

## South Madison Fire Territory Public Hearing

MEETING DATE: January 25, 2022  
LOCATION: Pendleton Fire Department  
100 South Broadway Street, Pendleton, Indiana  
TIME: 6:00 p.m.

### ORDER OF BUSINESS

#### I. CALL TO ORDER/INTRODUCTION

Meeting was called to order by Steve Denny at 6:04 pm

Steve Denny welcomed attendees and announced the following:

- Since 2020, he has worked alongside Fred Gaskill, Greg Valentine and Chief Chris Nodine to come up with the idea of the South Madison Fire Territory.
- Paige Sansone from Baker Tilly is here this evening to present information about the Fire Territory. After her presentation, attendees will be invited to ask questions.
- Purpose of the Meeting:
  - Share concerns about the current status quo for fire and emergency services.
  - Show plans for Pendleton, Fall Creek and Green Township Fire Territory.
  - Deliver dependable 24/7/365 emergency services.
- Quotes in support of the South Madison Fire Territory shared, including quotes by Greg Valentine, Fred Gaskill and Steve Denny.
- Todd Harmeson is Meeting Monitor. Harmeson also served in the Public Information Office in 2019 when the tornado struck Pendleton. Denny introduced Harmeson and turned meeting over to him.

#### II. PUBLIC HEARING FORMAT

Todd Harmeson shared the following:

- Congratulated the citizens of Pendleton for the job well done in rebuilding after the tornado in 2019.
- Here tonight serving as the Meeting Monitor, Master of Ceremony. Role to help facilitate and keep the meeting running smoothly. Will allow questions to be asked at the end of the presentation.
- Tonight is first meetings of three- January 25<sup>th</sup>, February 23<sup>rd</sup> and March 8<sup>th</sup>.
- Introduced the following Councils:
  - Fall Creek Township – Fred Gaskill, Keith Gaskill, Dr. David Martin, Tim Pritchard
  - Green Township – Greg Valentine, Jerry Manges, Sharon Robinson, Jason Smith



- Town of Pendleton – Chet Babb, Shane Davis, Bob Jones, Steve Denny, Marissa Skaggs
- After Chief Chris Nodine and Paige Sansone from Baker Tilly present, questions will be taken from the audience.
- Harmeson introduced Chief Chris Nodine and turned meeting over to him.

### III. INTRODUCTION OF THE SOUTH MADISON FIRE TERRITORY

Chief Chris Nodine presented the following:

- Expressed thanks for all that came to the meeting, including officials in attendance.
- When seconds matter, South Madison Fire Territory is on duty.
- South Madison Fire Territory has been presented to the Town Council, Fall Creek Township, Green Township and the Town of Ingalls.
- Now private organization to provide services housed under two entities with plans to be one entity once the South Madison Fire Territory is established.
- Shared two videos of house fires, exhibiting fire spread, response time and manpower needs. Key points to consider:
  - Fire spread doubles every 30 seconds.
  - Very important to have staff ready to go at the time of the call. Already behind the 8 ball when arrive at scene.
  - Bound by rules and regulations. Need 17 firefighters per one house fire. If fire spreads to neighboring home, extra manpower is needed.
- Pendleton Fire and EMS calls by year demonstrated on chart, reflecting significant growth from approximately 1500 calls per year to 2154 in 2021.
- South Madison population growth 24,900 in 2019 while projected to reach 48,900 in 2029.
- Breakdown of 2021 Pendleton Fire and EMS calls by type, for total 2154, averaging 6 calls per day:
  - Medical – 1,554
  - Crash/Accidents – 260
  - Fire Calls – 238
  - Hazmat – 49
  - Other Calls - 53
- Have boat, drone and a lot of miscellaneous tools that are involved in services. Drone recently purchased by South Madison Community Foundation.
- Reasons Pendleton Volunteer Fire Department is at risk:
  - No longer have enough volunteers to protect our community.



- NFPA standards recommended that there are 17 firefighters at a home fire and that is currently difficult to meet with volunteer staff.
- Less than .05% of residents live and work in Pendleton. This is an alarming statistic with the growth expectations of Southwest Madison County.
- Currently reliant on “mutual aid” from nearby fire departments and we offer “mutual aid” in order to receive it.
- Currently have 46 total volunteers, with ten employed in other fire departments and 24 living/working out of town.
- Forming a Fire Territory will help in the following ways:
  - A staffed Fire Department will reduce response time which will allow them to respond faster and more efficiently.
  - New construction homes build to today’s standards, burn faster and have more toxic gasses; therefore, getting to fires quicker is important.
  - The population growth in South Madison is predicted to double in ten years. With growth comes more emergencies.
  - Career Firefighters will be more focused because they are only working one-job-at-a-time.
- On March 2, 2022, have to provide response time. If response time credit not received, individual homeowner insurance costs will increase.
- Map of proposed Fire Territory shared, reflecting 7 miles North to South and 10 miles East to West.
- Projected Plans – Pending area growth:
  - 1<sup>st</sup> year – hire 10-12 including administration
  - 2<sup>nd</sup> year – additional 12-15 personnel
- Currently investigating a station location and construction plans, which depends on the community and the growth of the community. Development will dictate location of the new Fire Station. Location is key for efficient service and departments will also need to be spread out by five (5) miles.
- Chief Nodine shared personal quote, “As the Pendleton Volunteer Fire Chief, I sleep pretty good at night the first emergency call comes in, but what keeps me up at night is when the second call comes in while the first truck is out. That concerns me and it should concern you too”.
- Chief Nodine introduced Paige Sansone from Baker Tilly for her presentation.

#### **IV. PROPOSED FIRE TERRITORY – SUMMARY OF FINANCIAL IMPACT**

Paige Sansone presented the following:

- There are two statutory provisions for fire service:
  - Fire District which is under control of the County/Town Council



- Fire Protection Territory
- Madison County Fire Territory is based on the Fire Protection Territory statute.
- The Fire Protection Territory details:
  - What is it? – Type of fire service consolidation provided by Indiana Law (IC 36-8-19 enacted in 1994)
  - Who can establish? – Two political subdivisions that touch boundaries (example: Town and Township)
  - Why establish? – Additional Funding for Operating and Capital; Spread cost of fire services over a larger tax base; Establish a uniform tax rate for fire services
  - Potential Benefits – Improved response times; Increased firefighter safety; Equipment replacement and maintenance
- Process to Establish (deadline March 31, 2022):
  - Three (3) public hearings to receive taxpayer input
  - Approval from fiscal bodies
  - State (DLGF) approval of: Initial property tax levy for Operating Fund; Tax rate for Equipment Replacement Fund (at .0333 tax rate)
- Proposed Fire Territory:
  - Participating Units – Town of Pendleton, Fall Creek Township, Green Township
  - Provider Unit – Pendleton – Levies property tax on behalf of the Territory; Responsible for preparing the annual budget; Performs all necessary accounting and financial functions related to fire services
- Estimated funding sources and requirements – proposed fire territory - Chart including **Funding Sources** (Property Tax, Less Circuit Breaker, LIT Certified Shares, Contractual Payments, Vehicle Excise Tax) for years 2023, 2024 and 2025. Total Funding sources per year 2023 (\$2,135,958); 2024 (\$4,485,828) and 2025 (\$5,638,105). **Funding Requirements** (Fire Operating, Capital Outlays (ERF) for years 2023, 2024 and 2025. Total Funding Requirements per year 2023 (\$2,115,400); 2024 (\$5,141,216); 2025 (\$6,636,302). **Excess (Shortfall)** for year 2023 - \$20,559; 2024 - (\$655,388); 2025 - (\$988,197)
- Pendleton, Fall Creek Township and Green Township - Chart provided shows maximum tax liability impact. Year 1 (2023) – 9.3%; Year 2 (2024) – 13.6%; Year 3 (2025) – 5.3%
- Illustrative Annual Tax Liability Impact - Charts provided to show estimated annual change in tax liability associated with the Fire Territory for years 2023, 2024 and 2025. Charts were provided for Fall Creek Township, Pendleton Civil Town, Green Township and Pendleton Green Township. Charts broken down with impacts on residential homesteads (1% tax cap); farmland and other residential (2% tax cap) and commercial and all other property (3% tax cap) for each designated area, based on property values. Properties not at tax cap will see increase in tax bill.



- Change in selected revenues- participating and selected overlapping units – Charts provided to illustrate the impact on **Total Selected Revenues** (Gross Property Tax Levy, Circuit Breaker Tax Credits, LIT Certified Shares, LIT Public Safety, Vehicle Excise Tax) for the entities (Pendleton Town, Pendleton Fire Territory, Fall Creek Township, Green Township, South Madison Community School Corporation, Pendleton Community Public Library). Charts broken down between years 2023, 2024 and 2025.
- Change in selected revenues – participating and selected overlapping units – Chart provided to show the **Total Selected Revenues** between base line and year ending 2025 as follows: Pendleton Town -\$783,308; Pendleton Fire Territory \$5,448,104; Fall Creek Township (\$250,025); Green Township (\$74,137); Madison County \$696,030; South Madison Community School Corporation (\$610,905); Pendleton Community Public Library (\$56,006).
- Additional Charts provided for review to illustrate the Impact on circuit breakers, local income tax and vehicle excise on all units.

## V. QUESTION AND ANSWER SESSION

Todd Harmeson, serving as Meeting Monitor, stated the following:

- Understand Fire Territory comes with an expense, but do not wish the cost to be the expense of a human life.
- Floor opened up for Question and Answer Session.
- Question and Answer Session rules shared:
  - Each person will be given three (3) minutes to speak. Time keeper will be keeping time.
  - Each person asked to state their name, address and question being asked.
  - Everyone is asked to refrain from presenting duplicate questions.
  - 3x5 cards are available should one opt to write his/her questions down. Fred Gaskill will then address.
  - Monitoring Zoom; therefore, remote participants will also be able to ask a question.
  - All Trustees and Town Council members will remain available to attendees after the meeting if one would like to speak to them directly.
  - If have multiple questions, please present all at one time.
  - Reason for asking for address is because residents, business owners or stakeholders are the only individuals allowed to speak and ask questions.
  - If one thinks of a question after the meeting, he/she may present them at the February 23<sup>rd</sup> or March 8<sup>th</sup> meetings. Also, one may submit an email to [info@pendletonstation80.org](mailto:info@pendletonstation80.org).



Questions and Answers were as follows:

- Melissa Krieg of 4786 East 1100 South, Markleville, Indiana, Adams Township asked the following questions:

1. As Pendleton will levy taxes and offset to a few, is there a way for what the Town of Pendleton will receive in revenue to offset to the school system?

Paige Sansone replied that the Town of Pendleton cannot directly give money to the school system. Sansone stated that an option for the Town of Pendleton could be for Town Council to shift more LIT to the Fire Territory thus reducing the property tax on the Fire Territory. Sansone restated that the Town cannot give money directly to the school system.

2. Is there any way to eliminate the shortfall to the school system?

Paige Sansone replied that she cannot speak for Chief Chris Nodine, but that they have worked hard to reduce the impact of the Fire Territory. Sansone added that they possibly can reduce the Fire Territory budget, but will refer to Chief Nodine to speak on that.

Chief Nodine stated that once the budget is created and submitted, it cannot be changed, per state statute. Chief Nodine added that it was the third budget proposed to help reduce the stress on the local library and school system. Chief Nodine also stated that the three phases on hiring in staff helped reduce the stress on the school system and other taxing units.

3. I live in Adams Township, but do I have a say in the matter? What does Adams Township get out of this?

Paige Sansone replied that Adams Township and Lapel are not involved in the Fire Territory.

Krieg clarified that the Fire Territory does impact the schools in which her children attend.

Sansone replied that Adams Township residents can attend and provide comment at the meetings to Officials, but state statute does not provide for a vote to Adams Township and/or Lapel.

- Dr. Hall, Superintendent of South Madison Community School Corporation, and in speaking on behalf of SMCSC stated the following:
  - SMCSC is not against the Fire Territory, but are against the way the State makes them funded and concerned about the timing of the Fire Territory.
  - The funding process is a complicated process in the State of Indiana, which involves tax rates, tax value and tax caps.
  - Schools, libraries and parks are paid from money generated by taxes paid by property owners. Dr. Hall expanded upon the details of the funding process.
  - SMCSC asks members of the community to consider the \$600,000 impact on the School District created by the Fire Territory on top of the already \$900,000 lost each year due to tax caps, for total \$1.6 million dollar loss per year.



- SMCSC also asks Town Council to look into House Bill 1246 as co-authored by our District's Representative, Bob Cherry. House Bill 1246 is a new Bill and may not pass, however, SMCSC feels that if adopted will prove a financial benefit to all, including the Fire Territory, all tax payers and other taxing units as allows the following:
  - Phase of 5 years versus 3 years
  - Option to raise growth portion to 6%
- Dr. Hall expressed thanks for the opportunity to speak.
- Brett Mabrey of 210 Blue Spruce Drive, Pendleton, Indiana, Fall Creek Township asked the following questions:
  1. Who oversees the Fire Territory if it goes through? Elected Board? Appointed? Who is the governing body?
  2. Is the appointment have set terms? Or lifetime appointment?

Paige Sansone replied that the statue does provide for a Fire Territory Board appointed from one of each participating unit, per statute change in 2021. Sansone added that the Provider Unit can also delegate some authority to the Fire Territory.
- Mike Bond, Zoom participant asked the following questions:
  1. Why wasn't Markleville and Adams Township included in the Fire Territory?
  2. Can the Fire Territory be expanded in the future?

Chief Chris Nodine replied that the reason why they are not included is because they are already governed by a Fire Territory themselves. Chief Nodine stated that they have not approached, expressing wishes to join this Fire Territory. Chief Nodine added that the Fire Territory can be dissolved to reestablish a new Fire Territory in the future to add Adams Township and the Town of Ingalls. Chief Nodine stated that if these entities elect to join, the request will be entertained, followed up with evaluation assessments and three public hearings.
- Resident at 4100 600 South, Pendleton, Indiana, Fall Creek Township asked the following:
  1. As school system and library both do tax levy that is voted by residents, can they do a referendum to make up the loss due to the Fire Territory?

Paige Sansone replied that the school system can do referendum for operating costs, but the library cannot. Yet, Sansone further stated that she believes that schools cannot do a referendum for the loss of revenue due to the Fire Territory.

## VI. ADJOURNMENT

Todd Harmeson announced that Presentation will be available on the Fire Department Website.

Public Hearing was adjourned by Harmeson at 7:09 pm.

Next Public Hearing is scheduled for February 23, 2022 at 6:00 pm