

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

**IN THE MATTER OF THE REQUEST)
OF CITY OF BOONVILLE,)
WARRICK COUNTY, FOR AN) A23-059
EXCESS LEVY FOR A FIRE)
PROTECTION TERRITORY DUE TO)
THREE-YEAR GROWTH)**

The Department of Local Government Finance (“Department”) has reviewed an appeal by City of Boonville (“City”), a provider unit for a fire protection territory, for an excess levy in the amount of \$127,209 to the fire territory operating fund 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.:

Territory operating fund assessed values for 2020, 2021, 2022, and 2023, respectively:

*2020: 549,031,827
2021: 567,748,478
2022: 599,404,510
2023: 753,277,473*

Step 2 quotients:

*2021/2020: 1.0341
2022/2021: 1.0558
2023/2022: 1.2567*

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

1.1155 ([1.0341+1.0558+1.2567]/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:

1.0325 (1.1155/1.0804)

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 1.0325 is greater than 1.020, the fire protection territory is eligible for a three-year growth appeal):

0.0655 (6.55%) (1.1155-1.0400)

The fire territory’s 2023 operating fund maximum levy is \$1,684,893. This is the most recent civil maximum levy that the Department can use as the basis for an adjustment. Multiplying this figure by the 6.55% growth factor calculated above results in a figure of \$127,242, which is the maximum for which the fire territory participating units could qualify under the statutory formula. Under Ind. Code § 6-1.1-18.5-12(a), the City must also show that it is unable to perform its government functions without this increase.

The City states in its appeal that the excess levy is needed to “bridge funding gaps between revenues and the increasing costs of supplies, materials, etc., due to inflation.” The City also states that it needs to “hire additional Public Safety personnel” and to also “cover increases in health insurance or other insurance costs.” The Department should note that the City also submitted an excess levy appeal for its civil maximum levy, wherein the City used the exact same justifications.

The Department made an inquiry as to the need to hire additional public safety personnel. The City stated that, in light of a new hotel and school on the west side of the City, the City will have to build a new fire station and expects to fire 3-5 new firefighters by 2025. The City represented that “the cost for each fireman including benefits is approximately \$90,000 each.” The City then stated that the City plans “to add a couple more police officers in this area as well with the cost at \$90,000 each.” The Department should note that per Ind. Code § 36-8-19-8(a), only “expenses of operating and maintaining the fire protection services within the territory” can be paid out of the fire protection territory fund.

The City stated on its Budget Form 3 that it seeks an excess levy appeal of \$130,000 for its fire protection territory general fund. The fire protection territory consists of the City and unincorporated Boon Township.


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:

The City's excess levy appeal is approved in the amount of **\$127,209**. This figure reflects the amount for which the City qualifies under the statutory three-year growth formula and does not exceed the amount for which the City 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 29 day of
November _____, 2023.

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

Daniel Shackle, Commissioner