
STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: All Township Officials

FROM: Wesley R. Bennett, DLGF Commissioner

DATE: February 24, 2021

RE: Legislation Affecting Township and Fire Funding Matters

The Department of Local Government Finance (“Department”) issues this memorandum to provide guidance to townships that anticipate making a request to increase their property tax rates under IC 6-1.1-18-28, enacted by House Enrolled Act 1065-2020 (“HEA 1065”). **This memorandum supersedes the June 19, 2020 memorandum released by the Department on the same subject matter.**

Indiana Code 6-1.1-18-28 states that a township may petition the Department to increase the maximum property tax levy for the township firefighting fund under IC 36-8-13-4 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 township must include with the request form a written statement or resolution from the township board authorizing permission to submit this request.

Please send the request form to the [Budget Division Field Representative](#) for the county in which the township resides. Note that the due date for submissions has changed. HEA 1065 requires submission of the request no later than **April 1, 2021**.

Instructions for Completing Township Firefighting Levy Increase Request (IC 6-1.1-18-28)

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 township's fire protection and emergency service area.

- A. Are there municipalities wholly contained within the boundaries of the service area? If the answer to this question is 'Yes,' please list the municipalities.
- B. Are there municipalities only partially contained within the boundaries of the service area? If the answer to this question is 'Yes,' please list the municipalities.

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 IC 6-1.1-18-28(b), the most recently available population data issued by the Census Bureau during the ten (10) year period may be used.

- A. Determine 2010 Census Population Count, adjusted to exclude political subdivisions in the unit, 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. For purposes of STEP ONE, the procedure should be followed for submissions that are due by April 1, 2021.

A.1. Provide the Census Population Count for Unit. The 2010 Federal Decennial Census numbers for the township will be the first year of the ten (10) year period. This data may be found in the document "Indiana: 2010 Population and Housing Unit Counts, issued September 2012," available on the [Census Bureau website](#).

- Best place to find this information is on page 13, Table 8 – Population and Housing Units: 1990 to 2010; and Area Measurements and Density: 2010. This table breaks down the population for 2010 by county and then by township.

Table 8.

Population and Housing Units: 1990 to 2010; and Area Measurements and Density: 2010

[For information concerning historical counts and geographic change, see "User Notes." For information on confidentiality, nonsampling error, and definitions, see Appendixes]

State County/County Equivalent County Subdivision Place	Population			Housing units			Area measurements in square miles		Average per square mile of land	
	2010	2000	1990	2010	2000	1990	Total area	Land area	Population density	Housing unit density
	Indiana	6,483,802	6,080,517	5,544,156	2,795,541	2,532,327	2,246,044	36,419.55	35,826.11	181.0
Adams County	34,387	33,625	31,095	13,014	12,404	10,931	339.97	339.03	101.4	38.4
Blue Creek township	1,440	1,195	873	331	279	243	24.30	24.30	59.3	13.6
French township	1,083	1,019	888	287	271	246	23.94	23.86	45.4	12.0
Hartford township	872	880	816	296	288	266	24.08	24.00	36.3	12.3
Jefferson township	1,089	947	848	252	227	200	24.13	24.10	45.2	10.5
Kirkland township	929	885	845	306	292	258	24.21	24.21	38.4	12.6
Monroe township	4,858	4,551	4,174	1,494	1,436	1,311	36.39	36.34	133.7	41.1
Berne city (part)	1,476	1,755	1,543	639	667	613	0.96	0.96	1,537.5	665.6
Monroe town (part)	679	543	615	257	219	211	0.31	0.31	2,190.3	829.0

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

- The population count used for 2010 should not include the population numbers for any municipality listed under the applicable township if the township does not provide fire and emergency services in that municipality.
 - o For example, in Township A is the entire area of City B and part of Town C. Township A does not provide fire and emergency services to either City B or Town C. To accurately account for the population size of the township’s fire and emergency services area, the populations for City B and Town C will have to be excluded.
 - o In order to provide the most accurate numbers possible, the Department suggests the following:
 - For the township’s actual 2010 population, use the 2010 Census count.
 - It is not necessary to include the population numbers for municipal residents who are within the township service area.

A.3. Subtract A.1 by A.2. This will yield an **Adjusted 2010 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.

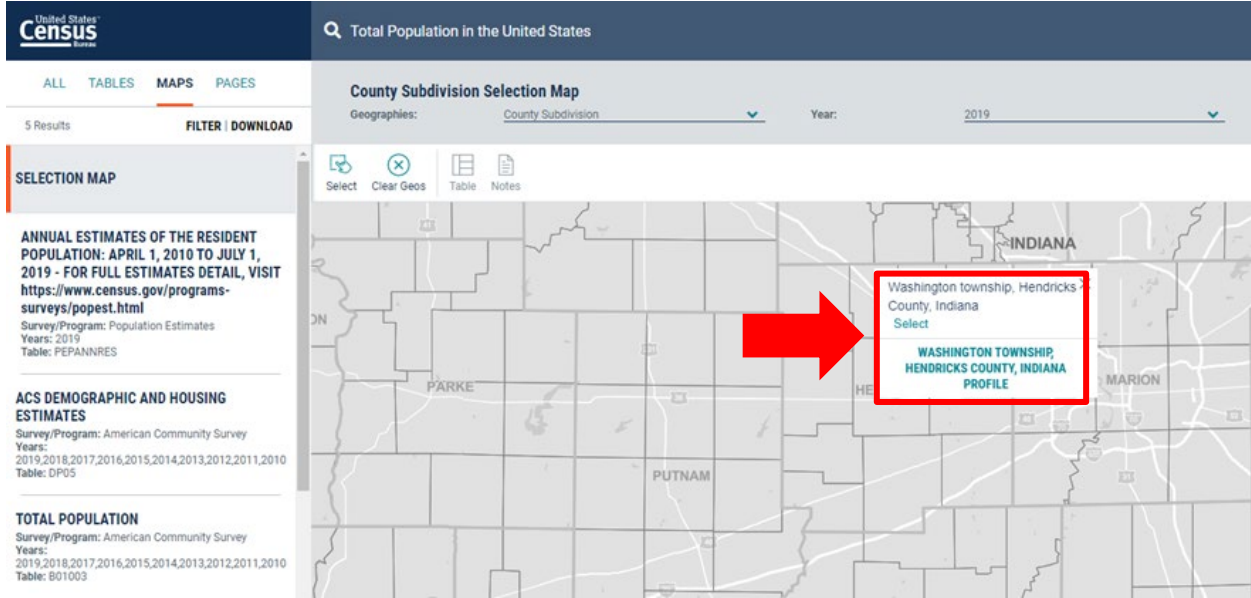
Part B will generally mirror the steps taken in Part A, except for the following:

B.1. As of the date of this memorandum, the Census Bureau has not released the 2020 Decennial Census population counts for the State of Indiana. Should the Census Bureau release that information prior to the April 1 deadline, the Department will release an addendum to this memorandum giving further instructions. Otherwise, proceed with the following instructions.

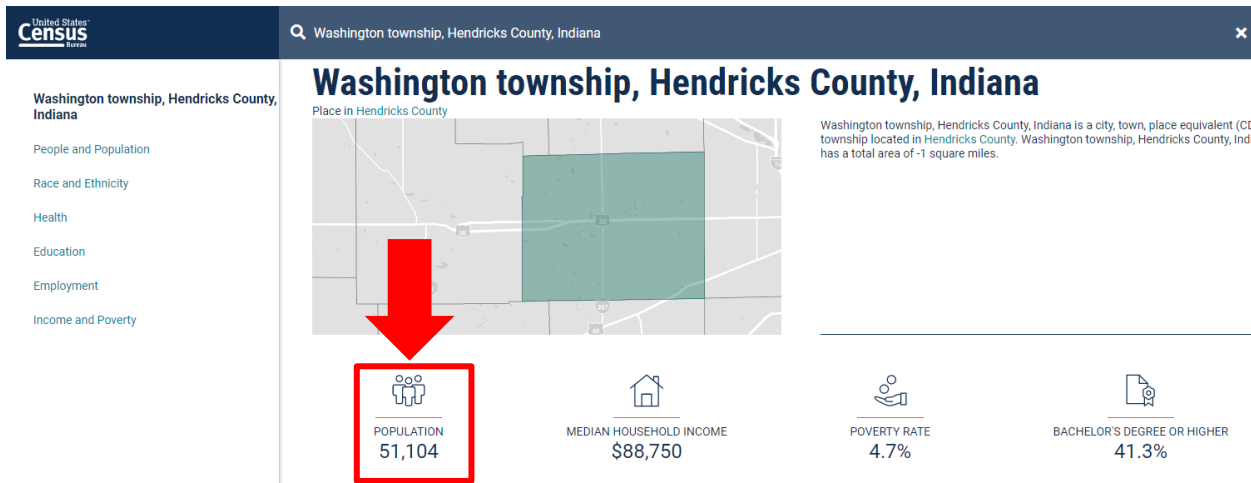
The Census Bureau provides population estimates for 2019 on its website based on the ACS 5-Year Estimates (“ACS 2019 Population Estimate”). The best method the Department can identify to find population estimates broken down by township are as follows:

- a. 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. You may have to scroll the map over to Indiana; the map will default zoom onto Kansas. After clicking on the township, a pop-up window will appear. Click on “[Township Name], [County Name], Indiana Profile.



- A new screen will appear. The population figure under the map will be the 2019 population estimate.



B.2. Provide population counts for all political subdivisions NOT in the service area. As with part A.2., the population count used for 2019 should not include the population numbers for any municipality listed under the applicable township, if the township does not provide fire and emergency services in that municipality. For the 2019 estimates, it may not be possible to determine the population of municipalities that are outside the township’s service area. Therefore, the Department suggests the following:

- a. If the 2010 Census data shows that the municipal population residing outside the service area makes up less than 0.1% (or 0.001) of the township’s population, the township can exclude this number for the 2019 estimate.
- b. If a municipality is annexed into the township following completion and release of the 2010 Census, such that the 2010 Census data does not include that part of the municipality residing in the township boundaries, the township can exclude this number for the 2019 estimate.
- c. For all other municipalities, the Department will presume growth within the township is equal to the proportion of the population growth for the whole municipality between 2010 and 2019.
- d. The Department will defer to a showing of different population figures that accurately reflect growth in that part of the municipality in the township.

B.3. Subtract B.1. by B.2. This will yield an **Adjusted Most Recent ACS Estimate**.

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 (1% or 0.01).

Townships should use these resources to determine population estimates. Whether a township 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 IC 6-1.1-12-28 for the township 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:

- For townships that submitted a request under IC 6-1.1-18-28 in 2020, apply the following equation:

$$\begin{array}{rcccl} & & \text{STEP} & & \\ & & \text{FOUR} & & \\ \text{STEP} & & & & \text{STEP} \\ \text{THREE} & - & \text{Amount} & = & \text{FOUR} \\ \text{Amount} & & \text{certified in} & & \text{Amount} \\ & & 2020 & & \end{array}$$

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).

- For townships that did not submit a request under IC 6-1.1-18-28 in 2020, 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 township's petition. Per IC 6-1.1-18-28(b) and (c), the Eligible Rate Increase shall be used to determine the increase to the township's firefighting 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 IC 6-1.1-18-28(c)(2).