

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

**IN THE MATTER OF THE REQUEST)
OF TOWN OF REMINGTON,)
JASPER COUNTY, FOR AN) **A23-014**
EXCESS LEVY DUE TO)
THREE-YEAR GROWTH)**

The Department of Local Government Finance (“Department”) has reviewed an appeal by Town of Remington (“Town”) for an excess levy in the amount of \$161,867 to its civil maximum levy due to three-year growth. Indiana Code 6-1.1-18.5-13 allows the Department to grant permission to a civil taxing unit to increase its maximum levy if the Department finds that the quotient determined under Step Six of the following formula is equal to or greater than one and two-hundredths (1.02):

Step 1: Determine the three calendar years that most immediately precede the ensuing calendar year:
2023, 2022, and 2021

Step 2: Compute separately, for each of the calendar years determined in Step 1, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the civil taxing unit's total assessed value of all taxable property divided by the sum determined under this Step for the calendar year immediately preceding the particular calendar year.:

Town assessed values for 2020, 2021, 2022, and 2023, respectively:

*2020: 56,348,640
2021: 77,977,289
2022: 78,241,498
2023: 138,436,891*

Step 2 quotients:

*2021/2020: 1.3838
2022/2021: 1.0034
2023/2022: 1.7694*

Step 3: Sum the results of Step 2 and divide by three:
1.3855 ([1.3838+1.0034+1.7694]/3)

Step 4: Compute separately, for each of the calendar years determined in Step 1, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the total assessed value of all taxable property in all counties divided by the sum determined under this Step for the calendar year immediately preceding the particular calendar year.

*Statewide average quotients for 2021, 2022, and 2023, respectively:
1.0392; 1.0541; 1.1481*

Step 5: Add the Step 4 results and divide by three:
1.0804 (*[1.0392; 1.0541; 1.1481]/3*)

Step 6: Divide the Step 3 results by the Step 5 results:
1.2824 (*1.3855/1.0804*)

The maximum amount that the Department may award is the amount by which Step 3 exceeds the maximum levy growth quotient (“MLGQ”) as calculated according to IC 6-1.1-18.5-2 (this amount is 1.04 or 4% for 2024; since 1.2824 is greater than 1.020, the Town is eligible for a three-year growth appeal):

0.3455 (*34.55%*) (*1.3855-1.0400*)

The Town’s 2023 maximum civil levy is \$482,466. This is the most recent civil maximum levy that the Department can use as the basis for an adjustment. Multiplying this figure by the 34.55% growth factor calculated above results in a figure of \$166,705, which is the maximum for which the Town could qualify under the statutory formula. Under IC 6-1.1-18.5-12(a), the Town must also show that it is unable to perform its government functions without this increase.

The Town states in its appeal that it has budgeted for a full-time police officer that it has delayed hiring for the last 4 years. The Town states that recent annexations warrant hiring a full-time police officer because of the growing coverage area. The Town also states that it has delayed capital purchases and resorted to spending cash reserves to continue to fund operations.

The Town performed three annexations in 2019, effective January 1, 2020, which according to the County Auditor’s Annexation Report for pay-2021 added \$88,809,040 to the Town’s CNAV. Accordingly, the Town received an adjustment to its maximum levy due to the annexation, under Step Three of Ind. Code § 6-1.1-18.5-3(a) for pay-2021, in the amount of \$8,350, which was the maximum allowed. The Town had not previously submitted an excess levy appeal under Ind. Code § 6-1.1-18.5-13(a)(1) to increase its maximum levy due to an annexation. It is also unclear why the majority of this CNAV was not attributed to the Town until pay-2023.

The Town’s Form 4Bs show the following end of year operating balance of \$949,083 in the General Fund in 2024, over 164% of the proposed General Fund budget of \$576,215. This is compared to \$526,951 at end of year 2023, based on that year’s Form 4B, and \$343,207 at end of year 2022 based on the Town’s Annual Financial Report for that year.

The Town stated on its Budget Form 3 that it seeks an excess levy appeal of \$161,867 for its General Fund. The Town received a permanent excess levy of \$34,031 for pay-2023.


After a review of the petition, the Department, following IC 6-1.1-18.5-12 and 13, and in consideration of all evidence provided, finds as follows:

APPROVED:

The Town's excess levy appeal is approved in the amount of **\$161,867**. This amount does not exceed the amount for which the Town qualifies under the statutory three-year growth formula or for which the Town advertised and petitioned the Department. This is a one-time, permanent increase.

STATE OF INDIANA
DEPARTMENT OF LOCAL GOVERNMENT FINANCE

WITNESS MY HAND AND SEAL of this Department on this 17 day of
November, 2023.

A handwritten signature in black ink, appearing to read 'D. Shackle', written over a horizontal line.

Daniel Shackle, Commissioner