

Town of Syracuse, Indiana
RESOLUTION NO. 2022-05

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

Syracuse Elementary Area Annexation

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

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

THEREFORE, BE IT RESOLVED by the Town Council of the Town of Syracuse, State of Indiana, that Exhibit A, as attached and incorporated herein, is adopted as the fiscal plan for the "Syracuse Elementary Area Annexation" proposed by Ordinance 2022-11.

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

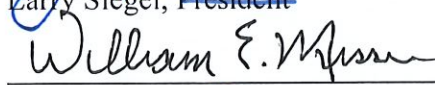
PASSED AND ADOPTED this 16th day of August, 2022.

THE TOWN COUNCIL OF THE TOWN
OF SYRACUSE, INDIANA


YAY/NAY


Larry Siegel, President

YAY


William Musser, President

YAY


Paul Stoelting

YAY


Cindy Kaiser

YAY


Larry Martindale

YAY

ATTEST:



Virginia A. Cazier, Clerk-Treasurer
Town of Syracuse, Indiana

EXHIBIT A

**ANNEXATION FISCAL PLAN
2022 SYRACUSE ELEMENTARY AREA ANNEXATION**

*Town of Syracuse
Kosciusko County, Indiana*

Annexation Fiscal Plan

2022 Voluntary Annexation

This Fiscal Plan is available for the public at the Clerk-Treasurer's Office, located at
310 N. Huntington Street, Syracuse, Indiana 4657.

August 11, 2022

Detailed Summary of Annexation Impact

Introduction The Town of Syracuse (the “Town”) is undertaking the annexation of the area shown on the map, attached Exhibit A, (the “Annexation Territory”). Exhibit B also contains a listing of all parcels to be annexed. The annexation is being pursued under IC 36-4-3.

Respect for the Public Process The fundamental premise of American government is that private citizens are provided the opportunity to participate in the decisions of their government. While no decision receives unanimous public support, the annexation statutes make it clear that public education and participation is a critical part of the annexation process.

The statutory process of annexation effectively begins with the creation of the Fiscal Plan which is later adopted by resolution of the municipal government. As such, the Fiscal Plan must be prepared in a manner that contains sufficient substance to enable the public to reasonably determine whether the proposed annexation is in their best interests, as well as enabling the elected officials to determine whether the annexation is in the best interests of the municipality. However, this requirement also means that the Fiscal Plan is completed *prior to* receiving any public input.

If the Fiscal Plan is to serve the intended public interest, the Fiscal Plan must be a document, which can be adjusted to accommodate the legitimate interests and needs of relevant constituencies as it proceeds through the public process. If citizens bring good points to bear on the annexation process, the Fiscal Plan should honestly respond to those points. If the Fiscal Plan can be adjusted to enable the municipality to better protect the interests of the public, then such adjustments should be made. As a result of these considerations the Town, will fairly consider the testimony received through the public process and to make those adjustments to the Fiscal Plan which are necessary to honestly and fairly respond to the public testimony in a manner that is also fair and equitable to the existing citizens of the Town, while at the same time balancing the best interests of the Town.

As the statutory process unfolds, LWG CPAs & Advisors (“LWG”) will make every reasonable effort to respond honestly, fairly and realistically to the information presented, including the possibility of adjusting the Fiscal Plan. It is fully understood that every request cannot realistically be fulfilled, but in the end, the public will have the opportunity to speak and will be fairly heard, and the Fiscal Plan will be adjusted to accommodate the best suggestions of the public process.

Needed & Can Be Used The Annexation Territory consists of five (5) tax-exempt parcels and one (1) residential parcel. The Annexation Territory is needed by the municipality for its future development at the present time and in the reasonably near future.

Annexed Population The Annexation Territory includes one (1) residential property, and therefore the population of the Annexation Territory is estimated to be three, which represents the average household in the Town.

Annexed Streets & Roads The Annexation Territory is estimated to contain approximately 0.05 miles of public streets and roads to be added to the municipal thoroughfare system. The newly incorporated public roads currently being annexed are local streets. None of the roads in the Annexation Territory are currently under the jurisdiction of the State of Indiana. The Town has approximately 21.28 miles of local streets and roads in current inventory.

Zoning in the Proposed Annexation Growth of the undeveloped portions of the Annexation Territory will continue to be controlled through the office of Kosciusko County Plan Commission. There are presently no plans to change the zoning as a result of the annexation.

Contiguity The proposed Annexation Territory is at least one-eighth (1/8) contiguous with the corporate boundaries of the Town.

Provision of Municipal Services The Town is currently providing capital and non capital services to the Annexation Territory. The capital services include but are not limited to: street construction, street lighting, sewer, and water utilities. The non-capital services would include, but are not limited to, road maintenance, trash-pick up, administrative serviced by the Town, and police protection by the Syracuse Police Department.

The developed properties within the Annexation Territory are the Syracuse Elementary School and the residential parcel, which both have access to the Town's sewer and water services. If the undeveloped portions were to be developed, they will have access to the Town's sewer and water services in the same manner as other tax payers within the Town.

The effective date of annexation is assumed to occur during the fourth quarter of 2022, although that date could be extended in the event of litigation. If the effective date is delayed, the date for provision of services will also be extended based upon the actual effective date.

PLAN FOR EXTENSION OF SERVICES This Fiscal Plan details the municipal services which are projected to be extended or currently provided to the Annexation Territory and the method by which these services will be woven into the responsibilities of the incorporated Town.

The reader must understand that this Fiscal Plan can only be based on the exercise of common sense by Town elected officials, over the long term. In the end, this Fiscal Plan can only be based on logical, objective responses to projected situations.

Method of Financing The municipal services are currently being provided to the Annexation Territory by the Town using their current operating budget.

The standard statutory process for setting the budget, includes a review by the Department of Local Government Finance ("DLGF"). The budgets for 2023 and thereafter will continue to

include municipal services to the proposed Annexation Territory.

IMPACT OF RE-ASSESSMENT & STATE LEGISLATION The statewide assessment process ("trending") is ongoing and will affect the taxable value of most real property in Indiana, as will the recent state legislation, which alters the property tax system of Indiana. The impact of the statewide re-assessment is expected to be different from one parcel to another, for a number of reasons. Therefore, it is impossible to make any generalized statement about the impact of reassessment on the property within the Annexation Territory. However, it is appropriate to say that the proposed annexation will have no impact on the assessed value of any property with regard to reassessment.

MUNICIPAL ADMINISTRATION The projected impact of the proposed annexation on the departments involved in municipal administration is considered in the fiscal analysis as "overhead" for the continuing operations of municipal government. In the Town, these municipal departments include the Town Council, Clerk-Treasurer, and other, similar departments (the "Town Administration"). This impact is the service most easily controlled by the Clerk-Treasurer, due to the direct oversight of the Town Council.

The proposed annexation is expected to have minimal fiscal impact on the operation of the Town Administration. The annexation may impact the offices of the Clerk-Treasurer and Town Council, as the residents of the Annexation Territory will now have access to these elected officials, as well as their affiliated boards and all public meetings.

The Town does not anticipate any additional expenditures for the municipal administration due to this annexation. Any additional administrative workload can be absorbed by the current employees of the Town.

POLICE DEPARTMENT The Police Department currently responds to calls and makes routine patrols within the Annexation Territory when officers are available. The police department does not anticipate the need for any additional resources due to the annexation.

FIRE DEPARTMENT Fire protection services are not provided by the Town. Fire services to the Annexation Territory and the Town are currently provided by the Turkey Creek Fire Territory. The Turkey Creek Fire Territory will continue to provide fire services to the Annexation Territory after it is annexed.

STREET DEPARTMENT As previously mentioned, the Annexation Territory does not contain any additional roadway. Therefore, there is no fiscal impact due to this annexation.

STREET LIGHTS The statute recognizes streetlights as a capital service of the municipality and requires that streetlights be provided in the same manner as such services provided to areas within the corporate limits. The Town considers the need for streetlights on a case-by-case, neighborhood-by-neighborhood basis to determine the need and justification for streetlights in a particular area. In all cases, however, streetlights are only considered on public streets, not on private roadways within developed areas. Therefore, capital service of street lighting will be

afforded to the Annexation in precisely the same manner it is provided to the rest of the Town. It is presently not anticipated that there will be a need for any additional street lights, and if street lights are wanted, it will be at the developer or future property owner's cost.

SANITATION SERVICES The Town provides sanitation services or trash pick-up to residential property owners. Such services are provided to property through a contract between the Town and Borden Waste-Away Service, Inc. ("Borden"). The Annexation Territory does consist of one residential property, and trash pick-up services for the additional residential property is estimated to cost the Town an additional \$12.98 per month. This increase will be absorbed into the Town's current operating budget.

MUNICIPAL PARKS The proposed annexation does not include new parkland. It is preliminarily concluded that the proposed annexation will have no direct impact on the services of the municipal parks system. Municipal park services are already available to residents of the Annexation Territory.

DRAINAGE/STORM WATER SERVICES The Town currently does not operate a Storm Water Utility for its residents. If the Town were to be add a Storm Water Utility in the future, the service would be provided to the Annexation Territory in the same manner as the current boundaries of the Town.

WATER AND WASTEWATER SERVICES Developed property within the Annexation Territory currently has access to the Town's sewer and water services. If the undeveloped portions were to be developed, they will have access to the Town's sewer and water services in the same manner as other tax payers within the Town.

Electric Services The Town does not provide municipal electric services and are provided by the utility that serves the Annexation Territory.

Estimated Assessed Value of Annexation Territory The Town has performed research regarding the assessed value of the Annexation Territory using the property records available on the Kosciusko County's Geographic Information System (GIS). The Annexation Territory was estimated to contain approximately six (6) parcels to be annexed. The total gross assessed value (Pay 2022) of the annexation is estimated to be \$11,762,600 and total net assessed value (Pay 2021) is \$45,740.

Focus on Property Tax Revenues Currently, prior to the proposed annexation, the Town's NAV for pay 2022 is \$253,935,795. The proposed annexation would increase the Town's NAV by \$45,740 or 0.0180%. Also, for the properties to be annexed that are tax exempt, the Town does not anticipate any changes to the taxation of these properties.

Therefore, the annexation is expected to have an immaterial to no impact on the property taxes levied and collected by the Town.

SUMMARY OF NET FISCAL IMPACT The Town's major funding sources come from property taxes and state distributions of alcoholic beverage excise tax, cigarette tax, MVH/LRS, as well as the local income tax (collectively, the "Miscellaneous Revenues"). Due to the no material changes in NAV or factors used to calculate the Town's share of the Miscellaneous Revenues (population and road milage), no material changes in revenues are anticipated due to the annexation.

Since the Town is already providing non-capital and capital services to the Annexation Territory, no additional expenditures are anticipated due to the annexation.

FISCAL IMPACT ON OTHER TAXING UNITS Annexations can result in fiscal impacts to taxing units other than the Town. The main factors driving this fiscal impact are due to an increase in property tax liability could create increased circuit breaker credits, reduction of Miscellaneous Revenues due to the reallocation of the distribution factors used to calculate the distribution of the Miscellaneous Revenues, and reallocation of services provided to tax payers.

No impact is anticipated on other taxing units due to (i) the residential parcel is not anticipated to receive any circuit breaker credits after the proposed annexation is complete, (ii) the factors used to calculate the distribution of the Miscellaneous Revenues will remain mostly unchanged, and (iii) the Town is already providing services to the Annexation Territory.

Contact Person for Further Information If anyone has additional questions regarding the proposed annexation, all available information is on file with at the Clerk-Treasurer's office, located at 310 N. Huntington Street, Syracuse, Indiana 4657; and may be contacted by phone at (574) 457-3216. All property owners within the proposed Annexation Territory will be provided a copy of the Fiscal Plan at no cost to them via direct mail (certified) or immediately upon request.

EXHIBIT A

TOWN OF SYRACUSE, INDIANA

2022 Voluntary Annexation - Parcel Listing

Parcel Number	Property Owner	Property Address	Property Type	Gross Assessed Value	Less: Deductions	Net Assessed Value
43-04-07-100-221.000-025	Board of Commissioners of Kosciusko County	N/A (1)	Exempt	\$7,400	(\$7,400)	\$0
43-04-07-400-494.000-025	Wawasee Community School Corporation	0 Kern Road	Exempt	43,200	(43,200)	0
43-04-07-400-496.000-025	Lakeland Aerie #376	12889 N Kern Road	Exempt	452,100	(452,100)	0
43-04-07-400-519.000-025	Wawasee Community School Corporation	N/A (1)	Exempt	216,500	(216,500)	0
43-04-07-400-515.000-025	Wawasee High School Building Corporation	12799 N Kern Road	Exempt	10,923,900	(10,923,900)	0
43-04-07-100-015.000-025	Collins Alec	12888 N Kern Road	Residential	119,500	(73,760)	45,740
				<u>\$11,762,600</u>	<u>(\$11,716,860)</u>	<u>\$45,740</u>

(1) Property is undeveloped land and current does not have a property address.

Note: All information per the 2021 Tax Duplicate.

EXHIBIT B

