



KROGER GARDIS & REGAS, LLP
— ATTORNEYS —

May 10, 2024

Daniel Shackle, Commissioner
Department of Local Government Finance
100 N. Senate Avenue Room N1058
Indianapolis, IN 46204

*Via email to dshackle@dlgf.in.gov
and by Federal Express*

***RE: Town of Sheridan/Adams Township
Reorganization Fiscal Impact Analysis***

Commissioner Shackle:

Pursuant to the provisions of the Indiana Government Modernization Act, Ind. Code 36-1.5 *et seq.*, we are forwarding to the Department of Local Government Finance (the “DLGF”) the attached Resolutions passed on May 9, 2024, which preliminarily approved a Fiscal Impact Analysis of the proposed reorganization of Adams Township of Hamilton County and the Town of Sheridan, Indiana. Under Ind. Code §36-1.5-4-18(e), reorganizing political subdivisions are required to submit a Fiscal Impact Analysis of any proposed reorganization to the DLGF for review and comment.

While the DLGF has up to 30 days prior to the date of the November 5, 2024 referendum to conduct its review under the statute, we have been informed by Hamilton County election officials that final approval of a Plan of Reorganization and the attendant referendum question must be submitted to the County Election Board in early July. Consequently, Adams Township and Sheridan are currently scheduled to finally approve a proposed Plan of Reorganization on June 18, 2024. We ask that the DLGF expedite its review so that the legislative bodies of the reorganizing political subdivisions have sufficient time to amend the Plan to reflect any comments or concerns by the DLGF.

Thank you and please let us know if our firm or Jim Higgins of London Witte Group can answer any questions.

Very truly yours,

KROGER, GARDIS & REGAS, LLP
Attorneys for the Town of Sheridan

Brian C. Bosma

cc: Elected Officials of Town of Sheridan, Indiana
and Adams Township of Hamilton County, Indiana
Jim Henderson, LWG CPAs & Advisors

KROGER GARDIS & REGAS, LLP
111 MONUMENT CIRCLE, SUITE 900 INDIANAPOLIS, INDIANA 46204-5125
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RESOLUTION NO. 2024-01

A RESOLUTION PRELIMINARILY APPROVING A FINANCIAL IMPACT ANALYSIS FOR THE PROPOSED REORGANIZATION OF THE TOWN OF SHERIDAN, INDIANA AND ADAMS TOWNSHIP OF HAMILTON COUNTY, INDIANA

The Township Board (the “Board”) of Adams Township of Hamilton County, Indiana (the “Township”) met at a duly called and authorized meeting of the Board on the date set forth below, such meeting being called pursuant to a notice stating the time, place and purpose of the meeting received by all the Board members, and the following resolutions were made, seconded, and adopted by those present at the meeting, which constituted a majority of the Board:

WHEREAS, on September 28, 2023 the Board adopted Resolution 2023-01 expressing the Board’s proposal to enter into a reorganization of the Township with the Town of Sheridan, Indiana (the “Town”) under Ind. Code 36-1.5 *et seq.* (the “Act”), fulfilling the requirements under Ind. Code §36-1.5-4-10(a) to initiate a proposed reorganization under the Act; and

WHEREAS, the Trustee of the Township certified a copy of Resolution 2023-01 to the Clerk- Treasurer of the Town as required by Ind. Code §36-1.5-4-10(b) and evidenced by the Certificate of Township Trustee attached hereto as Exhibit “A”; and

WHEREAS, upon receipt of the certified copy of Township Resolution 2023-01 the Town Council of the Town adopted Resolution 2023-20 on October 3, 2023 expressing the Council’s desire to participate in the proposed reorganization, fulfilling the requirements of Ind. Code §36-1.5-4-13(a)(2); and

WHEREAS, The Clerk-Treasurer of the Town certified a copy of Resolution 2023-20 to the Trustee of the Township as required by Ind. Code §36-1.5-4-13(b) and evidenced by the Certificate of Clerk-Treasurer attached hereto as Exhibit “B”; and

WHEREAS, the Town and the Township appointed a cross section of citizens as members of a Reorganization Committee (the “Committee”) to make recommendations regarding the potential reorganization of the Town and the Township into a single political subdivision; and

WHEREAS, the Committee directed London Witte Group LLC, d/b/a LWG CPAs & Advisors (“LWG”) to prepare a Financial Impact Analysis meeting the requirements of Ind. Code §36-1.5-4-18(d) for review and preliminary approval by the legislative bodies of the Town and the Township and for submittal to the Indiana Department of Local Government Finance (the “DLGF”) for review in accordance with the Act; and

WHEREAS, at the request of the Reorganization Committee, LWG has submitted the Fiscal Impact Analysis attached hereto as Exhibit “C” to the legislative bodies of the Town and Township for preliminary approval and submittal to the DLGF for review in accordance with the Act; and

WHEREAS, the Township has been informed that the deadline for submitting public

question ballot language for approval to the Hamilton County Election Board is July 16, 2024, and the Board hereby requests the DLGF to expedite its review of and comments on the Fiscal Impact Analysis to facilitate the final approval of the Plan of Reorganization by the Town and the Township no later than June 18, 2024.

NOW, THEREFORE, BE IT RESOLVED BY THE ADAMS TOWNSHIP BOARD AS FOLLOWS:

- Section 1.** The above recitals are incorporated herein as if set out in full.
- Section 2.** The Board confirms its proposal to enter into a reorganization under the provisions of the Act with the Town of Sheridan, Indian.
- Section 3.** The Board preliminarily approves the Fiscal Impact Analysis attached hereto as Exhibit "C" and incorporated herein, subject to such further revisions which are adopted as part of the final approval of the Plan of Reorganization by the legislative bodies of the Town and the Township.
- Section 4.** LWG and the Trustee of the Township are hereby authorized, empowered and directed to submit the Fiscal Impact Analysis to the DLGF and to request that the review by the DLGF be expedited so that the final adoption of the Plan of Reorganization is sufficient to meet the deadline for the Circuit Court Clerk of Hamilton County to convene a County Election Board meeting no later than July 16, 2024 for the approval of the public question ballot language.

ADOPTED BY THE TOWNSHIP BOARD OF ADAMS TOWNSHIP OF HAMILTON COUNTY, INDIANA this 9th day of May, 2024.

ADAMS TOWNSHIP BOARD

	AYE	NAY
<u>Sal Solly</u>	✓	_____
<u>Ronald D Stone</u>	✓	_____
<u>Floyd H. Barker</u>	x	_____

ATTEST:

Michelle Junkins
Michelle Junkins,
Adams Township Trustee

TOWNSHIP RESOLUTION
Exhibit "A"

CERTIFICATE OF THE TRUSTEE OF
ADAMS TOWNSHIP OF HAMILTON COUNTY, INDIANA

RE: Delivery and Certification of Resolution

STATE OF INDIANA)
) SS:
HAMILTON COUNTY)

I, Michelle Junkins, the duly chosen, qualified and acting Trustee of Adams Township of Hamilton County, Indiana (the "Township") hereby certify that as of the date below, I personally delivered to the Clerk-Treasurer of the Town of Sheridan, Indiana the attached copy of Resolution 2023-01 duly adopted by the Adams Township Board on September 28, 2023. This certification is being made in accordance with Ind. Code §36-1.5-4-10(b).

IN WITNESS WHEREOF, I have hereunto set my hand effective as of the 28th day of September, 2023.

ADAMS TOWNSHIP OF HAMILTON
COUNTY, INDIANA

(Seal)

By: Michelle Junkins
Michelle Junkins, Township Trustee



Resolution 2023- 1

A RESOLUTION TO EXPLORE A REORGANIZATION WITH THE TOWN OF
SHERIDAN, HAMILTON COUNTY, INDIANA

WHEREAS, Adams Township, Hamilton County, Indiana (the "Township"), is a political subdivision existing under the provisions of Ind. Code § 36-4-1. et. seq.;

WHEREAS, the Adams Township Board (the "Board") is the fiscal body of the Township that oversees the operations of the Township's business within its jurisdictional boundaries;

WHEREAS, the jurisdictional boundaries of the Township are currently bordered by the Town of Sheridan (the "Town"), to the north, west, east, and south;

WHEREAS, the Township and the Town are separate and distinct governmental bodies; however, the residents of the Township and the Town live as one community;

WHEREAS, both the Township and the Town recognize that their shared community is now a targeted destination for economic growth and development as a result of the continued upgrades to US 31, including the establishment of water and wastewater utilities along the corridor;

WHEREAS, both the Township and the Town understand and appreciate the opportunity to be part of the economic growth and development and ensure their residents continue to be part of the same community, decision-making, and overall sustainability;

WHEREAS, to ensure this occurs, the Township desires to explore a reorganization with the Town, to at least some degree, to formally determine whether this is in the best interests of the community;

NOW, THEREFORE, BE IT RESOLVED by the Adams Township Board as follows:

The Board hereby proposes that Adams Township explore a reorganization with the Town of Sheridan, Hamilton County, Indiana.

The Board directs the Township Trustee to certify this Resolution and send it to the Sheridan Town Council to take action under Indiana Code § 36-1.5-4-13.

This Resolution shall be in effect immediately.

ADOPTED by the Board of Adams Township, Hamilton County, Indiana, this 28 day of September 2023.

ADAMS TOWNSHIP BOARD

Neil Joddy
Frank H. Baker
Ron J. [unclear]

Attest:

Michelle D. Jenkins
Michelle Jenkins,
Adams Township Trustee

TOWNSHIP RESOLUTION
Exhibit "B"

CERTIFICATE OF THE CLERK-TREASURER OF
THE TOWN OF SHERIDAN

RE: Delivery and Certification of Resolution

STATE OF INDIANA)
) SS:
HAMILTON COUNTY)

I, Elizabeth A. Walden, the duly chosen, qualified and acting Clerk-Treasurer of the Town of Sheridan, Indiana (the "Town") hereby certify that as of the date below, I personally delivered to the Trustee of Adams Township of Hamilton County, Indiana the attached copy of Resolution 2023-20 duly adopted by the Sheridan Town Council on October 3, 2023. This certification is being made in accordance with Ind. Code §36-1.5-4-10(b).

IN WITNESS WHEREOF, I have hereunto set my hand effective as of the 4th day of October, 2023.

TOWN OF SHERIDAN, INDIANA



By: Elizabeth A. Walden
Elizabeth A. Walden, IAMC, CMC, CMO
Clerk-Treasurer

Resolution 2023-20

A RESOLUTION TO EXPLORE A REORGANIZATION WITH ADAMS TOWNSHIP,
HAMILTON COUNTY, INDIANA

WHEREAS, the Town of Sheridan (the "Town") is a political subdivision existing under the provisions of Ind. Code § 36-4-1, *et. seq.*;

WHEREAS, the Sheridan Town Council (the "Council") is the fiscal body of the Town that oversees the operations of the Town's business within its jurisdictional boundaries;

WHEREAS, the jurisdictional boundaries of the Town are currently bordered by Adams Township, Hamilton County (the "Township") to the north, west, east, and south;

WHEREAS, the Town and the Township are separate and distinct governmental bodies; however, the residents of the Town and the Township live as one community;

WHEREAS, both the Town and the Township recognize that their shared community is now a targeted destination for economic growth and development as a result of the continued upgrades to US 31, including the establishment of water and wastewater utilities along the corridor;

WHEREAS, both the Town and the Township understand and appreciate the opportunity to be part of the economic growth and development and ensure their residents continue to be part of the same community, decision-making and overall sustainability;

WHEREAS, to ensure this occurs, on September 28, 2023, the Township adopted Resolution 2023-1 (Ex. A), agreeing to explore a reorganization with the Town;

WHEREAS, the Town also desires to explore a reorganization with the Township, to at least some degree, to formally determine whether this is in the best interests of the community;

NOW, THEREFORE, BE IT RESOLVED by the Sheridan Town Council as follows:

1. This Council hereby proposes that the Town of Sheridan explore a reorganization with Adams Township, Hamilton County, Indiana.
2. The Council directs the Sheridan Clerk-Treasurer to certify this Resolution and send it to the Adams Township, Hamilton County Trustee pursuant to Indiana Code § 36-1.5-4-13(b).

3. This Resolution shall be in effect immediately.



[The remainder of this page is blank.]

ADOPTED BY THE COUNCIL OF THE TOWN OF SHERIDAN, INDIANA this 3rd day
of October, 2023.

SHERIDAN TOWN COUNCIL

FOR:

AGAINST:

Silas DeVaney _____

David Kinkead _____

_____ Darryl Waters _____

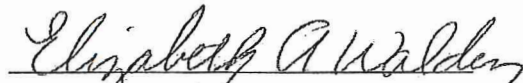


Daniel Bragg _____



Eric Gifford _____

ATTEST:


Elizabeth Walden, Clerk-Treasurer



TOWNSHIP RESOLUTION
Exhibit "C"

FISCAL IMPACT ANALYSIS

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County, Indiana

Draft Dated: May 3, 2024



Fiscal Impact Analysis: Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County, Indiana

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PURPOSE OF THE REPORT

Under the authority granted by Indiana Code (IC) 36-1.5, *et seq.*, (the "Reorganization Statute") the Town of Sheridan, Indiana (the "Town") and Adams Township of Hamilton County, Indiana (the "Township") have taken the initial necessary actions by adoption of substantially similar resolutions to explore reorganization of the Town and Township into one governmental unit (the "New Town"). The Reorganization Statute defines reorganization as "a change in the structure or administration of a political subdivision described in IC §36-1.5-4-3 and IC §36-1.5-4-4". LWG CPAs & Advisors ("LWG") has been engaged by the Town to provide a Fiscal Impact Analysis (the "Report") as required by the Reorganization Statute, specifically, IC §36-1.5-4-18 (the "Fiscal Analysis Requirement"). This Report addresses, at a minimum, the following four (4) items as mandated by the Fiscal Analysis Requirement:

- (1) The estimated effect of the proposed reorganization on taxpayers in the Town and Township including the expected tax rates, tax levies, expenditure levels, service levels, and annual debt service;
- (2) A description of the planned services to be provided in the New Town and the method or methods of financing the planned services including (a) itemized estimated costs for each department or agency of the New Town and (b) explanations as to how specific and detailed expenses will be funded from taxes, fees, grants, and other funding;
- (3) A description of the capital improvements to be provided in the New Town and the method or methods of financing those capital improvements. (There are no new capital improvements identified at the time of this Report; however, future improvements are possible); and
- (4) Any estimated effects on political subdivisions in Hamilton County that are not participating in the reorganization and on taxpayers located in those political subdivisions.

This Report is to be included as part of the Plan of Reorganization prepared by the legislative bodies of the Town and Township as further described in the Report. The Report must be submitted to the Indiana Department of Local Government Finance (DLGF) at least three (3) months before the election in which a public question will be on a ballot as required by IC §36-1.5-4-18(e). This Report is based on estimates, assumptions and other data developed by LWG from data provided by the Town, Township, DLGF, and other sources deemed to be reliable.

In the course of preparing this Report, we have not conducted an audit, review or compilation of any financial or supplemental data or any of the assumptions identified and/or used in the Report. We have made certain projections of tax rates, tax levies, expenditure levels, and service levels which may vary from actual results because events and circumstances frequently do not occur as expected and such variances may be material. We have no responsibility to update this Report for events or circumstances occurring after the date of this Report.

If you have questions regarding this Report, please contact Jim Higgins at jim.higgins@lwgpc.com.

GOVERNMENT MODERNIZATION ACT AND REORGANIZATION STATUTE

In 2006, the Indiana General Assembly adopted the Government Modernization Act (the “Act”), codified under Indiana Code (IC) 36-1.5, *et seq.*, (the “Reorganization Statute”). The Reorganization Statute was written to “grant broad powers to enable political subdivisions to operate more efficiently by eliminating restrictions under existing law that (a) impede the economy of operation of; (b) interfere with the ease of administration of; (c) inhibit cooperation among; and (d) thwart better government by; political subdivisions.” In addition, the Reorganization Statute encourages “efficiency by and coordination among political subdivisions to: (a) reduce reliance on property taxes; and (b) enhance the ability of political subdivisions to provide critical and necessary services as well as strengthen the financial condition of state government.” The Reorganization Statute grants political subdivisions the authority to reorganize and to use cooperative agreements to achieve government functions or transfer responsibilities between offices.

The Reorganization Statute allows for a wide range of reorganizations dependent on the type of political subdivisions participating in the process. Included (and relevant to this Report) is the authority for a township to reorganize with a municipality that is located in any part of the township. IC §36-1.5-4-1(a)(7). The Town and Township are located within Hamilton County (the “County”) and the Town is located entirely within the Township. Under the Reorganization Statute, the participating political subdivisions may consolidate into a single new political subdivision or as applicable here, can consolidate into one of the participating political subdivisions, in this case the reorganized Town of Sheridan (the “New Town”). IC §36-1.5-4-3(b). At the effective date of reorganization, all of the participating subdivisions cease to exist except the reorganized political subdivision. IC §36-1.5-4-6(1). At the same time, the responsibilities, assets and liabilities (excluding existing debt service obligations and pension obligations) of the original political subdivision are transferred to the reorganized political subdivision. IC §36-1.5-4-6(5).

The process of reorganization can be initiated in one of two ways: (1) initiation by legislative body (applicable and discussed herein) or (2) initiation by voters. A legislative body of a political subdivision may initiate a proposed reorganization by adopting a resolution that (1) proposes a reorganization, and (2) names the political subdivisions that would be reorganized in the proposed reorganization. IC §36-1.5-4-10. Furthermore, the clerk of the political subdivision adopting the resolution shall certify the resolution to the clerk of each political subdivision named in the resolution. The steps associated with the initiation by voters can be found at IC §36-1.5-4-11 of the Reorganization Statute.

After adoption of a resolution indicating the desire to participate in reorganization, the resolution is forwarded to the other affected political subdivisions. The other political subdivisions must adopt their own resolution proposing to participate in a reorganization or declining to participate. Participating political subdivisions must ultimately adopt substantially identical resolutions. The Township Board and the Township Trustee of the Township adopted Resolution No. 2023-1 on September 28, 2023, and the Council of the Town adopted Resolution No. 2023-20 on October 3, 2023, proposing reorganization between the Town and Township.

The legislative bodies of the Town and Township shall next prepare a comprehensive Plan of Reorganization (the “Plan”). The Plan will govern the actions, duties, and powers of the New Town that are not specified by law. The specific items, including the fiscal impact analysis required to be included in the Plan are described in IC §36-1.5-4-18. The fiscal impact analysis must be submitted to the Indiana Department of Local Government Finance (DLGF) at least three (3) months before the election in which a

public question will be on a ballot. The DLGF must respond no later than thirty (30) days before the date of the election. IC §36-1.5-4-18(e).

The legislative bodies of the Town and Township shall consider the Plan in a form of a resolution incorporating the Plan and read at no less than two separate meetings and must conduct a public hearing on the resolution and the Plan no sooner than five (5) days after a notice of the public hearing is published and before the legislative body takes final action on the resolution to adopt the Plan. No later than thirty (30) days after the public hearing, the legislative bodies may (1) adopt the Plan as presented, (2) adopt the Plan with modifications, or (3) reject the Plan. IC §36-1.5-4-20. Any modifications in the Plan must be adopted by all participating legislative bodies. IC §36-1.5-4-21. The legislative bodies shall certify the final action on the Plan to the clerk of each participating political subdivision, the County fiscal officer (the "Auditor"), the County Recorder, the County Voter Registration Office, the County Clerk and the DLGF. IC §36-1.5-4-23 and 24. Certain administrative tasks as outlined in the Reorganization Statute will follow in order to move the Plan to ballot where a public question will be placed on the next regularly scheduled election ballot that includes all precincts in the participating political subdivisions. The question will ask if the political subdivisions should be reorganized into a single political subdivision. Assuming a majority of the voters in each participating subdivision approves the public question, the reorganization is adopted. In the event the voters approve the reorganization, the reorganized political subdivision becomes effective according to the process and timing identified in the Plan.

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SHERIDAN AND ADAMS TOWNSHIP, HAMILTON COUNTY, INDIANA **REORGANIZATION EFFORTS**

Plan of Reorganization Proposal

The Township Board and the Township Trustee of Adams Township, Hamilton County, Indiana adopted Resolution No. 2023-1 on September 28, 2023 and the Sheridan Town Council adopted Resolution No. 2023-20 on October 3, 2023 proposing to explore reorganization between the Town and Township. The substantially similar Resolutions adopted by the Town and Township are attached as exhibits to the Plan.

The Plan provides for a reorganized local government through the consolidation of the Township into the existing Town political subdivision (the "New Town"). The boundaries of the New Town shall consist of the boundaries of the Town as of December 31, 2024, and all of the areas of the unincorporated Township, which equates to approximately 48.36 square miles. Following consolidation and as currently written in the Plan, the Township will cease to exist on December 31, 2024, and the New Town government structure will then supersede the existing Town structure as provided for in the Plan.

The Town currently provides for those services administered by a town including, but not limited to, police protection, fire protection and emergency response, parks and recreation, planning and land use, and road maintenance. In regards to the provision of services by the New Town, the Plan identifies two service districts (the "Town District" and the "Rural District"). The primary difference between the Town and Rural District is the level of municipal services provided, the application of ordinances, and property tax rates.

Currently, the Pay 2024 Budget for the Town includes only one (1) taxing district with a Pay 2024 Net Assessed Value of \$149,757,254. Furthermore, all property tax owners in all taxing districts (including the Township after reorganization) pay a share of expenditures such as General Fund, Motor Vehicle Highway and Cumulative Capital Development that are spread over the consolidated assessed value of \$373,532,166 which will consist of the Pay 2024 Rural District AV (the "Rural District"). Lastly, the 2024 Budget Order provides a separate AV for debt obligations including \$657,806 for the General Obligation Debt and Equipment Lease issued by the Town prior to the Reorganization. For purposes of this Report and in order to allocate expenditures to the various assessed values, LWG will address the two (2) taxing districts below.

As of the effective date of the proposed reorganization, the Town District will consist of the original Town prior to the Reorganization. The Rural District will include the unincorporated area of Adams Township.

The Town annexed portions of Adams Township (the "Annexation Area") on November 6, 2023 for property assessed January 1, 2024 for taxes payable in 2025. The Plan provides that the Annexation Area will be included in the Town District. This analysis is based on Pay 2024 information; therefore, any impacts to rates and levies as a result of the Annexation Area are not included. However, the parcels contained in the Annexation Area are exempt from municipal property taxes under the provisions of IC 36-4-3-4.1. So long as the Annexation Area remains assessed agricultural, the exemption shall apply. As of January 1, 2024, the Annexation Area remained assessed agricultural. Accordingly, the Annexation Area will not be subject to municipal taxation for Pay 2025 and will have no material impact on post reorganization tax rates and levies.

As stated previously, the Rural District consists of the unincorporated area of the Township. The Rural District will be subject to the current rural ordinances and with all processes, responsibilities, and protections of those ordinances, as amended from time to time, unless specifically stated in the Plan.

The following services will be provided by the New Town to the Rural District:

- The cemeteries currently owned, maintained or managed by the Township shall be transferred to, maintained and managed by the Administration Department of the New Town (“Administration Department”) and expenses will be transferred to the New Town General Fund tax rate;
- Weed control responsibilities shall be transferred to the Administration Department and expenses will be transferred to the New Town General Fund tax rate;
- All Township assistance responsibilities shall be transferred to the Administration Department, and expenses transferred to the New Town General Fund tax rate;
- The existing Township fire budget will be transferred to the New Town General Fund tax rate. The Sheridan Fire Department currently operated by the Town shall provide fire, rescue, and emergency medical services throughout the entire New Town jurisdiction;
- Road improvements, snow removal, grading and maintenance for roads and streets throughout the entire New Town jurisdiction will be transferred to the New Town provided that an interlocal agreement is not negotiated with Hamilton County as discussed below. All such expenses will be paid by the New Town. In the event that no agreement is reached on the interlocal agreement with Hamilton County, those expenses will be paid from a Motor Vehicle Highway (MVH) tax rate levied on the entire New Town jurisdiction.

It is the intention of this reorganization that there would be no net tax impact to taxpayers within the current Town of Sheridan and Adams Township due to the reorganization. However, the issue of maintenance of the roads within the unincorporated area of Adams Township has yet to be fully resolved.

Interlocal Agreement

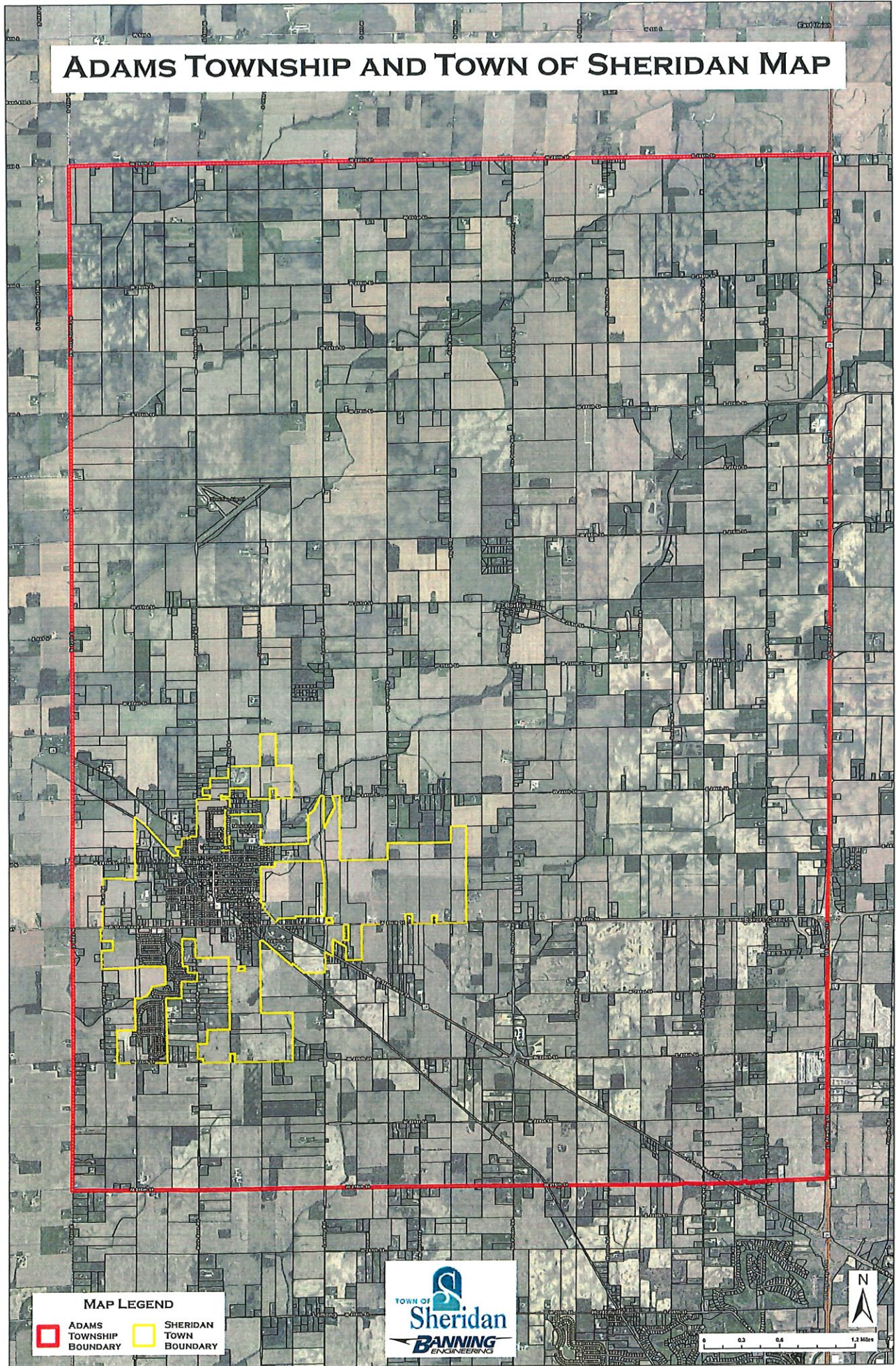
Officials of the Town and Township are desirous of working with the Board of County Commissioners of Hamilton County to enter into an interlocal agreement pertaining to the road improvements, snow removal, grading and maintenance of the roads and streets within the current, unincorporated area of Adams Township (the proposed “Rural District”). However, as of the date of this report an agreement has not yet been reached. Accordingly, the projected additional cost of road improvements and maintenance has been included in this Fiscal Analysis.

As a result of the reorganization, the elected offices of Township Board (three (3) positions) and the Township Trustee will be abolished. All responsibilities under Indiana law and all budgeted expenses associated with township government would be transferred to the Town (as provided for above), and the Town will assume their functions through the newly created Administration Department. All assets of the Township will be transferred to the New Town. Please refer to the Plan for detailed discussion regarding planning and zoning.



Map of the Town and Township

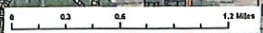
Maps of the Town and Township appear on the following page.

ADAMS TOWNSHIP AND TOWN OF SHERIDAN MAP



MAP LEGEND

	ADAMS TOWNSHIP BOUNDARY		SHERIDAN TOWN BOUNDARY
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FINANCIAL ANALYSIS OF REORGANIZATION

Process for Financial Analysis

The financial analysis has been based on the proposed reorganization structures currently identified by the Town and Township. In order to complete this analysis, LWG has performed the following tasks:

- Analysis of budgeted expenditures for Pay 2024, as adjusted for anticipated changes, of the Town and Township as provided by the Town and Township, Indiana Department of Local Government Finance (DGLF) 1782 Fund Reports, and Budget Form 1's prepared by both the Town and Township.
- Analysis of outstanding debt of the Town and Township. Note that all debt on December 31, 2024, shall not be imposed on taxpayers on or after January 1, 2026, that were not responsible for those obligations prior to reorganization. Those obligations must be paid by the taxpayers that were responsible for those obligations on December 31, 2024.
- Analysis of cash balances as of December 31, 2023, per the Annual Financial Reports of both the Town and Township.
- Analysis of anticipated revenues based on 2024 budget information for the Town and Township as obtained from the DLGF 1782 Fund Reports.
- Calculation of estimated tax levies and tax rates for the New Town based on the budgeted expenditures and revenues.
- Comparison of estimated calculated tax rates to Pay 2024 tax year actual tax rates.

The financial analysis is supported by the attached appendices which are summarized in the following narrative of this Report.

Summary of Tax Levy and Tax Rate Creation

In order to understand the results of the Report, it is first necessary to understand the process by which tax levies and tax rates are created. This section provides a short summary of this process. While this is a simplified summary of the process, it provides certain key equations which are critical to the financial impact analysis.

Each year, taxing units use a statutorily required budgeting process for setting their budgets for the next year. During this process, taxing units must identify their proposed budgeted expenditures for various services. These expenditures are broken into four (4) categories:

- Personal Services (100)
- Supplies (200)
- Other Supplies and Services (300)
- Capital Outlay (400)

After detailing out the various expenditures by proposed reorganization department or fund, LWG assigned each department or fund to a particular district. LWG used a similar approach to the service districts identified in the Plan and has categorized expenditures into a Rural District, a Town District, and a Town Debt District.

Appendix A and Appendix B include all of the budgeted departments or funds of the Town and Township supported by property tax revenues and miscellaneous revenues. Appendix A and Appendix B allocate the budgets between each of the service districts based on the level of services provided to each respective district.

Appendix E and Appendix F identify outstanding debt for which the Town or Township levy a property tax or are secured by property tax revenues.

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Table 1: Analysis of Proposed Town Expenditures – Property Tax Funds Only

Table 1 below provides the sum of expenditures funded by property taxes applicable to the various districts allocated based on Pay 2024 AV with anticipated known adjustments as noted.

<u>Town Expenditures</u>	<u>Rural District</u>	<u>Town District</u>	<u>Town Debt</u>
<u>Expenditures</u>			
Town General	\$ 4,469,701	\$ -	\$ -
Town General Adjustments:			
Add: 2 Town Council Members	24,942	-	-
Add: FICA Adjustment	1,908	-	-
Add: Costs from Township General	313,513	-	-
Add: Costs from Township Assistance	150,408	-	-
Less: Transfer to Town Police	(584,151)	-	-
Less: Transfer to Town Fire	(550,672)	-	-
Total Adjusted Town General	<u>3,825,649</u>	<u>-</u>	<u>-</u>
Lease Rental Payment	<u>-</u>	<u>-</u>	<u>29,806</u>
Debt Service	<u>-</u>	<u>-</u>	<u>171,660</u>
Cumulative Capital Development	<u>100,000</u>	<u>-</u>	<u>-</u>
Motor Vehicle Highway (1)	<u>318,841</u>	<u>-</u>	<u>-</u>
Town Police	-	-	-
Transfer from General Fund	<u>-</u>	<u>584,151</u>	<u>-</u>
Total Town Police	<u>-</u>	<u>584,151</u>	<u>-</u>
Town Fire	-	-	-
Transfer from General Fund	<u>-</u>	<u>550,672</u>	<u>-</u>
Total Town Police	<u>-</u>	<u>550,672</u>	<u>-</u>
Total Town Expenditures	<u>\$ 4,244,490</u>	<u>\$ 1,134,823</u>	<u>\$ 201,466</u>

(1) See page 5 for information concerning a potential road maintenance interlocal agreement with Hamilton County.

Miscellaneous revenue-supported expenditures are assumed to be fully funded by miscellaneous revenues and cash on hand; therefore, these expenditures are excluded from Table 1. Table 2, as shown on the following page, provides a summary of remaining Township expenditures after the proposed reorganization. As noted above, the Township will cease to exist; however, certain functions will continue and be carried out by the Town.

Table 2: Analysis of Existing Township Expenditures – Property Tax Funds Only

	<u>Adams Township</u>
<u>Township Expenditures</u>	
Township General	\$ 623,100
Removal of General Fund Costs	<u>(312,511)</u>
Total Costs Shifted to Town General Fund	<u>310,589</u>
Township Assistance	174,408
Removal of Township Assistance Costs	<u>(24,000)</u>
Total Costs Shifted to Town General Fund	<u>150,408</u>
Fire Fund	281,090
Removal of Fire Costs	<u>(281,090)</u>
Total Costs Shifted to Town	<u>-</u>
Cumulative Fire Fund	83,500
Removal of Cumulative Fire Costs	<u>(83,500)</u>
Total Costs Shifted to Town	<u>-</u>
Total Remaining Township Expenditures	<u>\$ -</u>

Analysis of Outstanding Debt

In addition to the budgeted expenditures for the provision of services, the Town has outstanding debt obligations. The Township does not have any outstanding debt obligations. The bond issues or loans are detailed in Appendix E for the Town and Appendix F for the Township. The Town currently has one (1) bond issue and one (1) equipment lease outstanding (see Appendix E) which are paid from property taxes and included in this financial analysis.

The distinction between these bonds and which taxing units are responsible for the repayment of the bonds is important due to certain provisions of the Act. The Act requires that indebtedness incurred by the Town prior to the reorganization may not be imposed on taxpayers that were not responsible for the debt prior to the reorganization and must only be paid by those taxpayers that were originally responsible. This also applies to pension obligations. This means that all Town debt service must remain with the same taxpayer base as the Town prior to reorganization.

Analysis of Available Revenues

After calculation of the expenses to be paid, LWG then analyzed the available revenues that would be available to fund the proposed expenditures. The data for available revenues has been obtained from cash balances as of December 31, 2023, and the 1782 Fund Reports for the 2024 budget year for the Town and the Township. Based on this information, the various revenue sources have been broken into the various service districts in a manner that correlates the revenues with the applicable expenditures. This process has been done for both the Town and the Township.

Table 3 provides the allocation of miscellaneous revenues per the 1782 Fund Reports to each service district for property tax levied funds. Please refer to Appendix C for a detailed allocation of the Town’s miscellaneous revenues and Appendix D for the Township’s allocation of miscellaneous revenues. Miscellaneous revenue supported expenditures are assumed to be fully funded by miscellaneous revenues and cash on hand.

Table 3: Analysis of Proposed Miscellaneous Revenue

	<u>Rural District</u>	<u>Town District</u>	<u>Town Debt</u>
Town of Sheridan - Misc. Revenue	\$ 1,869,019	\$ 114,588	\$ 12,179
Adams Township - Misc. Revenue	<u>347,252</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 2,216,271</u>	<u>\$ 114,588</u>	<u>\$ 12,179</u>

Table 4 provides the cash balances per fund as of December 31, 2023, per the Annual Financial Reports of both the Town and Township.

Table 4: Analysis of Cash Balances as of December 31, 2023

<u>Town</u>		<u>Township</u>	
	<u>Cash Balance</u>		<u>Cash Balance</u>
General	\$ 1,938,793	General (1)	\$ 1,101,072
Lease Rental Payment	4,584	Township Assistance (1)	223,806
Debt Service	73,676	Fire (2)	312,885
Cumulative Capital Development	126,367	Cumulative Fire (Township) (2)	<u>185,016</u>
Motor Vehicle Highway (3)	9,845	Total Township	<u>\$ 1,822,780</u>
Total Town	<u>\$ 2,153,264</u>		

- (1) Township General and Assistance fund cash balance will be shifted to Town General fund cash balance.
- (2) Township Fire and Cumulative Fire cash balance will be shifted to Town Fire fund cash balance.
- (3) See page 5 for information concerning a potential road maintenance interlocal agreement with Hamilton County.

Calculation of Estimated Property Tax Levies and Tax Rates

Based on the above analyses, it is possible to calculate an estimated property tax levy for the Rural District, the Town District and the Town Debt District. As identified above in the “Summary of Tax Levy and Tax Rate Creation” section, to compute the property tax levy, the estimated revenues for a particular area are subtracted from the estimated expenditures. The net amount of the revenues and expenditures represents the portion of the expenditures that must be funded through the property tax levy.

Although estimated property tax levies and tax rates are provided in this section for purposes of estimating baseline financial impacts of the Plan, it is important to note that actual property tax levies, tax rates and allocation of revenues will be subject to statutory adoption processes by the legislative bodies of the participating political subdivisions (the Town and Township) and may materially differ from those provided in this section and the accompanying appendices.

Table 5 provides the estimated fund levies per fund for the Rural District, Town District and Town Debt District.

Table 5: Proposed Estimated Fund Levies

	<u>General (1)</u>	<u>Cumulative Capital Development (1)</u>	<u>Motor Vehicle Highway (1) (3)</u>		
Total Estimated Expenditures	\$ 4,794,687	\$ 100,000	\$ 318,841		
Less: Cash Balance	(3,263,671)	(126,367)	(9,845)		
Less: Estimated Misc. Revenues	(2,180,964)	-	(19,130)		
Add: Operating Balance	<u>1,083,245</u>	<u>213,133</u>	<u>9,845</u>		
Total Estimated Property Tax Levy	<u>\$ 433,297</u>	<u>\$ 186,766</u>	<u>\$ 299,711</u>		
	<u>Police (2)</u>	<u>Fire (2)</u>	<u>Town Debt Service (2)</u>	<u>Lease Rental Payment (2) (4)</u>	
Total Estimated Expenditures	\$ 63,647	\$ 102,137	\$ 171,660	\$ 29,806	
Less: Cash Balance	-	(497,901)	(73,676)	(4,584)	
Less: Estimated Misc. Revenues	(58,984)	(55,604)	(10,027)	(2,152)	
Add: Operating Balance	<u>682,573</u>	<u>1,099,219</u>	<u>18,819</u>	<u>(157)</u>	
Total Estimated Property Tax Levy	<u>\$ 687,236</u>	<u>\$ 647,850</u>	<u>\$ 106,777</u>	<u>\$ 22,913</u>	

- (1) Levies are funded by tax rates applied to both the Town and the Rural Districts (see Table 6).
- (2) Levies are funded by tax rates applied to the Town District only (see Table 6).
- (3) See page 5 for information concerning a potential road maintenance interlocal agreement with Hamilton County.
- (4) Final Lease Rental Payment 01/15/2025.

Once the estimated property tax levy is calculated, it is then possible to compute an estimated tax rate. To do this, the property tax levy is compared to the net assessed value of property within each of the service districts. Table 6 on the following page provides these calculations based on Pay 2024 Net Assessed Value (NAV).

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Table 6: Proposed Estimated Tax Rates (per \$100 of NAV) by Fund

<u>Rural District</u>				
	<u>General</u>	<u>Cumulative Capital Development</u>	<u>Motor Vehicle Highway (1)</u>	<u>Rural District Total</u>
Estimated Property Tax Levy	\$ 259,579	\$ 111,887	\$ 179,550	551,016
Divided by: Net Assessed Value	<u>223,774,912</u>	<u>223,774,912</u>	<u>223,774,912</u>	<u>223,774,912</u>
Total Estimated Tax Rate	<u>\$ 0.1160</u>	<u>\$ 0.0500</u>	<u>\$ 0.0802</u>	<u>\$ 0.2462</u>

<u>Town District</u>					
	<u>General</u>	<u>Cumulative Capital Development</u>	<u>Motor Vehicle Highway (1)</u>	<u>Police</u>	<u>Fire</u>
Estimated Property Tax Levy	\$ 173,718	\$ 74,879	\$ 120,161	\$ 687,236	\$ 647,850
Divided by: Net Assessed Value	<u>149,757,254</u>	<u>149,757,254</u>	<u>149,757,254</u>	<u>149,757,254</u>	<u>149,757,254</u>
Total Estimated Tax Rate	<u>\$ 0.1160</u>	<u>\$ 0.0500</u>	<u>\$ 0.0802</u>	<u>\$ 0.4589</u>	<u>\$ 0.4326</u>

	<u>Town Debt Service</u>	<u>Lease Rental Payment</u>	<u>Town District Total</u>
Estimated Property Tax Levy	\$ 106,777	\$ 22,913	\$ 1,833,533
Divided by: Net Assessed Value	<u>149,757,254</u>	<u>149,757,254</u>	<u>149,757,254</u>
Total Estimated Tax Rate	<u>\$ 0.0713</u>	<u>\$ 0.0153</u>	<u>\$ 1.2243</u>

<u>Proposed District Rate Summaries</u>					
	<u>Town</u>	<u>Rural</u>	<u>Total</u>	<u>Current</u>	<u>Difference</u>
Existing Adams Township Residents	\$ -	\$ 0.2462	\$ 0.2462	\$ 0.1660	\$ 0.0802
Existing Town of Sheridan Residents	1.2243	-	1.2243	1.1441	0.0802

(1) See page 5 for information concerning a potential road maintenance interlocal agreement with Hamilton County.

The calculation of the estimated tax rates requires a few additional comments. The tax rates above represent the estimated tax rate that would be applicable for the proposed service districts of the New Town as well as existing property tax supported debt. Secondly, all taxpayers would also be responsible for the tax rate associated with the Town District. These taxpayers would be receiving the benefit of the general administration of the New Town. Finally, these estimated tax rates are based on the Pay 2024 AV for the Town and the Township prior to reorganization.

Comparison to Current Tax Rates

A primary consideration of the legislative bodies is the impact that the proposed reorganization would have on taxpayers in the Township and the Town. In order to consider this impact, Appendix G provides a side-by-side comparison of the current 2024 tax rates compared to what the tax rates may be under the proposed reorganization including the tax rates for the other taxing units (the school, county, and library).

As Appendix G demonstrates, the estimated impact to both existing taxing districts is an additional \$0.0802 per \$100 of NAV for additional road maintenance cost (see page 5 for information concerning a

As Appendix G demonstrates, the estimated impact to both existing taxing districts is an additional \$0.0802 per \$100 of NAV for additional road maintenance cost (see page 5 for information concerning a potential interlocal agreement for road maintenance with Hamilton County which may mitigate this increase). Though the Rural District will see a benefit of the NAV of the Township, the additional costs will be shifted to the Town. It is important to note that both the existing debt service fund levies may increase as shown in Appendix G as a result of lower cash balances than originally budgeted during the 2024 budget process, not as a result of reorganization.

Circuit Breaker Tax Credit

The Indiana General Assembly enacted legislation which provides taxpayers with a tax credit for all property taxes in an amount that exceeds a percentage of the gross assessed value of real and personal property eligible for the credit (“Circuit Breaker Tax Credit”). A taxpayer is entitled to the Circuit Breaker Tax Credit against the taxpayer’s property tax liability for property taxes first due and payable after 2009 in the amount by which the taxpayer’s property tax liability is attributable to the taxpayer’s:

- (1) homestead property would otherwise exceed 1%;
- (2) residential rental property would otherwise exceed 2%;
- (3) long term care property would otherwise exceed 2%;
- (4) agricultural land would otherwise exceed 2%;
- (5) nonresidential real property would otherwise exceed 3%; or
- (6) personal property would otherwise exceed 3%;

of the gross assessed value of the property that is the basis for determination of property taxes for that calendar year.

The DLGF recently released the anticipated 2024 circuit breaker credits by fund for all taxing units in the State. Pursuant to the DLGF report for Hamilton County taxing units as of April 11, 2024, the estimated Circuit Breaker Tax Credit allocable to the Town and Township for budget year 2024 is shown in the following table.

<u>Taxing Unit</u>	<u>2024 Circuit Breaker Credits</u>
Town of Sheridan	\$226,191.24
Adams Township	\$7,036.13

As shown in Appendix H, the total estimated circuit breaker impact for all taxing units in Hamilton County (including the Town and Township) after reorganization is approximately \$94,208. Table 7 provides the estimated circuit breaker impact for those units including the Township, though no impact is anticipated for the Township.

Table 7: Estimated Circuit Breaker Impact by Unit

<u>Taxing Unit</u>	<u>Estimated Circuit Breaker Impact</u>
Hamilton County	\$ 8,076.00
Adams Township	956.00
Town of Sheridan	51,062.00
Sheridan Community Schools	31,915.00
Sheridan Public Library	2,165.00
Solid Waste Management	<u>34.00</u>
 Total Circuit Breaker Credits	 <u><u>\$ 94,208.00</u></u>

As shown on the previous page, the Township is not expected to be impacted by the estimated increase in tax rates due to the proposed reorganization. Of the total estimated circuit breaker, approximately 55.2% is allocated to the Town itself.

Summary of Financial Analysis

The financial analysis provided above, as well as the accompanying Appendices, is designed to provide a baseline scenario for the proposed reorganization. As the legislative bodies continue to explore options for reorganization or if significant assumptions change, the impact to property tax levies and tax rates would need to be updated in order to provide a clear picture of how such changes would impact taxpayers.

LWG recognizes the reorganization of governmental units is a complex undertaking. This Report should be considered by the reader as a first step in understanding the baseline. For questions related to this Report, please contact Jim Higgins at jim.higgins@lwgcpa.com.

APPENDIX A

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

2024 Town Budget Expenditures and Allocation by Service District - Property Tax Funds Only

Department or Fund	Personal Services	Supplies	Services and Charges	Capital Outlay	Total	Amount Applicable		
						Rural District	Town District	Town Debt
Property Tax Supported								
General: Clerk Treasurer	\$ 346,689	\$ 12,000	\$ 64,500	\$ -	423,189	\$ 423,189	-	-
General: Town Council	63,928	2,500	486,550	-	552,978	552,978	-	-
General: Planning & Zoning	168,036	3,000	1,500	-	172,536	172,536	-	-
General: Public Works Service	411,170	33,250	53,150	50,000	547,570	547,570	-	-
General: Fire	1,289,003	88,868	233,689	-	1,611,560	1,611,560	-	-
General: Police	839,113	97,754	59,216	-	996,083	996,083	-	-
Subtotal: General Fund	<u>3,117,939</u>	<u>237,372</u>	<u>898,605</u>	<u>50,000</u>	<u>4,303,916</u>	<u>4,303,916</u>	<u>-</u>	<u>-</u>
Town Police	53,618	6,246	3,784	-	63,648	-	63,648	-
Town Fire	81,694	5,632	14,811	-	102,137	-	102,137	-
Motor Vehicle Highway (1)	145,650	-	173,191	-	318,841	318,841	-	-
Lease Rental Payment	-	-	-	29,806	29,806	-	-	29,806
Debt Service	-	-	-	171,660	171,660	-	-	171,660
Cumulative Capital Development	-	-	100,000	-	100,000	100,000	-	-
Total Property Tax Supported	<u>3,398,901</u>	<u>249,250</u>	<u>1,190,391</u>	<u>251,466</u>	<u>5,090,008</u>	<u>4,722,757</u>	<u>165,785</u>	<u>201,466</u>

(1) See page 5 for information concerning a potential road maintenance interlocal agreement with Hamilton County.

APPENDIX B

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

2024 Township Budget Expenditures and Allocation by Service District - Property Tax Funds Only

<u>Department or Fund</u>	<u>Personal Services</u>	<u>Supplies</u>	<u>Other Services and Charges</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Amount Applicable</u>
						<u>Rural District</u>
<u>Property Tax Supported</u>						
General	\$ 153,000	\$ 6,500	\$ 88,600	\$ 375,000	\$ 623,100	\$ 623,100
Township Assistance	24,000	-	150,408	-	174,408	174,408
Fire	-	-	131,090	150,000	281,090	281,090
Cumulative Fire (Township)	-	-	-	83,500	83,500	83,500
Total Property Tax Supported	\$ 177,000	\$ 6,500	\$ 370,098	\$ 608,500	\$ 1,162,098	\$ 1,162,098

APPENDIX C

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

Allocation of Town Miscellaneous Revenues - Property Tax Funds Only

<u>Department or Fund</u>	<u>Total</u>	<u>Amount Applicable</u>			
		<u>Rural District</u>	<u>Town District</u>	<u>Town Debt</u>	
<u>Property Tax Supported</u>					
General	\$ 1,833,796	\$ 1,833,796	\$ -	\$ -	
Town Police	58,984	-	58,984	-	
Town Fire	55,604	-	55,604	-	
Lease Rental Payment	2,152	-	-	2,152	
Debt Service	10,027	-	-	10,027	
Motor Vehicle Highway (1)	19,130	19,130	-	-	
Cumulative Capital Development	16,093	16,093	-	-	
Total Property Tax Supported	\$ 1,995,786	\$ 1,869,019	\$ 114,588	\$ 12,179	

(1) See page 5 for information concerning a potential road maintenance interlocal agreement with Hamilton County.

APPENDIX D

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

Allocation of Township Miscellaneous Revenues - Property Tax Funds Only

<u>Department or Fund</u>	<u>Amount Applicable</u>	
	<u>Total</u>	<u>Rural District</u>
<u>Property Tax Supported</u>		
General	\$ 346,498	\$ 346,498
Township Assistance	670	670
Fire	75	75
Cumulative Fire (Township)	9	9
Total Property Tax Supported	\$ 347,252	\$ 347,252

APPENDIX E

APPENDIX F

APPENDIX G

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

Comparison of Current Tax Rates to Reorganized Tax Rates

Taxing District	Current Pay 2024 Tax Rates				Reorganized Tax Rates				Net Effect of Reorganization		
	Township	Corporate	Other Taxing Units (1)	Total	Rural District	Town District	Town Debt (2)	New District Subtotal		Other Taxing Units (3)	Total
Adams Township	\$ 0.1660	\$ -	\$ 1.6827	\$ 1.8487	\$ 0.2462	\$ -	\$ -	\$ 0.2462	\$ 1.6827	\$ 1.9289	\$ 0.0802
Sheridan Town	-	1.1115	1.7153	2.8268	-	1.1377	0.0866	1.2243	1.6827	2.9070	0.0802

(1) Other Taxing Units included rates for Hamilton County, Hamilton County Solid Waste Management, Sheridan Community Schools, and Sheridan Public Library; however for the Town of Sheridan, Other Taxing Units also include Adams Township.

(2) Town Debt includes levies for both Debt Service (\$0.0713) and Lease Rental (\$0.0153).

(3) Other Taxing Units include rates for Hamilton County, Hamilton County Solid Waste Management, Sheridan Community Schools, and Sheridan Public Library.

APPENDIX H

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

Circuit Breaker Analysis - District Rates

<u>District Name</u>	2024 Baseline <u>Tax Rate</u>	Reorganized <u>Tax Rate</u>	Tax Rate <u>Change</u>
Town of Sheridan	\$ 2.8268	\$ 2.9070	\$ 0.0802
Adams Township	1.8487	1.9289	0.0802
Clay Township	1.2377	1.2377	-
Delaware Township	1.7944	1.7944	-
Fishers	2.2011	2.2011	-
Fall Creek Township	1.6876	1.6876	-
Jackson Township	1.6229	1.6229	-
Arcadia	2.4645	2.4645	-
Atlanta	2.1383	2.1383	-
Cicero	1.9036	1.9036	-
Noblesville Township	1.8361	1.8361	-
Noblesville City	2.7021	2.7021	-
Westfield Washington Township	1.9617	1.9617	-
Westfield	2.3285	2.3285	-
Wayne Township	1.6861	1.6861	-
White River Township	1.5633	1.5633	-
Carmel	2.0160	2.0160	-
Noblesville SE	2.6067	2.6067	-
Fishers FC	2.1670	2.1670	-
Noblesville FC	2.5726	2.5726	-
Noblesville Wayne Township	2.5976	2.5976	-
Carmel County TIF	2.0160	2.0160	-
Westfield Ag Abated	1.6110	1.6110	-
Carmel Washington Township	2.3893	2.3893	-
Fishers FC 02152C	2.1670	2.1670	-

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

Circuit Breaker Analysis - Circuit Breaker Impacts

Taxing Unit	2024 Baseline			Reorganization Scenario			Change		
	Levy	CB	Net Levy	Levy	CB	Net Levy	Levy	CB	Net Levy
Hamilton County	\$ 91,374,907	\$ 4,037,507	\$ 87,337,400	\$ 91,374,907	\$ 4,045,583	\$ 87,329,324	\$ -	\$ 8,076	\$ (8,076)
Adams Township	419,138	7,036	412,102	598,606	7,992	590,614	179,468	956	178,512
Clay Township	6,992,159	108,831	6,883,329	6,992,159	108,831	6,883,329	-	-	-
Delaware Township	1,576,716	11,396	1,565,319	1,576,716	11,396	1,565,319	-	-	-
Fall Creek Township	1,190,209	7,047	1,183,162	1,190,209	7,047	1,183,162	-	-	-
Jackson Township	1,111,894	2,905	1,108,988	1,111,894	2,905	1,108,988	-	-	-
Noblesville Township	1,594,719	23,907	1,570,812	1,594,719	23,907	1,570,812	-	-	-
Washington Township	1,701,381	74,205	1,627,176	1,701,381	74,205	1,627,176	-	-	-
Wayne Township	693,134	20,526	672,607	693,134	20,526	672,607	-	-	-
White River Township	629,342	870	628,472	629,342	870	628,472	-	-	-
Township Units Total	15,908,692	256,724	15,651,968	15,908,692	4,303,263	15,830,479	179,468	956	178,512
Arcadia Civil Town	555,451	48,978	506,473	555,451	48,978	506,473	-	-	-
Atlanta Civil Town	169,475	3,976	165,499	169,475	3,976	165,499	-	-	-
Carmel Civil City	85,510,789	1,346,593	84,164,196	85,510,789	1,346,593	84,164,196	-	-	-
Cicero Civil Town	2,181,287	38,267	2,143,020	2,181,287	38,267	2,143,020	-	-	-
Fishers Civil City	64,397,779	1,350,506	63,047,274	64,397,779	1,350,506	63,047,274	-	-	-
Noblesville Civil City	56,147,781	6,696,871	49,450,911	56,147,781	6,696,871	49,450,911	-	-	-
Sheridan Civil Town	1,655,965	226,191	1,429,774	1,776,070	277,253	1,498,817	120,105	51,062	69,043
Westfield Civil City	38,257,042	3,394,360	34,862,682	38,257,042	3,394,360	34,862,682	-	-	-
Civil Units Total	248,875,570	13,105,741	235,769,828	248,875,570	13,156,803	235,838,871	120,105	51,062	69,043
Carmel-Clay School Corporation	97,656,233	1,030,986	96,625,247	97,656,233	1,030,986	96,625,247	-	-	-
Hamilton Heights School Corporation	12,405,158	140,616	12,264,542	12,405,158	140,616	12,264,542	-	-	-
Hamilton Southeastern School Corporation	125,382,991	2,358,548	123,024,442	125,382,991	2,358,548	123,024,442	-	-	-
Noblesville School Corporation	67,495,276	4,323,649	63,171,627	67,495,276	4,323,649	63,171,627	-	-	-
Sheridan Community Schools	5,008,408	225,341	4,783,067	5,008,408	257,256	4,751,152	-	31,915	(31,915)
Westfield-Washington School Corporation	73,727,997	4,866,540	68,861,457	73,727,997	4,866,540	68,861,457	-	-	-
School Units Total	381,676,062	12,945,681	368,730,382	381,676,062	12,977,596	368,698,467	-	31,915	(31,915)
Carmel-Clay Public Library	6,948,390	108,149	6,840,240	6,948,390	108,149	6,840,240	-	-	-
Hamilton East Public Library	7,744,105	397,336	7,346,768	7,744,105	397,336	7,346,768	-	-	-
Hamilton North Public Library	501,193	7,090	494,103	501,193	7,090	494,103	-	-	-
Sheridan Public Library	269,859	14,929	254,930	269,859	17,094	252,765	-	2,165	(2,165)
Westfield Public Library	2,409,551	203,491	2,206,059	2,409,551	203,491	2,206,059	-	-	-
Library Units Total	17,873,097	730,996	17,142,101	17,873,097	733,161	17,139,936	-	2,165	(2,165)
Hamilton County Airport Authority	-	-	-	-	-	-	-	-	-
Hamilton County Solid Waste Mgmt District	844,701	37,090	807,611	844,701	37,124	807,577	-	34	(34)
Special Units Total	844,701	37,090	807,611	844,701	37,124	807,577	-	34	(34)
Grand Total - All Taxing Units	\$ 756,553,029	\$ 31,113,740	\$ 725,439,289	\$ 756,553,029	\$ 35,253,531	\$ 725,644,654	\$ 299,573	\$ 94,208	\$ 205,365

RESOLUTION NO. 2024-05

A RESOLUTION PRELIMINARILY APPROVING A FINANCIAL IMPACT ANALYSIS FOR THE PROPOSED REORGANIZATION OF THE TOWN OF SHERIDAN, INDIANA AND ADAMS TOWNSHIP OF HAMILTON COUNTY, INDIANA

The Town Council (the “Council”) of the Town of Sheridan, Indiana (the “Town”) met at a duly called and authorized meeting of the Council on the date set forth below, such meeting being called pursuant to a notice stating the time, place and purpose of the meeting received by all the Council members, and the following resolutions were made, seconded, and adopted by those present at the meeting, which constituted a majority of the Council:

WHEREAS, on September 28, 2023 the Township Board (the “Board”) of Adams Township of Hamilton County, Indiana (the “Township”) adopted Resolution 2023-01 expressing the Board’s proposal to enter into a reorganization of the Township with the Town under Ind. Code 36-1.5 *et seq.* (the “Act”), fulfilling the requirements under Ind. Code §36-1.5-4-10 to initiate a proposed reorganization under the Act; and

WHEREAS, the Trustee of the Township certified a copy of Resolution 2023-01 to the Clerk Treasurer of the Town as required by Ind. Code §36-1.5-4-10(b) and evidenced by the Certificate of Township Trustee attached hereto as Exhibit “A”; and

WHEREAS, upon receipt of the certified copy of Township Resolution 2023-01, on October 3, 2023 the Council adopted Resolution 2023-20, a substantially identical resolution proposing to participate in the proposed reorganization of the Town with the Township, fulfilling the requirement of Ind. Code §36-1.5-4-13(a)(2); and

WHEREAS, The Clerk-Treasurer of the Town certified a copy of Resolution 2023-20 to the Trustee of the Township as required by Ind. Code §36-1.5-4-13(b) and evidenced by the Certificate of Clerk-Treasurer attached hereto as Exhibit “B”; and

WHEREAS, the Town and the Township appointed a cross section of citizens as members of a Reorganization Committee (the “Committee”) to make recommendations regarding the potential reorganization of the Town and the Township into a single political subdivision; and

WHEREAS, the Committee directed London Witte Group LLC, d/b/a LWG CPAs & Advisors (“LWG”) to prepare a Financial Impact Analysis meeting the requirements of Ind. Code §36-1.5-4-18(d) for review and preliminary approval by the legislative bodies of the Town and the Township and for submittal to the Indiana Department of Local Government Finance (the “DLGF”) for review in accordance with the Act; and

WHEREAS, at the request of the Reorganization Committee, LWG has submitted the Fiscal Impact Analysis attached hereto as Exhibit “C” to the legislative bodies of the Town and Township for preliminary approval and submittal to the DLGF for review in accordance with the Act; and

WHEREAS, the Town has been informed that the deadline for submitting public question ballot language for approval to the Hamilton County Election Board is July 16, 2024, and the Council hereby requests the DLGF to expedite its review of and comments on the Fiscal Impact Analysis to facilitate the final approval of the Plan of Reorganization by the Town and the Township no later than June 18, 2024.

NOW, THEREFORE, BE IT RESOLVED BY THE SHERIDAN TOWN COUNCIL AS FOLLOWS:




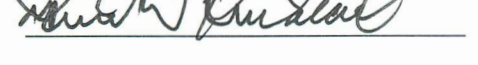
- Section 1.** The above recitals are incorporated herein as if set out in full.
- Section 2.** The Council confirms its intent to participate in a reorganization under the provisions of the Act with Adams Township of Hamilton County, Indiana.
- Section 3.** The Council preliminarily approves the Fiscal Impact Analysis attached hereto as Exhibit "C" and incorporated herein, subject to such further revisions which are adopted as part of the final approval of the Plan of Reorganization by the legislative bodies of the Town and the Township.
- Section 4.** LWG and the Clerk-Treasurer of the Town are hereby authorized, empowered and directed to submit the Fiscal Impact Analysis to the DLGF and to further request that the review by the DLGF be expedited so that the final adoption of the Plan of Reorganization is sufficient to meet the deadline for the Circuit Court Clerk of Hamilton County to convene a County Election Board meeting no later than July 16, 2024 for the approval of the public question ballot language.

ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF SHERIDAN, INDIANA this 9th day of May, 2024.


SHERIDAN TOWN COUNCIL

FOR:

AGAINST:

	Silas DeVaney, III, President	_____
	Eric Gifford, Vice President	_____
	Daniel Bragg, Member	_____
	David Kinkead, Member	_____
_____	Levi Schrock, Member	_____

ATTEST:


Elizabeth Walden, Clerk-Treasurer

RESOLUTION 2024-05
Exhibit "A"

CERTIFICATE OF THE TRUSTEE OF
ADAMS TOWNSHIP OF HAMILTON COUNTY, INDIANA

RE: Delivery and Certification of Resolution

STATE OF INDIANA)
) SS:
HAMILTON COUNTY)

I, Michelle Junkins, the duly chosen, qualified and acting Trustee of Adams Township of Hamilton County, Indiana (the "Township") hereby certify that as of the date below, I personally delivered to the Clerk-Treasurer of the Town of Sheridan, Indiana the attached copy of Resolution 2023-01 duly adopted by the Adams Township Board on September 28, 2023. This certification is being made in accordance with Ind. Code §36-1.5-4-10(b).

IN WITNESS WHEREOF, I have hereunto set my hand effective as of the 28th day of September, 2023.

ADAMS TOWNSHIP OF HAMILTON
COUNTY, INDIANA



By: Michelle Junkins
Michelle Junkins, Township Trustee

Resolution 2023- 1

A RESOLUTION TO EXPLORE A REORGANIZATION WITH THE TOWN OF
SHERIDAN, HAMILTON COUNTY, INDIANA

WHEREAS, Adams Township, Hamilton County, Indiana (the "Township"), is a political subdivision existing under the provisions of Ind. Code § 36-4-1. et. seq.;

WHEREAS, the Adams Township Board (the "Board") is the fiscal body of the Township that oversees the operations of the Township's business within its jurisdictional boundaries;

WHEREAS, the jurisdictional boundaries of the Township are currently bordered by the Town of Sheridan (the "Town"), to the north, west, east, and south;

WHEREAS, the Township and the Town are separate and distinct governmental bodies; however, the residents of the Township and the Town live as one community;

WHEREAS, both the Township and the Town recognize that their shared community is now a targeted destination for economic growth and development as a result of the continued upgrades to US 31, including the establishment of water and wastewater utilities along the corridor;

WHEREAS, both the Township and the Town understand and appreciate the opportunity to be part of the economic growth and development and ensure their residents continue to be part of the same community, decision-making, and overall sustainability;

WHEREAS, to ensure this occurs, the Township desires to explore a reorganization with the Town, to at least some degree, to formally determine whether this is in the best interests of the community;

NOW, THEREFORE, BE IT RESOLVED by the Adams Township Board as follows:

The Board hereby proposes that Adams Township explore a reorganization with the Town of Sheridan, Hamilton County, Indiana.

The Board directs the Township Trustee to certify this Resolution and send it to the Sheridan Town Council to take action under Indiana Code § 36-1.5-4-13.

This Resolution shall be in effect immediately.

ADOPTED by the Board of Adams Township, Hamilton County, Indiana, this 28 day of September 2023.

ADAMS TOWNSHIP BOARD

Neil Joddy
Frank H. Baker
Ron J. [unclear]

Attest:

Michelle D. Jenkins
Michelle Jenkins,
Adams Township Trustee

RESOLUTION
2024-05 Exhibit "B"

CERTIFICATE OF THE CLERK-TREASURER OF
THE TOWN OF SHERIDAN

RE: Delivery and Certification of Resolution

STATE OF INDIANA)
) SS:
HAMILTON COUNTY)

I, Elizabeth A. Walden, the duly chosen, qualified and acting Clerk-Treasurer of the Town of Sheridan, Indiana (the "Town") hereby certify that as of the date below, I personally delivered to the Trustee of Adams Township of Hamilton County, Indiana the attached copy of Resolution 2023-20 duly adopted by the Sheridan Town Council on October 3, 2023. This certification is being made in accordance with Ind. Code §36-1.5-4-10(b).

IN WITNESS WHEREOF, I have hereunto set my hand effective as of the 4th day of October, 2023.

TOWN OF SHERIDAN, INDIANA



By: Elizabeth A. Walden
Elizabeth A. Walden, IAMC, CMC, CMO
Clerk-Treasurer

Resolution 2023-20

A RESOLUTION TO EXPLORE A REORGANIZATION WITH ADAMS TOWNSHIP,
HAMILTON COUNTY, INDIANA

WHEREAS, the Town of Sheridan (the "Town") is a political subdivision existing under the provisions of Ind. Code § 36-4-1, *et. seq.*;

WHEREAS, the Sheridan Town Council (the "Council") is the fiscal body of the Town that oversees the operations of the Town's business within its jurisdictional boundaries;

WHEREAS, the jurisdictional boundaries of the Town are currently bordered by Adams Township, Hamilton County (the "Township") to the north, west, east, and south;

WHEREAS, the Town and the Township are separate and distinct governmental bodies; however, the residents of the Town and the Township live as one community;

WHEREAS, both the Town and the Township recognize that their shared community is now a targeted destination for economic growth and development as a result of the continued upgrades to US 31, including the establishment of water and wastewater utilities along the corridor;

WHEREAS, both the Town and the Township understand and appreciate the opportunity to be part of the economic growth and development and ensure their residents continue to be part of the same community, decision-making and overall sustainability;

WHEREAS, to ensure this occurs, on September 28, 2023, the Township adopted Resolution 2023-1 (Ex. A), agreeing to explore a reorganization with the Town;

WHEREAS, the Town also desires to explore a reorganization with the Township, to at least some degree, to formally determine whether this is in the best interests of the community;

NOW, THEREFORE, BE IT RESOLVED by the Sheridan Town Council as follows:

1. This Council hereby proposes that the Town of Sheridan explore a reorganization with Adams Township, Hamilton County, Indiana.
2. The Council directs the Sheridan Clerk-Treasurer to certify this Resolution and send it to the Adams Township, Hamilton County Trustee pursuant to Indiana Code § 36-1.5-4-13(b).

3. This Resolution shall be in effect immediately.

[The remainder of this page is blank.]

ADOPTED BY THE COUNCIL OF THE TOWN OF SHERIDAN, INDIANA this 3rd day
of October, 2023.

SHERIDAN TOWN COUNCIL

FOR:

AGAINST:

Silas DeVaney
David Kinkead

Silas DeVaney _____

David Kinkead _____

_____ Darryl Waters _____

Daniel Bragg

Daniel Bragg _____

Eric Gifford

Eric Gifford _____

ATTEST:

Elizabeth A Walden
Elizabeth Walden, Clerk-Treasurer



RESOLUTION 2024-05

Exhibit "C"

FISCAL IMPACT ANALYSIS

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County, Indiana

Draft Dated: May 3, 2024



Fiscal Impact Analysis: Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County, Indiana

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PURPOSE OF THE REPORT

Under the authority granted by Indiana Code (IC) 36-1.5, *et seq.*, (the "Reorganization Statute") the Town of Sheridan, Indiana (the "Town") and Adams Township of Hamilton County, Indiana (the "Township") have taken the initial necessary actions by adoption of substantially similar resolutions to explore reorganization of the Town and Township into one governmental unit (the "New Town"). The Reorganization Statute defines reorganization as "a change in the structure or administration of a political subdivision described in IC §36-1.5-4-3 and IC §36-1.5-4-4". LWG CPAs & Advisors ("LWG") has been engaged by the Town to provide a Fiscal Impact Analysis (the "Report") as required by the Reorganization Statute, specifically, IC §36-1.5-4-18 (the "Fiscal Analysis Requirement"). This Report addresses, at a minimum, the following four (4) items as mandated by the Fiscal Analysis Requirement:

- (1) The estimated effect of the proposed reorganization on taxpayers in the Town and Township including the expected tax rates, tax levies, expenditure levels, service levels, and annual debt service;
- (2) A description of the planned services to be provided in the New Town and the method or methods of financing the planned services including (a) itemized estimated costs for each department or agency of the New Town and (b) explanations as to how specific and detailed expenses will be funded from taxes, fees, grants, and other funding;
- (3) A description of the capital improvements to be provided in the New Town and the method or methods of financing those capital improvements. (There are no new capital improvements identified at the time of this Report; however, future improvements are possible); and
- (4) Any estimated effects on political subdivisions in Hamilton County that are not participating in the reorganization and on taxpayers located in those political subdivisions.

This Report is to be included as part of the Plan of Reorganization prepared by the legislative bodies of the Town and Township as further described in the Report. The Report must be submitted to the Indiana Department of Local Government Finance (DLGF) at least three (3) months before the election in which a public question will be on a ballot as required by IC §36-1.5-4-18(e). This Report is based on estimates, assumptions and other data developed by LWG from data provided by the Town, Township, DLGF, and other sources deemed to be reliable.

In the course of preparing this Report, we have not conducted an audit, review or compilation of any financial or supplemental data or any of the assumptions identified and/or used in the Report. We have made certain projections of tax rates, tax levies, expenditure levels, and service levels which may vary from actual results because events and circumstances frequently do not occur as expected and such variances may be material. We have no responsibility to update this Report for events or circumstances occurring after the date of this Report.

If you have questions regarding this Report, please contact Jim Higgins at jim.higgins@lwgpc.com.

GOVERNMENT MODERNIZATION ACT AND REORGANIZATION STATUTE

In 2006, the Indiana General Assembly adopted the Government Modernization Act (the “Act”), codified under Indiana Code (IC) 36-1.5, *et seq.*, (the “Reorganization Statute”). The Reorganization Statute was written to “grant broad powers to enable political subdivisions to operate more efficiently by eliminating restrictions under existing law that (a) impede the economy of operation of; (b) interfere with the ease of administration of; (c) inhibit cooperation among; and (d) thwart better government by; political subdivisions.” In addition, the Reorganization Statute encourages “efficiency by and coordination among political subdivisions to: (a) reduce reliance on property taxes; and (b) enhance the ability of political subdivisions to provide critical and necessary services as well as strengthen the financial condition of state government.” The Reorganization Statute grants political subdivisions the authority to reorganize and to use cooperative agreements to achieve government functions or transfer responsibilities between offices.

The Reorganization Statute allows for a wide range of reorganizations dependent on the type of political subdivisions participating in the process. Included (and relevant to this Report) is the authority for a township to reorganize with a municipality that is located in any part of the township. IC §36-1.5-4-1(a)(7). The Town and Township are located within Hamilton County (the “County”) and the Town is located entirely within the Township. Under the Reorganization Statute, the participating political subdivisions may consolidate into a single new political subdivision or as applicable here, can consolidate into one of the participating political subdivisions, in this case the reorganized Town of Sheridan (the “New Town”). IC §36-1.5-4-3(b). At the effective date of reorganization, all of the participating subdivisions cease to exist except the reorganized political subdivision. IC §36-1.5-4-6(1). At the same time, the responsibilities, assets and liabilities (excluding existing debt service obligations and pension obligations) of the original political subdivision are transferred to the reorganized political subdivision. IC §36-1.5-4-6(5).

The process of reorganization can be initiated in one of two ways: (1) initiation by legislative body (applicable and discussed herein) or (2) initiation by voters. A legislative body of a political subdivision may initiate a proposed reorganization by adopting a resolution that (1) proposes a reorganization, and (2) names the political subdivisions that would be reorganized in the proposed reorganization. IC §36-1.5-4-10. Furthermore, the clerk of the political subdivision adopting the resolution shall certify the resolution to the clerk of each political subdivision named in the resolution. The steps associated with the initiation by voters can be found at IC §36-1.5-4-11 of the Reorganization Statute.

After adoption of a resolution indicating the desire to participate in reorganization, the resolution is forwarded to the other affected political subdivisions. The other political subdivisions must adopt their own resolution proposing to participate in a reorganization or declining to participate. Participating political subdivisions must ultimately adopt substantially identical resolutions. The Township Board and the Township Trustee of the Township adopted Resolution No. 2023-1 on September 28, 2023, and the Council of the Town adopted Resolution No. 2023-20 on October 3, 2023, proposing reorganization between the Town and Township.

The legislative bodies of the Town and Township shall next prepare a comprehensive Plan of Reorganization (the “Plan”). The Plan will govern the actions, duties, and powers of the New Town that are not specified by law. The specific items, including the fiscal impact analysis required to be included in the Plan are described in IC §36-1.5-4-18. The fiscal impact analysis must be submitted to the Indiana Department of Local Government Finance (DLGF) at least three (3) months before the election in which a

public question will be on a ballot. The DLGF must respond no later than thirty (30) days before the date of the election. IC §36-1.5-4-18(e).

The legislative bodies of the Town and Township shall consider the Plan in a form of a resolution incorporating the Plan and read at no less than two separate meetings and must conduct a public hearing on the resolution and the Plan no sooner than five (5) days after a notice of the public hearing is published and before the legislative body takes final action on the resolution to adopt the Plan. No later than thirty (30) days after the public hearing, the legislative bodies may (1) adopt the Plan as presented, (2) adopt the Plan with modifications, or (3) reject the Plan. IC §36-1.5-4-20. Any modifications in the Plan must be adopted by all participating legislative bodies. IC §36-1.5-4-21. The legislative bodies shall certify the final action on the Plan to the clerk of each participating political subdivision, the County fiscal officer (the "Auditor"), the County Recorder, the County Voter Registration Office, the County Clerk and the DLGF. IC §36-1.5-4-23 and 24. Certain administrative tasks as outlined in the Reorganization Statute will follow in order to move the Plan to ballot where a public question will be placed on the next regularly scheduled election ballot that includes all precincts in the participating political subdivisions. The question will ask if the political subdivisions should be reorganized into a single political subdivision. Assuming a majority of the voters in each participating subdivision approves the public question, the reorganization is adopted. In the event the voters approve the reorganization, the reorganized political subdivision becomes effective according to the process and timing identified in the Plan.

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SHERIDAN AND ADAMS TOWNSHIP, HAMILTON COUNTY, INDIANA **REORGANIZATION EFFORTS**

Plan of Reorganization Proposal

The Township Board and the Township Trustee of Adams Township, Hamilton County, Indiana adopted Resolution No. 2023-1 on September 28, 2023 and the Sheridan Town Council adopted Resolution No. 2023-20 on October 3, 2023 proposing to explore reorganization between the Town and Township. The substantially similar Resolutions adopted by the Town and Township are attached as exhibits to the Plan.

The Plan provides for a reorganized local government through the consolidation of the Township into the existing Town political subdivision (the "New Town"). The boundaries of the New Town shall consist of the boundaries of the Town as of December 31, 2024, and all of the areas of the unincorporated Township, which equates to approximately 48.36 square miles. Following consolidation and as currently written in the Plan, the Township will cease to exist on December 31, 2024, and the New Town government structure will then supersede the existing Town structure as provided for in the Plan.

The Town currently provides for those services administered by a town including, but not limited to, police protection, fire protection and emergency response, parks and recreation, planning and land use, and road maintenance. In regards to the provision of services by the New Town, the Plan identifies two service districts (the "Town District" and the "Rural District"). The primary difference between the Town and Rural District is the level of municipal services provided, the application of ordinances, and property tax rates.

Currently, the Pay 2024 Budget for the Town includes only one (1) taxing district with a Pay 2024 Net Assessed Value of \$149,757,254. Furthermore, all property tax owners in all taxing districts (including the Township after reorganization) pay a share of expenditures such as General Fund, Motor Vehicle Highway and Cumulative Capital Development that are spread over the consolidated assessed value of \$373,532,166 which will consist of the Pay 2024 Rural District AV (the "Rural District"). Lastly, the 2024 Budget Order provides a separate AV for debt obligations including \$657,806 for the General Obligation Debt and Equipment Lease issued by the Town prior to the Reorganization. For purposes of this Report and in order to allocate expenditures to the various assessed values, LWG will address the two (2) taxing districts below.

As of the effective date of the proposed reorganization, the Town District will consist of the original Town prior to the Reorganization. The Rural District will include the unincorporated area of Adams Township.

The Town annexed portions of Adams Township (the "Annexation Area") on November 6, 2023 for property assessed January 1, 2024 for taxes payable in 2025. The Plan provides that the Annexation Area will be included in the Town District. This analysis is based on Pay 2024 information; therefore, any impacts to rates and levies as a result of the Annexation Area are not included. However, the parcels contained in the Annexation Area are exempt from municipal property taxes under the provisions of IC 36-4-3-4.1. So long as the Annexation Area remains assessed agricultural, the exemption shall apply. As of January 1, 2024, the Annexation Area remained assessed agricultural. Accordingly, the Annexation Area will not be subject to municipal taxation for Pay 2025 and will have no material impact on post reorganization tax rates and levies.

As stated previously, the Rural District consists of the unincorporated area of the Township. The Rural District will be subject to the current rural ordinances and with all processes, responsibilities, and protections of those ordinances, as amended from time to time, unless specifically stated in the Plan.

The following services will be provided by the New Town to the Rural District:

- The cemeteries currently owned, maintained or managed by the Township shall be transferred to, maintained and managed by the Administration Department of the New Town (“Administration Department”) and expenses will be transferred to the New Town General Fund tax rate;
- Weed control responsibilities shall be transferred to the Administration Department and expenses will be transferred to the New Town General Fund tax rate;
- All Township assistance responsibilities shall be transferred to the Administration Department, and expenses transferred to the New Town General Fund tax rate;
- The existing Township fire budget will be transferred to the New Town General Fund tax rate. The Sheridan Fire Department currently operated by the Town shall provide fire, rescue, and emergency medical services throughout the entire New Town jurisdiction;
- Road improvements, snow removal, grading and maintenance for roads and streets throughout the entire New Town jurisdiction will be transferred to the New Town provided that an interlocal agreement is not negotiated with Hamilton County as discussed below. All such expenses will be paid by the New Town. In the event that no agreement is reached on the interlocal agreement with Hamilton County, those expenses will be paid from a Motor Vehicle Highway (MVH) tax rate levied on the entire New Town jurisdiction.

It is the intention of this reorganization that there would be no net tax impact to taxpayers within the current Town of Sheridan and Adams Township due to the reorganization. However, the issue of maintenance of the roads within the unincorporated area of Adams Township has yet to be fully resolved.

Interlocal Agreement

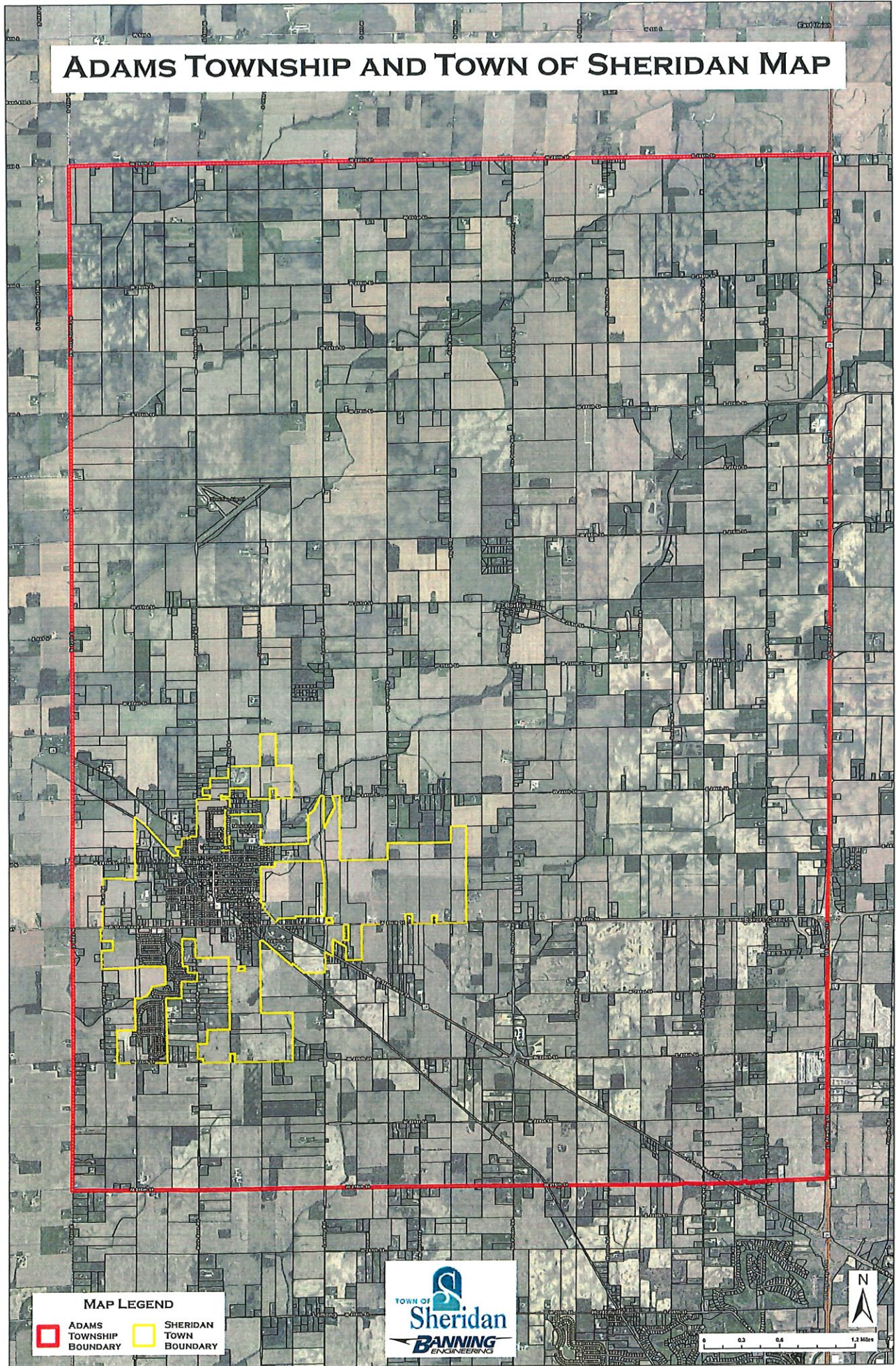
Officials of the Town and Township are desirous of working with the Board of County Commissioners of Hamilton County to enter into an interlocal agreement pertaining to the road improvements, snow removal, grading and maintenance of the roads and streets within the current, unincorporated area of Adams Township (the proposed “Rural District”). However, as of the date of this report an agreement has not yet been reached. Accordingly, the projected additional cost of road improvements and maintenance has been included in this Fiscal Analysis.

As a result of the reorganization, the elected offices of Township Board (three (3) positions) and the Township Trustee will be abolished. All responsibilities under Indiana law and all budgeted expenses associated with township government would be transferred to the Town (as provided for above), and the Town will assume their functions through the newly created Administration Department. All assets of the Township will be transferred to the New Town. Please refer to the Plan for detailed discussion regarding planning and zoning.

Map of the Town and Township

Maps of the Town and Township appear on the following page.

ADAMS TOWNSHIP AND TOWN OF SHERIDAN MAP



MAP LEGEND

-  ADAMS TOWNSHIP BOUNDARY
-  SHERIDAN TOWN BOUNDARY



0 0.3 0.6 1.2 Miles

FINANCIAL ANALYSIS OF REORGANIZATION

Process for Financial Analysis

The financial analysis has been based on the proposed reorganization structures currently identified by the Town and Township. In order to complete this analysis, LWG has performed the following tasks:

- Analysis of budgeted expenditures for Pay 2024, as adjusted for anticipated changes, of the Town and Township as provided by the Town and Township, Indiana Department of Local Government Finance (DGLF) 1782 Fund Reports, and Budget Form 1's prepared by both the Town and Township.
- Analysis of outstanding debt of the Town and Township. Note that all debt on December 31, 2024, shall not be imposed on taxpayers on or after January 1, 2026, that were not responsible for those obligations prior to reorganization. Those obligations must be paid by the taxpayers that were responsible for those obligations on December 31, 2024.
- Analysis of cash balances as of December 31, 2023, per the Annual Financial Reports of both the Town and Township.
- Analysis of anticipated revenues based on 2024 budget information for the Town and Township as obtained from the DLGF 1782 Fund Reports.
- Calculation of estimated tax levies and tax rates for the New Town based on the budgeted expenditures and revenues.
- Comparison of estimated calculated tax rates to Pay 2024 tax year actual tax rates.

The financial analysis is supported by the attached appendices which are summarized in the following narrative of this Report.

Summary of Tax Levy and Tax Rate Creation

In order to understand the results of the Report, it is first necessary to understand the process by which tax levies and tax rates are created. This section provides a short summary of this process. While this is a simplified summary of the process, it provides certain key equations which are critical to the financial impact analysis.

Each year, taxing units use a statutorily required budgeting process for setting their budgets for the next year. During this process, taxing units must identify their proposed budgeted expenditures for various services. These expenditures are broken into four (4) categories:

- Personal Services (100)
- Supplies (200)
- Other Supplies and Services (300)
- Capital Outlay (400)

After detailing out the various expenditures by proposed reorganization department or fund, LWG assigned each department or fund to a particular district. LWG used a similar approach to the service districts identified in the Plan and has categorized expenditures into a Rural District, a Town District, and a Town Debt District.

Appendix A and Appendix B include all of the budgeted departments or funds of the Town and Township supported by property tax revenues and miscellaneous revenues. Appendix A and Appendix B allocate the budgets between each of the service districts based on the level of services provided to each respective district.

Appendix E and Appendix F identify outstanding debt for which the Town or Township levy a property tax or are secured by property tax revenues.

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Table 1: Analysis of Proposed Town Expenditures – Property Tax Funds Only

Table 1 below provides the sum of expenditures funded by property taxes applicable to the various districts allocated based on Pay 2024 AV with anticipated known adjustments as noted.

<u>Town Expenditures</u>	<u>Rural District</u>	<u>Town District</u>	<u>Town Debt</u>
<u>Expenditures</u>			
Town General	\$ 4,469,701	\$ -	\$ -
Town General Adjustments:			
Add: 2 Town Council Members	24,942	-	-
Add: FICA Adjustment	1,908	-	-
Add: Costs from Township General	313,513	-	-
Add: Costs from Township Assistance	150,408	-	-
Less: Transfer to Town Police	(584,151)	-	-
Less: Transfer to Town Fire	(550,672)	-	-
Total Adjusted Town General	<u>3,825,649</u>	<u>-</u>	<u>-</u>
Lease Rental Payment	<u>-</u>	<u>-</u>	<u>29,806</u>
Debt Service	<u>-</u>	<u>-</u>	<u>171,660</u>
Cumulative Capital Development	<u>100,000</u>	<u>-</u>	<u>-</u>
Motor Vehicle Highway (1)	<u>318,841</u>	<u>-</u>	<u>-</u>
Town Police	-	-	-
Transfer from General Fund	<u>-</u>	<u>584,151</u>	<u>-</u>
Total Town Police	<u>-</u>	<u>584,151</u>	<u>-</u>
Town Fire	-	-	-
Transfer from General Fund	<u>-</u>	<u>550,672</u>	<u>-</u>
Total Town Police	<u>-</u>	<u>550,672</u>	<u>-</u>
Total Town Expenditures	<u>\$ 4,244,490</u>	<u>\$ 1,134,823</u>	<u>\$ 201,466</u>

(1) See page 5 for information concerning a potential road maintenance interlocal agreement with Hamilton County.

Miscellaneous revenue-supported expenditures are assumed to be fully funded by miscellaneous revenues and cash on hand; therefore, these expenditures are excluded from Table 1. Table 2, as shown on the following page, provides a summary of remaining Township expenditures after the proposed reorganization. As noted above, the Township will cease to exist; however, certain functions will continue and be carried out by the Town.

Table 2: Analysis of Existing Township Expenditures – Property Tax Funds Only

	<u>Adams Township</u>
<u>Township Expenditures</u>	
Township General	\$ 623,100
Removal of General Fund Costs	<u>(312,511)</u>
Total Costs Shifted to Town General Fund	<u>310,589</u>
Township Assistance	174,408
Removal of Township Assistance Costs	<u>(24,000)</u>
Total Costs Shifted to Town General Fund	<u>150,408</u>
Fire Fund	281,090
Removal of Fire Costs	<u>(281,090)</u>
Total Costs Shifted to Town	<u>-</u>
Cumulative Fire Fund	83,500
Removal of Cumulative Fire Costs	<u>(83,500)</u>
Total Costs Shifted to Town	<u>-</u>
Total Remaining Township Expenditures	<u>\$ -</u>

Analysis of Outstanding Debt

In addition to the budgeted expenditures for the provision of services, the Town has outstanding debt obligations. The Township does not have any outstanding debt obligations. The bond issues or loans are detailed in Appendix E for the Town and Appendix F for the Township. The Town currently has one (1) bond issue and one (1) equipment lease outstanding (see Appendix E) which are paid from property taxes and included in this financial analysis.

The distinction between these bonds and which taxing units are responsible for the repayment of the bonds is important due to certain provisions of the Act. The Act requires that indebtedness incurred by the Town prior to the reorganization may not be imposed on taxpayers that were not responsible for the debt prior to the reorganization and must only be paid by those taxpayers that were originally responsible. This also applies to pension obligations. This means that all Town debt service must remain with the same taxpayer base as the Town prior to reorganization.

Analysis of Available Revenues

After calculation of the expenses to be paid, LWG then analyzed the available revenues that would be available to fund the proposed expenditures. The data for available revenues has been obtained from cash balances as of December 31, 2023, and the 1782 Fund Reports for the 2024 budget year for the Town and the Township. Based on this information, the various revenue sources have been broken into the various service districts in a manner that correlates the revenues with the applicable expenditures. This process has been done for both the Town and the Township.

Table 3 provides the allocation of miscellaneous revenues per the 1782 Fund Reports to each service district for property tax levied funds. Please refer to Appendix C for a detailed allocation of the Town’s miscellaneous revenues and Appendix D for the Township’s allocation of miscellaneous revenues. Miscellaneous revenue supported expenditures are assumed to be fully funded by miscellaneous revenues and cash on hand.

Table 3: Analysis of Proposed Miscellaneous Revenue

	<u>Rural District</u>	<u>Town District</u>	<u>Town Debt</u>
Town of Sheridan - Misc. Revenue	\$ 1,869,019	\$ 114,588	\$ 12,179
Adams Township - Misc. Revenue	<u>347,252</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 2,216,271</u>	<u>\$ 114,588</u>	<u>\$ 12,179</u>

Table 4 provides the cash balances per fund as of December 31, 2023, per the Annual Financial Reports of both the Town and Township.

Table 4: Analysis of Cash Balances as of December 31, 2023

<u>Town</u>		<u>Township</u>	
	<u>Cash Balance</u>		<u>Cash Balance</u>
General	\$ 1,938,793	General (1)	\$ 1,101,072
Lease Rental Payment	4,584	Township Assistance (1)	223,806
Debt Service	73,676	Fire (2)	312,885
Cumulative Capital Development	126,367	Cumulative Fire (Township) (2)	<u>185,016</u>
Motor Vehicle Highway (3)	9,845	Total Township	<u>\$ 1,822,780</u>
Total Town	<u>\$ 2,153,264</u>		

- (1) Township General and Assistance fund cash balance will be shifted to Town General fund cash balance.
- (2) Township Fire and Cumulative Fire cash balance will be shifted to Town Fire fund cash balance.
- (3) See page 5 for information concerning a potential road maintenance interlocal agreement with Hamilton County.

Calculation of Estimated Property Tax Levies and Tax Rates

Based on the above analyses, it is possible to calculate an estimated property tax levy for the Rural District, the Town District and the Town Debt District. As identified above in the “Summary of Tax Levy and Tax Rate Creation” section, to compute the property tax levy, the estimated revenues for a particular area are subtracted from the estimated expenditures. The net amount of the revenues and expenditures represents the portion of the expenditures that must be funded through the property tax levy.

Although estimated property tax levies and tax rates are provided in this section for purposes of estimating baseline financial impacts of the Plan, it is important to note that actual property tax levies, tax rates and allocation of revenues will be subject to statutory adoption processes by the legislative bodies of the participating political subdivisions (the Town and Township) and may materially differ from those provided in this section and the accompanying appendices.

Table 5 provides the estimated fund levies per fund for the Rural District, Town District and Town Debt District.

Table 5: Proposed Estimated Fund Levies

	<u>General (1)</u>	<u>Cumulative Capital Development (1)</u>	<u>Motor Vehicle Highway (1) (3)</u>	
Total Estimated Expenditures	\$ 4,794,687	\$ 100,000	\$ 318,841	
Less: Cash Balance	(3,263,671)	(126,367)	(9,845)	
Less: Estimated Misc. Revenues	(2,180,964)	-	(19,130)	
Add: Operating Balance	<u>1,083,245</u>	<u>213,133</u>	<u>9,845</u>	
Total Estimated Property Tax Levy	<u>\$ 433,297</u>	<u>\$ 186,766</u>	<u>\$ 299,711</u>	
	<u>Police (2)</u>	<u>Fire (2)</u>	<u>Town Debt Service (2)</u>	<u>Lease Rental Payment (2) (4)</u>
Total Estimated Expenditures	\$ 63,647	\$ 102,137	\$ 171,660	\$ 29,806
Less: Cash Balance	-	(497,901)	(73,676)	(4,584)
Less: Estimated Misc. Revenues	(58,984)	(55,604)	(10,027)	(2,152)
Add: Operating Balance	<u>682,573</u>	<u>1,099,219</u>	<u>18,819</u>	<u>(157)</u>
Total Estimated Property Tax Levy	<u>\$ 687,236</u>	<u>\$ 647,850</u>	<u>\$ 106,777</u>	<u>\$ 22,913</u>

- (1) Levies are funded by tax rates applied to both the Town and the Rural Districts (see Table 6).
- (2) Levies are funded by tax rates applied to the Town District only (see Table 6).
- (3) See page 5 for information concerning a potential road maintenance interlocal agreement with Hamilton County.
- (4) Final Lease Rental Payment 01/15/2025.

Once the estimated property tax levy is calculated, it is then possible to compute an estimated tax rate. To do this, the property tax levy is compared to the net assessed value of property within each of the service districts. Table 6 on the following page provides these calculations based on Pay 2024 Net Assessed Value (NAV).

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Table 6: Proposed Estimated Tax Rates (per \$100 of NAV) by Fund

<u>Rural District</u>				
	<u>General</u>	<u>Cumulative Capital Development</u>	<u>Motor Vehicle Highway (1)</u>	<u>Rural District Total</u>
Estimated Property Tax Levy	\$ 259,579	\$ 111,887	\$ 179,550	551,016
Divided by: Net Assessed Value	<u>223,774,912</u>	<u>223,774,912</u>	<u>223,774,912</u>	<u>223,774,912</u>
Total Estimated Tax Rate	<u>\$ 0.1160</u>	<u>\$ 0.0500</u>	<u>\$ 0.0802</u>	<u>\$ 0.2462</u>

<u>Town District</u>					
	<u>General</u>	<u>Cumulative Capital Development</u>	<u>Motor Vehicle Highway (1)</u>	<u>Police</u>	<u>Fire</u>
Estimated Property Tax Levy	\$ 173,718	\$ 74,879	\$ 120,161	\$ 687,236	\$ 647,850
Divided by: Net Assessed Value	<u>149,757,254</u>	<u>149,757,254</u>	<u>149,757,254</u>	<u>149,757,254</u>	<u>149,757,254</u>
Total Estimated Tax Rate	<u>\$ 0.1160</u>	<u>\$ 0.0500</u>	<u>\$ 0.0802</u>	<u>\$ 0.4589</u>	<u>\$ 0.4326</u>

	<u>Town Debt Service</u>	<u>Lease Rental Payment</u>	<u>Town District Total</u>
Estimated Property Tax Levy	\$ 106,777	\$ 22,913	\$ 1,833,533
Divided by: Net Assessed Value	<u>149,757,254</u>	<u>149,757,254</u>	<u>149,757,254</u>
Total Estimated Tax Rate	<u>\$ 0.0713</u>	<u>\$ 0.0153</u>	<u>\$ 1.2243</u>

<u>Proposed District Rate Summaries</u>					
	<u>Town</u>	<u>Rural</u>	<u>Total</u>	<u>Current</u>	<u>Difference</u>
Existing Adams Township Residents	\$ -	\$ 0.2462	\$ 0.2462	\$ 0.1660	\$ 0.0802
Existing Town of Sheridan Residents	1.2243	-	1.2243	1.1441	0.0802

(1) See page 5 for information concerning a potential road maintenance interlocal agreement with Hamilton County.

The calculation of the estimated tax rates requires a few additional comments. The tax rates above represent the estimated tax rate that would be applicable for the proposed service districts of the New Town as well as existing property tax supported debt. Secondly, all taxpayers would also be responsible for the tax rate associated with the Town District. These taxpayers would be receiving the benefit of the general administration of the New Town. Finally, these estimated tax rates are based on the Pay 2024 AV for the Town and the Township prior to reorganization.

Comparison to Current Tax Rates

A primary consideration of the legislative bodies is the impact that the proposed reorganization would have on taxpayers in the Township and the Town. In order to consider this impact, Appendix G provides a side-by-side comparison of the current 2024 tax rates compared to what the tax rates may be under the proposed reorganization including the tax rates for the other taxing units (the school, county, and library).

As Appendix G demonstrates, the estimated impact to both existing taxing districts is an additional \$0.0802 per \$100 of NAV for additional road maintenance cost (see page 5 for information concerning a

As Appendix G demonstrates, the estimated impact to both existing taxing districts is an additional \$0.0802 per \$100 of NAV for additional road maintenance cost (see page 5 for information concerning a potential interlocal agreement for road maintenance with Hamilton County which may mitigate this increase). Though the Rural District will see a benefit of the NAV of the Township, the additional costs will be shifted to the Town. It is important to note that both the existing debt service fund levies may increase as shown in Appendix G as a result of lower cash balances than originally budgeted during the 2024 budget process, not as a result of reorganization.

Circuit Breaker Tax Credit

The Indiana General Assembly enacted legislation which provides taxpayers with a tax credit for all property taxes in an amount that exceeds a percentage of the gross assessed value of real and personal property eligible for the credit ("Circuit Breaker Tax Credit"). A taxpayer is entitled to the Circuit Breaker Tax Credit against the taxpayer's property tax liability for property taxes first due and payable after 2009 in the amount by which the taxpayer's property tax liability is attributable to the taxpayer's:

- (1) homestead property would otherwise exceed 1%;
- (2) residential rental property would otherwise exceed 2%;
- (3) long term care property would otherwise exceed 2%;
- (4) agricultural land would otherwise exceed 2%;
- (5) nonresidential real property would otherwise exceed 3%; or
- (6) personal property would otherwise exceed 3%;

of the gross assessed value of the property that is the basis for determination of property taxes for that calendar year.

The DLGF recently released the anticipated 2024 circuit breaker credits by fund for all taxing units in the State. Pursuant to the DLGF report for Hamilton County taxing units as of April 11, 2024, the estimated Circuit Breaker Tax Credit allocable to the Town and Township for budget year 2024 is shown in the following table.

<u>Taxing Unit</u>	<u>2024 Circuit Breaker Credits</u>
Town of Sheridan	\$226,191.24
Adams Township	\$7,036.13

As shown in Appendix H, the total estimated circuit breaker impact for all taxing units in Hamilton County (including the Town and Township) after reorganization is approximately \$94,208. Table 7 provides the estimated circuit breaker impact for those units including the Township, though no impact is anticipated for the Township.

Table 7: Estimated Circuit Breaker Impact by Unit

<u>Taxing Unit</u>	<u>Estimated Circuit Breaker Impact</u>
Hamilton County	\$ 8,076.00
Adams Township	956.00
Town of Sheridan	51,062.00
Sheridan Community Schools	31,915.00
Sheridan Public Library	2,165.00
Solid Waste Management	<u>34.00</u>
 Total Circuit Breaker Credits	 <u><u>\$ 94,208.00</u></u>

As shown on the previous page, the Township is not expected to be impacted by the estimated increase in tax rates due to the proposed reorganization. Of the total estimated circuit breaker, approximately 55.2% is allocated to the Town itself.

Summary of Financial Analysis

The financial analysis provided above, as well as the accompanying Appendices, is designed to provide a baseline scenario for the proposed reorganization. As the legislative bodies continue to explore options for reorganization or if significant assumptions change, the impact to property tax levies and tax rates would need to be updated in order to provide a clear picture of how such changes would impact taxpayers.

LWG recognizes the reorganization of governmental units is a complex undertaking. This Report should be considered by the reader as a first step in understanding the baseline. For questions related to this Report, please contact Jim Higgins at jim.higgins@lwgcpa.com.

APPENDIX A

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

2024 Town Budget Expenditures and Allocation by Service District - Property Tax Funds Only

Department or Fund		Personal Services	Supplies	Services and Charges	Capital Outlay	Total	Amount Applicable		
							Rural District	Town District	Town Debt
Property Tax Supported									
General: Clerk Treasurer	\$	346,689	\$ 12,000	\$ 64,500	\$ -	423,189	\$ 423,189	-	\$ -
General: Town Council		63,928	2,500	486,550	-	552,978	552,978	-	-
General: Planning & Zoning		168,036	3,000	1,500	-	172,536	172,536	-	-
General: Public Works Service		411,170	33,250	53,150	50,000	547,570	547,570	-	-
General: Fire		1,289,003	88,868	233,689	-	1,611,560	1,611,560	-	-
General: Police		839,113	97,754	59,216	-	996,083	996,083	-	-
Subtotal: General Fund		3,117,939	237,372	898,605	50,000	4,303,916	4,303,916	-	-
Town Police		53,618	6,246	3,784	-	63,648	-	63,648	-
Town Fire		81,694	5,632	14,811	-	102,137	-	102,137	-
Motor Vehicle Highway (1)		145,650	-	173,191	-	318,841	318,841	-	-
Lease Rental Payment		-	-	-	29,806	29,806	-	-	29,806
Debt Service		-	-	-	171,660	171,660	-	-	171,660
Cumulative Capital Development		-	-	100,000	-	100,000	100,000	-	-
Total Property Tax Supported		3,398,901	249,250	1,190,391	251,466	5,090,008	4,722,757	165,785	201,466

(1) See page 5 for information concerning a potential road maintenance interlocal agreement with Hamilton County.

APPENDIX B

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

2024 Township Budget Expenditures and Allocation by Service District - Property Tax Funds Only

<u>Department or Fund</u>	<u>Personal Services</u>	<u>Supplies</u>	<u>Other Services and Charges</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Amount Applicable</u>
						<u>Rural District</u>
<u>Property Tax Supported</u>						
General	\$ 153,000	\$ 6,500	\$ 88,600	\$ 375,000	\$ 623,100	\$ 623,100
Township Assistance	24,000	-	150,408	-	174,408	174,408
Fire	-	-	131,090	150,000	281,090	281,090
Cumulative Fire (Township)	-	-	-	83,500	83,500	83,500
Total Property Tax Supported	\$ 177,000	\$ 6,500	\$ 370,098	\$ 608,500	\$ 1,162,098	\$ 1,162,098

APPENDIX C

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

Allocation of Town Miscellaneous Revenues - Property Tax Funds Only

<u>Department or Fund</u>	<u>Total</u>	<u>Amount Applicable</u>			
		<u>Rural District</u>	<u>Town District</u>	<u>Town Debt</u>	
<u>Property Tax Supported</u>					
General	\$ 1,833,796	\$ 1,833,796	\$ -	\$ -	
Town Police	58,984	-	58,984	-	
Town Fire	55,604	-	55,604	-	
Lease Rental Payment	2,152	-	-	2,152	
Debt Service	10,027	-	-	10,027	
Motor Vehicle Highway (1)	19,130	19,130	-	-	
Cumulative Capital Development	16,093	16,093	-	-	
Total Property Tax Supported	\$ 1,995,786	\$ 1,869,019	\$ 114,588	\$ 12,179	

(1) See page 5 for information concerning a potential road maintenance interlocal agreement with Hamilton County.

APPENDIX D

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

Allocation of Township Miscellaneous Revenues - Property Tax Funds Only

<u>Department or Fund</u>	<u>Amount Applicable</u>	
	<u>Total</u>	<u>Rural District</u>
<u>Property Tax Supported</u>		
General	\$ 346,498	\$ 346,498
Township Assistance	670	670
Fire	75	75
Cumulative Fire (Township)	9	9
Total Property Tax Supported	\$ 347,252	\$ 347,252

APPENDIX E

APPENDIX F

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

Adams Township Outstanding Debt as of December 31, 2024

Bond Issue	Purpose	Final Maturity	Outstanding Principal as of December 31, 2024	Principal and Interest or Lease Payments Due in Fiscal Year 2024
No outstanding debt at this time.				

APPENDIX G

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

Comparison of Current Tax Rates to Reorganized Tax Rates

Taxing District	Current Pay 2024 Tax Rates				Reorganized Tax Rates					Net Effect of Reorganization	
	Township	Corporate	Other Taxing Units (1)	Total	Rural District	Town District	Town Debt (2)	New District Subtotal	Other Taxing Units (3)		Total
Adams Township	\$ 0.1660	\$ -	\$ 1.6827	\$ 1.8487	\$ 0.2462	\$ -	\$ -	\$ 0.2462	\$ 1.6827	\$ 1.9289	\$ 0.0802
Sheridan Town	-	1.1115	1.7153	2.8268	-	1.1377	0.0866	1.2243	1.6827	2.9070	0.0802

(1) Other Taxing Units included rates for Hamilton County, Hamilton County Solid Waste Management, Sheridan Community Schools, and Sheridan Public Library; however for the Town of Sheridan, Other Taxing Units also include Adams Township.

(2) Town Debt includes levies for both Debt Service (\$0.0713) and Lease Rental (\$0.0153).

(3) Other Taxing Units include rates for Hamilton County, Hamilton County Solid Waste Management, Sheridan Community Schools, and Sheridan Public Library.

APPENDIX H

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

Circuit Breaker Analysis - District Rates

<u>District Name</u>	2024 Baseline <u>Tax Rate</u>	Reorganized <u>Tax Rate</u>	Tax Rate <u>Change</u>
Town of Sheridan	\$ 2.8268	\$ 2.9070	\$ 0.0802
Adams Township	1.8487	1.9289	0.0802
Clay Township	1.2377	1.2377	-
Delaware Township	1.7944	1.7944	-
Fishers	2.2011	2.2011	-
Fall Creek Township	1.6876	1.6876	-
Jackson Township	1.6229	1.6229	-
Arcadia	2.4645	2.4645	-
Atlanta	2.1383	2.1383	-
Cicero	1.9036	1.9036	-
Noblesville Township	1.8361	1.8361	-
Noblesville City	2.7021	2.7021	-
Westfield Washington Township	1.9617	1.9617	-
Westfield	2.3285	2.3285	-
Wayne Township	1.6861	1.6861	-
White River Township	1.5633	1.5633	-
Carmel	2.0160	2.0160	-
Noblesville SE	2.6067	2.6067	-
Fishers FC	2.1670	2.1670	-
Noblesville FC	2.5726	2.5726	-
Noblesville Wayne Township	2.5976	2.5976	-
Carmel County TIF	2.0160	2.0160	-
Westfield Ag Abated	1.6110	1.6110	-
Carmel Washington Township	2.3893	2.3893	-
Fishers FC 02152C	2.1670	2.1670	-

Report on the Proposed Reorganization of the Town of Sheridan and Adams Township, Hamilton County

Circuit Breaker Analysis - Circuit Breaker Impacts

Taxing Unit	2024 Baseline			Reorganization Scenario			Change		
	Levy	CB	Net Levy	Levy	CB	Net Levy	Levy	CB	Net Levy
Hamilton County	\$ 91,374,907	\$ 4,037,507	\$ 87,337,400	\$ 91,374,907	\$ 4,045,583	\$ 87,329,324	\$ -	\$ 8,076	\$ (8,076)
Adams Township	419,138	7,036	412,102	598,606	7,992	590,614	179,468	956	178,512
Clay Township	6,992,159	108,831	6,883,329	6,992,159	108,831	6,883,329	-	-	-
Delaware Township	1,576,716	11,396	1,565,319	1,576,716	11,396	1,565,319	-	-	-
Fall Creek Township	1,190,209	7,047	1,183,162	1,190,209	7,047	1,183,162	-	-	-
Jackson Township	1,111,894	2,905	1,108,988	1,111,894	2,905	1,108,988	-	-	-
Noblesville Township	1,594,719	23,907	1,570,812	1,594,719	23,907	1,570,812	-	-	-
Washington Township	1,701,381	74,205	1,627,176	1,701,381	74,205	1,627,176	-	-	-
Wayne Township	693,134	20,526	672,607	693,134	20,526	672,607	-	-	-
White River Township	629,342	870	628,472	629,342	870	628,472	-	-	-
Township Units Total	15,908,692	256,724	15,651,968	15,908,692	4,303,263	15,830,479	179,468	956	178,512
Arcadia Civil Town	555,451	48,978	506,473	555,451	48,978	506,473	-	-	-
Atlanta Civil Town	169,475	3,976	165,499	169,475	3,976	165,499	-	-	-
Carmel Civil City	85,510,789	1,346,593	84,164,196	85,510,789	1,346,593	84,164,196	-	-	-
Cicero Civil Town	2,181,287	38,267	2,143,020	2,181,287	38,267	2,143,020	-	-	-
Fishers Civil City	64,397,779	1,350,506	63,047,274	64,397,779	1,350,506	63,047,274	-	-	-
Noblesville Civil City	56,147,781	6,696,871	49,450,911	56,147,781	6,696,871	49,450,911	-	-	-
Sheridan Civil Town	1,655,965	226,191	1,429,774	1,776,070	277,253	1,498,817	120,105	51,062	69,043
Westfield Civil City	38,257,042	3,394,360	34,862,682	38,257,042	3,394,360	34,862,682	-	-	-
Civil Units Total	248,875,570	13,105,741	235,769,828	248,875,570	13,156,803	235,838,871	120,105	51,062	69,043
Carmel-Clay School Corporation	97,656,233	1,030,986	96,625,247	97,656,233	1,030,986	96,625,247	-	-	-
Hamilton Heights School Corporation	12,405,158	140,616	12,264,542	12,405,158	140,616	12,264,542	-	-	-
Hamilton Southeastern School Corporation	125,382,991	2,358,548	123,024,442	125,382,991	2,358,548	123,024,442	-	-	-
Noblesville School Corporation	67,495,276	4,323,649	63,171,627	67,495,276	4,323,649	63,171,627	-	-	-
Sheridan Community Schools	5,008,408	225,341	4,783,067	5,008,408	257,256	4,751,152	-	31,915	(31,915)
Westfield-Washington School Corporation	73,727,997	4,866,540	68,861,457	73,727,997	4,866,540	68,861,457	-	-	-
School Units Total	381,676,062	12,945,681	368,730,382	381,676,062	12,977,596	368,698,467	-	31,915	(31,915)
Carmel-Clay Public Library	6,948,390	108,149	6,840,240	6,948,390	108,149	6,840,240	-	-	-
Hamilton East Public Library	7,744,105	397,336	7,346,768	7,744,105	397,336	7,346,768	-	-	-
Hamilton North Public Library	501,193	7,090	494,103	501,193	7,090	494,103	-	-	-
Sheridan Public Library	269,859	14,929	254,930	269,859	17,094	252,765	-	2,165	(2,165)
Westfield Public Library	2,409,551	203,491	2,206,059	2,409,551	203,491	2,206,059	-	-	-
Library Units Total	17,873,097	730,996	17,142,101	17,873,097	733,161	17,139,936	-	2,165	(2,165)
Hamilton County Airport Authority	-	-	-	-	-	-	-	-	-
Hamilton County Solid Waste Mgmt District	844,701	37,090	807,611	844,701	37,124	807,577	-	34	(34)
Special Units Total	844,701	37,090	807,611	844,701	37,124	807,577	-	34	(34)
Grand Total - All Taxing Units	\$ 756,553,029	\$ 31,113,740	\$ 725,439,289	\$ 756,553,029	\$ 35,253,531	\$ 725,644,654	\$ 299,573	\$ 94,208	\$ 205,365