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BEECH GROVE'S 2010 PROPERTY TAX REVENUE REDUCED ANOTHER \$700,000

State's revised reduction stemming from HB 1001 means City's total revenue loss is \$1.7 million

Beech Grove, IN – October 28, 2009 – With updated property tax revenue reduction figures recently provided to Beech Grove Mayor Joe Wright's office, the City now faces a total \$1.7 million revenue reduction in its 2010 budget.

According to the mayor, this unexpected additional reduction comes as City officials are working through the 2010 budget process.

"Having presented the original proposed 2010 budget to our City Council on October 5 that addressed how Beech Grove would continue to provide the same or better services with a \$1 million revenue reduction, we now have a new challenge ahead of us.

"Faced with an additional \$700,000 revenue reduction, we must re-evaluate options for additional cuts. It's difficult and painful for all involved, but it's reality and it's our duty to act accordingly," Wright said.

Municipal governments throughout Indiana are dealing with property tax revenue reductions as a result of property tax caps mandated by House Bill 1001. The Indiana General Assembly passed this legislation in response to taxpayers' demand for property tax relief.

"For taxpayers, these tax caps mean more money stays in their pockets, as it should be. For the City of Beech Grove, it means \$1.7 million less revenue, a one-third reduction in our budget.

"I will consider any *legitimate idea* before deciding on additional cuts. I will not violate sound fiscal policy nor knowingly spend more than we collect," Wright said.

Wright encourages Beech Grove citizens to contact their Council members if they have practical suggestions to help reach the additional \$700,000 reduction amount. He also has asked Council members to provide him with their suggestions.

The next Council meeting where the budget will be considered is tonight (October 28) at 7:00 p.m. at the Community Center.

A list of frequently asked budget questions and accompanying answers is available on the home page of the City's Web site: www.beechgrove.com

For questions, interviews, contact:
Mayor Joe Wright's office
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