

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

**IN THE MATTER OF THE REQUEST                    )**  
**OF WAYNE TOWNSHIP, MARION                    )**           **A23-087**  
**COUNTY, FOR AN EXCESS LEVY                    )**  
**DUE TO THREE-YEAR GROWTH                    )**

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The Department of Local Government Finance (“Department”) has reviewed an appeal by Wayne Township, Marion County (“Township”) for an excess levy in the amount of \$2,000,000 to its fire maximum levy due to three-year growth. Ind. 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.:

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

<i>2020:</i>	<i>2,893,550,545</i>
<i>2021:</i>	<i>3,036,437,100</i>
<i>2022:</i>	<i>3,233,499,689</i>
<i>2023:</i>	<i>3,889,211,227</i>

*Step 2 quotients:*

<i>2021/2020:</i>	<i>1.0494</i>
<i>2022/2021:</i>	<i>1.0649</i>
<i>2023/2022:</i>	<i>1.2028</i>

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

*1.1057 ([1.0494+1.0649+1.2028]/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:  
*1.0234 (1.1057/1.0804)*

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 Ind. Code § 6-1.1-18.5-2 (this amount is 1.04 or 4% for 2024; since 1.0234 is greater than 1.020, the Township is eligible for a three-year growth appeal):  
*0.0657 (6.57%) (1.1057-1.0400)*

The Township’s 2023 maximum fire levy is \$28,313,768. This is the most recent fire maximum levy that the Department can use as the basis for an adjustment. Multiplying this figure by the 6.57% growth factor calculated above results in a figure of \$1,859,906, which is the maximum for which the Township could qualify under the statutory formula. Under Ind. Code § 6-1.1-18.5-12(a), the Township must also show that it is unable to perform its government functions without this increase.

The Township states in its appeal that the excess levy is needed because its “fire and EMS services are not sustainable long-term with the current revenue projections.” The Township claims that its fire fund “has experienced a recent trend of increasing expenditures without a corresponding increase in revenues,” and references the Fire Fund’s ending 2022 balance of “\$7,826,717, which is 18.5% of the 2023 budgeted expenditures.” The Township describes its fire and EMS service area as “36 square miles of West Central Indianapolis,” and operating out of five stations, of which “four were building more than 35 years ago, with the oldest station being built in 1972.” The Township claims that as a result of the aging stations, “the fire department needs to make essential repairs and provide additional ongoing maintenance.”

The Township then cites to a U.S. Fire Administration report entitled “Safety and Health Considerations for the Design of Fire and Emergency Medical Service Stations,” specifically that “the ongoing costs for a fire station are higher than an average building if it is occupied 24/7.”<sup>1</sup> The Township then claims the report states that “fire stations and EMS facilities should set an example for community safety by properly maintaining the facility and not deferring repairs” and that they “require unique considerations due to their continued occupancy, required response times, physical fitness, store of necessary equipment, etc.”

The Township represents that the excess levy will be used for “the maintenance, on-going repairs, and periodic replacement of the fire equipment,” including the HVAC, water heaters, bay doors and openers for three of the five fire stations that were built around the same time. The Township estimates this will cost approximately \$2,000,000 in 2024. Finally, the Township claims that the fire fund in 2022 “ended the year with a deficit of revenues over expenditures” leading to a decrease in the ending balance to \$7,826,717, which is “18.5% of the 2023 budgeted expenditures.”

The Department made an inquiry as to the Township’s use of the cumulative fire fund, specifically whether that fund will be used for any of the expenses the Township listed in its petition. The Township responded that the cumulative fire fund will be used for other purposes, including a ladder truck, so there will not be enough available from the fund for the above expenses.

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<sup>1</sup> *Safety and Health Considerations for the Design of Fire and Emergency Medical Services Stations*, U.S Fire Administration, pg. 109 (May 2018).

The Form 1, as reported by the Township for pay-2024, represents the following expenses by category for the fire and EMS fund:

Personal Services	\$34,442,879
Supplies	\$1,358,650
Services and Charges	\$3,060,160.
Capital Outlays	\$252,500
Total	\$39,114,189

The supplies category includes only EMS supplies. The capital outlays category includes new equipment, "special ops," tools & equipment, and "other capital outlays." Likewise, the Form 1 represents that the cumulative fire fund budget for pay-2024 is for capital outlays.

The Township's Form 4B represents that the end of the year operating balance for the fire and EMS fund is expected to decrease from \$6,775,162 in 2023 to \$2,084,367 in 2024. This is based on a pay-2024 tax levy (including an excess levy) of \$31,446,319, property tax cap loss of \$8,684,094, miscellaneous revenues of \$11,661,169, and a 2024 budget of \$39,114,189. Without an excess levy, the Department estimates the end of 2024 balance for the fire and EMS fund to be \$63,330.

The Township's Form 3 states an excess levy amount of \$2,000,000 in the Township Fire and EMS Fund. The Township has not previously submitted an excess levy appeal.

The Department is hesitant to approve a permanent excess levy for one-time or periodic capital expenses, especially when the Township has a cumulative fire fund which the Township admits that some of the expenses will be covered by that fund. In addition, the Form 1 for the fire and EMS fund indicates that capital outlays do not total the amount the Township represents in the petition to repair or replace HVAC, water heaters, bay doors, etc. However, the Department accepts the Township's claim of deficit spending as justification for an excess levy.

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

**APPROVED WITH MODIFICATION:**

The Township's excess levy appeal is approved in the amount of **\$1,859,906**. This figure reflects the amount for which the Township qualifies under the statutory three-year growth formula and does not exceed the amount for which the Township 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 8 day of  
December \_\_\_\_\_, 2023.



**Daniel Shackle, Commissioner**