists of the contract negotiation between the department and the township board. Township-based fire departments do not have contracts and oversight is through the township budgetary process.

Enhanced-911 (E-911) is a single countywide call center for all emergency calls. Our county already meets the recommendation of the Commission for no more than two call centers per county. E-911, under the authority of the county commissioners, is administered by contract with the Crawfordsville Police Department.

The city of Crawfordsville is the primary source of funding for the Crawfordsville Fire Department. The townships are the primary source of funding for the volunteer fire departments. In addition, all towns except Linden, Alamo, and Waynetown contribute funds to the fire departments. Many fire departments provide their service without cost, although a few bill insurance companies for runs. Fire departments also receive occasional federal grant money for specific purposes such as communication equipment. In addition, almost all the volunteer fire departments hold community events to raise funds.

Fire protection districts are generally, but not exactly, the same as township borders. For example, the Darlington Fire Department, located in Franklin Township, also serves Sugar Creek Township. The New Market Fire Department serves parts of Brown, Scott and Union Townships. The Ladoga Fire Department serves most of Clark Township and some of Scott Township, while the Walnut Fire Department serves all of Walnut Township and a small portion of Clark Township.

FIRE DEPARTMENT SOURCE OF FUNDS 2007 minus loan payments					
<u>Fire Depart</u>	<u>Township</u>	<u>Township \$\$</u>	<u>City/Towns</u>	<u>City/Towns \$\$</u>	<u>Total</u>
Coal Creek	Coal Creek	\$ 12,118.00	New Richmond	\$ 5,500.00	\$ 23,118.00
			Wingate	5,500.00	
Crawfordsville	Union	141,262.82	Crawfordsville	2,157,638.00	2,301,400.82
	Clark	2,500.00			
Darlington	Franklin	14,700.00	Darlington	38,000.00	62,832.05
	Sugar Creek	10,132.05			
Ladoga	Clark	17,061.09	Ladoga	32,766.00	52,827.09
	Scott	3,000.00			
New Market	Brown	11,000.00	New Market	3,600.00	47,600.00
	Scott	8,000.00			
	Union	25,000.00			
Walnut	Walnut	17,061.09	New Ross	23,000.00	44,561.09
	Clark	4,500.00			
Madison	Madison	79,581.69	Linden	-	79,581.69
Ripley	Ripley	16,000.00	Alamo	-	16,000.00
Waveland	Brown	25,000.00			25,000.00
Waynetown	Wayne	<u>28,564.98</u>	Waynetown	<u>-</u>	<u>28,564.98</u>
TOTAL		<u>\$ 415,481.72</u>		<u>\$ 2,266,004.00</u>	<u>\$ 2,681,485.72</u>

Costs and services are not equal across the county. The most significant inequity concerns the Crawfordsville Fire Department. Residents of Crawfordsville fund a significantly higher portion of the Crawfordsville Fire Department budget than do the residents of Union Township outside of Crawfordsville. The non-Crawfordsville residents enjoy the same protection, receive 20% of the services, and pay only 7% of the cost. The inequity is even greater on a per capita basis. The population of Crawfordsville is 15,243 and pays \$2,157,638.00 or \$141.55 per capita. The population of the rest of the township served by the Crawfordsville Fire Department is 6,212 and pays \$141,262.82 or \$22.74 per capita. Thus, the citizens of Crawfordsville subsidize the services to residents outside the city limits by a significant amount.

In 2007, four townships paid installments on loans for fire equipment or fire stations: Wayne, \$46,240.26; Coal Creek, \$189,448.02; Ripley, \$33,183.14, and Madison \$31,682.78. Two townships collect fire debt levies for these loans: Wayne and Coal Creek Townships. Ripley and Madison Townships pay for the loans from the fire-fighting fund. Of the townships paying for fire related loans, the rates range from a high of 0.0911 in Coal Creek Township to a low of 0.0439 in Ripley Township. Of the townships not paying for fire related loans, the rates range from a high of 0.0581 in Scott Township to a low of 0.0210 in Union Township.

TRUSTEE TAX LEVY RATES 2007
Per \$100.00 assessed valuation

						Fire Debt		Total fire	Grand
	General	Poor relief	Recreation	Fire Fight	Cum Fire	Debt Serv	Ambulance	& emerg	Total
Union		0.0136	0.0257	0.0174	0.0036			0.0210	0.0603
Franklin	0.0104	0.0035	0.0022	0.0109	0.0149			0.0258	0.0419
Clark		0.0173	0.0041	0.0078	0.0145		0.0046	0.0269	0.0483
Brown	0.0124	0.0031		0.0399	0.0145			0.0544	0.0699
Wayne	0.0149	0.0026		0.0231	0.0112	0.0497		0.0840	0.1015
Coal Creek	0.0169	0.0104		0.0166	0.0279	0.0466		0.0911	0.1184
Walnut		0.0189		0.0223	0.0170			0.0393	0.0582
Madison	0.0100	0.0674	0.0038	0.0870				0.0870	0.1682
Ripley	0.0461	0.0237		0.0439				0.0439	0.1137
Scott		0.0084		0.0416	0.0165			0.0581	0.0665
Sugar	0.0169			0.0160	0.0137			0.0297	0.0466
Average								0.0423	0.0820

In addition to fire protection, fire departments provide emergency medical services. The capacity varies across the county. All departments have “first-responders” who can administer basic emergency care. Others have emergency medical technicians (EMTs) who have additional training, skills and authority, while a few have paramedics who are the most highly trained and skilled.

Some departments have in-house ambulance services and others have agreements with private ambulance services. The Crawfordsville, Ladoga and New Ross Fire Departments each have ambulance service. Union and Ripley Townships contract with Crawfordsville for its ambulance service. In the townships served by Crawfordsville, citizens pay a user fee from \$125 to \$375 per run depending on residency and level of service provided. Citizens in Walnut Township do not pay for ambulance service; instead, volunteer fire fighters drive the ambulance and other costs are covered by a community donation. The parts of Brown, Union, and Scott Townships served by the New Market Fire Department contract for ambulance service with S & W, a private firm and pay a user fee starting at \$325.00. Five townships, Franklin, Wayne, Coal Creek, Madison, and Sugar Creek, do not contract for ambulance service but have an arrangement with STAR Ambulance. Citizens pay a user fee starting at \$350.00.

TOWNSHIP AMBULANCE SERVICE 2007

Township	Service	Contract	User cost
Union	Crawfordsville		\$125-375
	S&W	\$7,500.00	350+
Franklin	Star		350 +
Clark	Ladoga Rescue		325 +
	Crawfordsville		\$125-375
Brown	S&W	\$9,000.00	350+
Wayne	Star		350+
Coal Creek	Star		350+
Walnut	Walnut EMS		free
Madison	Star		350+
Ripley	Crawfordsville	\$2,057.75	\$125-375
Scott	S&W	\$4,000.00	350+
	Ladoga Rescue		325 +
Sugar Creek	Star		350+

The fire chiefs from the 11 fire departments in Montgomery County meet monthly and have developed a common equipment numbering system, shared training, and agreements that allow several fire departments to work together during large fires. This commendable voluntary collaboration is a good step toward the recommendation of the Commission for the creation of a countywide body to oversee the provision of all public safety services.

The collaborations among the fire departments are becoming more important as the state imposes ever-increasing training requirements for fire fighters. While the requirements are necessary in light of today's hotter fires and sophisticated equipment, they may account for decreasing numbers of volunteer fire fighters in our county.

Citizens in different townships pay different premiums for homeowners insurance. Insurance is more expensive when protection is rated poorly. Two major homeowner insurance companies in Montgomery County use different rating systems and, thus, have different ratings for fire districts or for zip code areas. One is based primarily on the capacity of the fire department--training of firefighters, quality and kind of equipment, access to water etc.--and the other is based primarily on loss statistics. Lower ratings are better and translate into lower homeowner insurance bills. Crawfordsville Fire Department has the lowest (best) rating.

Proposed alternatives to township government

The Indiana Commission on Local Government Reform proposes a transfer of the functions of the township trustee to the county executive (commissioners). The Commission believes that the transfer of these functions will reduce administrative costs, improve accountability, and provide better, more uniform and more accessible services.

Neither our study, nor the Commission's study, addressed the disposition of township property if township government were to be eliminated. Trustees must report their ownership of fire facilities, equipment, land, cemeteries and investments to the county auditor each year.

Assistance: The Indiana Commission on Local Government reform recommends the creation of a countywide levy for assistance. The county executive might issue a request for proposal (RFP) for the administration of this function on a countywide basis. One of the current trustees might wish to administer assistance for the entire county. In this case, the county executive will want to assure that a trustee applicant has administered the program without negative audit findings, is accessible, and has a history of providing assistance within state guidelines. This option provides for continuity. The RFP might also be of interest to a person or persons trained in social services. In either case, the selected provider will provide emergency assistance according to the current state guidelines. In order to provide adequate access for clients, the provider will arrange appointments in the county office, in the local community, or in applicants' homes. The provider will be housed in county offices or co-located with other social service providers to increase the client's access to non-emergency resources and to save administrative expense. The Committee estimates that the county cost to provide this service is approximately \$100,000.00, extrapolated from the cost of providing the service in Union Township. The benefit will be uniformity, equity, and access to other sources of assistance. Administrative cost savings are estimated at approximately \$200,000.00.

Cemetery care: IC 23-14-67 allows the county executive to appoint a county cemetery commission. The commission is empowered to levy an annual tax for restoring and maintaining cemeteries that were established before 1850. It will be necessary to amend the limitation in the law that the cemetery be established before 1850. The county commissioners will write a local ordinance concerning membership, expectations and responsibilities of the commission. The benefit in the transfer of this function from the township to the county will be cost equity and uniformity in quality. No cost savings can be expected.

Cultural and recreational services: The countywide library system will levy a countywide library tax to support existing local libraries as branches of the Crawfordsville Public Library. The branch offices will be represented on the library board. The benefit in the transfer of this function from the township to the county will be access of all citizens to library services. There will be a small additional cost to citizens in townships that currently do not levy for library services; countywide cost savings may be achieved through shared purchasing. The Commission does not recommend elimination of any libraries.

The county commissioners currently support countywide 4-H buildings, grounds and program within their budget. They and the county council will determine the appropriateness of this expenditure and of the expenditure for 4-H clubs and youth sports. The benefit in the transfer of this function from the township to the county will be uniformity, and cost and access equity.

This is a low-cost function. Any costs savings will depend on the level of support provided by the county executive.

Fire and emergency services: The Commission recommends that a countywide body be created to oversee the provision of all public safety services. Commission members believe that the current fragmented system creates serious safety inequalities as well as expensive duplication of services. Their recommendation does not call for the elimination of local fire departments

Safety is such an important component of the Commission recommendation that the Commission further recommends that the oversight body be required to produce local service standards and a plan for public safety services within 18 months. Failure to adopt the plan should preclude any increase in public safety levies for the functions listed below.

In a county system, the county, rather than townships, will levy and distribute taxes.

The new oversight body will be composed of the county executive, the mayor, and representatives of the units providing any of the included public safety services. In Montgomery County, the countywide body will expand on the existing collaboration between the Crawfordsville Fire Department and community fire chiefs to accomplish distribution of funds, training, purchasing, and efficient systems of fire and emergency service delivery.

The Commission also recommends that the new oversight body assume functions in addition to fire suppression and emergency medical services. The new functions are:

- Police patrol and crime response
- Homicide and other major crimes investigation
- Hazardous materials response
- Forensics
- Fire prevention and related inspection services
- Anti-terrorism preparedness and response
- 911 dispatch
- Sirens and other public warning systems
- Jail facility maintenance, operation and asset management

Increased safety will be the primary benefit of this recommendation. Additional benefits include accessibility, uniformity, and equity. The consolidation may yield costs savings.

Support and monitoring: The final three recommendations of the Commission concern state level support and monitoring. In the view of the Committee, adoption of any of the other recommendations should be contingent upon the adoption of these:

25) Assign the Indiana Advisory Commission on Intergovernmental Relations to monitor progress toward these recommendations and conduct additional research as needed. Produce an annual report on progress through 2011.

26) Establish a statewide benchmarking system to provide the public and policy-makers with current information about local government productivity and progress.

27) Designate a state office to provide technical assistance to local government.

APPRECIATION

The Committee appreciates the township trustees who opened their offices and records to examination during our interviews. The trustees' commitment to the citizens of their townships is evident. The Committee especially appreciates the three trustees who responded to its request that they read and correct the draft report. State and local officials who provided information and perspectives were invaluable to the study. Most invaluable of all were the committee members who faithfully attended meetings and contributed time, effort and insight to the task. The principal author takes full responsibility for any errors of analysis.