

RESOLUTION NO. 5-2025

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

**Double E Farms, 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 “Double E Farms, LLC” Super-Voluntary Annexation” proposed by Ordinance 9-2025.

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 4th day of June 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
Double E Farms, LLC
SUPER-VOLUNTARY ANNEXATION**

**ANNEXATION FISCAL PLAN
FOR THE
TOWN OF DANVILLE, INDIANA
*DOUBLE E FARMS, INC. PROPERTY***

MAY 20, 2025

Prepared by:

KROHN
— ASSOCIATES —
CPAS AND CONSULTANTS

INTRODUCTION

The following fiscal plan (the "Fiscal Plan") is for the proposed super voluntary annexation of a portion of one parcel 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 ordinance 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 Ordinance and as part of Appendix I herein. The Annexation Area totals approximately 135.21 acres, with Phase I containing 25.148 acres and Phase II containing 110.062. 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 agricultural land use and currently has no occupied residential properties.

Zoning

The existing County zoning for the parcel is AD – Airport District.. The proposed zoning for the Annexation Area is to have a base zoning of IL – Light Industrial and be subject to the Town’s AOD – Airport Overlay District.

Current Population

The estimated current population of the Annexation Area is 0, as there are no occupied homes within the Annexation Area.

Real Property Assessed Valuation

The estimated net assessed valuation for land and improvements in the Annexation Area is \$310,500. This represents the assessed value as of January 1, 2024, for taxes payable in 2025.

Plan for the Area

The plan for the Annexation Area is for the current property owners to have access to Town utility services. The annexation will take place in two phases

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. 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 July 15, 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 \$310,500 once both phases are completed. 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 Phase I of this annexation will be as soon as practically possible, but no later than July 15, 2025 and Phase II to be completed prior to the end of 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 \$0.0571, as a result of continued growth of the Town at the current rate of 6%. As a result of the tax rate deduction, 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.

FISCAL IMPACT

(Continued)

rate of assessed value growth continues, and the max levy is utilized, the tax rates will trend downward.

Center Township's current property tax rate of \$0.4728 / \$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 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 \$0.4733 / \$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. And 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>
32-10-18-400-001.000-002	Double E Farms, Inc.	\$ 215,100	Yes
32-10-18-200-002.000-002	Double E Farms, Inc.	\$ 73,600	Yes
32-10-18-400-012.000-002	Double E Farms, Inc.	\$ 21,800	Yes

LEGAL DESCRIPTION

Phase I

Part of the Northeast and Southeast Quarter of Fractional Section 18, Township 15 North, Range 1 East of the Second Principal Meridian in Center Township, Hendricks County, Indiana, described as follows:

Commencing at the northwest corner of said Northeast Quarter; thence South 00 degrees 29 minutes 48 seconds East along the west line thereof 2,344.00 feet to the north line of the land of Double E Farms, Inc. as described in Instrument Number 201233032 in the Office of the Recorder of Hendricks County, Indiana and the POINT OF BEGINNING, said point being on the south line of Lot 1 in Exempt Subdivision 021/16 as per plat thereof recorded as Instrument Number 201617223 in said recorder's office; thence North 89 degrees 30 minutes 07 seconds East along said north line 1,742.99 feet to a point on the south line of Lot 2 in Minor Plat 980/04 as per plat thereof recorded as Instrument Number 2005639499 in said recorder's office; thence South 00 degrees 29 minutes 08 seconds East 614.97 feet to the easterly extension of the north line of Lot 1 in Minor Plat 059/15 as per plat thereof recorded as Instrument Number 201604537 in said recorder's office; thence South 89 degrees 54 minutes 33 seconds West along said easterly extension and north line 1,800.05 feet to the easterly corporate limits of the Town of Danville as described in Ordinance 6-2018 recorded as Instrument Number 201816947 in said recorder's office; thence North 00 degrees 29 minutes 23 seconds West along said easterly corporate limits 602.18 feet to the northwest corner of said land of Double E Farms, Inc.; thence North 89 degrees 30 minutes 07 seconds East along the north line of said Double E Farms, Inc. 57.06 feet to the POINT OF BEGINNING, containing 25.148 acres, more or less.

Phase II

Part of the Northeast and Southeast Quarter of Fractional Section 18, Township 15 North, Range 1 East of the Second Principal Meridian in Center Township, Hendricks County, Indiana, described as follows:

Commencing at the northwest corner of said Northeast Quarter; thence South 00 degrees 29 minutes 48 seconds East along the west line thereof 2,344.00 feet to the north line of the land of Double E Farms, Inc. as described in Instrument Number 201233032 in the Office of the Recorder

of Hendricks County, Indiana, said point being on the south line of Lot 1 in Exempt Subdivision 021/16 as per plat thereof recorded as Instrument Number 201617223 in said recorder's office (the remaining calls are along the north, west, east and south lines of said land of Double E Farms); 1) thence North 89 degrees 30 minutes 07 seconds East along said south line 1,742.99 feet to the POINT OF BEGINNING, said point being on the south line of Lot 2 in Minor Plat 980/04 as per plat thereof recorded as Instrument Number 2005639499 in said recorder's office; 2) thence continue North 89 degrees 30 minutes 07 seconds East along the south line of said Minor Plat 980/04 a distance of 221.57 feet; 3) thence North 00 degrees 29 minutes 53 seconds West along the east line of said Minor Plat 980/04 and the northerly extension thereof 2,352.73 feet to the north line of said northeast quarter; 4) thence North 89 degrees 14 minutes 51 seconds East along said north line 706.31 feet to the northeast corner of said northeast quarter; 5) thence South 00 degrees 29 minutes 17 seconds East along the east line of said northeast and southeast quarters 5,002.40 feet to the northeast corner of the land of Patrick and Samantha Kelly as described in Instrument Number 202214902 in said recorder's office; 6) thence South 89 degrees 47 minutes 05 seconds West along said north line and the north line of Darren M. and Rebecca L. Shoemaker 511.28 feet to the east line of Philip and Lois K. Fletcher as described in Instrument Number 200513136 in said recorder's office; 7) thence North 00 degrees 40 minutes 37 seconds West along said east line 1,050.99 feet; 8) thence South 89 degrees 53 minutes 42 seconds West along the north line and the westerly extension thereof of said land of Philip and Lois Fletcher 1,495.54 feet to the east line of Daniel J. and Nancy L. Lyons as described in Instrument Number 202227041 in said recorder's office; 9) thence North 00 degrees 29 minutes 48 seconds West along said east line and the northerly extension thereof 660.50 feet to the northeast corner of Lot 1 in Minor Plat 149/23 as per plat thereof recorded as Instrument Number 202317644 in said recorder's office; 10) thence South 89 degrees 54 minutes 33 seconds West along the north line of said Lot 1 a distance of 187.72 feet to the east line of Lot 1 in Minor Plat 059/15 as per plat thereof recorded as Instrument Number 201604537 in said recorder's office; 11) thence North 00 degrees 23 minutes 02 seconds West along said east line 315.00 feet to the southerly corporate limits of the Town of Danville (the remaining calls are along the south and east lines of said corporate limits); 1) thence North 89 degrees 54 minutes 33 seconds East 1,270.01 feet; 2) thence North 00 degrees 29 minutes 08 seconds West 614.97 feet to the POINT OF BEGINNING, containing 110.062 acres, 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 (1)	Estimated Town Net Assessed Value (2)	Total Net Assessed Value (3)	Town Levy (4)	CCD Levy (5)	Total Town Levy	Estimated Corporate Tax Rate (6)	Estimated CCD Tax Rate (5)	Estimated Total Corporate Tax Rate (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	\$ 310,500	\$ 993,582,009	\$ 993,892,509	\$ 4,913,366	\$ 496,946	\$ 5,410,313	\$ 0.4944	\$ 0.0500	\$ 0.5444
2027 Pay 2028	\$ -	\$ 1,053,196,930	\$ 1,053,507,430	\$ 5,060,767	\$ 526,754	\$ 5,587,521	\$ 0.4804	\$ 0.0500	\$ 0.5304
2028 Pay 2029	\$ -	\$ 1,116,388,745	\$ 1,116,699,245	\$ 5,212,590	\$ 558,350	\$ 5,770,940	\$ 0.4668	\$ 0.0500	\$ 0.5168

(1) We added the existing assessed value of the Annexation Area in Pay 2027.

(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 2024.

(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.