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# STATE OF INDIANA

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DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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**TO: Fire Protection District Board Members and County Council Members**

**FROM: Daniel Shackle, DLGF Commissioner**

**DATE: March 15, 2024**

**RE: Legislation Affecting Fire District Fire Funding Matters**

The Department of Local Government Finance (“Department”) issues this memorandum to provide guidance to fire protection districts that anticipate making a request to increase their property tax rates under Ind. Code § 6-1.1-18-29, enacted by House Enrolled Act 1065-2020 (“HEA 1065”). **This memorandum supersedes all previous memoranda released by the Department on the same subject matter.**

Indiana Code 6-1.1-18-29 states that a fire protection district may petition the Department to increase the maximum property tax levy for a fire protection district operating fund under Ind. Code § 36-8-11-18 based on a corresponding property tax rate increase. In order to perform the necessary calculations to find the rate increase, the Department provides the attached worksheet which will function also as a request form. The pages that follow contain detailed instructions for completing the worksheet. For repeat filers, please take note of the calculation in Step 4 which will adjust the Eligible Rate Increase for the unit.

A district must include with the request form a written statement or resolution from the county legislative body authorizing permission to submit this request.

Please send the request form to the [Budget Division Field Representative](#) for the county in which the district resides. Note that the due date for submissions has changed. HEA 1065 requires submission of the request no later than **April 1, 2024**.

## **Instructions for Completing Fire Protection District Operating Levy Increase Request (Ind. Code § 6-1.1-18-29)**

### **Section I. Description of Service Area**

This section will outline the parameters used to identify the service area for purposes of determining the population of the district's fire protection and emergency service area.

- A. Do the boundaries of the district coincide with the boundaries of the county or counties that formed the fire protection district? Check 'Yes' or 'No.' If the answer to this question is 'No,' list the townships or municipalities that are not within the boundaries of the district.

The answer to this question will be 'Yes' if, for example, the CNAV of the district is equal to the CNAV of the county as indicated in the certified 2023 budget order.

### **Section II. Determining Rate Increase**

Proceed with each STEP as follows:

**STEP ONE: Determine the percentage increase in population within the fire protection and emergency services area during the ten (10) year period immediately preceding the year in which the petition is submitted. Per Ind. Code § 6-1.1-18-29(b), the most recently available population data issued by the Census Bureau during the ten (10) year period may be used.**

- A. Determine the 2013 American Community Survey ("ACS") population estimate, adjusted to exclude political subdivisions in the unit and that are not in the unit's service area.

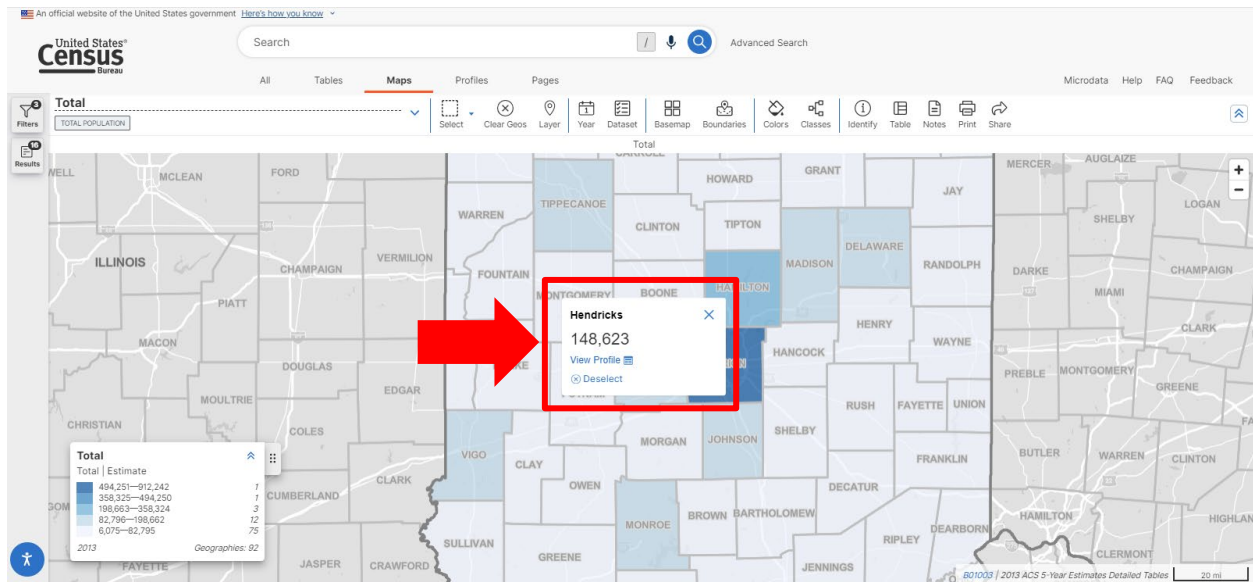
Indiana Code § 1-1-3.5-3(d) states that the population for a political subdivision is determined by the most recent federal decennial census unless the statute specifically provides otherwise. In addition, the Census Bureau classifies fire protection districts as "Emergency Services Districts," however to the best of the Department's knowledge population figures are not broken down by these districts. For purposes of this STEP, the procedure below should be followed for submissions that are due by April 1, 2024.

A.1. The Census Bureau provides population estimates for 2013 on its website based on the ACS 5-Year Estimates ("ACS 2013 Population Estimate"). The population counts will have to be derived from a combination of population figures for the political subdivisions that comprise the fire protection district.

- a. To find the county estimates, click on this link: [County Selection Map](#)

This will open a searchable map of the United States broken down by county.

- Click on the appropriate county in Indiana. After clicking on the county, a pop-up window will appear. The population estimate for 2013 will appear in the pop-up window.



(Image for illustration purposes, only.)

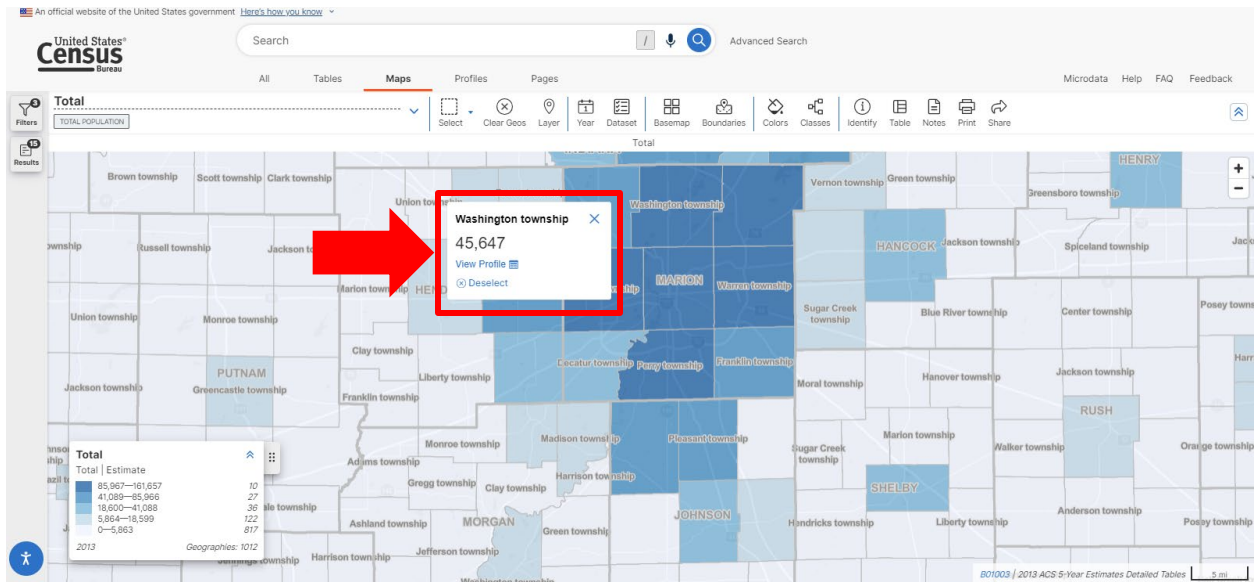
- It is not necessary to click on “View profile”, and clicking on it in this window will show the 2020 Census count. See Part B, below.

(Image for illustration purposes, only.)

- b. To find the township estimates, click on this link: [County Subdivision Selection Map](#)

This will open a searchable map of the United States broken down by county subdivision (i.e., townships) for each state.

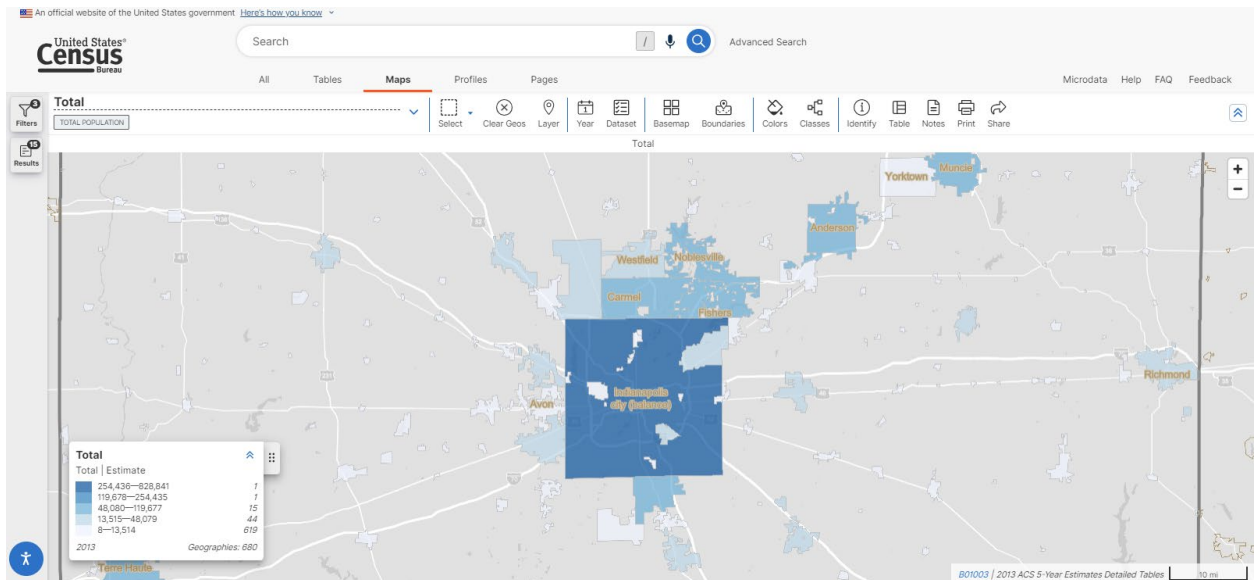
- Click on the appropriate township in Indiana. After clicking on the township, a pop-up window will appear. The population estimate for 2013 will appear in the pop-up window. It is not necessary to click on “View profile”, and clicking on it in this window will show the 2020 Census count. See Part B, below.



(Image for illustration purposes, only.)

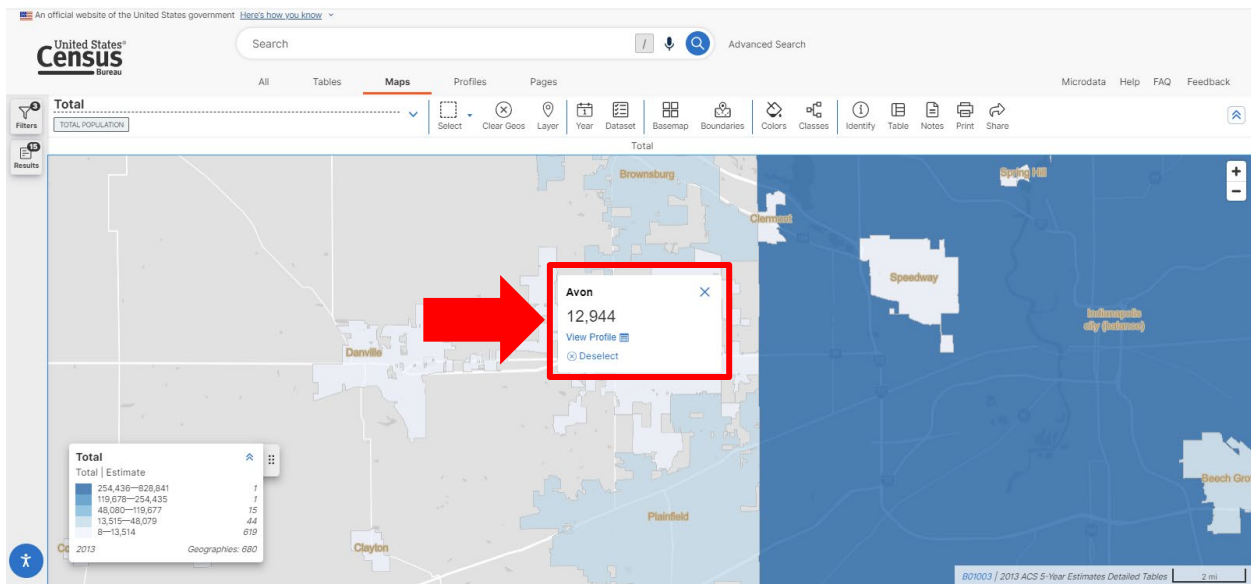
c. To find the municipal population results, click on this link: [Place Map](#)

This will open a searchable map of the United States broken down by place (i.e., municipalities).



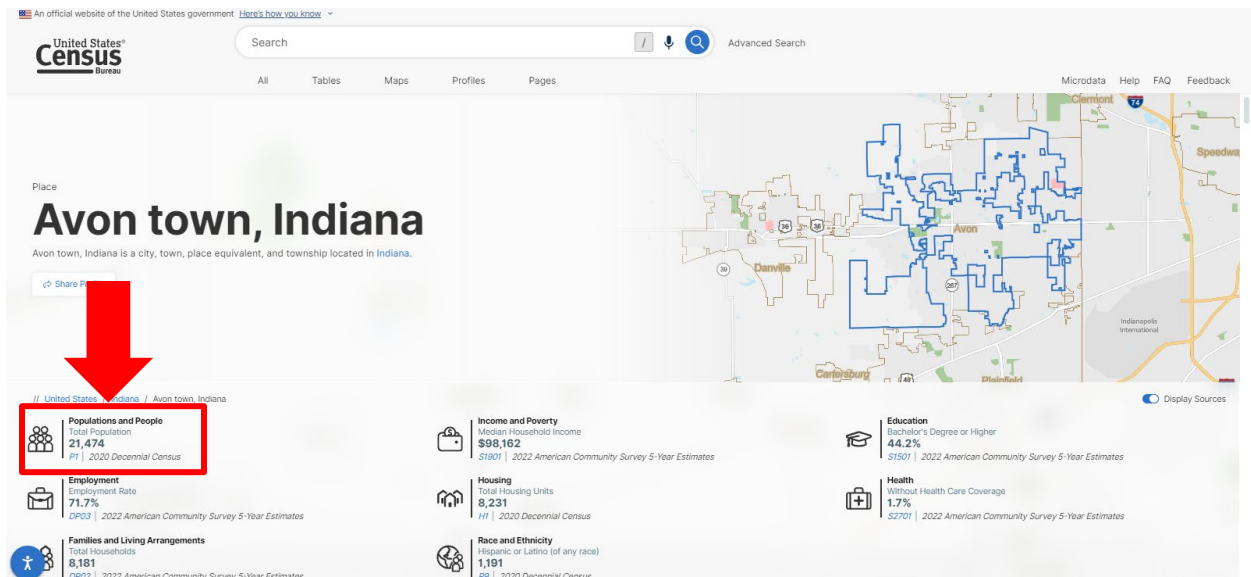
(Image for illustration purposes, only.)

- Click on the space within the municipal boundaries. A pop-up window will appear. The 2013 population estimate will appear in the pop-up window.



(Image for illustration purposes, only.)

- d. It is not necessary to click on “View profile”. However, clicking on it will make a new screen appear. The population figure under the map will be the 2020 Census Count.



(Image for illustration purposes, only.)

## A.2. Provide population counts for all political subdivisions NOT in the service area.

- The population count used for 2013 should not include the population numbers for any municipality listed under the applicable District if the District does not provide fire and emergency services in that municipality.

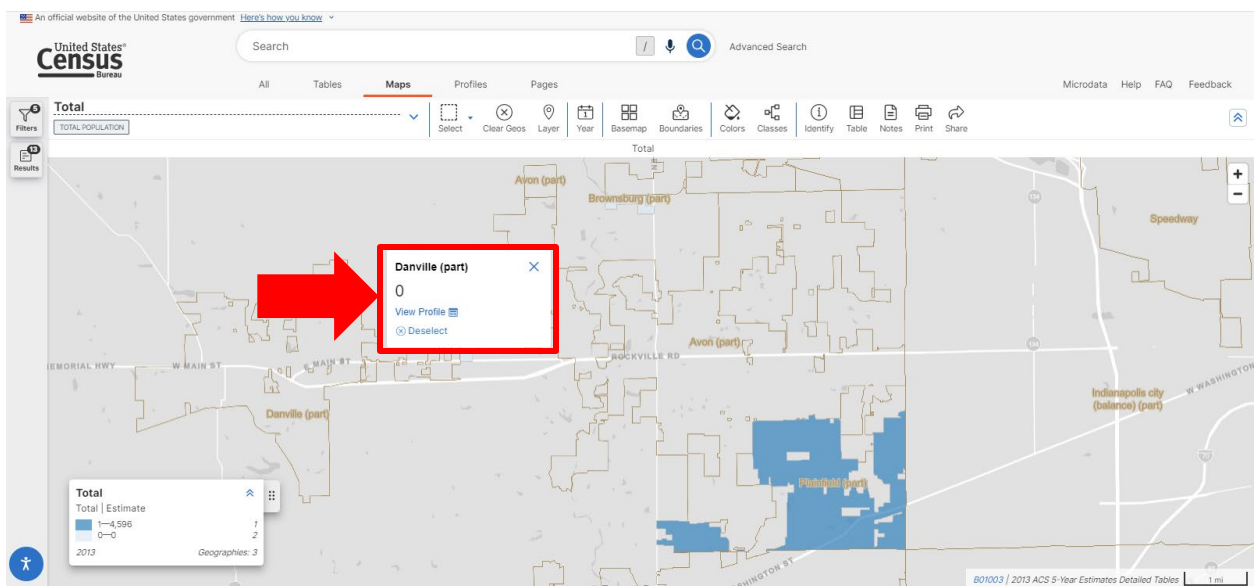
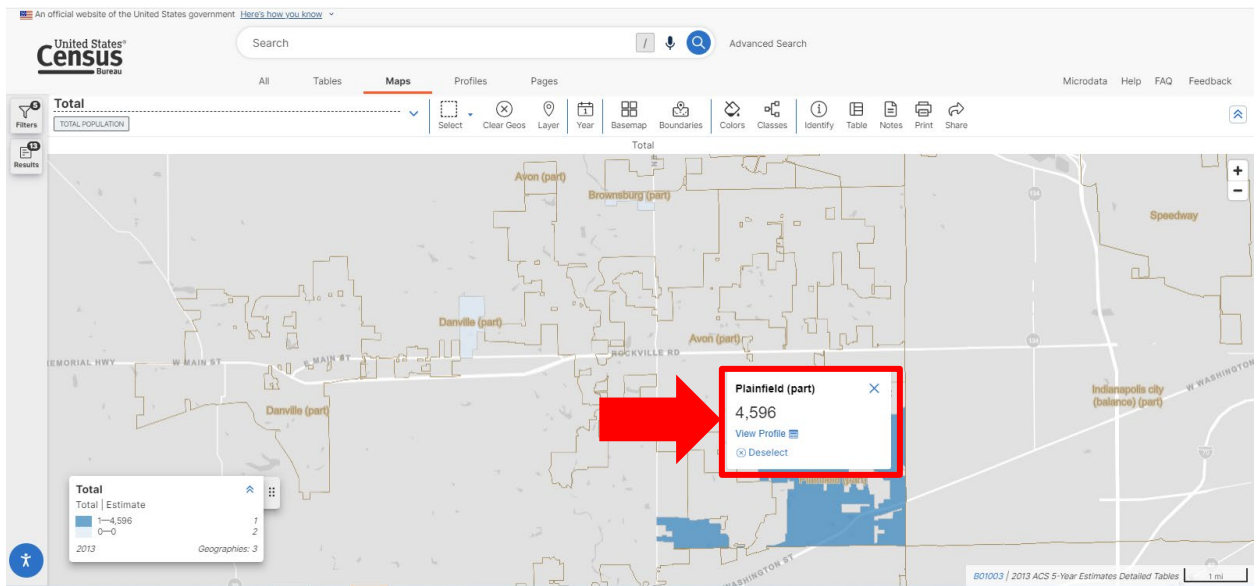
- For example, District A is located in the County and has boundaries coterminous with Township C and Township D. Towns E & F are included within Townships C & D but are not served by the District. The populations for Towns E & F are excluded from the District's population count.
- In another example, the District's service area B has boundaries coterminous with the County. The population of the County may be used.
- In order to provide the most accurate numbers possible, the Department suggests the following:
  - For purposes of the 2013 population count, the Department will use this data in determining the District's actual 2013 population.
  - It is not necessary to include the population numbers for municipal residents who are within the District service area.

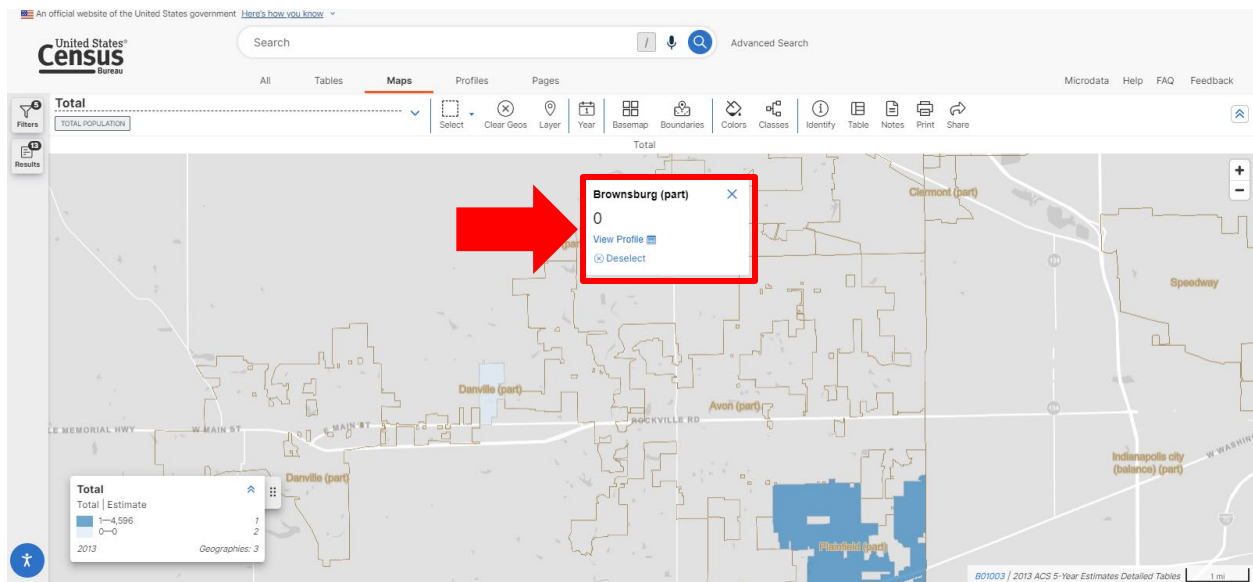
When a municipality is located in multiple townships, use the "Place/Remainder" geography filter.

To find the partial population counts for municipalities, follow this process:

1. Open this link: [2013 ACS Map](#).
2. Click "Filters" on the left-hand side.
3. Click "All geographies".
4. Scroll down and click "Place/Remainder".
5. Click "Indiana".
6. Click on the appropriate county.
7. Click on the appropriate township.
8. Click on each municipality (part) that should be excluded. If necessary, select multiple municipalities.

Return to the searchable map. Municipal boundaries will be outlined. The parts of municipalities selected above will appear shaded. Click on the appropriate municipal part to find the 2013 ACS estimate count for that part.





(For illustrative purposes, only.)

A.3. Subtract A.1 by A.2. This will yield an **Adjusted 2013 Population Count**.

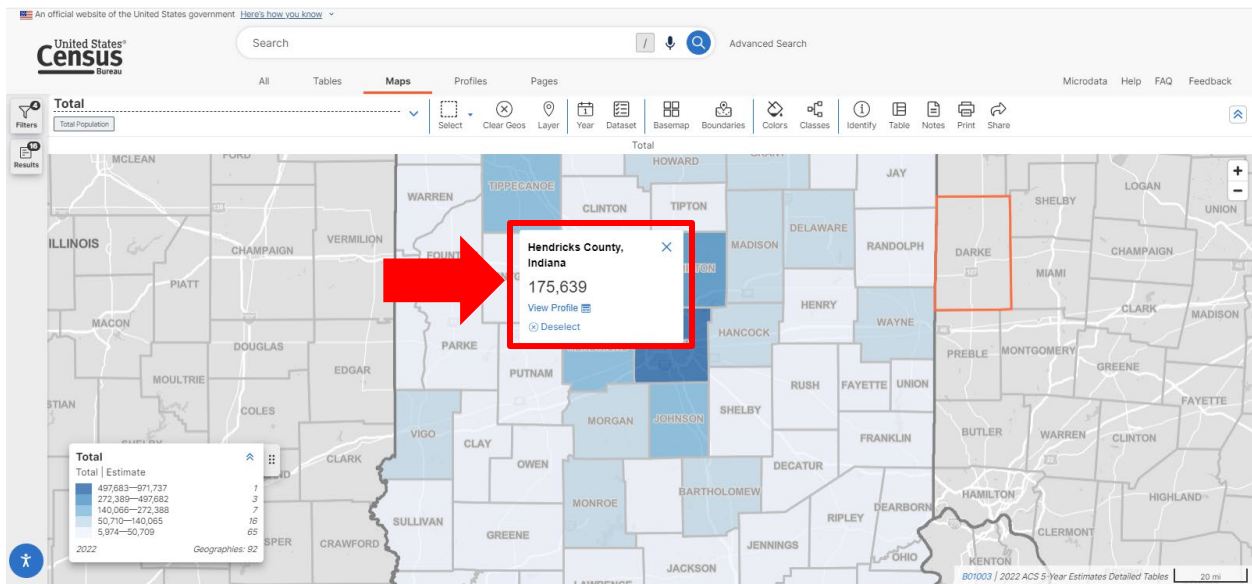
B. Determine the most recent American Community Survey (“ACS”) Population estimate, adjusted to exclude political subdivisions in the unit, not in the unit’s service area.

Part B will generally mirror the steps taken in Part A, except for the following:

B.1. The Census Bureau has released the 2022 American Community Survey population estimates for the State of Indiana. Therefore, the 2022 ACS population estimates can be found in the same way as finding the 2013 population estimates in Part A.

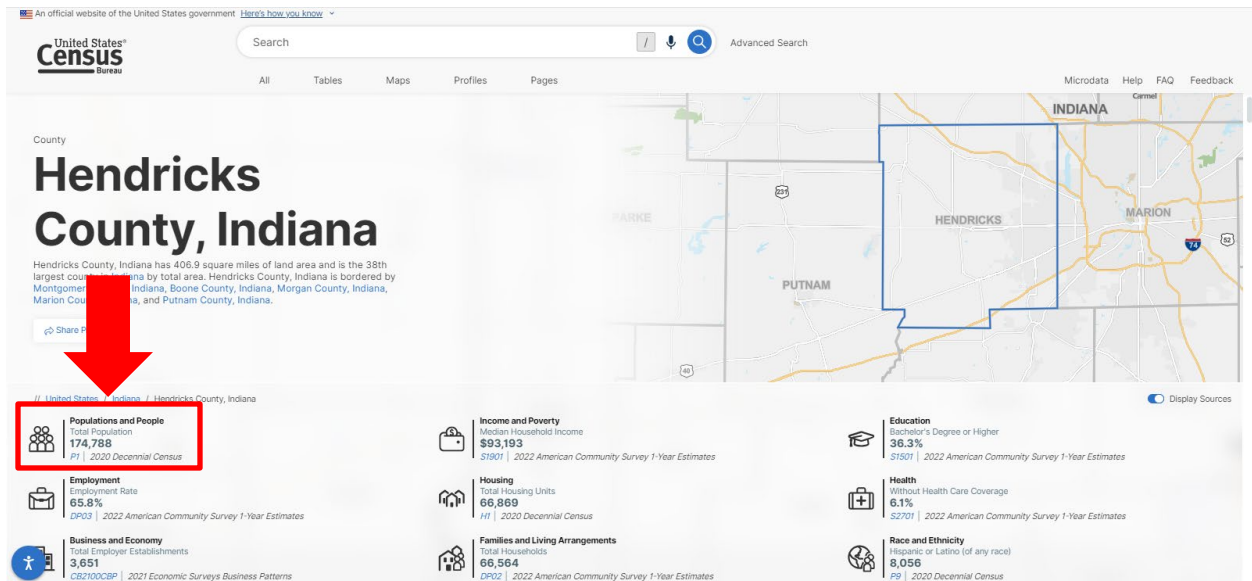
- a. To find county population estimates, click on this link: [County Selection Map](#)
  - Click on the appropriate county in Indiana. A pop-up window will appear showing the 2022 ACS population estimate for that county.





(Image for illustration purposes, only.)

- It is not necessary to click on “View profile”. However, clicking on it will make a new screen appear. The population figure under the map will be the 2020 Census Count.

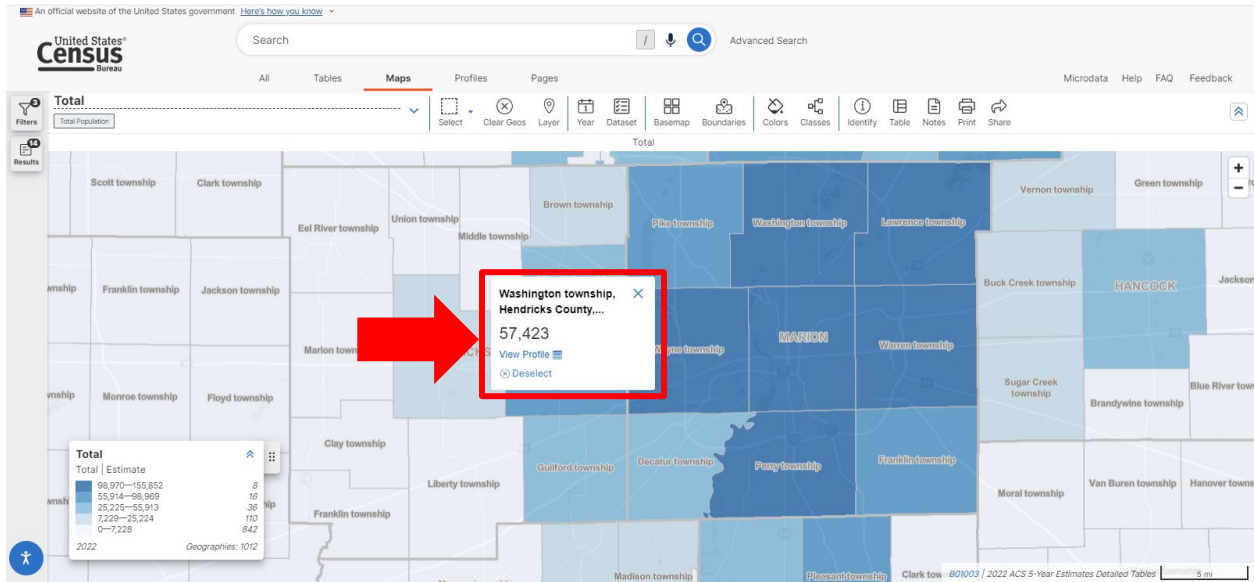


(Image for illustration purposes, only.)

- To find the township population results, click on this link: [County Subdivision Selection Map](#)

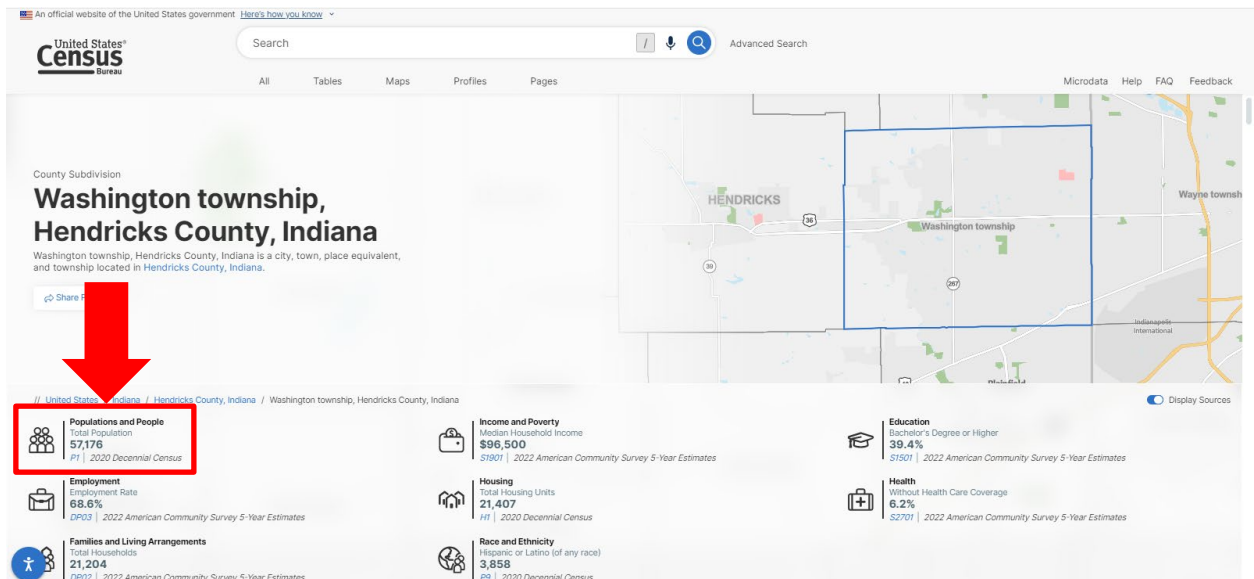
This will open a searchable map of the United States broken down by county subdivision (i.e., townships).

- Click on the appropriate township in Indiana. After clicking on the township, a pop-up window will appear. The population estimate for 2022 will appear in the pop-up window.



(Image for illustration purposes, only.)

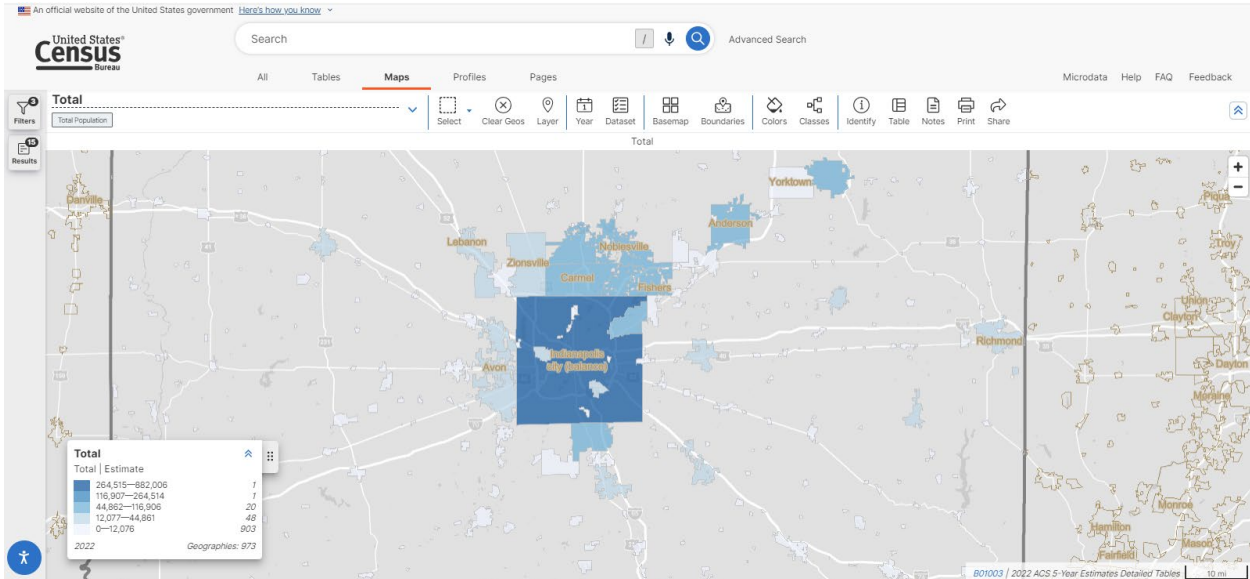
- It is not necessary to click on “View profile”, and clicking on it in this window will show the 2020 Census count.



(Image for illustration purposes, only.)

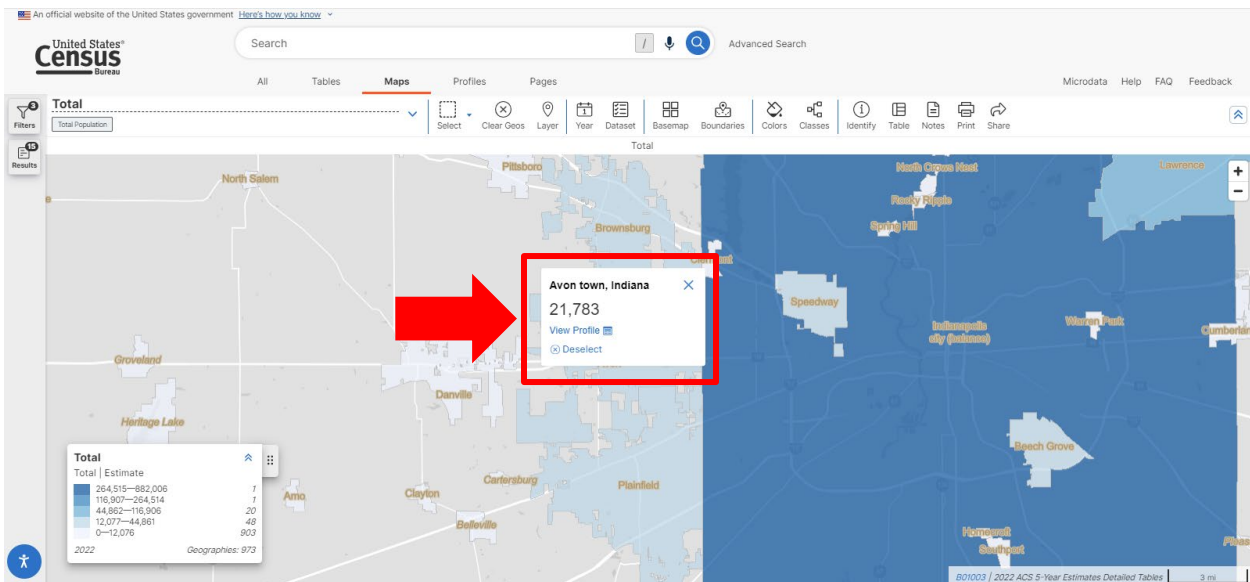
- To find the municipal population results, click on this link: [Place Map](#)

This will open a searchable map of the United States broken down by place (i.e., municipalities).



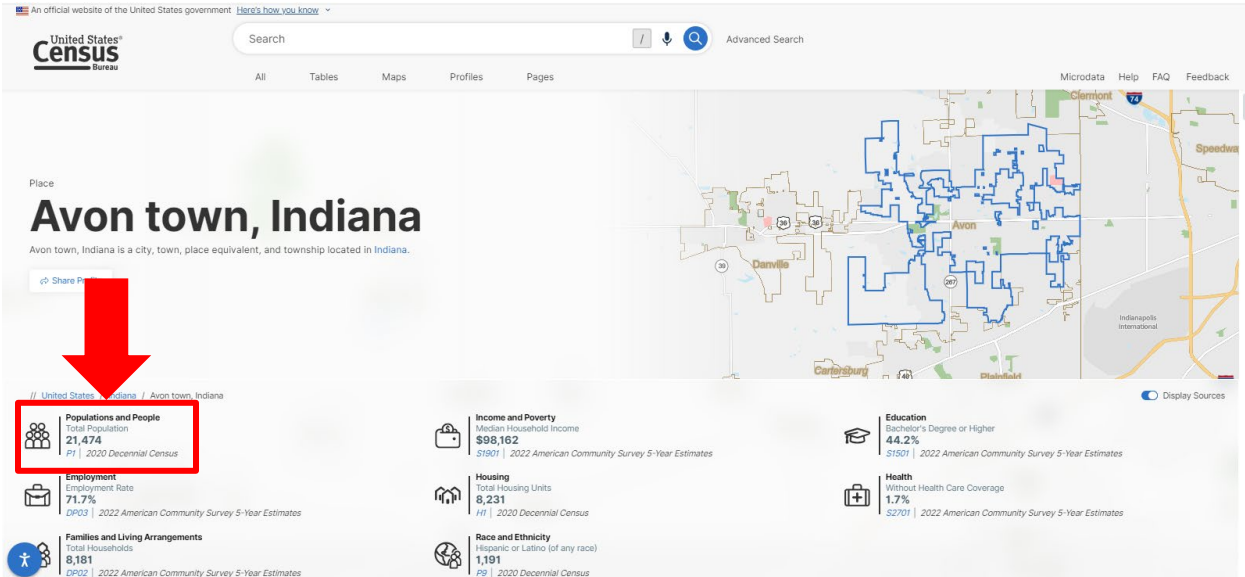
(Image for illustration purposes, only.)

- Click on the space within the municipal boundaries. A pop-up window will appear. The 2022 ACS population estimate will appear in the pop-up window.



(Image for illustration purposes, only.)

- d. It is not necessary to click on “View profile”. However, clicking on it will make a new screen appear. The population figure under the map will be the 2020 Census Count.



(Image for illustration purposes, only.)

- e. The population figure can only be used for the fire protection and emergency services area. Therefore, the population count used for 2020 should not include the population numbers for any municipality not served by the district.

B.2. Provide population counts for all political subdivisions NOT in the service area. The population count used for 2022 should not include the population numbers for any municipality listed under the applicable District if the District does not provide fire and emergency services in that municipality.

To find the population counts for a municipality not wholly contained within a township, follow the same process as in A.2, but use the estimates for 2022: [2022 ACS Map](#).

B.3. Subtract B.1. by B.2. This will yield an **Adjusted 2022 Population Count**.

C. Determine the average increase. Subtract the result of Part B by the result of Part A. Divide this difference by the result of Part A. This will yield a percentage increase. This percentage may be rounded to the nearest percent (01% or 0.01).

Districts should use these resources to determine population estimates. Whether a district relies on the Census information, the Department will be using these resources to verify the submissions.

**STEP TWO:** Subtract the STEP ONE amount by six percent (6% or 0.06). If the result is greater than zero (0), use the result for STEP THREE. Otherwise, use zero (0).

**STEP THREE:** Take the lesser of the STEP TWO result or fifteen-hundredths (0.15).

**STEP FOUR:** If the rate was increased under Ind. Code § 6-1.1-12-29 for the district within the immediately preceding ten (10) year period, the STEP THREE result is further reduced by the

sum of the rate increases made in the immediately preceding ten (10) year period. The **Eligible Rate Increase** will be determined as follows:

1. For districts that submitted a request under Ind. Code § 6-1.1-18-29 in 2020, 2021, 2022, or 2023, apply the following equation:

$$\begin{array}{rcccl} \text{STEP THREE} & & \text{STEP FOUR} & & \\ \text{Amount} & - & \text{Sum of amounts certified} & = & \text{STEP FOUR} \\ & & \text{in 2020 through 2023} & & \text{Amount} \end{array}$$

Fill in the blank with the STEP FOUR amount. If the STEP FOUR amount is less than zero (0), fill in the blank with zero (0).

2. For districts that did not submit a request under Ind. Code § 6-1.1-18-29 in 2020 through 2023, this STEP will equal the STEP THREE amount. Fill in the blank with the STEP THREE amount.

The Department will certify the Eligible Rate Increase upon review of the district's petition. Per Ind. Code § 6-1.1-18-29(b) and (c), the Eligible Rate Increase shall be used to determine the increase to the district's operating fund maximum levy. The Department will not include the levy increase in its certification. The levy increase shall be calculated using the formula provided under Ind. Code § 6-1.1-18-29(c)(2).