

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

**IN THE MATTER OF THE REQUEST )  
OF FORTVILLE VERNON TOWNSHIP )  
PUBLIC LIBRARY, HANCOCK COUNTY, )     **A23-078**  
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 Fortville Vernon Township Public Library (“Library”) for an excess levy in the amount of \$40,000 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.:

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

<i>2020:</i>	<i>649,850,516</i>
<i>2021:</i>	<i>714,092,206</i>
<i>2022:</i>	<i>785,328,561</i>
<i>2023:</i>	<i>988,480,191</i>

*Step 2 quotients:*

<i>2021/2020:</i>	<i>1.0989</i>
<i>2022/2021:</i>	<i>1.0998</i>
<i>2023/2022:</i>	<i>1.2589</i>

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

*1.1525 ([1.0989+1.0998+1.2589]/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:

*1.0667 (1.1525/1.0804)*

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 1.0667 is greater than 1.020, the Library is eligible for a three-year growth appeal):

*0.1125 (11.25%) (1.1525-1.0400)*

The Library’s 2023 maximum civil levy is \$280,766. This is the most recent civil maximum levy that the Department can use as the basis for an adjustment. Multiplying this figure by the 11.25% growth factor calculated above results in a figure of \$31,586, which is the maximum for which the Library could qualify under the statutory formula. Under Ind. Code § 6-1.1-18.5-12(a), the Library must also show that it is unable to perform its government functions without this increase.

The Library states in its appeal that the population in its service area has grown faster than the property tax levy. The Library states that the excess levy is needed for additional space, personnel, and materials. The Library also indicated that the current library facility is not adequate and currently has a maximum capacity of 47 people per the Fire Marshall. In 2023, the Library board approved the construction of a new facility in Fortville and the opening of an express location in the Town of McCordsville.

The Library states that the County collects a special purpose local income tax (LIT) which is shared for public libraries in the County. Pursuant to Ind. Code § 6-3.6-7-9(c), this LIT revenue is distributed based on the proportion of property tax levy that would have been collected by the Library to the share of property tax levies that would have been collected from the other libraries in the County. Hence, the Library claims that “this request will not come from property tax” and that the levy will be replaced with the special purpose LIT. In other words, the property tax is calculated the same as with all other libraries, but all of the levy is replaced with the special purpose LIT, and the excess levy is needed to draw from that additional revenue.

The Department made a follow-up inquiry with the Library regarding the needed staffing and costs. In response to the Department’s follow-up inquiry, the Library clarified that they need to hire a full-time outreach employee, which the Library estimates will cost \$43,642 for salary, FICA, and PERF.

The Library stated on its Budget Form 3 that it seeks an excess levy appeal of \$40,000 for its General Fund. Finally, the Library received a permanent excess levy of \$7,824 for Pay-2023 and \$4,603 for Pay-2022.

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 Library's excess levy appeal is approved in the amount of **\$31,586**. This figure reflects the amount for which the Library qualifies under the statutory three-year growth formula and does not exceed the amount for which the Library advertised and petitioned the Department. This is a one-time, permanent increase.

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**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', is written over a horizontal line.

**Daniel Shackle, Commissioner**