

**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 BRISTOL,)
ELKHART COUNTY, FOR AN) **A23-040**
EXCESS LEVY DUE TO)
THREE-YEAR GROWTH)**

The Department of Local Government Finance (“Department”) has reviewed an appeal by Town of Bristol (“Town”) for an excess levy in the amount of \$143,513 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.:

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

*2020: 172,679,285
2021: 182,332,640
2022: 202,396,400
2023: 241,522,326*

Step 2 quotients:

*2021/2020: 1.0559
2022/2021: 1.1100
2023/2022: 1.1933*

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

1.1198 [(1.0559+1.1100+1.1933)/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:
1.0364 (1.1198/1.0804)

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 IC 6-1.1-18.5-2 (this amount is 1.04 or 4% for 2024; since 1.0364 is greater than 1.020, the Town is eligible for a three-year growth appeal):

0.0798 (7.98%) (1.1198-1.0400)

The Town’s 2023 maximum civil levy is \$1,980,130. This is the most recent civil maximum levy that the Department can use as the basis for an adjustment. Multiplying this figure by the 7.98% growth factor calculated above results in a figure of \$157,919, 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 the excess levy is needed to support police salaries and benefits, increases in fire department costs, and a growing population. The Town claims that while its population is approximately 1700 according to the last decennial census, commercial and manufacturing development has caused “more than an estimated 8,000 to 10,000 employees into the Town during the workday,” causing increased traffic, police activity, and demand for fire and EMS services.

The Town states that the excess levy would be needed “ensure adequate department operations, as well as the Town’s ability to recruit and retain public safety personnel.” The Department made an inquiry as to the specifics of the Town’s justifications for an excess levy. With regard to the cost of salaries for police and fire services, the Town responded that police salaries increased by 17% between 2022 and 2023 and is proposed to increase by another 8% in 2024, the total increase being \$134,859 since 2022. The Town also stated that with the additional calls for service, 2 more officers are expected to be hired at a cost of \$100,000 each (for salary and benefits). The Town added that it contracts with a fire department and expects to pay about \$606,166 in 2024 plus about one-half of the Town’s public safety LIT distribution to receive fire protection.

When asked about the retention rate for police, the Town responded that since 2022 four police officers have transferred to other departments, bringing the number of personnel down from 12 to 8. The Town also claimed that it must increase starting salaries for police officers because the neighboring City of Elkhart expected to increase starting salaries by \$10,000 in 2024. The Town added that it also does not provide retirement benefits for police officers, which it claimed affects their ability to retain officers.

Regarding infrastructure needs, the Town stated that in addition to needing to maintain its streets there are currently 2 major projects: a new water tower and a wastewater facility. The Town also

stated that it expects to undergo an annexation of 500 acres next year for added development. Finally, the Town added it use state funding for Motor Vehicle Highway and local income tax, but also Community Crossings grants.

The Town has also indicated on its Form 3 that it seeks an excess levy of \$200,000. The Town also received permanent excess levies for pay-2019 (\$60,220); pay-2021 (\$29,192) and pay-2023 (\$56,549).

The Department considers the need to hire 2 more officers and to begin providing retirement benefits as justifications for an excess levy. While the Department would not necessarily reject the need to provide retirement and other benefits, the excess levy the Town would be eligible for based on the 3-year growth formula and what was requested would not be sufficient to accommodate both those needs, based on the estimated hiring costs the Town provided. As for the other claims about infrastructure and fire protection, the Town represented that there are other sources for revenues available to it, such as Community Crossings and other state-sourced funds, therefore the Department does not find that an excess levy is necessary for those needs.

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 Town's excess levy appeal is approved in the amount of **\$143,513**. 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 29 day of
November _____, 2023.



Daniel Shackle, Commissioner