

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

**IN THE MATTER OF THE REQUEST                    )**  
**OF HENDRICKS COUNTY FOR AN                 )**           **A23-017**  
**EXCESS LEVY DUE TO                            )**  
**THREE-YEAR GROWTH                            )**

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The Department of Local Government Finance (“Department”) has reviewed an appeal by Hendricks County (“County”) for an excess levy in the amount of \$1,525,059 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.:

*County assessed values for 2020, 2021, 2022, and 2023, respectively:*

<i>2020:</i>	<i>9,734,600,139</i>
<i>2021:</i>	<i>10,295,832,805</i>
<i>2022:</i>	<i>11,415,129,569</i>
<i>2023:</i>	<i>13,223,013,281</i>

*Step 2 quotients:*

<i>2021/2020:</i>	<i>1.0577</i>
<i>2022/2021:</i>	<i>1.1087</i>
<i>2023/2022:</i>	<i>1.1584</i>

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

*1.1082 ([1.0577+1.1087+1.1584]/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:  
*1.0257 (1.1082/1.0804)*

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 1.0257 is greater than 1.020, the County is eligible for a three-year growth appeal):

*0.0682 (6.82%) (1.1082-1.0400)*

The County’s 2023 maximum civil levy is \$24,865,512. This is the most recent civil maximum levy that the Department can use as the basis for an adjustment. Multiplying this figure by the 6.82% growth factor calculated above results in a figure of \$1,697,014, which is the maximum for which the County could qualify under the statutory formula. Under IC 6-1.1-18.5-12(a), the County must also show that it is unable to perform its government functions without this increase.

The County states in its appeal that it seeks an excess levy to provide budgeted salary increases to the sheriff, jail, and probation departments. First, the County states that it would increase the salaries in the sheriff’s department by 12% for merit officers and a 5% cost of living adjustment (“COLA”) for other staff. This would increase the sheriff’s department budget for salaries by \$1,205,070 (\$5,959,577 to \$7,164,647. Second, the County states that it would increase the salaries for jail officers by about 9% plus a 5% COLA, an increase of \$397,420 (\$3,429,009 to \$3,826,429). The County also states that due to “disastrous turnover” the jail is short 13 deputies. Third, the County states that the budget for probation officer salaries would increase overall by \$212,998. In total, the budget for salaries and wages for these departments would grow by \$1,845,288. In support of this appeal, the County provides the Department with proposed salary matrices and a comparison of the 2023 and proposed 2024 salary budgets for these departments.

The County also states in its appeal that despite its continued growth, the public safety needs have grown since the COVID-19 pandemic, and that recent legislation limiting the maximum levy growth quotient has limited its ability to raise needed revenues.

The County has a jail LIT imposed under Ind. Code § 6-3.6-6-2.7, at a rate of 2%. The County estimates that in 2024, approximately \$2,722,890, or 20% of the certified jail LIT distribution of \$13,614,448, would be used for operating expenses as allowed by law. The County also comments that in 2021 a portion of jail LIT revenue was used for meals, but since then had to expand its use to medical and dental expenses. Finally, the County states that the difference between the requested excess levy and the total budget for salary increases will be made up with its current levy.

The County stated on its Budget Form 3 that it seeks an excess levy appeal of \$2,000,000 for its General Fund. The County has not previously submitted an excess levy appeal.

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 County's excess levy appeal is approved in the amount of **\$1,525,059**. This figure reflects the amount for which the Town qualifies under the statutory three-year growth formula and does not exceed the amount for which the County advertised and petitioned the Department. This is a one-time, permanent increase.

STATE OF INDIANA  
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**WITNESS MY HAND AND SEAL** of this Department on this 14 day of  
November, 2023.

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

**Daniel Shackle, Commissioner**