

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 LEO-CEDARVILLE,)
ALLEN COUNTY, FOR AN) **A23-054**
EXCESS LEVY DUE TO)
THREE-YEAR GROWTH)

The Department of Local Government Finance (“Department”) has reviewed an appeal by Town of Leo-Cedarville (“Town”) for an excess levy in the amount of \$41,064 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:

<i>2020:</i>	<i>152,470,190</i>
<i>2021:</i>	<i>162,527,486</i>
<i>2022:</i>	<i>176,791,084</i>
<i>2023:</i>	<i>209,360,296</i>

Step 2 quotients:

<i>2021/2020:</i>	<i>1.0660</i>
<i>2022/2021:</i>	<i>1.0878</i>
<i>2023/2022:</i>	<i>1.1842</i>

Step 3: Sum the results of Step 2 and divide by three:

1.1126 ([1.0660+1.0878+1.1842]/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:
1.0298 (1.1126/1.0804)

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 1.0298 is greater than 1.020, the Town is eligible for a three-year growth appeal):
0.0726 (7.26%) (1.1126-1.0400)

The Town’s 2023 maximum civil levy is \$565,232. This is the most recent civil maximum levy that the Department can use as the basis for an adjustment. Multiplying this figure by the 17.81% growth factor calculated above results in a figure of \$41,064, 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 the excess levy is needed to fund the hiring additional police officers. The Town states its public safety hiring needs includes one full-time resource officer, 1-2 part-time off-duty officers for traffic control, 1-2 part-time seasonal employees, and adding retirement benefits for all full-time employee benefits.

The Form 1 submitted by the Town for pay-2024 indicates that its General Fund budget will grow by \$84,015 compared to pay-2023. This includes \$32,400 for “INPRS,” and \$20,000 for the police department. The Town’s Form 4B also shows that the General Fund operating balance is projected to grow from \$823,230 in pay-2023 to \$956,100 in pay-2024, a 16% increase. Local income tax revenues are also expected to increase by \$160,739, though the County does not have a distribution for public safety.

The Town has also indicated on its Form 3 that it seeks an excess levy of \$42,000.

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 **\$41,064**. This figure reflects the amount for which the Town qualifies under the statutory three-year growth formula and does not exceed the amount which the Town advertised and petitioned the Department. This is a one-time, permanent increase.

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WITNESS MY HAND AND SEAL of this Department on this 14 day of
November _____, 2023.


Daniel Shackle, Commissioner