

**STATE OF INDIANA
DEPARTMENT OF LOCAL GOVERNMENT FINANCE
Room 1058, IGCN—100 North Senate Avenue
Indianapolis, IN 46204**

IN THE MATTER OF THE REQUEST)
OF THE NORTHWEST FIRE)
PROTECTION DISTRICT, ALLEN) **IML23-011**
COUNTY, FOR THE ESTABLISHMENT)
OF AN INITIAL MAXIMUM LEVY)

The Department of Local Government Finance (“Department”) has reviewed the request of the Board of Commissioners in Allen County for an initial operating maximum levy for a fire protection district (“District.”)

On June 27, 2023, Allen County submitted a letter to the Department requesting an Initial Maximum Levy for the newly established Northwest Fire Protection District of Allen County. The letter noted that Allen County had established a Cumulative Fire Fund, as submitted to the Department on May 17, 2023. The Cumulative Fire Fund will be addressed in a separate order.

The request included the following documents:

- Board of Commissioners of Allen County Ordinance 12-16-22-15 (“Ordinance”).
- Petition Letter dated June 27, 2023.
- Budget Forms 1, 2, and 4B.

The District was established by the Ordinance of the Allen County Board of Commissioners, adopted on December 16, 2022. According to the Ordinance:

- The District was created with boundaries to include the Town of Hometown and the unincorporated areas of Washington Township, Eel River, and Perry Township.
- The Board of Commissioners of Allen County received resolutions from the respective governing bodies of Washington Township, Eel River, and Perry Township, as well as Hometown requesting that the District be created.
- The Ordinance will take effect upon passage.

The petition letter and forms include statements regarding the following:

- The need to create the District.
- A request for a maximum levy of \$10,139,729 for pay-2024.
- An estimated budget total for both the new Cumulative Fire Fund 8691 and the existing Special Fire General Fund 8603 (from the fire territory budget).
- The District’s expenses from its fund for fire services (Cumulative Fire Fund 8691) (to replace existing Special Fire General Fund 8603).
- That Special Fire General Fund 8603 held \$10,182,176.

That the Northwest Allen County Fire Territory will be abolished on December 31, 2023, alleviating any relevant double taxation for the Town of Huntertown, and unincorporated areas of Perry Township, Washington Township, and Eel River Township.

The County established a Cumulative Fire Fund to support the District. The cumulative fire fund will be disposed of in a separate order. Accompanying the request for an initial maximum levy, the Commissioners submitted a detailed budget outlining both the current Special Fire General Fund and the new Cumulative Fund.

The Budget Form 1 provided by the District includes the totals for the following categories in the District operating fund:

Personal Services	\$9,003,043
Supplies	\$544,300
Other Services & Charges	\$634,833
Total	\$10,182,176

The Budget Form 2 provided by the District represents that approximately \$683,432 is expected to be received in 2024 from miscellaneous revenues:

Vehicle/Aircraft Excise	\$133,983
CVET	\$1,449
EMS Fees	\$550,000
Total	\$685,432

According to the Budget Form 4B, the District anticipates a circuit breaker impact of \$101,397 in 2024 in the operating fund. In addition, the District does not anticipate having an operating balance in this fund by December 31, 2024. The Budget Form 4B also provides that for 2024, the levy will be \$10,139,729, the rate is \$0.3524 and net assessed value is \$2,877,555,006.

In reliance on the above, the Department finds that the Unit complied with the procedural requirements under Ind. Code § 36-8-11-4 in establishing the District. The Ordinance that established the District was adopted by a unanimous vote of 3-0 on December 16, 2022. Therefore, the District was in existence as of January 1, 2023. Under Ind. Code § 6-1.1-18.5-7(b), the District is therefore eligible to receive a property tax levy for pay-2024 taxes.

After a review of the petition, the Department, following Ind. Code 36-8-11 and Ind. Code § 6-1.1-18.5-7, and in consideration of all evidence provided, finds as follows:

APPROVED WITH MODIFICATION:

First, the Department approves an initial maximum levy for the District in the amount of **\$9,496,744** for taxes first due and payable in 2024. This amount is equal to the budgeted expenses the District represented in its Form 1 for the operating fund (\$10,182,176), less non-property tax revenues (\$685,432) ($\$10,182,176 - \$685,432 = \$9,496,744$).

Pursuant to Ind. Code § 6-1.1-18.5-7(c), the Department must consider the effects of the levy on local income tax distributions to the District. The District's maximum levy will be reduced in 2025 as the District begins to receive LIT revenue. The \$9,496,744 levy for the District in 2024 will increase the countywide attributed allocation for Allen County from \$423,927,155 to \$433,423,899 ($\$423,927,155 + \$9,496,744 = \$433,423,899$). The District is therefore estimated to account for approximately 2.1191% of the increased attributed allocation. Based on this, the District's shares revenue for 2025 is expected to be \$1,289,580, which is 2.1191% of the total countywide share's revenue of \$71,415,808 in 2024. Therefore, the District's maximum levy will be reduced to \$8,207,164, plus the adjustment by the maximum levy growth quotient, in pay-2025 to account for the District receiving estimated LIT revenue in the amount of \$1,289,580.

For purposes of Ind. Code § 36-8-11-19, the equipment replacement fund (DLGF Fund Number 8692) and the special fire protection territory general fund (DLGF Fund Number 8604) of Perry Township, the provider unit of the fire protection territory that the District will replace as of January 1, 2024, will be removed for pay-2024.¹ In addition, the fire fund and cumulative fire fund (DLGF Fund Numbers 1111 and 1190, respectively) for Washington Township will be removed for pay-2024.

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Dated this 25 day of August, 2023.



Daniel Shackle, Commissioner

¹ Ind. Code § 36-8-19-13(b) provides that a unit withdrawing from a fire protection territory is entitled to an adjustment to its maximum levy proportionate to its share of the territory's levy. Ind. Code § 36-8-11-19 prohibits double taxation between a district and a unit within the boundaries of the district. An adjustment under Ind. Code § 36-8-19-13(b) serves as establishment of a levy for fire protection for the withdrawing participating unit. Hence, making an adjustment under Ind. Code § 36-8-19-13(b) for any of the units of the former fire protection territory would be redundant because it would have to immediately be eliminated on account of the establishment of the initial maximum levy for the District. Therefore, the Department will not make any adjustments to the maximum levies of the former participating units under Ind. Code § 36-8-19-13(b).