



THE

Lebanon Reporter

WEDNESDAY, OCTOBER 28, 2009

WWW.REPORTER.NET

50¢

LEBANON CITY COUNCIL

City to seek approval to raise tax rates 4.7%

BY ROD ROSE

The Lebanon Reporter

LEBANON — Tax rates here could go up if a state agency approves Lebanon's request to raise another \$2.6 million from property taxes over the next four years.

The increase is needed to help pay for fire and police protection, among other services, in the Interstate 65 annexation area.

Homeowners could pay an average of \$30.75 more per year if the Indiana Department of Local Government Finance approves the appeal. That's based on a home with a tax value at \$100,000.

Across the board, property tax rates would increase 4.7 percent by 2013, with the raise phased in over four years.

If the appeal is approved, Lebanon's property tax rates could increase by 4.7 percent across the board by 2013, with the increase phased in over four years.

In a unanimous voice vote without dissent, the city council Monday approved what financial consultant Paige Gregory of Umbaugh & Associates described as "the petition to have the DLGF approve your petition."

"This is not saying we're going to increase it for sure. This is just saying we're applying to the state," asked Councilman Mike Kincaid.

"Correct," Gregory replied.

"It's not an easy process," she cautioned.

If the DLGF denies the excess

levy increase, the city has no further options. "You're done; you don't get the levy increase," Gregory said.

In the complex process of municipal budget approval, however, the city will receive a "preliminary" budget before the DLGF approves the final budget. That will be the next time the city council sees its proposed 2010 budget, regardless whether the tax levy appeal is approved.

Umbaugh, a financial services company that specializes in helping local governments, estimated the city will need another 18 firefighters and 16 police officers to adequately protect the annexed area.

Salaries for those employees would be about \$1.8 million; equipping them with gear, including radios and weapons, will cost about \$400,000.