

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 GREENFIELD,) A25-078
HANCOCK COUNTY, FOR AN EXCESS)
LEVY DUE TO THREE-YEAR GROWTH)**

The Department of Local Government Finance (“Department”) has reviewed an appeal submitted by the City of Greenfield (“City”) for an excess levy in the amount of \$715,000 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 preceded the ensuing calendar year:

2025, 2024, and 2023

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.:

City assessed values for 2022, 2023, 2024, and 2025, respectively:

2022:	1,453,830,798
2023:	1,722,573,320
2024:	2,006,764,013
2025:	2,262,756,338

Step 2 quotients:

2023/2022:	1.1849
2024/2023:	1.1650
2025/2024:	1.1276

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

(1.1849+1.1650+1.1276)/3 = 1.1592

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 2023, 2024, and 2025, respectively:

1.1481; 1.0594; 1.0897

Step 5: Add the Step 4 results and divide by three:

(1.1481+1.0594+1.0897)/3 = 1.0991

Step 6: Divide the Step 3 results by the Step 5 results:

1.1592/1.0991 = 1.0547

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 2025; since 1.0547 is greater than 1.020, the City is eligible for a three-year growth appeal):

(1.1592-1.0400) = 0.1192 (11.92%)

The City’s 2025 maximum fire levy is \$5,956,607. This is the most recent fire maximum levy that the Department can use as the basis for an adjustment. Multiplying this figure by the 11.92% growth factor calculated above results in a figure of \$710,028, which is the maximum for which the City 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 and must support these allegations with reasonably detailed statements of fact.

The City states in its appeal the excess levy is necessary because the Greenfield Fire Territory (“Fire Territory”), which the City financially supports, has experienced increased demand for fire protection and emergency medical services as a result of development activity in recent years. The City states that an additional fire station and 15 additional firefighters and EMTs are necessary to ensure the Fire Territory can fulfill its statutory responsibilities and maintain effective emergency response operations.

The City states that the requested excess levy will help support current operations, preventing the special fire territory general fund from being overdrawn. The City states the priority is then to hire three additional employees that it had planned to hire in 2025, followed by adding a new fire station, which will require an additional 15 positions.

The City provided a summary of the proposed fire station in the area of Meridian Road and McKenzie Road, with statistics on the number of residential lots, senior living units, and retail square footage farther than two miles from the existing fire stations.

The City states that hiring a civilian paramedic will cost the city \$115,953 between salary and benefits. A firefighter/EMT will cost the City \$126,988 for salary and benefits. The Department

notes that the City's previous excess levy appeal submitted in 2024 (Order A24-058) provided a similar justification – i.e., a need to hire three (3) paramedics and twelve (12) firefighter/EMTs at a total projected cost of \$1,871,715. That excess levy request was granted in the amount of \$506,733, which was the maximum amount the City qualified for under the three-year growth formula.

The Department has denied excess levy appeal requests when units have represented the same need in multiple years if the unit has not provided any additional information which warrants another increase above what was already applied in the previous year. However, in both last year's appeal and the current appeal, the City has described a total need that would exceed the cumulative amount the City qualifies for under the three-year growth formula. The City also explained that it delayed adding new positions in 2025 because the Fire Territory's cash balances were projected to go negative before receiving tax draws. The City wanted to avoid layoffs or additional financial strain.

Based on the City's representation that it will still need to hire three civilian paramedics ($\$115,953 \times 3 = \$347,859$) and 12 firefighter/EMT positions ($\$126,988 \times 12 = \$1,523,856$) and that this total cost (\$1,871,715) exceeds the combined maximum levy increases the City could qualify for through last year's appeal and this current appeal, the Department finds that the City has provided sufficient justification for its current request.

According to the City's petition, the cash balances, both in dollar amounts and as a percentage of budget, for its levy-controlled funds from December 31, 2022, to June 30, 2025, are as follows:

Fund	December 31, 2022	December 31, 2023	December 31, 2024	2025 (June 30)
Special Fire Territory General (#2243)	\$1,650,849	\$1,837,058	\$3,088,879	\$3,401,481

Fund	December 31, 2022	December 31, 2023	December 31, 2024	2025 (June 30)
Special Fire Territory General (#2243)	24.34%	24.33%	38.22%	40.71%

The City states in its petition that the Fire Territory Operating Fund consistently experiences cash flow deficits prior to each property tax settlement, which indicates, the City argues, that funding levels are insufficient to sustain ongoing operations. The City states it has stabilized the Fire Territory's budget using one-time ARPA funds, but those resources are no longer available. The City states that, if the Fire Territory's operating fund were managed independently, it would routinely experience overdrawn balances.

The City stated on its Budget Form 3 that it seeks an excess levy appeal of \$1,200,000 for its General Fund and \$1,200,000 for its Special Fire Protection Territory General Fund. Finally, the City received the following permanent excess levy amounts:

- \$688,249 for Pay-2025 (Civil)
- \$506,733 for Pay-2025 (Fire)
- \$457,405 for Pay-2024 (Civil)
- \$311,373 for Pay-2024 (Fire)
- \$22,117 for Pay-2018 (Civil)
- \$21,619 for Pay-2017 (Civil)

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 City's excess levy appeal is initially approved in the amount of **\$710,028**. 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. However, this amount is further adjusted as follows:

First, the Department takes into account the fact that an increased maximum levy will generate additional excise tax revenue. In 2026, the City will receive an estimated \$331,722 in excise tax revenue (for funds subject to the City's fire maximum levy), which represents approximately 5.5699% of the City's 2026 certified maximum levy. Thus, an excess levy of \$670,480, combined with the resulting additional excise tax revenue of \$39,548 ($[\$710,028 * 5.5699\% = \$39,548]$); $(\$710,028 - \$39,548 = \$670,480)$, will provide the City with the revenue it qualifies for in 2026.

Second, the Department takes into account the fact that an increased maximum levy will generate additional local income tax ("LIT") revenue for 2027. This includes the increase in attributable allocation. Increasing the City's maximum levy by \$670,480 for 2026 will increase the City's 2027 LIT attributed allocation to \$19,929,564 (\$670,480 plus \$19,259,084) and the countywide LIT attributed allocation to \$85,199,966 (\$84,529,486 plus \$670,480). The City's \$19,929,564 attributed allocation will constitute approximately 23.3916% of the 2026 countywide attributed allocation of \$85,199,966. The City will also experience an increase to its Ind. Code § 6-3.6-6-3(a)(2) distribution from \$1,389,782 to \$1,438,165, an increase of \$48,383. As a result, the City's Ind. Code § 6-3.6-6-3(a)(2) distribution will constitute 17.4512% of the countywide distribution of \$8,241,076.

Since a unit's certified shares of LIT are affected by changes in the unit's property tax levy, a 3.4814% increase to the City's 2027 attributed allocation means the City is estimated to receive approximately \$150,031 in additional LIT certified shares and \$48,383 in the Ind. Code § 6-3.6-6-3(a)(2) distribution. Thus, adjusting the excess levy to \$472,065 ($\$670,480 - \$150,031 - \$48,383 = \$472,065$) for 2027 will then provide the City with the levy it qualifies for after taking into account additional revenues.

Therefore, the Department approves the excess levy as follows for the stated tax years. First, for **2025-Pay-2026**, the excess levy is approved for **\$670,480**. For **2026-Pay-2027**, the excess levy is reduced to **\$472,065**. This is a one-time permanent increase and does not include an increase by the maximum levy growth quotient.

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WITNESS MY HAND AND SEAL of this 30th day of December, 2025.



Jason Cockerill, Commissioner