

## South Madison Fire Territory Public Hearing

MEETING DATE: February 23, 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 6:03 pm

Steve Denny welcomed attendees and announced the following:

- Serves as a member of the Pendleton Town Council.
- Todd Harmeson is present and will be the Meeting Monitor for the evening.
- For last year and a half, have worked alongside Fred Gaskill, Greg Valentine and Chief Chris Nodine to find out what is needed for the community in regards to the a new Fire Territory.
- Paige Sansone from Baker Tilly, Municipal Advisors is here this evening to help with the financial piece of the Fire Territory. Sansone will be presenting later in the meeting.
- 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.
- In response to great comment made by Dr. Hall, Superintendent of South Madison Community School Corporation at the January 25<sup>th</sup> Public Hearing, shared the following:
  - After the last meeting, reached out and spoke with State Representative Bob Cherry and learned that there is a 50/50 chance that the House Bill 1246 will be approved.
  - House Bill 1246 may be added to another House Bill.
  - If approved, House Bill 1246 will apply to Fire Territories established after December 31<sup>st</sup>.
  - If Ingalls in brought into the Fire Territory in 2026 and if the House Bill 1246 is passed, the Fire Territory extension could then be phased in over five (5) years versus three (3) years.

- Understand money concerns of the school and therefore was the reason for taking three different budget revisions to come up with the best.
- Introduced Meeting Monitor, Todd Harmeson. Harmeson serves as the Computer and Dispatch Administrator and also served in the Public Information Office in 2019 when the tornado struck Pendleton.
- Steve Denny turned the meeting over to Todd Harmeson, Meeting Monitor.

## II. PUBLIC HEARING FORMAT

Todd Harmeson shared the following:

- Acknowledged the citizens of Pendleton for the job well done in rebuilding after the tornado in 2019.
- Vote will not take place at this meeting, vote will take place after the March 8<sup>th</sup> meeting by elected Councils.
- 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 the three (3) Public Hearings, these Councils will vote to accept or deny the new Fire Territory.
- 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:

- Thanked all that came to the meeting, including officials in attendance.
- Been working on the new Fire Territory for a few years and going into his second year as Fire Chief.
- When seconds matter, South Madison Fire Territory is on duty.
- The Fire Department owns a boat, which is necessary for certain emergencies, and thanked business owners that helped purchase the boat.
- Shared two videos of house fires, exhibiting fire spread, response time and manpower needs. Key points to consider:
  - Fire spread doubles every 30 seconds with modern day building materials which are much lighter in weight.

- Very important to have staff ready to go at the time of the 911 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.
- Cannot make time up; therefore, need to be ready to go when call comes in.
- Pendleton Fire and EMS calls by year demonstrated on chart, reflecting significant growth from approximately 1500 calls per year to 2154 in 2021. On record to beat 2021 numbers with the 2022 year-to-date runs.
- South Madison population growth 24,900 in 2019 while projected to reach 48,900 in 2029, with all of the new neighborhood development in progress.
- Breakdown of 2021 Pendleton Fire and EMS calls by type, for total 2154, averaging 6 calls per day:
  - Medical – 1,554 (72% of total emergencies)
  - Crash/Accidents – 260
  - Fire Calls – 238
  - Hazmat – 49
  - Other Calls - 53
- Have a lot of equipment and need to send many individuals to the scene in order to appropriately address the emergency at hand.
- As population increases, so will the number of runs.
- Reasons Pendleton Volunteer Fire Department is at risk:
  - No longer have enough volunteers to protect our community as volunteerism on a decline.
  - NFPA standards recommends 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. Over 3,000 people commute to Pendleton daily for work.
  - Currently reliant on “mutual aid” from nearby fire departments and we offer “mutual aid” in order to receive it.
- 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. Will be out the door in less than 80 seconds from the time of the call, if staff on site. In addition, paid staff will be career-oriented and goal task to handle the situation.

- 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. Many facts of response time and equipment determine the ISO score. Currently ISO 5 and 5x and hope that rating will increase.
- Map of proposed Fire Territory shared, reflecting 7 miles North to South and 10 miles East to West.
- 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.
- Projected Plans – Pending area growth:
  - 1<sup>st</sup> year – hire 10-12 including administration; still will supplement with volunteers
  - 2<sup>nd</sup> year – additional 12-15 personnel with rest of hiring staggered over the next 2-3 years and through 2025
- 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”.
- Currently have 46 sets of gear for volunteer staff and 24 live out of town. Lost three (3) volunteers in the last month due to their full-time job commitments.
- Chief Nodine introduced Paige Sansone from Baker Tilly for her presentation.

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

Paige Sansone with Baker Tilly Municipal Advisors presented the following:

- The Fire Protection Territory details:
  - What is it? – Type of fire service consolidation provided by Indiana Law (IC 36-8-19 enacted in 1994). About 60 Fire Territories in the State of Indiana.
  - Who can establish? – Two political subdivisions that touch boundaries (example: Town and Township)
  - Why establish? – Additional Funding for Operating and Capital to cover full-time employees due to lack of volunteers; 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
- Statutory Process to Establish (deadline March 31, 2022):
  - Three (3) public hearings to receive taxpayer input; this is the second of three Public Hearings. Also, learned last week that the Department of Local Government Finance interprets that statute to require a separate public meeting 10 days after the third Public Hearing which is scheduled for March 8th. At the public meeting, likely to be held March 31<sup>st</sup>, the three fiscal bodies/councils will vote on the Fire Territory.
  - Approval from fiscal bodies – Green Township, Fall Creek Township and the Town of Pendleton
  - If fiscal bodies approve, then the State (DLGF) will give 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 – Equipment Replacement Fund) 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)
  - Numbers are based on a three (3) year phase of expenses that determine analysis for 2023-2025
  - All numbers based on budget developed and submitted
  - Fire Territory will have to make adjustment to budget per shortfalls. Yet, if net values are higher, then shortfalls could be less.
- 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% which are based on estimated tax base (net assessed values), operating budget, capital budget, property tax levy, property tax rate and maximum tax liability impact. If property bill is not at tax cap, the property tax will increase at max amounts above.
- 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 should the property not be at tax cap. Examples discussed. 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.

- Property owner can look at current tax bill on the Treasurer's Website or Local Government Finance and review taxing district. Should record not reflect circuit breaker credit, than one can apply the percentages to determine change in tax bill. Examples shared.
- 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 – and their impact on 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 ground rules shared:
  - Each person will be given three (3) minutes to speak or make a statement.
  - Monitoring Zoom; therefore, remote participants will also be able to ask a question.
  - 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.
  - Greg Valentine will serve as time keeper.

- 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.
- Only 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 March 8<sup>th</sup> meeting. Also, one may submit an email to [info@pendletonstation80.org](mailto:info@pendletonstation80.org) in which Chief Chris Nodine will respond.

**Questions and Answers** were as follows:

- Dr. Hall, Superintendent of South Madison Community School Corporation, and in speaking on behalf of SMCSO stated the following:
  - Gave thanks for the opportunity to speak and for those involved with the conversations about the Fire Territory.
  - Understands the need for the Fire Territory and not against the formation of the Fire Territory, but has financial impact on the school system.
  - Thanked those that followed up on House Bill 1246 and the three recalculations of the Fire Territory budget.
  - SMCSO has opportunity to raise funds through tax referendum in Indiana. Schools in Indiana can seek referendum to cover shortfall caused by the Fire Territory. Yet, no guarantee the referendum will pass, and if approved, will require re-approval through the election process every seven (7) years.
  - Concerns of the formation of the Fire Territory include:
    - Fire Territory does not include the entire school system and if schools to run a successful referendum, it would apply to all in the school system and even some that are not in the Fire Territory District.
    - May prove to be a challenge to gain support from those in Adams Township that would receive an increase in their taxes, but receive no additional fire or educational services.
    - 2/3 of households in our school district do not have children under the age of 18.
    - Timing is problematic. If Fire Territory created in 2022, the school will receive less money in 2023 and there are no elections in 2023 in Adams Township. If to run referendum, it would be only item on ballot which would be hard sell in Adams Township and difficult to get approved. Referendum could not be then addressed until the general election in 2024 in which funds from the referendum would not be received until 2026, as the 2025 school budget would have already been submitted to the State; therefore, the school will stand to lose the full \$610,905.00.

- Carol Hanna of 5115 West State Road 132 stated the following:
  - Supports the Fire Territory and personally okay with paying higher taxes. However, concern of the impact it will have on the school budget. Understands there is a big time delay for a referendum as years down the road. Fears, in the meantime, that people will forget how important the referendum is to the community. Stressed the need for Town Officials to remember to explain the importance of the Fire Territory and the school referendum. Pendleton has an excellent school system and do not wish for it to be compromised. Seeks support for the Fire Territory, but also, support for the school system as well.
- Joe Sandefur of 8959 W 500 South, Lapel, Indiana, Green Township, President of the School Board, stated the following:
  - Have very fine school system and excellent Superintendent and very good school board. Understand where coming from, been in public service for 37 years and know how important it is.
  - Know we are progressing in our community in which this Fire Territory is necessary.
  - Spoke with Keith who said that we have antiquated system that needs to be replaced that can keep up with the future.
  - Understand tax dollars as have been a part of government for long time.
  - Understand it takes money from our ability to run our school system. Asked what it will look like for our school system going into our future.
  - Investment in the Fire Territory is needed, but need to work together and collaborate. Need to see this as an investment in our community.
  - In searching for a community, people look for safe community and good school system, which both take funds.
  - Getting in front of the curve is how to invest and show taxpayers that they have our trust and that we have a body of government that individuals can put their money.
  - Stands by Dr. Hall.
- Melissa Krieg of 4786 East 1100 South, Markleville, Indiana, Adams Township stated the following:
  - Concerned schools may not have recourse for loss of money in future, even with referendum, especially with the growth at Maple Ridge Elementary as already at max.
  - Town is locking self in with the Fire Territory.
  - Understand fire safety is necessary, but not doing a favor for the children if school system locked into debt and not have the financial means to expand as needed.



- Joanie Krieg of 4786 East 1100 South, Markleville, Indiana, Adams Township stated the following:
  - Lived here since 1971 and reason Pendleton has had growth is because of the school system. Pendleton is known for its school system and it is making the Town grow.

## **VI. ADJOURNMENT**

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

Public Hearing was adjourned by Harmeson at 7:07 pm.

Next Public Hearing is scheduled for March 8, 2022 at 6:00 pm