

**ANNEXATION FISCAL PLAN
FOR THE
TOWN OF PITTSBORO, INDIANA**

Town Park Land

**ANNEXATION AREA
*SUPER-VOLUNTARY ANNEXATION***

March 7, 2022

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INTRODUCTION

The following fiscal plan (the “Fiscal Plan”) is for the proposed annexation of one parcel within and surrounded on three sides of the existing corporate limits of the southeastern portion of the Town, north of Brooksway Dr and south of the railroad track (the “Annexation Area”). The Annexation Area amounts to approximately 1/2 acre. The Annexation Area is adjacent to the Town of Pittsboro (the “Town”). The requirements of the Indiana Code mandate the development and adoption of a written Fiscal Plan and the establishment of a definite policy by resolution of the Town Council. Pursuant to Indiana Code Section 36-4-3-13(d), the Fiscal Plan will include the following:

1. The cost estimates of planned services to be furnished to the territory to be annexed;
2. The method or methods of financing the planned services;
3. The plan for the organization and extension of services;
4. That planned services of a non-capital nature, including police protection, fire protection, street and road maintenance, and other non-capital services normally provided within the corporate boundaries, will be provided to the annexed territory within one (1) year after the effective date of annexation and that they will be provided in a manner equivalent in standard and scope to those non-capital services provided to areas within the corporate boundaries regardless of similar topography, patterns of land use, and population density;
5. That services of capital improvement nature, including street construction, sewer facilities, water facilities, and stormwater drainage facilities, will be provided to the annexed territory within three (3) years after the effective date of the annexation in the same manner as those services are provided to areas within the corporate boundaries, regardless of similar topography, patterns of land use, and population density, and in a manner consistent with federal, state, and local laws, procedures and planning criteria;
6. The estimated effect of the proposed annexation on taxpayers in each of the political subdivisions to which the proposed annexation applies for four (4) years after the effective date of the annexation;
7. The estimated effect the proposed annexation will have on municipal finances for four (4) years after the effective date of the annexation; and
8. Any estimated effects on political subdivisions in the county that are not part of the annexation and on taxpayers located in those political subdivisions for four (4) years after the effective date of the annexation.

INTRODUCTION

(Cont'd)

9. A list of all parcels of property in the annexation territory and the following information regarding each parcel:
- The name of the owner of the parcel;
 - The parcel identification number;
 - The most recent assessed value of the parcel; and
 - The existence of known waiver of the right to remonstrate on the parcel.

This Fiscal Plan may include additional materials in connection with the foregoing. This Fiscal Plan was developed through the cooperative efforts of the Town's administration and O.W. Krohn & Associates LLP. This Fiscal Plan is the result of an analysis of the proposed Annexation Area.

The Annexation Area is contiguous to the Town for purposes of Indiana Code 36-4-3-1.5, and there is a written Fiscal Plan, herein provided, that has been approved by the Town Council. This Fiscal Plan addresses the ultimate annexation of 1/2 acre for the Town's Park Dept.

AREA DESCRIPTION

Location, Area Size and Contiguity

The proposed Annexation Area is located on the southeastern area of the Town, just north of Brooksway Dr and south of the railroad tracks. The existing corporate boundaries of the Town are contiguous to the Annexation Area. A legal description is included with the Annexation Ordinance. The Annexation Area totals approximately 1/2 acre. At least 1/8th of the external boundaries of the Annexation Areas are contiguous to the existing corporate boundaries of the Town, as being adopted consecutively. The Annexation Area primarily consists of undeveloped ground that was formerly owned by Hendricks County.

Current Land Use

The Annexation Area consists of undeveloped land and currently has no occupied residential properties or improvements of any kind.

Zoning

The existing zoning for the parcel is General Farm/Grain. The proposed zoning for the Annexation Area will be zoned Open Space "OS".

Current Population

The current estimated population of the Annexation Area is zero (0).

Real Property Assessed Valuation

The estimated net assessed valuation for land and improvements in the Annexation Area is \$4,800 of non-taxable land. This represents the assessed value as of January 1, 2021.

Plan for the Area

The plan for the Annexation Area is for the development of a Town Park.

NON-CAPITAL SERVICES

The current standard and scope of non-capital services being delivered within the Town and the Annexation Area were evaluated by each municipal department to determine the personnel and equipment necessary to provide such non-capital services in a manner equivalent in standard and scope to the services that are currently provided within the existing Town's municipal boundary.

The Town already provides all non-capital services to the Annexation Area as the property is owned by the Town of Pittsboro.

Police Protection

The Town operates and maintains a Police Department. The Annexation Area, while served by the County Sheriff Dept., is already served by the Pittsboro Police Department as a first responder. The Town does not anticipate any additional costs due to the annexation.

Fire Protection and Emergency Medical Services

The Annexation Area is currently served by the Pittsboro-Middle Township Fire Department which provides fire protection and emergency medical services. This fire department is a modern, well-equipped department with a variety of special purpose firefighting vehicles and equipment. No incremental costs are anticipated to provide these services to the Annexation Area.

Street Maintenance

All non-capital services of the Pittsboro Street Department will be made available in the Annexation Area within one (1) year of the effective date of this annexation and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the Town.

The Annexation Area is currently one parcel with no roads running through the land. The Pittsboro Street Department is currently serving the road adjacent to the annexed property and will continue to serve in the same manner. The annexation should have no impact on street maintenance within the Town's current budget.

Trash Collection and Recycling

The Town of Pittsboro maintains Trash service for trash collection and recycling services to residents. The Town does not charge itself for trash service. However, there are no incremental costs anticipated to serve the ½ acre parcel already owned by the Town.

Street Lighting

The Annexation Area does not currently have any streetlights. The Town of Pittsboro maintains streetlights within the corporate boundaries of the Town. The development plan for the Annexation Area does not include the installation of streetlights. Therefore, there will be no additional costs to the Town for maintaining streetlights after the annexation is completed. Any lighting costs after development by the Park Dept. is deemed to be nominal.

NON-CAPITAL SERVICES

(Continued)

Governmental Administrative Services

The Town does not anticipate that the addition of the Annexation Area will result in a demand for Governmental Administrative Services that cannot fully be met by the existing staffing of the Town's offices and departments. The Town Administration currently includes a five (5) member Town Council, a Clerk-Treasurer, a Building Commissioner, Town Manager and a Town Attorney. All non-capital services of the administration of the Town will be made available in the Annexation Area on the date the annexation becomes effective and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the Town.

CAPITAL IMPROVEMENTS

The Annexation Area was evaluated to determine the services and facilities required to provide the same type of service in the same manner as services that are currently provided within the existing Town's corporate limits.

The Town will provide the following capital services to the Annexation Area no later than three (3) years after the effective date of the annexation in the same manner as those capital services provided to areas within the Town regardless of topography, patterns of land use, and population density and in a manner consistent with federal, state, and local laws, procedures and planning criteria. It is currently assumed that the annexation will be effective as soon as practically possible, but no later than January 1st, 2023.

Water Service

The Pittsboro Municipal Water Utility (the "Water Utility") will provide water service to the area and has the capacity and capability to serve the Annexation Area for any additional future connections. For any additional connections, to the extent necessary, all capital services of the Water Utility will be extended to the Annexation Area within three (3) years of the effective date of this annexation in the same manner as those services are provided to the areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria. Since the Town owns the property being annexed, it is already responsible for any utility costs that might become necessary.

Wastewater Service

The Pittsboro Municipal Wastewater Utility (the "Wastewater Utility") will provide wastewater service to the area. For any additional connections, to the extent necessary, all capital services of the Wastewater Utility will be extended to the Annexation Area within three (3) years of the effective date of this annexation in the same manner as those services are provided to the areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria. Since the Town owns the property being annexed, it is already responsible for any utility costs that might become necessary.

CAPITAL IMPROVEMENTS
(Continued)

Storm Drainage

The Town of Pittsboro maintains a Storm Water Utility. For any additional land within the Town's corporate boundaries, to the extent necessary, all capital services of the Stormwater Utility will be extended to the Annexation Area within three (3) years of the effective date of this annexation in the same manner as those services are provided to the areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria. Since the Town owns the property being annexed, it is already responsible for any utility costs that might become necessary.

Street Construction

The Annexation Area does not currently have any streets running through the property. Any additional construction of new streets within the Annexation Area will be the responsibility of the applicable developer in accordance with the applicable Town Code. All capital services of the Street Department, including evaluation and construction services, will be extended to the Annexation Area within three (3) years of the effective date of this annexation in the same manner as those services are provided to areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria.

FISCAL IMPACT

As a result of this annexation, the net assessed value for the Town will not increase, as this parcel is exempt from property tax.

It is assumed that the effective date of this annexation will be as soon as practically possible, but no later than January 1, 2023. However, since the Town owns the property being annexed, it is already responsible for any costs that might become necessary.

The total Town tax rate will not be adversely impacted by the annexation and as such no impact on circuit breaker losses for the Town or the overlapping taxing units is anticipated. The enclosed illustrations (below) show that if the Town's current rate of assessed value growth continues and the max levy is utilized, the tax rates will not materially change and will not be adversely impacted.

APPENDIX I

Parcel Information

Legal Description

Summary of Estimated Costs Due to Annexation

Estimated Assessed Value and Tax Rate Impact from Annexation

PARCEL INFORMATION

The Annexation Areas consists of the following parcel.

<u>Parcel Number</u>	<u>Acerage</u>	<u>2021 Pay 2022</u>			<u>Total</u>	<u>Taxes Due</u>
		<u>Land</u>	<u>Improvement</u>	<u>Deductions</u>		
32-02-31-400-003.000-018	0.490	\$ 4,800	\$ -	\$ -	\$ 4,800	\$ -
	0.490	\$ 4,800	\$ -	\$ -	\$ 4,800	\$ -

LEGAL DESCRIPTION / SITE MAP

The Legal Description is attached to the Annexation Ordinance. Map of the Annexation Area is displayed below:



SUMMARY OF ADDITIONAL COSTS DUE TO ANNEXATION

The Town does not anticipate any incremental operating and / or capital costs to provide comparable services to the Annexation Area. Since the Town owns this property, the Town is already responsible for all capital and non-capital costs. The ½ acre parcel is not anticipated to incur any substantive capital or non-capital costs even if park facilities are constructed.

ESTIMATED ASSESSED VALUE AND TAX IMPACT FROM ANNEXATION

Town of Pittsboro			Schedule of Town Tax Rates and Overlapping Units	
<u>History of Net Assessed Value</u>				
<u>Year</u>	<u>NAV</u>	<u>Percent Increase/ (Decrease)</u>		
2018	\$ 148,395,918			
2019	162,784,060	9.70%		
2020	164,515,727	1.06%		
2021	188,483,026	14.57%		
2022	322,563,777	71.14%		
			Town of Pittsboro	
			General	\$ 0.1830
			Debt Service	0.1219
			Park	0.0388
			CCD	0.0403
				<u>\$ 0.3840</u>
			Pittsboro Corp. Rate	
			Hendricks County	\$ 0.3121
			Middle Township	0.2948
			Pittsboro Town	0.3840 <i>15.2%</i>
			NW Hendricks School	1.5346
				<u>\$ 2.5255</u>

<u>Parcel Number</u>	<u>Acerage</u>	<u>2021 Pay 2022</u>					<u>Taxes Due</u>
		<u>Land</u>	<u>Improvement</u>	<u>Deductions</u>	<u>Total</u>		
32-02-31-400-003.000-018	0.490	\$ 4,800	\$ -	\$ -	\$ 4,800	\$ -	
	0.490	\$ 4,800	\$ -	\$ -	\$ 4,800	\$ -	

Town of Pittsboro (Hendricks County) Indiana

**Estimated Assessed Value and Tax Rate Impact from Annexation
(Assumes first year tax collection from Annexation Area is 2022 payable in 2023)**

Assessment Year	Estimated Net Assessed Value Annexation Area	Estimated Town Net Assessed Value	Total Net Assessed Value	Town & CCD Levy	Debt Levy	Park District Levy	Total Town Levy	Estimated Town & CCD Tax Rate	Estimated Debt Tax Rate	Estimated Park Tax Rate	Estimated Total Corporate Tax Rate
	(1)	(2)	(3)	(4)	(5)			(6)	(5)	(6)	(7)
2020 Pay 2021	\$ -	\$ 188,483,026	\$ 188,483,026	\$ 667,230		\$ 176,215	\$ 843,445	\$ 0.3540	\$ -	\$ 0.0446	\$ 0.3986
2021 Pay 2022	\$ -	322,563,777	322,563,777	720,285	393,205	210,582	1,324,072	0.2233	0.1219	0.0388	0.3840
2022 Pay 2023		332,240,690	332,240,690	741,894	393,205	216,899	1,351,998	0.2233	0.1183	0.0388	0.3804
2023 Pay 2024		342,207,911	342,207,911	764,150	393,205	223,406	1,380,761	0.2233	0.1149	0.0388	0.3770
2024 Pay 2025		352,474,148	352,474,148	787,075	393,205	230,108	1,410,388	0.2233	0.1116	0.0388	0.3737
2025 Pay 2026		363,048,373	363,048,373	810,687	393,205	237,011	1,440,903	0.2233	0.1083	0.0388	0.3704

(1) We added the existing assessed value of the Annexation Area in Pay 2023.

(2) Annual growth rate of 3% for the existing assessed value of the Town, no additional tax base is anticipated since the Town owns the property.

(3) Represents estimated net assessed value of the Town including development in the Annexation Area. Used to calculate estimated tax rates.

(4) Assumes that controlled property tax levy increases to an annual factor of 3.0%. This is the basis for the allowed increases to the controlled property fund levy which includes General and MVH Funds.

(5) Debt fund levies are not subject to levy control, nor will said levy increase without the issuance of additional bonds. No additional tax-supported bonds are anticipated due to the proposed annexation.

(6) Represents the tax rate which produces the Town Levy with an estimate tax base shown under Total Net Assessed Value. The park rate is calculated using the Net Assessed Value of the Town of Pittsboro and Middle Township. This levy is not anticipated to change as a result of annexation. It is assumed that annual levy increases will not exceed growth in assessed valuation.

(7) Total of Town tax rate which includes the General Fund, Debt Fund, Park and CCD. Illustration demonstrates that the Corporate tax rate will not materially increase compared to the current rates with growth in the Annexation Area. Since the Town already owns the property, and it is exempt from property tax, no changes in tax rates are anticipated as a result of annexation.