
ANNEXATION FISCAL PLAN

FOR THE

CITY OF JEFFERSONVILLE, INDIANA

AREAS A – F

March 5, 2007

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INTRODUCTION

The following fiscal plan (the “Fiscal Plan”) is for the proposed annexation of the area consisting of parcels within and to the north, east and west of the existing city limits (the “Annexation Area”). The Annexation Area is adjacent to the City of Jeffersonville (the “City”). The purpose of this document is to comply with Indiana Code 36-4-3-13(d). The requirements of the code mandate the development and adoption of a written fiscal plan and the establishment of a definite policy by resolution of the City Council. The Indiana Code states that this fiscal plan must include and provide:

- 1) The cost estimates of planned services to be furnished to the territory to be annexed. The plan must present itemized estimated costs for each municipal department or agency;
- 2) The method or methods of financing the planned services. The plan must explain how specific and detailed expenses will be funded and must indicate the taxes, grants and other funding to be used;
- 3) The plan for the organization and extension of services. The plan must detail the specific services that will be provided and the dates the services will begin;
- 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 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 in areas within the corporate boundaries regardless of similar topography, patterns of land use, and population density; and
- 5) That services of a capital improvement nature, including street construction, street lighting, 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.

This Fiscal Plan may include additional materials in connection with the foregoing. This Fiscal Plan was developed through the cooperative efforts of the City’s various administrative offices, the City’s financial advisors, Umbaugh, Land Development and Design, and Blankenbeker & Son Land Surveyors Inc., P.C. This fiscal plan is the result of an analysis of the proposed annexation area.

For the reasons described in the balance of the Fiscal Plan, the annexation meets the statutory requirements set forth in Indiana Code 36-4-3-13. The Annexation Area is contiguous to the City, the Annexation Area is needed and can be used by the municipality for its development in the reasonably near future, and there is a written Fiscal Plan, herein provided, that has been approved by the City Council.

SECTION I

AREA DESCRIPTION

A. Location, Area Size and Contiguity

The proposed Annexation Area is located within and on the north, east and west sides of the existing corporate boundaries of the City. A map and legal description of the area have been included in attached Appendix II.

The area is approximately 7,806 acres. The perimeter boundary of the Annexation Area totals 241,457 lineal feet, of which approximately 167,701 lineal feet is contiguous to the existing City boundaries. Thus, 69% of the boundary of the total Annexation Area is contiguous with the current boundaries of the City. Contiguity broken down by individual area is: A – 100%, B – 100%, C – 79%, D – 38%, E – 36%, and F – 99.8%.

B. Current Land Use

The majority of the Annexation Area consists of the following types of land use:

- Vacant Land = 3,139 +/- Acres
- Residential (Single Family and Multi Family) = 2,940 +/- Acres
- Commercial = 489 +/- Acres
- Industrial = 506 +/- Acres

C. Current Population

The current population of the Annexation Area is estimated at 8,967. This figure was arrived at by multiplying the number of households in the annexation area by the persons per household figure in the 2000 Census for Clark County. The number of households in the annexation area is estimated based on the number of parcels in the area that have residential improvements.

Households	3,660
Population per Household	x <u>2.45</u>
Estimated Population	<u>8,967</u>

D. Current Zoning

The Annexation Area is currently under the jurisdiction of the Clark County Plan Commission. The Annexation Area consists of one or more of the following zoning districts: C1:Conservancy Zone, A1:Agricultural Zone, RS:Suburban One-Family Residence Zone, R1:One-Family Residence Zone, R2:Limited Multi-Family Residence Zone, R3:Multi-Family Residence Zone, B1:Limited Business Zone, B2:Roadside Business Zone, B3:General Business Zone, M1:General Industrial Zone, M2:Heavy Industrial, and M3:Hazardous Waste Disposal.

The City of Jeffersonville Department of Planning and Zoning will assume the responsibility for planning and zoning as a result of the proposed annexation. Certain annexed parcels in this area should be rezoned to be compatible with the City's current zoning classifications. An analysis has been conducted by Professional Land Planner, Jim Urban, with Land Design and Development, to determine the conversion table for zoning classification with the exceptions, which are attached hereto as Appendix III.

E. Real Property Assessed Valuation

The net assessed valuation for land and improvements in the Annexation Area is \$408,561,027. This represents the assessed value as of March 1, 2005 for taxes payable 2006.

F. Council District

The Annexation Areas on the attached map shall be assigned to City Council Districts as follows:

<u>Existing Township and Precinct #</u>	<u>City Council District After Annexation</u>
Jeffersonville – 20	3 rd District
Jeffersonville – 21	3 rd District
Jeffersonville – 22	3 rd District
Jeffersonville – 23	4 th District
Jeffersonville – 24	5 th District
Jeffersonville – 25	2 nd District
Utica – 2	4 th District
Utica – 3	2 nd District
Utica – 4	2 nd District
Charlestown – 7	2 nd District

SECTION II

EXISTING UTILITY SERVICES

A. Water

The Annexation Area is currently served by Watson Rural Water Co., Riverside Water Company, Sellersburg Water, Indiana-American Water, and Oak Park Conservancy District.

B. Wastewater

Parts of the Annexation Area are served by Oak Park Conservancy District and the City of Jeffersonville; however, a portion of the Annexation Area is currently not being served.

C. Natural Gas

The Annexation Area is currently served by Vectren.

D. Electricity

The Annexation Area is currently served by Duke Energy and Clark County REMC.

E. Telephone

AT&T and Insight Communications currently provide telephone services to the majority of the Annexation Area.

SECTION III

EXISTING GOVERNMENTAL SERVICES

A. Police

The Clark County Sheriff's Department currently provides law enforcement service to the Annexation Area. Beginning on midnight of 12/31/08, the City will perform primary law enforcement duties in the Annexation Area. In the interim period, Jeffersonville will provide mutual aid in the Annexation Area.

B. Fire

The Annexation Area is currently served by the Utica Township Volunteer Fire Department and the McCulloch Volunteer Fire Department. Beginning on midnight of 12/31/08, the City will provide fire service to the Annexation Area.

C. Emergency Medical Services

The City of Jeffersonville currently has an interlocal agreement with Clark County under which the County is solely responsible for the assignment of EMS service territories to providers. It is expected that there will be no change in this agreement as a result of this annexation.

D. Parks

The Annexation Area contains three existing parks, which are maintained by the City of Jeffersonville. There is a combination of approximately 36 park and recreation facilities in the City available for all residents.

E. Planning, Building and Zoning

The Annexation Area is currently under the jurisdiction of the Clark County Building Commission, the Clark County Plan Commission, and the Clark County Board of Zoning Appeals. The services provided by these offices include comprehensive planning, zoning administration and building code regulation and enforcement. The City of Jeffersonville Department of Planning and Zoning and the City of Jeffersonville Building Commission Office will take over these roles in the Annexation Area beginning on midnight of 12/31/07.

F. Streets and Street Lights

All dedicated streets and the county roads in the Annexation Area are currently maintained by Clark County. The Jeffersonville Street and Sanitation Department will be responsible for maintaining the roads in the area beginning on midnight of 12/31/08.

It is anticipated that the City of Jeffersonville, along with Duke Energy and Clark County REMC, will be adding streetlights to some parts of the Annexation Area in accordance with the City's existing policy.

G. Solid Waste

Clark County provides limited recycling and solid waste disposal services to the Annexation Area. This service is also provided to residents in the Annexation Area by private firms. Beginning on midnight of 12/31/08, the City will provide trash, recycling, and yard waste removal to residents of the Annexation Area.

H. Drainage

Clark County and Oak Park Conservancy District currently provide drainage services to the annexation areas. The City of Jeffersonville will provide drainage service to the annexation areas, except within the Oak Park Conservancy District boundaries. The City will take over the responsibility of the entire Lancassange Creek corridor from Clark County. Drainage service will begin on midnight of December 31, 2008.

SECTION IV

CAPITAL IMPROVEMENTS REQUIREMENTS

A. Cost of Services

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

The City will provide all necessary capital improvements to the Annexation Area by midnight of 12/31/10 in a manner equivalent in standard and scope to those capital services provided to areas within the City regardless of topography, patterns of land use, and population density.

B. Water Service

Watson Rural Water Co., Riverside Water Company, Sellersburg Water, Indiana-American Water, and Oak Park Conservancy District are currently responsible for serving the Annexation Area and this will continue following annexation. No additional costs will be incurred by the City regarding the providing of water service.

C. Wastewater Service

Oak Park Conservancy District and the City are currently providing service in a portion of the Annexation Area. The City anticipates the need to spend \$6,989,950 in the area for sewer improvements. (See the preliminary plans prepared by Jacobi, Toombs and Lanz, Inc., attached as Appendix IV) It is anticipated that financing for the improvements will be from a sewage works revenue bond issue. Other extension costs in the area will be borne by developers. As additional housing units are constructed in the Annexation Area, additional hook-ups will be added to the sewer system. The cost of these hook-ups will be based on equivalent dwelling unit charges and will be covered by the payment of availability, tap, and/or connection fees. Oak Park Conservancy District will continue to serve the area within the boundaries of their conservancy district.

D. Storm Drainage

Storm drainage throughout the Annexation Area will be consistent with the City's current storm drainage policies and practices throughout the City. Oak Park Conservancy District will continue to maintain the area within the boundaries of their Conservancy District with the exception of Lancassange Creek. The City shall implement rehabilitation projects of Lancassange Creek, Upper Lentzier Creek, Pleasant Run, Lick Run and their tributaries in the annexed area. These drainage projects are to be completed as funding from the drainage fees becomes available. Other drainage projects shall be implemented as identified by the City Drainage Board. The annexation will create the need for 2 new dump trucks and 1 new chipper truck. This will require an estimated capital expense of \$210,000 to be paid for with monies from the Drainage Fund as supplemented by new revenues from the annexation levy appeal.

E. Street Maintenance and Construction

Construction of any new streets within the developments in the Annexation Area will be the responsibility of the appropriate developer in accordance with the City Code. Jeffersonville does not anticipate that any existing thoroughfares will need to be reconstructed within three years of the annexation. However, the City will continue to seek out grants that, along with additional revenues from MVH and LR&S, could be used for any unanticipated expenses. There will be some additional capital expenses for street maintenance due to the need for 1 new street sweeper, 1 new Gradall, 2 new mowers, and 3 new salt trucks. This will require an estimated capital expense of \$488,600 to be paid for with a combination of monies from the Motor Vehicle Highway Fund and Local Road and Street Fund as supplemented by new revenues from the annexation levy appeal.

F. Trash Collection and Recycling

Trash collection and recycling throughout the Annexation Area will be consistent with the City's current trash collection and recycling policies throughout the City. The annexation will create the need for 2 new garbage trucks, 1 new yard waste truck, 2 new chipper trucks, and 1 new chipper. This will require an estimated capital expense of \$584,000 to be paid for with monies from the Sanitation Fund as supplemented by new revenues from the annexation levy appeal.

G. Street Lighting

The City does not anticipate any capital expenses related to providing streetlights in the Annexation Area. When streetlights are added to parts of the Annexation Area the capital cost of those lights will be the responsibility of Duke Energy and Clark County REMC. The City will, however, be responsible for the monthly purchased power bills related to an estimated additional 54 streetlights at approximately \$15 per light.

SECTION V

NON-CAPITAL IMPROVEMENTS

A. Cost of Services

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

The proposed Annexation Area will require expansion of the existing police, fire and City maintenance area. The requirements for providing these services and the cost of each of the services were determined based upon the factors and needs of the Annexation Area.

The City will provide all necessary non-capital services to the Annexation Area beginning on midnight of 12/31/08 in a manner equivalent in standard and scope to those non-capital services provided to areas within the City regardless of topography, patterns of land use, and population density.

B. Police Protection

The City of Jeffersonville Police Department's primary purpose is the prevention of crime. The police department patrols the boundaries of the City on a daily basis and responds to all alarm calls. In addition, the police department provides other services such as detection and apprehension of offenders, traffic control, and preservation of civil order. The police department does not distinguish between different areas of the City. The same services are provided throughout the City. The City anticipates needing to hire 18 additional officers as a result of the annexation in order to maintain a ratio of 2 police officers per 1,000 population. The estimated cost of adding these officers is \$60,000 (including benefits) per officer annually for personal services and \$23,500 for equipment in each officer's first year. Also, the City anticipates the need to hire 2 additional administrative employees at \$25,000 apiece, and it is expected that approximately \$54,000 more per year will be spent on fuel as a result of the annexation. These additional costs will be financed from the General Fund, Law Enforcement Continuing Education Fund, and the Local Law Enforcement Block Grant.

C. Fire Protection

The Jeffersonville Fire Department ("JFD") serves the corporate City limits of Jeffersonville and provides mutual aid to surrounding communities and townships. The JFD provides fire and first responder (basic) medical response to citizens within the city limits. Based upon current expenditures by the City's fire department, the City will incur additional costs to provide adequate services to the Annexation Area. The JFD will need to hire 15 additional firefighters and spend approximately \$20,000 more per year on fuel and maintenance costs as a result of the annexation. The estimated cost of adding these firefighters is \$60,000 (including benefits) annually per person for personal services. These additional costs will be financed from the General Fund.

D. Emergency Medical Services

The City of Jeffersonville currently has an interlocal agreement with Clark County under which the County is solely responsible for the assignment of EMS service territories to providers. It is expected that there will be no change in this agreement as a result of this annexation.

E. Street Maintenance

The Jeffersonville Street and Sanitation Department will be responsible for the maintenance and snow and ice removal of the streets in the Annexation Area. The Annexation Area has approximately 79 miles of streets that the City will be responsible for maintaining. Currently, the City has approximately 157 miles of streets. After annexation it will have 236 miles. The City anticipates additional annual operating costs of approximately \$587,190. This figure was derived by dividing the additional road mileage by the existing road mileage and multiplying the result by the existing LR&S operating budget. Then, the cost of 2 additional mechanics at \$41,600 apiece was added in. The Local Road and Street Fund and the Motor Vehicle Highway Fund will finance these additional costs.

F. Trash Collection and Recycling

The City of Jeffersonville will provide garbage and yard refuse collection services to all properties in the Annexation Area. The City anticipates needing to hire 6 additional employees as a result of the annexation. The estimated cost of adding these employees is \$32,500 (including benefits) annually per person for personal services. Also, the City anticipates additional annual operating costs of \$20,000, \$15,000, and \$84,000 for fuel, composting, and the landfill respectively. These additional costs will be financed from the Sanitation Fund as supplemented by new revenues from the annexation levy appeal.

G. Storm Drainage

Storm drainage maintenance throughout the Annexation Area will be consistent with the City's current storm drainage maintenance throughout the City. The City anticipates needing to hire 6 additional employees as a result of the annexation. The estimated cost of adding these employees is \$32,500 (including benefits) annually per person for personal services. Also, the City will need to hire 1 additional employee in the Engineering Office at an estimated cost of \$40,000. These additional costs will be financed from the Drainage Fund as supplemented by new revenues from the annexation levy appeal.

H. Animal Shelter

The City of Jeffersonville Animal Shelter's primary purpose is the rescue and adoption of domestic animals. The animal shelter does not distinguish between different areas of the City. The same services are provided throughout the City. The shelter anticipates needing to hire 1 additional employee as a result of the annexation. The estimated cost of adding this employee is \$32,500 (including benefits) annually for personal services and \$20,000 for equipment to purchase a new truck. These additional costs will be financed from the General Fund and by new revenues from the annexation levy appeal.

I. Parks

The City has a combination of approximately 36 parks and recreation facilities throughout the City. No additional parkland or facilities are anticipated due to the Annexation Area.

J. Human Resources

The Human Resources Department handles all employment for the City of Jeffersonville. The department was established to manage and facilitate the hiring and employment of the City's more than 250 employees. The department anticipates the need to hire 1 full-time assistant and to make the safety director full-time. The estimated cost of adding these positions is approximately \$60,000 (including benefits) annually for personal services. These additional costs will be financed from the General Fund and by new revenues from the annexation levy appeal.

K. Planning and Zoning

The Department of Planning and Zoning is responsible for assisting citizens and developers with all aspects of their development needs. The department anticipates the need to hire 1 new code enforcement officer as a result of the annexation. The estimated cost of adding this position is approximately \$46,000 (including benefits) annually for personal services. These additional costs will be financed from the General Fund and by new revenues from the annexation levy appeal.

L. Building Commission

This office is responsible for the issuance of construction trade licenses and permits related to new construction, alterations, repair and additions to existing structures. Inspection activities are conducted to insure that the minimum levels of construction are in compliance with the Indiana Building Code and local ordinances. The office anticipates needing to hire 1 new staff member as a result of the annexation. The estimated cost of adding this employee is \$46,000 (including benefits) annually for personal services and \$20,000 for equipment to purchase a new car for code enforcement. These additional costs will be financed from the General Fund and by new revenues from the annexation levy appeal.

M. Governmental Administrative Services

The administrative services of the City will become available to the residents of the Annexation Area by midnight of 12/31/08. These services include, but are not limited to, the Mayor's Office, the Clerk-Treasurer's Office, the Wastewater Utility, Street and Sanitation Department, City Engineer, City Court, Parks and Recreation Department, and the Department of Redevelopment. The costs of these services are not directly related to the size and population of the Annexation Area initially; therefore this Fiscal Plan does not include cost estimates.

SECTION VI

FISCAL IMPACT

As a result of this annexation, the assessed value for the City will increase by \$408,561,027, to \$1,385,007,917. This represents an increase of approximately 42%. Property tax controls instituted by the 2003 Indiana General Assembly limit the City to a property tax increase equal to the six-year average non-farm income (3.9% for 2006 budget year) annually for most funds. The net impact of increasing the City's assessed value will result in additional property tax revenues to the City, and may assist in stabilizing or lowering property tax rates for City residents.

Annexation Area residents will not pay property taxes to the City until 2008 payable 2009. However, the City will begin providing non-capital municipal services to the property owners on midnight of 12/31/08, with the exception of planning and zoning, which will be provided immediately following the effective date of annexation.

It is anticipated that there will be additional costs to the City as a result of the annexation. A majority of the costs are related to the Police Department, Fire Department, Sewer Department, and Street and Sanitation Department. The causes of the anticipated increased costs are discussed above, and the effects of the costs are demonstrated in *Appendix I - Estimated Assessed Value and Tax Rate Impact*.

Detailed revenue projections were not included in this Fiscal Plan because of the property tax controls. The majority of property taxes paid within the Annexation Area do not represent new revenues, but represent the portion of the City's levy that is applicable to the Annexation Area taxpayers. Additional state revenues based on population will not be adjusted until the next census. The cost of a special census to modify the portion the City would receive is cost prohibitive and is not being contemplated by the City at this time.

SECTION VII

ASSUMED INDEBTEDNESS

A. Township Debt

As required by Indiana Code 36-4-3-10, upon request of the Jeffersonville, Charlestown or Utica Township Trustee, the City will assume and pay any unpaid bonds or other obligations of Jeffersonville, Charlestown and Utica Township existing at the effective date of the annexation of the Annexation Area in the same ratio as the assessed valuation of the property in the Annexation Area bears to the assessed valuation of all property in Jeffersonville, Charlestown or Utica Township, as shown on the most recent assessment for taxation prior to the effective date of the annexation.

Jeffersonville, Charlestown and Utica Townships have no debt currently outstanding.

B. Fire Protection District Debt

As required by Indiana Code 36-4-3-7(e), upon request of the Charlestown Fire Protection District or Utica Township Fire District, the City will assume and pay any unpaid bonds or other obligations of the Charlestown Fire Protection District and Utica Township Fire District existing at the effective date of the annexation of the Annexation Area in the same ratio as the assessed valuation of the property in the Annexation Area (that is part of the fire protection district) bears to the assessed valuation of all property in the Charlestown Fire Protection District or Utica Township Fire District, as shown on the most recent assessment for taxation prior to the effective date of the annexation.

The Utica Township Fire District currently has debt outstanding in the amount of \$352,002.99 as of 12/31/06. It is estimated that the City will be responsible for paying approximately 42% of the annual debt service from the effective date of this annexation to the maturity of the outstanding debt.

The Charlestown Fire Protection District has no debt currently outstanding.

SECTION VIII

STATUTORY REQUIREMENTS

The City will provide the services of a capital improvement nature related to the annexation as described in this Fiscal Plan by midnight of 12/31/10 and services of a non-capital nature by midnight of 12/31/08 similar to those services of a capital improvement nature and non-capital nature provided to areas within the current corporate boundaries of the City. The City will finance the additional municipal services expenditures through a combination of the funds mentioned above.

The Annexation Area meets the requirements of IC 36-4-3-13 in that approximately 69 percent (69%) of the boundary of the Annexation Area is contiguous with the current boundaries of the City. Therefore, this area meets the 1/4 contiguity requirement. Also, the territory sought to be annexed is needed and can be used by the municipality for its development in the reasonably near future; therefore, the conditions of IC 36-4-3-13 are met.

The requirements of a written fiscal and policy plan are being met for the Annexation Area, stated above, by this document. The five (5) specific items, which must be included in the fiscal plan, are addressed in this document and satisfy the requirements under Indiana law.

In the case of this annexation, the City has initiated annexation procedures to annex the Annexation Area as required by IC 36-4-3 et seq. Once the Fiscal Plan has been adopted, the City will publish a public notice in the Jeffersonville Evening News of the public hearing to be held by the Jeffersonville City Council concerning the proposed annexation. Once that notice has been published and the written notice of the hearing has been sent to each owner of the real property as shown on the Clark County's auditor's current tax list, whose real property is located within the territory proposed to be annexed, all legal requirements for the City will have been met.

CITY OF JEFFERSONVILLE, INDIANA

APPENDIX I

(Areas A - F Annexation)

ESTIMATED ASSESSED VALUE AND TAX RATE IMPACT - ASSUMES ANNEXATION LEVY APPEAL IN 2009

(Assumes first year of tax collections from Annexation Area is 2008 pay 2009.)

<u>Assessment Year</u>	<u>Est. Annexation Area Net Assessed Value</u>	<u>Est. Current City Net Assessed Value</u>	<u>Est. Total Net Assessed Value</u>	<u>Est. Property Tax Levy</u>	<u>Est. Property Tax Rate</u>
	(1)	(2)	(3)	(4) (5)	(6)
2005 pay 2006	N/A	\$976,356,890	\$976,356,890	\$11,012,329	\$1.1279
2006 pay 2007	N/A	1,015,411,166	1,015,411,166	11,432,024	1.1259
2007 pay 2008	N/A	1,056,027,612	1,056,027,612	11,868,087	1.1238
2008 pay 2009	\$459,575,591	1,098,268,717	1,557,844,308	16,510,921	1.0599
2009 pay 2010	477,958,615	1,142,199,465	1,620,158,080	17,145,061	1.0582
2010 pay 2011	497,076,960	1,187,887,444	1,684,964,404	17,803,933	1.0566

- (1) See page 3.
- (2) Assumes assessed value for the City of Jeffersonville, excluding the Annexation Area, grows at a rate of 4.0%.
- (3) Represents the assessed value for the City of Jeffersonville, including the Annexation Area, used to calculate the tax rate.
- (4) Assumes controlled property tax levies increase at an annual growth factor of 3.9%. Assumes that the funds received from the CCD rate outside of the maximum levy remains constant, and assumes no additional debt is issued.
- (5) Assumes City applies for an annexation levy appeal for pay 2009 equal to the average of the costs that are shown on page 4.
- (6) Based on Estimated Property Tax Levy divided by the Estimated Total Net Assessed Value multiplied by 100.

Prepared by: UMBAUGH

March 5, 2007

CITY OF JEFFERSONVILLE, INDIANA

APPENDIX I

(Areas A - F Annexation)

ESTIMATED NEW REVENUE AND EXPENDITURES - ANNEXATION AREA

(Assumes first year of tax collections from Annexation Area is 2008 pay 2009.)

<u>Assessment Year</u>	<u>Property Taxes from Annex. Appeal</u>	<u>Estimated Annual Expenditures</u>	<u>Estimated Surplus/ (Shortfall)</u>
	(1)	(2)	(3)
2007 pay 2008	-	-	-
2008 pay 2009	\$4,189,765	\$5,245,278	(\$1,055,513)
2009 pay 2010	4,353,166	3,603,619	749,547
2010 pay 2011	4,522,939	3,720,398	802,541

- (1) Assumes City applies for an annexation levy appeal for pay 2009 of \$4,189,765, the average of the estimated expenses shown on page 4.
- (2) Based on information provided by City representatives, the expenditures include estimated costs to cover police and fire service in the Annexation Area, street maintenance costs, animal shelter costs, storm drainage costs, street lighting, recycling and trash collection.
- (3) Represents difference between amount of new revenues as a result of the annexation and the cost to provide services to the area.

Note: The effect of any additional revenues from EDIT, CAGIT, MVH, LRS or any miscellaneous revenues based on population are not considered on this schedule.

Prepared by: UMBAUGH
March 5, 2007

CITY OF JEFFERSONVILLE, INDIANA

APPENDIX I

(Areas A - F Annexation)

ESTIMATED ASSESSED VALUE AND ESTIMATED PROPERTY TAXES PAID IN ANNEXATION AREA

(Assumes first year of tax collections from Annexation Area is 2008 pay 2009.)

<u>Assessment Year</u>	<u>Current Assessed Value</u>	<u>Growth in Assessed Value</u>	<u>Total Assessed Value</u>	<u>Estimated Property Taxes Paid in Area</u>
	(1)	(2)		(3)
2005 pay 2006	\$408,561,027	N/A	\$408,561,027	N/A
2006 pay 2007	408,561,027	\$16,342,441	424,903,468	N/A
2007 pay 2008	408,561,027	33,338,580	441,899,607	N/A
2008 pay 2009	408,561,027	51,014,564	459,575,591	\$4,870,840
2009 pay 2010	408,561,027	69,397,588	477,958,615	5,057,920
2010 pay 2011	408,561,027	88,515,933	497,076,960	5,252,290

- (1) Based on current net assessed value of the Annexation Area, as provided by officials from the City of Jeffersonville and the Clark County Auditor's office.
- (2) Assumes the assessed value of Annexation Areas A - F grows at a rate of 4.0%.
- (3) Total assessed value divided by 100 multiplied by the applicable tax rate.

Prepared by: UMBAUGH
March 5, 2007

CITY OF JEFFERSONVILLE, INDIANA

APPENDIX I

(Areas A - F Annexation)

SCHEDULE SHOWING ESTIMATED COSTS TO SERVE AREA

Year	Animal Shelter (1)	Trash Collection and Recycling (2)	Street Maintenance (3)	Storm Drainage (4)	Police Department (5)	Fire Department (6)	Human Resources (7)	Planning and Zoning (8)	Building Commission (9)	General (10)	Street Lighting (11)	Fire District Debt (12)	Total Expenses
2009	\$52,500	\$898,000	\$1,075,790	\$445,000	\$1,607,000	\$920,000	\$60,000	\$46,000	\$66,000	\$40,000		\$34,988	\$5,245,278
2010	33,475	323,420	604,806	242,050	1,219,520	947,600	61,800	47,380	47,380	41,200		34,988	3,603,619
2011	34,479	333,123	622,950	249,312	1,256,106	976,028	63,654	48,801	48,801	42,436	\$9,720	34,988	3,720,398

Assumptions:

- Assumes that the City begins providing non-capital services on midnight of December 31, 2008.

- (1) Assumes the animal shelter will need 1 new employee and 1 new truck. Assumes that the cost of the employee increases each year based on a 3% inflation factor.
- (2) Assumes the street department adds 2 new garbage trucks, 1 yard waste truck, 2 chipper trucks, 1 chipper, and 6 new employees. Also, the annexation would cause the need for additional fuel, composting, and landfill costs. Assumes that the cost of the employees, fuel, composting, and landfill increases each year based on a 3% inflation factor.
- (3) Assumes that the street department adds 1 new street sweeper, 3 new salt trucks, 1 new Gradall, 2 new mowers, and 2 new mechanics. Also assumes that the current street maintenance budget is allocated to the annexation area based on road mileage. Assumes that the allocable portion of the budget and the cost of the employees increases each year based on a 3% inflation factor.
- (4) Assumes that the City adds 6 new employees, 2 new dump trucks, 1 new chipper truck, and 1 additional employee in the Engineer's office. Assumes that the cost of the employees increases each year based on a 3% inflation factor.
- (5) To maintain the current service level of 2 police officers per 1,000 population, assumes that 18 additional police officers, cars and equipment are needed as a result of the annexation. Also, the annexation would cause the need for 2 additional administrative employees and more fuel costs. Assumes that the cost of the police officers, administrative employees, and fuel increases each year based on a 3% inflation factor.
- (6) Assumes that Jeffersonville adds 15 firefighters upon annexation. Also, the annexation would cause the need for additional fuel and maintenance costs. Assumes that the cost of the firefighters, fuel, and maintenance increases each year based on a 3% inflation factor.
- (7) Assumes one new full-time assistant is hired and the safety director is made full-time. Assumes that the cost of the employees increases each year based on a 3% inflation factor.
- (8) Assumes one new code enforcement officer is hired. Assumes that the cost of the employee increases each year based on a 3% inflation factor.
- (9) Assumes the building commission will need 1 new employee and 1 new car. Assumes that the cost of the employee increases each year based on a 3% inflation factor.
- (10) Assumes additional vehicle insurance for all of the new vehicles purchased as a result of annexation. Assumes the cost of the insurance increases each year based on a 3% inflation factor.
- (11) Assumes that the City needs to add 54 street lights by 12/31/10. The City will be responsible for the monthly electric bills for the street lights, which is estimated at \$15 per light.
- (12) Assumes that the City pays a portion of the outstanding debt of the Utica Township Fire Protection District. This amount is estimated based on the Pay 2006 assessed values of Utica Township and the proposed annexation area that is in Utica Township.