

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

**IN THE MATTER OF THE REQUEST                    )**  
**OF TOWN OF AVON, HENDRICKS                )**           **A23-018**  
**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 the Town of Avon (“Town”) for an excess levy in the amount of \$420,000 to its civil 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.:

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

2020:            1,243,252,207  
2021:            1,323,495,242  
2022:            1,535,267,214  
2023:            1,807,152,692

*Step 2 quotients:*

2021/2020:    1.0645  
2022/2021:    1.1600  
2023/2022:    1.1771

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

*1.1339 ([1.0645+1.1600+1.1771]/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:

1.0495  $(1.1339/1.0804)$

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 1.0495 is greater than 1.020, the Town is eligible for a three-year growth appeal):

0.0939 (9.39%)  $(1.1339-1.0400)$

The Town’s 2023 maximum civil levy is \$4,463,153<sup>1</sup>. This is the most recent civil maximum levy that the Department can use as the basis for an adjustment. Multiplying this figure by the 9.39% growth factor calculated above results in a figure of \$419,090, which is the maximum for which the Town could qualify under the statutory formula. Under Ind. Code § 6-1.1-18.5-12(a), the Town must also show that it is unable to perform its government functions without this increase.

The Town states in its appeal that the excess levy is necessary to continue to provide high quality services to its residents, including police and fire protection, road maintenance, and access to parks. No additional information was provided with the petition.

The Department made a follow-up inquiry with the Town regarding the referenced increase in services. In the follow-up response, the Town clarified that they plan to hire three (3) additional police officers, as well as three (3) additional full-time employees for the Town. Based on the data available from the Employee Compensation Report (Form 100R), below is the average and median salaries for full-time employees of the police department from 2018 to 2022:

Year	Number of FT Police	Average Salary	Median Salary
2022	40	\$66,422.48	\$69,902.91
2021	38	\$65,115.39	\$66,976.27
2020	33	\$61,757.08	\$57,865.60
2019	31	\$71,956.57	\$74,599.68
2018	31	\$61,137.91	\$63,832.22

For all other Town staff, below is the average and median salaries for full-time employees from 2018 to 2022:

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<sup>1</sup> The 2023 maximum levy amount stated includes the permanent appeal amount granted to the Town under A22-043 in the amount of \$18,013 for the annexation of two areas of property in unincorporated Washington Township.

Year	Number of FT Employees	Average Salary	Median Salary
2022	28	\$51,082.06	\$48,626.06
2021	26	\$46,892.53	\$49,029.93
2020	27	\$50,846.47	\$47,673.60
2019	24	\$43,618.72	\$41,080.86
2018	24	\$41,608.33	\$38,844.79

The Town stated on its Budget Form 3 that it seeks an excess levy appeal of \$420,000 for its General Fund. Finally, the Town received a permanent excess levy for an annexation in the amount of \$28,016 for Pay-2023 and \$18,013 for Pay-2024.

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 Town's excess levy appeal is approved in the amount of **\$419,090**. This figure reflects the amount for which the Town qualifies under the statutory three-year growth formula and does not exceed the amount for which the Town 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.



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**Daniel Shackle, Commissioner**