

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

IN THE MATTER OF THE REQUEST)
OF WASHINGTON TOWNSHIP,) **A23-022**
HAMILTON COUNTY, FOR AN EXCESS)
LEVY DUE TO THREE-YEAR GROWTH)

The Department of Local Government Finance (“Department”) has reviewed an appeal by Washington Township, Hamilton County (“Township”) for an excess levy in the amount of \$50,000 to its civil 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>3,349,592,255</i>
<i>2021:</i>	<i>3,641,376,217</i>
<i>2022:</i>	<i>4,040,250,048</i>
<i>2023:</i>	<i>4,982,695,661</i>

Step 2 quotients:

<i>2021/2020:</i>	<i>1.0871</i>
<i>2022/2021:</i>	<i>1.1095</i>
<i>2023/2022:</i>	<i>1.2333</i>

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

1.1433 ([1.0871+1.1095+1.2333]/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:
1.0582 (1.1433/1.0804)

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 1.0582 is greater than 1.020, the Township is eligible for a three-year growth appeal):
0.0933 (0933%) (1.1433-1.0400)

The Township’s 2023 maximum civil levy is \$373,147. This is the most recent civil maximum levy that the Department can use as the basis for an adjustment. Multiplying this figure by the 9.33% growth factor calculated above results in a figure of \$38,548, 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 to continue funding township assistance and parks services. The Township states that as it has grown “there is a greater need for poor relief, green space and recreational activities.” The Township claims the need for township assistance is growing because of “a larger population with more rental properties” and “[t]here are no more federal dollars from the American Rescue Plan Act to assist with rental assistance.” The Township states that it had to make an additional appropriation in 2023 for \$90,000 due to the increased need.

The Township Assistance Statistical Reports (TA-7) submitted by the Township for 2019 through 2022, available on Gateway, show the following values of services given (township funds only):

Services	2019	2020	2021	2022
Township assistance	\$88,354	\$114,105	\$107,683	\$155,080
Housing assistance	\$63,214	\$89,784	\$87,548	\$132,462
Utility payments	\$18,952	\$13,030	\$12,938	\$15,588

The above table shows that certain expenses for township assistance increased in 2020, declined in 2021, and grew again in 2022. Housing assistance, specified by the Township in its petition, grew by \$44,914 from 2021 to 2022. The Annual Financial Report for these years show the following end of year balances in the township assistance fund:

Year	2019	2020	2021	2022
Balance	\$75,891	\$95,415	\$141,935	\$132,859

The Township then states that it “has 1.73 acres less per 1,000 residents than the national average” and claims high land values make it more difficult to acquire land for green space. The Township elaborated that its Parks & Recreation Fund was being funded with local income tax (“LIT”) and not a property tax levy, but “[w]hen SBOA issued the directive that all LIT must be deposited into the General Fund we made the decision to eliminate the Recreation Fund and the revenue and expenses into the General Fund.”

The Township then provided a breakout of its civil maximum levy by fund: \$285,000 for Township Assistance (compared to \$159,446 in 2023); \$63,000 for the Cumulative Parks Fund; \$74,000 for the General Fund. The Township's Form 3 represents the levy for township assistance to be \$330,000 while the associated budget is \$281,000. The Township stated that this was to "allow for flexibility" when the Department issues its "1782 Notice" under Ind. Code § 6-1.1-17-16(g).

The Township's Form 3 states an excess levy amount of \$50,000 in the General Fund. The Township also received a permanent excess levies in the following years:

- For pay-2017, in the amount of \$3,111.
- For pay-2019, in the amount of \$11,446.
- For pay-2020, in the amount of \$10,690.
- For pay-2021, in the amount of \$12,906.
- For pay-2022, in the amount of \$20,000.
- For pay-2023, in the amount of \$30,000.

The Department does not accept the Township's purported need for an excess levy for parks services because the Township admits that those services are funded by LIT. The Township has shown a need for township assistance, based on increased expenses and an additional appropriation in 2023. The Department would expect the excess levy to be advertised on the Form 3 for the Township Assistance Fund based on the Township's claim of needing more funding for township assistance.

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 **\$38,548**. 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
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WITNESS MY HAND AND SEAL of this Department on this 29 day of
November, 2023.



Daniel Shackle, Commissioner