

RESOLUTION NO. 18-2025

**A FISCAL POLICY RESOLUTION
FOR ANNEXING CONTIGUOUS TERRITORY
TO THE TOWN OF DANVILLE, INDIANA**

**Avon Crest Apartments, LLC
Super-Voluntary Annexation**

WHEREAS, Ind. Code § 36-4-3-3.1 requires that the municipality has developed a written fiscal plan and has established a definite policy, by resolution of the legislative body that meets the requirements set forth in Ind. Code § 36-4-3-13(d), prior to annexing property under Ind. Code § 36-4-3; and

WHEREAS, it is the desire of the Town Council of the Town of Danville, State of Indiana, to provide such written fiscal plan, and comply with Indiana law.

THEREFORE, BE IT RESOLVED by the Town Council of the Town of Danville, State of Indiana, that Exhibit A, as attached and incorporated herein, is adopted as the fiscal plan for the “Avon Crest Apartments, LLC” Super-Voluntary Annexation” proposed by Ordinance 16-2025.

BE IT FURTHER RESOLVED THAT the sections, paragraphs, sentences, clauses and phrases of this Resolution and the fiscal plan are separable, and if any phrase, clause, sentence, paragraph or section of this Resolution or the fiscal plan shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality, invalidity, or unenforceability shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Resolution or the fiscal plan.

PASSED the 15th day of October 2025.

[Signatures on next page]

THE TOWN COUNCIL OF THE TOWN
OF DANVILLE, INDIANA

YAY/NAY

Dave Potter

Michael Chatham

Greg Irby

Bret Doub

Chris Gearld

ATTEST:

Carrie Lofton
Clerk-Treasurer

EXHIBIT A

**ANNEXATION FISCAL PLAN
AVON CREST APARTMENTS, LLC
SUPER-VOLUNTARY ANNEXATION**

**ANNEXATION FISCAL PLAN
FOR THE
TOWN OF DANVILLE, INDIANA
AVON CREST APARTMENTS LLC
SEPTEMBER 30, 2025**

Prepared by:

KROHN
— ASSOCIATES —
CPAS AND CONSULTANTS

INTRODUCTION

The following fiscal plan (the “Fiscal Plan”) is for the proposed super voluntary annexation of three parcels to the east side of the existing corporate limits of the Town (the “Annexation Area”). The Annexation Area is adjacent to the Town of Danville (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, 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;
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 various administrative staff, consulting engineer, attorney 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.

AREA DESCRIPTION

Location, Area Size and Contiguity

The proposed Annexation Area is located on the east side of the existing corporate boundaries of the Town. A legal description is included with the Annexation Resolution and as part of Appendix I herein. The Annexation Area totals approximately 5.86 acres. At least 1/8th of the external boundaries of the Annexation Area are contiguous to the existing corporate boundaries of the Town.

Current Land Use

The Annexation Area consists of residential, vacant residential land and commercial apartment use and currently has one occupied residential property and 2 apartment buildings each containing approximately 8 units.

Zoning

The existing County zoning for the parcels is (AGR) Agriculture Residential. The proposed zoning for the Annexation Area is to become R2-Residential.

Current Population

The estimated current population of the Annexation Area is 18, as there is one occupied home and approximately 16 apartments within the Annexation Area.

Real Property Assessed Valuation

The estimated net assessed valuation for land and improvements in the Annexation Area is \$655,100. This represents the assessed value as of January 1, 2024, for taxes payable in 2025. The Project to be constructed on the property is expected to be completed by Spring of 2028, and, therefore, will not become part of the Town's assessed value until 2029 Pay 2030. The estimated assessed value, once fully developed, is \$4,500,000.

Plan for the Area

The plan for the Annexation Area is for the current property owner to have access to Town utility services in preparation for the proposed construction of a new apartment complex containing 85 apartments. Construction is expected by the Developer to begin in April of 2026 and be completed by Spring of 2028.

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 will provide all non-capital services to the Annexation Area within one (1) year after the effective date of annexation regardless of topography, patterns of land use, and population density.

Police Protection

The Town operates and maintains a Police Department with adequate staff to cover services to the Annexation Area. While the Annexation Area is officially served by the Hendricks County Sheriff Department, the Danville Police Department is typically the first responder. No incremental costs are anticipated.

Fire Protection and Emergency Medical Services

The Town operates and maintains a Fire Department and EMS Services. The Annexation Area is already serviced by the Danville Fire Department and EMS Services, as well as the Washington Township fire services. No incremental costs are anticipated.

Street Maintenance

The Annexation Area is currently one parcel with no roads running through the land. All non-capital services of the Danville 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 plan for the Annexation Area does not include the addition of any new streets. Therefore, the annexation should have no impact on street maintenance within the Town's current budget.

Trash Collection and Recycling

The Town and the Annexation Area currently do not have trash collection services. If trash and recycling services become available in the future, the Annexation Area will receive the same service as the residents of the Town.

NON-CAPITAL SERVICES

(Continued)

Street Lighting

The Annexation Area does not currently have any streetlights. The Town of Danville maintains some public streetlights within the corporate boundaries of the Town. The plan for the Annexation Area does not currently include the installation of streetlights. Therefore, there will be no additional costs to the Town for maintaining streetlights after the annexation is completed.

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 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 and a Town Manager. 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 November 24, 2025.

Water Service

The Town owns and operates a Municipal Water Utility (the "Water Utility") and has the capacity and capability to serve the Annexation Area. For any additional connections, and to the extent necessary, all capital services of the Water Utility will be made available 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 of the Town and in a manner consistent with federal, state, and local laws, procedures, and planning criteria. All new connections are required to pay tap, connection, and availability fees to the Town.

CAPITAL IMPROVEMENTS

(Continued)

Wastewater Service

The Annexation Area is served by West Central Conservancy District for wastewater services and will continue those services once annexed. Therefore, there will be no additional costs to the Town.

Storm Drainage

The Town is an MS4 (Municipal Separate Storm Sewer System). The current stormwater staff is sufficient to service the Annexation Area. There are no incremental costs anticipated to provide storm water management services to the Annexation Area. The Annexation Area will be subject to monthly stormwater fees currently charged by the Town.

Street Construction

The Annexation Area does not currently have any streets running through the property. The plan for the Annexation Area does not include the addition of any new streets. All capital services of the Street Department 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.

FISCAL IMPACT

As a result of this annexation, the assessed value for the Town will increase by \$655,100, initially. Property tax controls instituted by the 2002 Indiana General Assembly limit the Town to a property tax levy increase equal to the six-year average non-farm income (4.0% for 2025 budget year) annually for most funds. The net impact of increasing the Town's assessed value could result in additional property tax revenues to the Town, however our estimates of overall growth in the Town are shown as the tax rate reductions in this illustration.

It is assumed that the effective date of this annexation will be as soon as practically possible, but no later than November 24, 2025. Based on the assumed effective date, Annexation Area property owners will not pay property taxes to the Town until 2026 payable 2027. However, the Town will begin providing non-capital municipal service to the property owners within one (1) year after the effective date of the annexation, and it will begin providing capital municipal services to the property owners within three (3) years after the effective date of this annexation.

The Town of Danville currently has \$9,546 of over 65 circuit breaker tax credits and \$270,755 of 1%-3% circuit breaker tax credits for 2025. We are projecting a decrease in the Town's total tax rate of approximately \$0.0584, as a result of continued growth of the Town at the current rate of 6%. As a result of the tax rate reduction, the increase in net collections will exceed any additional circuit breaker tax credits. The enclosed illustration on page 11 shows that if the Town's current rate of assessed value growth continues, and the max levy is utilized, the tax rates will trend downward.

Washington Township's current property tax rate of \$0.3748 / \$100 is for fire services provided to Township property outside of the corporate limits. Once the property is annexed, they will no longer pay this fire rate and will no longer be served by the Township for fire services. They will

FISCAL IMPACT

(Continued)

pay the Town rate to receive Town fire services. Therefore, after the initial annexation, the Township tax rate could increase by a fraction of a percent to \$0.3749 / \$100, other things being equal.

There should be no adverse impact on the other overlapping taxing units, as it is anticipated that growth in net assessed value will be equal to or exceed normal inflation in operating costs. Schools generate the majority of their operating funds from student population. The County's AV remains intact with or without annexation.

APPENDIX I

Parcel Information

Legal Description

Summary of Estimated Additional Costs Due to Annexation

Estimated Assessed Value and Tax Rate Impact from Annexation

PARCEL INFORMATION

The Annexation Area consists of three parcels and one owner as shown below.

<u>Parcel ID</u>	<u>Owner</u>	<u>Net Assessed Value</u>	<u>Remonstrance Waiver</u>
32-10-08-100-005.000-022	Avon Crest Apartments LLC	\$ 442,100	Yes
32-10-08-100-020.000-022	Avon Crest Apartments LLC	\$ 4,100	Yes
32-10-08-100-019.000-022	Avon Crest Apartments LLC	\$ 208,900	Yes

LEGAL DESCRIPTION

PARCEL I (TAX ID 32-10-08-100-005.000-022)

The following represents a legal description of a tract of land located in the Northwest Quarter of Section 8, Township 15 North, Range 1 East of the Second Principal Meridian, Washington Township, Hendricks County, Indiana, said tract being more particularly bound and described as follows, to-wit:

Assuming the North line of the Northwest Quarter of Section 8 as being North 90 degrees 00 minutes 00 seconds East and all other bearings being relative thereto; being a part of the Northwest Quarter of Section 8, Township 15 North, Range 1 East of the Second Principal Meridian, Washington Township, Hendricks County, Indiana and Brass plug found, per county ties, marking the Northwest corner of the Northwest Quarter of Section 8; thence running along the North line of said Quarter Section bearing North 90 degrees 00 minutes 00 seconds East 505.00 feet to a Mag Nail set marking the Northwest corner of a tract of land for "Manners" as described in Deed Book 348, Pages 62-66 in the Office of the Recorder of Hendricks County, Indiana and the POINT OF BEGINNING FOR THIS LEGAL DESCRIPTION; thence continuing to run along the North line of the Northwest Quarter of said section bearing North 90 degrees 00 minutes 00 seconds East 40.00 feet to a Mag Nail set; thence running parallel with the West line of the Northwest quarter bearing South 01 degrees 05 minutes 25 seconds West 216.00 feet to a 5/8" re-bar set; thence South 90 degrees 00 minutes 00 seconds East 622.60 feet to a 5/8" re-bar set at the Northeast corner of "Manners"; thence running along the East line of "Manners" bearing South 01 degrees 05 minutes 25 seconds West 305.92 feet to the Southeast corner of "Manners"; thence running along the South line of "Manners" bearing South 90 degrees 00 minutes 00 seconds West 662.60 feet to a 5/8" re-bar set marking the Southwest corner of "Manners"; thence running North along the West line of "Manners" bearing North 01 degrees 05 minutes 25 seconds Est 521.92 feet to the POINT OF BEGINNING; containing 4.85 acres, more or less.

EXCEPTING THEREFROM, that part of the above described property conveyed to Roy L. Maners and Wanda L. Maners, Co-Trustees, The Roy L. Maners and Wanda L. Maners Revocable Living Trust by Quitclaim Deed recorded November 9, 1998, as Instrument Number 9800030154 in Volume 87, page 976, in the Office of the Recorder of Hendricks County, Indiana, described as follows:

The following represents a legal description of a tract of land located in the Northwest Quarter of Section 8, Township 15 North, Range 1 East of the Second Principal Meridian, Washington Township, Hendricks County, Indiana. Said tract being more particularly bound and described as follows, to-wit: Assuming the North line of the Northwest Quarter of Section 8 as being North 90 degrees 00 minutes 00 seconds East and all other bearings being relative thereto; commencing at a Brass monument found, per county ties, marking the Northwest corner of the Northwest Quarter of Section 8; thence running along the North line of said Quarter Section bearing North 90 degrees 00 minutes 00 seconds

East 1067.60 feet to the Northwest corner of a tract of land for "Manners" as described in Deed Book 174, Pages 164-165 in the Office of the Recorder of Hendricks County, Indiana; thence running along the West line of "Manners" bearing South 01 degrees 05 minutes 25 seconds West 216.00 feet to the Southwest corner thereof and the Point of Beginning for this Legal Description; thence running along the South line of "Manners" bearing North 90 degrees 00 minutes 00 seconds East 100.00 feet to the Southeast corner thereof, said corner being the Northeast corner of a tract of land for "Manners" as described in Deed Book 325, Pages 717-720; thence running along the East line of "Manners" bearing South 01 degrees 05 minutes 25 seconds West 37.00 feet to a 5/8" re-bar with cap set; thence running parallel with the North line of the Northwest Quarter bearing North 90 bearings 00 minutes 00 seconds West 100.00 feet to a 5/8" re-bar with cap set; thence running parallel with the West line of the Northwest Quarter bearing North 01 degrees 05 minutes 25 seconds East 37.00 feet to the Point of Beginning; containing 0.08 acre, more or less.

PARCEL II (TAX ID 32-10-08-100-020.000-022)

The following represents a legal description of a tract of land located in the Northwest Quarter of Section 8, Township 15 North, Range 1 East of the Second Principal Meridian, Washington Township, Hendricks County, Indiana, said tract being more particularly bound and described as follows, to-wit:

Assuming the North line of the Northwest Quarter of Section 8 as being North 90 degrees 00 minutes 00 seconds East and all other bearings being relative thereto; being a part of the Northwest Quarter of Section 8, Township 15 North, Range 1 East of the Second Principal Meridian, Washington Township, Hendricks County, Indiana, and brass plug found, per county ties, marking the Northwest corner of the Northwest Quarter of Section 8; thence running along the North line of said quarter bearing North 90 degrees 00 minutes 00 seconds East 646.60 feet to a mag nail set and the point of beginning for this legal description; thence continuing to run along the North line of the Northwest Quarter of said section bearing North 90 degrees 00 minutes 00 seconds East 120.00 feet to a mag nail set; thence South parallel with the West line of the Northwest Quarter bearing South 01 degrees 05 minutes 25 seconds West 216.00 feet to a 5/8" rebar set; thence South 90 degrees 00 minutes 00 seconds West 120.00 feet to a 5/8 inch rebar set; thence North 01 degrees 05 minutes 25 seconds East 216.00 feet to the point of beginning; containing 0.59 acre, more or less.

PARCEL III (TAX ID 32-10-08-100-019.000-022)

The following represents a legal description of a tract of land located in the Northwest Quarter of Section 8, Township 15 North, Range 1 East of the Second Principal Meridian, Washington Township, Hendricks County, Indiana, said tract being more particularly bound and described as follows, to-wit:

Assuming the North line of the Northwest Quarter of Section 8 as being North 90 degrees 00 minutes 00 seconds East and all other bearings being relative thereto; being a part of the Northwest Quarter of Section 8, Township 15 North, Range 1 East of the Second Principal Meridian, Washington Township, Hendricks County, Indiana and brass plug found, per county ties, marking the Northwest corner of the Northwest Quarter of Section 8; thence running along the North line of said quarter bearing North 90 degrees 00 minutes 00 seconds East 545.00 feet to a mag nail set and the point of beginning for this legal description; thence continuing to run along the North line of the Northwest Quarter of said section bearing North 90 degrees 00 minutes 00 seconds East 101.60 feet to a mag nail set; thence South parallel with the West line of the Northwest Quarter bearing South 01 degrees 05 minutes 25 seconds West 216.00 feet to a 5/8 inch rebar set; thence South 90 degrees 00 minutes 00 seconds West 101.60 feet to a 5/8 inch rebar set; thence North 01 degrees 05 minutes 25 seconds East 216.00 feet to the point of beginning; containing 0.50 acre, more or less.

SUMMARY OF ESTIMATED ADDITIONAL COSTS DUE TO ANNEXATION

The Town does not anticipate any incremental operating costs to provide comparable services to the Annexation Area as already provided to the existing residents of the Town.

ESTIMATED ASSESSED VALUE AND TAX RATE IMPACT FROM ANNEXATION

Town of Danville

Estimated Assessed Value and Tax Rate Impact from Annexation
(Assumes first year tax collection from Annexation Area is 2026 payable in 2027)

Assessment Year	Estimated Net Assessed Value Annexation Area	Estimated Town Net Assessed Value	Total Net Assessed Value	Town Levy	CCD Levy	Total Town Levy	Estimated Corporate Tax Rate	Estimated CCD Tax Rate	Estimated Total Corporate Tax Rate
	(1)	(2)	(3)	(4)	(5)		(6)	(5)	(7)
2024 Pay 2025	\$ -	\$ 884,008,107	\$ 884,008,107	\$4,631,319	\$442,004	\$5,073,323	\$ 0.5239	\$0.0500	\$ 0.5739
2025 Pay 2026	\$ -	\$ 937,048,593	\$ 937,048,593	\$4,770,259	\$468,524	\$5,238,783	\$ 0.5091	\$0.0500	\$ 0.5591
2026 Pay 2027	\$ 655,100	\$ 993,926,609	\$ 994,581,709	\$4,913,366	\$497,291	\$5,410,657	\$ 0.4940	\$0.0500	\$ 0.5440
2027 Pay 2028	\$ -	\$ 1,053,562,206	\$ 1,054,217,306	\$5,060,767	\$527,109	\$5,587,876	\$ 0.4800	\$0.0500	\$ 0.5300
2028 Pay 2029	\$ 2,250,000	\$ 1,116,775,938	\$ 1,119,681,038	\$5,212,590	\$559,841	\$5,772,431	\$ 0.4655	\$0.0500	\$ 0.5155

(1) We added the existing assessed value of the Annexation Area in Pay 2027. The Project is expected by the Developer to be completed by Spring of 2028. Therefore, the Net Assessed Value would be added to the Town for 2029 Pay 2030. The estimated NAV to be added in Pay 2030 is \$4,500,000. It is estimated that in Pay 2029 the Project will be 50% completed and assessed.

(2) Annual growth rate of 6% for the existing assessed value of the Town.

(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 Park Funds.

(5) Cumulative fund levies are not subject to levy control. Amount represents current tax rate of \$0.0500 times the estimated assessed value of the Town including increases in the Annexed Area. The maximum allowed rate for the CCD fund by statute is \$0.05 and the rate can be maintained at this level by annual action of the Town Council. It is assumed that the Town Council will continue to re-establish the fund annually and maintain the same rate as in 2025.

(6) Represents the tax rate which produces the Town Levy with an estimate tax base shown under Total Net Assessed Value.

(7) Total of Town tax rate which includes the General Fund, Parks, Debt Service and CCD. Illustration demonstrates that the Corporate tax rate will decrease compared to the current rates with growth in the Town's current area.