



TOWN COUNCIL WORK SESSION

Tuesday, June 18, 2024 at 7:00 PM

Bristol Town Hall Council Chamber

AGENDA

This meeting is held in the Bristol Municipal Complex is open for in-person participation.

The meeting is live streamed on Town of Bristol YouTube channel.

Livestream link is available on the Town Website

Bristol Indiana - YouTube

1. CALL MEETING TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. APPROVAL OF AGENDA

REPORTS

5. TOWN MANAGER

- a. [Fire Territory/Fire District discussion: Susan Collins Baker Tilly/ Alex B.](#)

6. CLERK-TREASURER

- a. PO Box discussion

7. TOWN ATTORNEY

8. QUESTIONS ABOUT UPCOMING COUNCIL MEETING AGENDA ITEMS

9. OTHER COMMENTS OR QUESTIONS

10. MOTION TO ADJOURN



Funding Options for Fire and EMS

June 18, 2024

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FUNDING OPTIONS FOR FIRE AND EMS

Topics

Fire territories and districts

Local income tax (LIT)

Township levies property tax inside municipal boundaries

Township fire emergency loan

Township petitions for increase to fire max levy

Tax Increment Finance (TIF)



FUNDING OPTIONS FOR FIRE AND EMS

Fire territories and districts



Fire Territory (IC 36-8-19)

Formed by 2 or more governmental entities

Allows separate property tax levy for operations and capital

Max levy set in first year (may also phase-in levy up to 5 years)



Fire District (IC 36-8-11)

Independent governmental entity established by County Commissioners

Allows separate property tax levy for operations and capital

Max levy set in first year



FUNDING OPTIONS FOR FIRE AND EMS

More about fire districts

Creation

- Option #1
 - Established by County Commissioners
- Option #2
 - Established by freeholders – a majority or 20% with a minimum of 500, whichever is less
 - Co. Commissioners conduct a hearing to determine whether the district should be established
 - A petition may be filed against establishment – 51% of the property owners or property owners who own 2/3 of the real property
 - If petition is successful, a district cannot be established for 2 years
- May consist of:
 - 1 or more townships and parts of 1 or more townships
 - Municipalities
- Established by **January 1** to levy taxes the following year

Governance

- Co. Commissioners appoint a Board of Trustees (at least 3)
- One from each township or part of a township in the district
- One from each municipality in the district
- Powers of the Board
 - Same powers as township trustee for fire
 - Hires and sets compensation
 - Prescribes rules
 - Makes annual report to the county
 - Levy taxes, issue bonds and incur debt
 - Meets at least 4 times a year

FUNDING OPTIONS FOR FIRE AND EMS

More about fire districts

Taxing Authority

- Uniform tax rate throughout the district
- Budgets, rates, and levies are set the first year (state-wide levy growth subsequent years)
- First year levy based on funding necessary to cover recurring operational costs
- Budget and levy approved by County Council
- District can issue bonds and incur debt to purchase equipment and housing
- No duplicate levies permitted for fire purposes by government units within the district
- Separate legal entity

Timing

- Adopted by January 1
- Begin levying taxes in the following year – first tax draw in June
- Funding options prior to the first tax draw
 - Tax anticipation warrant from a bank
 - Cash on hand

FUNDING OPTIONS FOR FIRE AND EMS

More about fire districts

Budget and Property Tax Levy

- Fire General (Operating)
 - Max levy limitation
 - Subject to annual statewide levy growth
- Cumulative Fire (Capital)
 - Used for fire equipment, apparatus, and housing
 - Max rate of \$.0333
- Budget Approval
 - Approved by the County Council and the DLGF

Impact on Existing Fire Depts.

- No requirement to dissolve a township or municipal fire department
- May contract with:
 - Fire Departments
 - Townships
 - Municipalities
 - Ambulance Services
 - Other service providers as needed
- Asset ownership can remain the same

FUNDING OPTIONS FOR FIRE AND EMS

Local Income Tax (LIT)



LIT Emergency Medical Services

- May be adopted by the County Council for paying the operating costs incurred by the county for EMS provided throughout the county.
- Max rate is .2% and may not be in effect for more than 25 years.

LIT Public Safety

- A fire department, volunteer fire department, or EMS provider may before July 1 of a year, apply to the County Council for a distribution of LIT Public Safety for the following year.
- The Council's decision on the application is due before September 1.

FUNDING OPTIONS FOR FIRE AND EMS

**Township levies property tax inside municipal boundaries
(IC 36-8-13-3 and IC 36-8-13-4.6)**

- A township may provide Fire or EMS or both inside the corporate boundaries of a municipality without a contract if:
 - Some or part of the municipality is within the township and the municipality does not have a full-time paid department; and
 - Before July 1
 - The municipality's legislative body approves to have the township provide services without contract; and
 - The township's legislative body approves the provision of the services without contract
- The municipality's max levy will be reduced by the amount of property tax used to fund fire and EMS.
- The township's max levy will be increased by the product of 1.05 multiplied by the max levy in the year the change was adopted plus contractual payments (5% increase over current township levy plus contractual payments from municipality whose levy was decreased)



FUNDING OPTIONS FOR FIRE AND EMS

Township fire emergency loan (36-6-6-14)



The Township Board may authorize the Trustee to borrow a specified amount of money sufficient to meet the need for fire and emergency services requiring expenditure of money not included in the Township's budget

The Township may not borrow in more than three calendar years during a five-year period

10 or more taxpayers may file an objection petition against the emergency loan at which point the DLGF will hold a public hearing

DLGF will make a final determination

FUNDING OPTIONS FOR FIRE AND EMS

Township petitions for increase to fire max levy (IC 6-1.1-18-28)



A township may petition the DLGF to increase the fire maximum levy if the 10-year change in population exceeds 6%.



The amount of property tax rate increase equals the lesser of the 10-year percentage change in population or 15%.



The maximum tax rate increase is \$.15 in any 10-year period.



FUNDING OPTIONS FOR FIRE AND EMS

Tax Increment Finance (TIF)

- The primary purposes of TIF is to finance incentives or infrastructure needed to induce private investment, to encourage orderly economic growth in targeted areas, and to redevelop blighted areas
- TIF revenues may also be used for public safety expenses including both capital and operating expenses
- Using TIF for recurring public safety expenses limits the amount that may be used for economic development, infrastructure and other public improvement projects
- TIF allocation areas expire depending on when they were established and obligations outstanding

Date allocation area established	Expiration date
TIF area is established before July 1, 1995	TIF expires the later of 2025 or following the final maturity of obligations outstanding as of July 1, 2015
TIF area is established between July 1, 1995 and July 1, 2008	TIF expires 30 years after the adoption of the declaratory resolution
TIF area is established after July 1, 2008	TIF expires 25 years after the date the first obligation payable was incurred



Questions?

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