

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

IN THE MATTER OF THE REQUEST)
OF BAUGO TOWNSHIP, ELKHART) A23-045
COUNTY, FOR AN EXCESS LEVY DUE)
TO THREE-YEAR GROWTH)

The Department of Local Government Finance (“Department”) has reviewed an appeal by Baugo Township (“Township”) for an excess levy in the amount of \$44,492 to its fire 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.:

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

<i>2020:</i>	<i>414,918,460</i>
<i>2021:</i>	<i>445,940,270</i>
<i>2022:</i>	<i>481,954,155</i>
<i>2023:</i>	<i>560,335,849</i>

Step 2 quotients:

<i>2021/2020:</i>	<i>1.0748</i>
<i>2022/2021:</i>	<i>1.0808</i>
<i>2023/2022:</i>	<i>1.1626</i>

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

1.1061 ([1.0748+1.0808+1.1626]/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:

1.0238 ($1.1061/1.0804$)

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 1.0238 is greater than 1.020, the Township is eligible for a three-year growth appeal):

0.0661 (6.61%) ($1.1061-1.0400$)

The Township’s 2023 maximum fire levy is \$673,099. This is the most recent fire maximum levy that the Department can use as the basis for an adjustment. Multiplying this figure by the 6.61% growth factor calculated above results in a figure of \$44,492, 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 Township’s maximum fire levy is “not sufficient to cover fire protection services in its entirety.” Additionally, the appeal indicated that the Township “plans to incur an emergency fire loan to help bridge the funding gap.” No additional information was provided regarding the particular expenses that would not be covered by the maximum fire levy.

On November 28, 2023, the Department made a follow-up inquiry to the Township regarding the expenses related to fire protection services. As of the date of this order, no additional information has been submitted by the Township. In reviewing the Township’s Line-Item Budget Estimate (Form 1) for its Township Fire and EMS Fund (Fund 1111), the Township outlined the following estimated expenses:

Category	Sub-Category	Line Item	Amount	% Change from 2023
Personal Services	Salaries & Wages	Wages	\$971,740	6.80%
	Employee Benefits	Merit Pay	\$12,500	0.00%
		Employer FICA	\$67,600	(4.11%)
		PERF	\$120,000	0.00%
Supplies	Operating Supplies	Office Supplies	\$3,000	0.00%
		Medical Supplies	\$50,000	0.00%
		Clothing Allowance	\$23,000	0.00%
		Station Main. Supply	\$10,000	0.00%
		Communications	\$5,000	0.00%
		Gear, Apparatus	\$20,000	(0.50%)

Category	Sub-Category	Line Item	Amount	% Change from 2023
Services & Charges	Professional Services	EMS Billing Fees	\$9,000	0.00%
		Vehicle Main., Repair	\$67,000	48.9%
		Educational Training	\$15,000	0.00%
		Payroll Svc Fees	\$4,000	0.00%
	Communication & Transportation	Communication Svcs	\$8,000	0.00%
	Insurance	Medical Insurance	\$120,000	(1.64%)
	Utility Services	Utilities	\$30,000	0.00%
	Repairs & Maintenance	Station Maintenance	\$7,000	0.00%
	Other Services & Charges	Apparatus Testing	\$9,000	0.00%
		Dues, Fees, Etc.	\$4,000	(84.0%)
Total:			\$1,555,840	

In 2022, the Township spent \$744,818.26 in fire department wages for twenty-two (22) employees,¹ and the Township's Line-Item Budget Estimate (Form 1) for 2023 estimated employee wages totaling \$909,900.

The estimated 2024 maximum fire levy for the Township is \$700,023, and the Township included the following amounts in its 2024 Estimated Miscellaneous Revenue (Form 2) for the Township Fire and EMS Fund (Fund 1111):

Revenue Type	Amount
Vehicle/Aircraft Excise	\$62,639
CVET	\$3,595
Emergency Medical Services Fees	\$230,000
Total:	\$296,234

With the estimated 2024 maximum fire levy (\$700,023) and the estimated 2024 miscellaneous revenue (\$296,234), the Township still has \$559,583 in budgeted expenses for the Township Fire and EMS Fund (Fund 1111).

Finally, the Township stated on its Budget Form 3 that it seeks an excess levy appeal of \$19,000 for its General Fund and \$45,000 for its Township Fire and EMS Fund.

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:

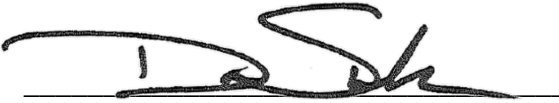
The Township's excess levy appeal is approved in the amount of **\$44,492**. This figure reflects the amount for which the Township qualifies under the statutory three-year growth formula and

¹ Based on the data available from the Employee Compensation Report (Form 100R) submitted by the Township in 2023 for 2022 employee compensation.

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 28 day of December, 2023.

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

Daniel Shackle, Commissioner