Plan of Reorganization for the Town of Sheridan, Indiana and Adams Township of Hamilton County, Indiana

Prepared by:

The Committee to Preserve the Heritage and Collective Strengths of the Town of Sheridan and Adams Township Area Community

Adams Township Representatives

Michelle Junkins, Trustee
Floyd Barker, Advisory Board Member
Neil Johnson

Town of Sheridan Representatives

Silas DeVaney, III, Town Council President
Eric Gifford, Council Member
Heidi Kienholz

Joint Appointment

Dr. Dave Mundy, Superintendent Sheridan Community Schools (Chair/Moderator)

Draft dated May 22, 2024

Plan of Reorganization

Introduction

Acting under the provisions of Ind. Code §36-1.5-4-10, on September 28, 2023, the Township Board (the "Board") of Adams Township of Hamilton County, Indiana (the Township"), adopted Resolution 2023-1 which proposed a statutory reorganization with the Town of Sheridan, Indiana (the "Town"). On October 3, 2023, the Town Council (the "Council), acting under the provisions Ind. Code §36-1.5-4-13, adopted a substantially similar resolution. Certified copies of the Resolutions and proof of delivery are attached hereto as Exhibit A. The legislative bodies of the Town and Township appointed a cross section of citizens to form a committee to make recommendations to the legislative bodies regarding the proposed reorganization and to develop a comprehensive reorganization plan for the legislative bodies' consideration under Ind. Code §36-1.5-4-18.

The Committee to Preserve the Heritage and Collective Strengths of the Town of Sheridan and Adams Township Area Community (the "Reorganization Committee") was established to study and explore efficiencies in governance for the citizens of the Township and the Town. Consisting of seven (7) members (three (3) from the Township, three (3) from the Town and the joint appointment of the Superintendent of the Sheridan Community School Corporation as Chair/Moderator), the Reorganization Committee gathered information from a variety of public officials and sources, consulted with the citizens of the Township and the Town, and conducted numerous advertised public meetings and weekly public briefing meetings. The advertised meetings included postcard notices to residents of the Town and Township. Minutes from each of the advertised public meetings and other information concerning the Reorganization Committee's efforts are available for inspection at the Sheridan Town Hall, the Adams Township Trustee's office and on the internet at "Reorganization – Town of Sheridan" or "Reorganization - Adams Township Trustee." After careful review and consideration, the Reorganization Committee respectfully submits this Plan of Reorganization to the legislative bodies of the Township and the Town for a public hearing and final action on the Plan**.**

Authority and Procedure

In 2006, the Indiana General Assembly enacted the Government Modernization Act codified at Ind. Code §36-1.5 *et seq*. (the "Act"). A copy of the Act is available at https://iga.in.gov/laws/2023/ic/titles/36#36-1.5. The Act authorizes political subdivisions to

reorganize or consolidate in an effort to operate more efficiently and cooperatively and, in doing so, reduce reliance on property taxes. Ind. Code §36-1.5-1-1. Specifically, the Act authorizes a township and a municipality that is located in any part of the same township to reorganize or consolidate into a single political subdivision. Ind. Code §36-1.5-4-1(a)(7). The foregoing subsection specifically authorizes a political subdivision reorganization between the Town and the Township.

The Act authorizes two types of reorganization: (a) the consolidation of the participating political subdivisions into a single new political subdivision; or (b) the consolidation of the participating political subdivisions into one of the participating subdivisions. Ind. Code §36-1.5-4-3. This Plan of Reorganization provides for the Township to be consolidated into the existing Town of Sheridan and that the resulting political subdivision (the "Reorganized Town") operate as outlined in this Plan.

The Act requires the legislative bodies of the reorganizing political subdivisions to prepare and issue a plan of reorganization ("Plan of Reorganization" or "Plan"). Ind. Code §36-1.5-4-18. The Town and Township appointed a cross section of citizens to form a Reorganization Committee to study the opportunities provided under the Act and to review and make recommendations to the legislative bodies of the reorganizing political subdivisions.

In accordance with the Act, a Plan of Reorganization must, among other things, include at least the following:

> (1) The name and a description of the reorganized political subdivision that will succeed the reorganizing political subdivisions.
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> (2) A description of the boundaries of the reorganized political subdivision.
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> (3) A description of the taxing areas in which taxes to retire obligations of the reorganizing political subdivisions will be imposed.
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> (4) A description of the membership of the legislative body, fiscal body, and executive body of the reorganized political subdivision, a description of the election districts or appointment districts from which officers will be elected or appointed, and the manner in which the membership of each elected or appointed office will be elected or appointed.
>
> (5) A description of the services to be offered by the reorganized political subdivision and the service areas in which the services will be offered.
>
> (6) The disposition of the personnel, the agreements, the assets, and the liabilities of the reorganizing political subdivisions, including the terms and conditions which the transfer of property and personnel will be achieved.

(7) A Fiscal Impact Analysis meeting the requirements of Ind. Code §36-1.5-4-18(d) and submittal of the Fiscal Impact Analysis to the Department of Local Government Finance ("DLGF") for review and comment.

(8) Any other matter that the Reorganization Committee or the legislative bodies of the participating political subdivisions deem necessary or appropriate.

The Act also requires that for a Plan of Reorganization involving a township and a municipality located anywhere in that township, the Plan must specify an approval threshold, expressed as a percentage, by which the voters of the township and the municipality must approve the Plan of Reorganization. This approval threshold must be greater than fifty percent (50%).

The Reorganized Town of Sheridan

This Plan of Reorganization recommends that the entirety of Adams Township be consolidated into the current Town of Sheridan (referred to herein as the "Old Town") and that the reorganized political subdivision continues thereafter as a single governmental entity to be known after reorganization as the Town of Sheridan (referred to herein as the "Reorganized Town"), a municipality generally operating under the laws and constitutional authorities provided for towns in Indiana. The Reorganized Town shall retain all of the authorities, responsibilities and powers granted to towns under the Indiana Constitution and the Indiana Code, and shall additionally have all of the authorities, responsibilities and powers granted to townships under the Indiana Constitution and the Indiana Code. A map showing the boundaries of the Reorganized Town is attached hereto as Exhibit B. If approved by the voters eligible to vote on the Plan of Reorganization in a referendum to be conducted at the general election on November 5, 2024 (the "Referendum"), the reorganization shall become effective on January 1, 2025 (the "Effective Date").

Existing Debt of Adams Township and the Old Town of Sheridan

Under the Act, the Township and the Old Town (collectively, the "Reorganizing Political Subdivisions") are each required to retire, subject to current terms and conditions, any existing indebtedness and pension obligations that may exist as of the Effective Date, to be paid solely from the taxpayers responsible for the debt or pension obligation prior to the reorganization. Ind. Code §36-1.5-4-40(1)(B). A map showing the boundaries of Adams Township and the boundaries of the Old Town of Sheridan prior to reorganization is attached hereto as Exhibit C.

As of the date of this Plan, financial obligations of the Reorganizing Political Subdivisions are as follows: (a) Adams Township – $0.00; and (b) the Old Town of Sheridan –

$494,743.00. See Appendix E and Appendix F of the Fiscal Impact Analysis attached hereto as Exhibit D. Existing indebtedness of the Old Town as it exists immediately prior to the Effective Date will continue to be paid solely by residents of the Old Town until the indebtedness is retired. Any outstanding pension obligations which are not fully funded as of the Effective Date will be borne solely by the taxpayers of the responsible employer, the Old Town or Township, as the case may be. Future pension obligations incurred after the Effective Date will be funded by all taxpayers in the Reorganized Town.

Fiscal Impact Analysis

Pursuant to Indiana Code §36-1.5-4-18(d) the Plan of Reorganization must include a Fiscal Impact Analysis of the proposed reorganization. The Fiscal Impact Analysis of the proposed reorganization of the Township and the Town is attached hereto as Exhibit D. The Fiscal Impact Analysis was preliminarily approved by the Township Board and the Old Town Council on May 9, 2024 and has been submitted to the DLGF for review and comment. The Resolutions adopted by the Board and Council on May 9, 2024 preliminarily approving the Fiscal Impact Analysis and confirming the legislative bodies' intent to reorganize are included in Exhibit D.

Reorganized Town Council

As of the Effective Date, the legislative body of the Reorganized Town of Sheridan shall be expanded to seven (7) members, with five (5) members elected by voters in the district in which they reside, and two (2) members elected at large. Until noon on January 1, 2027, the seven (7) Reorganized Town Council members shall consist of the five (5) current members of the legislative body of the Old Town of Sheridan, and two (2) of the current members of the Adams Township Board selected by majority vote of the Township Board prior to the Effective Date.

The term of office for the former Township Board members and the two (2) Old Town Council members elected at large in 2022 shall all expire at noon on January 1, 2027. The term of office for the former Old Town Council members representing District 1, District 2 and District 3 of the Old Town Council Districts elected in 2023 shall expire at noon on January 1, 2028.

At the regularly scheduled general election conducted in 2026 the voters in the Reorganized Town will elect one Reorganized Town Council member at large and three (3) Reorganized Town Council members from District 1, District 2 and District 4 from the

Reorganized Town Council District Map attached hereto as Exhibit E (the "Legislative District Map). The District 1, District 2 and District 4 reorganized Town Council members shall be selected only by the voters in the district in which they reside.

At the regularly scheduled municipal election conducted in 2027, the voters in District 3 and District 5 in the Legislative District Map attached as Exhibit E shall elect Town Council members in each of those districts and voters throughout the Reorganized Town shall elect one Reorganized Town Council member at large and the Reorganized Town Clerk-Treasurer. The District 3 and District 5 reorganized Town Council members shall be selected only by the voters in the district in which they reside. Each of the forgoing Reorganized Town Council members shall serve four (4) year terms and until their successors are selected and qualified.

Vacancies (as defined in Ind. Code §36-5-1-6.5) in the Reorganized Town Counsel occurring prior to the 2026 general election shall be filled by caucus in accordance with Ind. Code §§3-13 *et seq*. and other provisions applicable to filling vacancies of town council members. Replacement due to vacancy of the former Township Board members will be by a caucus of all precincts in the Township. Replacement of the former Old Town Council members will be by a caucus of all precincts in the Old Town. Replacement due to vacancy of former Old Town Council members originally elected in 2022 and 2023 will be on an "at large" basis and will not require residency in any Old Town or Reorganized Town legislative district. Vacancies occurring in the Reorganized Town Council members elected in 2026 shall be by caucus of the precincts in District 1, District 2 or District 4, as the case may be, or throughout the Reorganized Town for the at-large seat. Vacancies occurring in the Reorganized Town Council members elected in 2027 shall be by caucus of the precincts in District 3 or District 5, as the case may be, or throughout the Reorganized Town for the at-large seat.

The Reorganization Committee acknowledges that the proposed Legislative District Map will require the establishment of new precincts located in the Reorganized Town. Upon successful adoption of the Plan of Reorganization in the Referendum, the Reorganized Town Council should petition the Hamilton County executive to establish new precincts in the Reorganized Town pursuant to Ind. Code §§3-11-1.5 *et seq*. prior to the next regularly scheduled general election in 2026. The Legislative District Map was prepared with 2020 Census data. The Reorganization Committee recognizes and acknowledges that in order to comply with state and federal election law the Legislative District Map must be redrawn when data from the 2030 Census is available.

Continuation of Laws, Resolutions, Ordinances and Policies

All existing laws, resolutions, ordinances and policies in effect in the Old Town immediately prior to the Effective Date shall continue in full force and effect on and after the Effective Date in the Reorganized Town, except as altered, amended, or deleted by this Plan of Reorganization, or altered, amended or deleted after the Effective Date of the reorganization by the Reorganized Town Council.

Powers of the Reorganized Town of Sheridan

As of the Effective Date, the Reorganized Town shall continue to be governed and administered as a "town" as that term is defined under Indiana law at Ind. Code §36-1-2-21 with the additional rights, powers and authorities provided for in the Plan of Reorganization. As such, the Reorganized Town shall be governed in a manner consistent with Ind**.** Code §36-5-2 (Town Legislative Body and Executive), Ind. Code §36-5-3 (Town Budget Procedures and Compensation of Officers and Employees), Ind. Code §36-5-4 (Miscellaneous Town Fiscal and Administrative Provisions), Ind. Code §36-5-5 (Town Manager), Ind. Code §36-5-6 (Town Clerk-Treasurer), Ind. Code §36-7 (Planning and Development), Ind. Code §36-8-9 (Town Board of Metropolitan Police Commissioners), and all other laws and constitutional powers and authorities applicable to the governance and administration of a town. The Reorganized Town shall also have all rights, powers and authority which are granted to townships including the provisions of Ind. Code §§36-6 *et seq.* and all other laws and constitutional powers and authorities applicable to townships.

Services Provided by the Reorganized Town and Service Areas

The Reorganized Town shall provide those services administered by a town including, but not limited to, police protection, fire protection and emergency medical services, parks and recreation, land use planning and zoning, designated utility services and road maintenance. Further, the Reorganized Town shall provide the services previously administered by the Township, including township assistance and poor relief services, park and community centers authority, cemetery maintenance, noxious weed control, fence disputes and all other services required of townships. All such powers, responsibilities and authorities shall be transferred to the Reorganized Town Council or such departments or designees as they shall determine. On or after the Effective Date, the Reorganized Town shall establish a Department of Administration and the services previously administered by the Township shall be administered by the Department of Administration. The current Township Trustee shall serve as the initial Director

of the Department of Administration and shall be employed by the Reorganized Town in that role at a salary set by the Reorganized Town Council in its salary ordinance.

As of the Effective Date, there shall be two (2) service districts in the Reorganized Town, a "Town District" and a "Rural District" as illustrated in Exhibit F attached hereto. The primary difference between the Town District and the Rural District will be the level of services provided, the application of certain ordinances, and property tax rates. As of the Effective Date, the Town District will consist of property within the boundaries of the Old Town as it exists at 11:59 p.m. on December 31, 2024, and the Rural District will consist of all property outside of the then-current boundaries of the Old Town, commonly known as the unincorporated portions of Adams Township. There is no intent to reclassify property initially included in the Town District into the Rural District in the future; however, future reclassification of property initially included in the Rural District to the Town District is possible as set forth below.

The portion of the Township located within the Old Town's two (2) mile extraterritorial jurisdiction (as defined in Ind. Code §36-7-4-205(e) and hereafter the "Extraterritorial Jurisdiction") where the Old Town Office of Planning and Development currently exercises jurisdiction will be assigned to the Rural District, but shall remain under the jurisdiction of the Reorganized Town Office of Planning and Development and the provisions of the Sheridan Unified Development Ordinance and Comprehensive Plan maintaining the current status quo. The approximate boundary of the Extraterritorial Jurisdiction is shown in Exhibit G.

Two (2) years after the Effective Date and depending on factors such as the availability of certain utilities such as water and wastewater, some qualifying property within the Rural District may be reclassified as part of the Town District. This two-year window should provide the Reorganized Town with adequate time to plan and budget for the expansion of services in the Rural District. The Plan of Reorganization provides for the future reclassification of property in the Rural District to a Town District classification on the following terms:

> **Definition** – The Town District will be a contiguous area, which contains all zoning classifications, and where a development is served by water and sewer utilities (regardless of the source). The initial Town District will consist of all property within the municipal boundaries of the Old Town on the Effective Date. In the future, property within the Rural District will be reclassified to the Town District as follows:

1) New developments which meet the above definition will be brought into the Town District as they occur.

2) Existing developments (whether contiguous or non-contiguous) which meet the above definition will be brought into the Town District on January 1, two (2) years following the Effective Date. Thereafter, an annual review of Town/Rural Districts and their appropriate boundaries will be conducted.

3) Existing contiguous developments which do not meet the above definition but voluntarily wish to have Town services, will also be brought into the Town District on the next service review date.

4) The Reorganized Town Council may, by Ordinance, bring non-contiguous areas subject to a zoning overlay district into the Town District at any time.

Disposition of Township, Assets, and Liabilities

As of the Effective Date and pursuant to Ind. Code §36-1.5-4-6, Adams Township of Hamilton County, Indiana shall cease to exist and the offices of Adams Township Trustee and the Adams Township Board shall be terminated, and the powers, rights, and duties described in Ind. Code §§36-6 *et seq*. and all other applicable portions of the Indiana Code shall be transferred to the Reorganized Town to the department or offices determined by the Town Council of the Reorganized Town. In addition, and also as of the Effective Date, all assets and liabilities of the Township shall transfer to the Reorganized Town as a matter of law. As the Effective Date approaches, the Township Trustee and the Township Board shall take all necessary actions to cause the transfer of all assets and liabilities to the Reorganized Town of Sheridan.

Other Matters Considered

The Reorganization Committee has focused on additional critical elements to the Plan of Reorganization. These critical elements include (A) Finance, (B) Public Safety, (C) Parks and Recreation, (D) Land Use Planning and Zoning, (E) Public Works, and (F) Governance. Since November of 2023, the Reorganization Committee gathered information in an effort to identify issues important to the Plan of Reorganization. For purposes of the Plan of Reorganization, the Committee developed the following findings and summaries:

A. Finance

The Reorganization Committee recommends reorganization. Early in this process, the Reorganization Committee concluded that because reorganization would not necessarily

provide material short-term savings, the Reorganized Town should not rapidly expand services to the Rural District as this would dramatically increase costs and tax burdens. The solution that makes reorganization financially feasible is a two-district approach, each with different service levels and tax rates.

The Reorganization Committee also notes that short-term spending should not increase significantly. The elimination of the offices of Township Trustee and the Township Board offsets the cost of an expanded Town Council and establishment of a Department of Administration and other administrative services transferred to the Reorganized Town. Parks and recreation budgets will remain largely the same. Fire and emergency services budgets will remain largely the same as current emergency service employees are primary responders throughout the Township and the Old Town. Public Works budgets and the costs of police response throughout the Reorganized Town will be marginally increased as the Reorganized Town will be responsible for police response and road maintenance throughout the Rural District in addition to the Town District. It is anticipated that the additional cost for road maintenance will be covered by increased Motor Vehicle Highway and Local Road and Street revenues in the Reorganized Town. The impact of road maintenance costs may be reduced further if an interlocal agreement for road maintenance can be reached with Hamilton County as discussed in the Fiscal Impact Analysis attached as Exhibit D. However, to the extent that an interlocal agreement cannot be reached with Hamilton County during a transition period, additional road funding may be generated through a Motor Vehicle Highway Fund property tax levy.

Over the longer term, reorganization provides the Reorganized Town with several tools that can be used to control costs including, but not limited to, the following: (a) an orderly approach to the expansion of services; (b) an expanded and growing net assessed valuation base; (c) coordinated local planning of land use and development; (d) coordinated planning for economic development; (e) maintaining cohesiveness in the local community; and (f) providing a deterrent to extrinsic annexation by other municipalities in Hamilton County. Additionally, the Reorganized Town will be subject to a single budget adoption process for the entire Reorganized Town bringing additional simplification and transparency to all taxpayers in the Reorganized Town.

The fiscal bodies of the Old Town and the Township shall adopt tax rates, tax levies, and a budget for the Reorganized Town for 2025 through the adoption of substantially identical

resolutions by each of the fiscal bodies pursuant to Ind. Code §36-1.5-4-7. For budget years 2026 and following, budget, tax rates and levies shall be set for the Rural and Town Districts by the Town Council of the Reorganized Town.

In accordance with the provisions of Ind. Code §36-1.5-3-5, no reductions shall be made to maximum permissible property tax levies, maximum permissible property tax rates, or budgets by the DLGF under Ind. Code §6-1.1-17 and Ind. Code §6-1.1-18.5 due to this Plan of Reorganization without express authorization from the Town Council of the Reorganized Town.

B. Public Safety and Health

The Reorganization Committee recommends reorganization. Under the Plan of Reorganization, police service will be provided to both the Town and Rural Districts by the Sheridan Police Department ("SPD"). The Hamilton County Sheriff's Department will continue to have jurisdiction throughout Hamilton County, including in the jurisdictional limits of the Reorganized Town, and will be called upon for supporting services and call response. Residents within both districts should receive police coverage consistent with the current level of service provided by the SPD and the Hamilton County Sherriff's Department.

The Sheridan Fire Department currently provides fire protection and emergency medical response to the Township and the Old Town, both of which are part of the service area of the department. Under the terms of a contract with the Township, the Sheridan Fire Department currently provides fire protection and emergency response services throughout the Township. As such, the consolidation of the Township and the Old Town will not impact the delivery of fire protection to the Reorganized Town. In addition, as of the Effective Date, all fire apparatus, emergency response equipment and associated assets held in ownership and title of the Township shall be transferred to the Reorganized Town. Transfer of title shall be by deed for real estate, by transfer and assignment for tangible equipment and by assignment and assumption for any intangible assets and agreements.

There are a variety of other issues relating to community health and safety that merit consideration. The Committee recommends that the maintenance of cemeteries, township assistance and poor relief responsibilities, fence viewer responsibilities, weed control duties and all other responsibilities currently undertaken by the Township under applicable law be assumed by the Reorganized Town and be administered by the Town Council through a new Department of Administration established by the Reorganized Town.

C. Parks and Recreation

The Reorganization Committee recommends reorganization. Under the Plan of Reorganization, the Sheridan Parks Board will oversee the development of parks and recreation throughout the Reorganized Town bringing a single unified approach to parks and recreation services. Further, the Reorganization Committee recommends that the existing members of the Sheridan Parks Board continue to serve in the same capacity. As positions become available, however, the Reorganization Committee recommends that strong consideration be given to diversifying the membership of the Sheridan Parks Board to provide representation from both the Town District and the Rural District.

D. Planning and Land Use

The Reorganization Committee recommends reorganization for several reasons. First, reorganization assures that development will be overseen by those most closely impacted by new development. Second, it unifies planning and land use in our community in much of the same geographic area as is served by the Sheridan Community School Corporation. And third, through various permits and fees, the responsibilities associated with planning and land use should generate sufficient revenue to offset or cover expenses of its operation.

The Committee recommends that planning and land use functions throughout the Reorganized Town be the responsibility of the Reorganized Town of Sheridan's Office of Planning and Development as administered by the Director of that Department and served by two (2) appointed boards or commissions: the Town of Sheridan Advisory Plan Commission ("APC") and the Town of Sheridan Advisory Board of Zoning Appeals ("BZA"). The APC would review all proposals for modifications in land use for concurrence with the existing comprehensive land use plan and the applicable zoning ordinances. It also would assure that all construction projects conform to the standards provided in the subdivision control ordinances. The BZA, on the other hand, will continue to receive and review requests for variances, special exceptions and appeals from various development standards and administrative determinations.

The Reorganization Committee recommends that membership on the Reorganized Town APC, to the extent permitted by law, be apportioned based on geography instead of population. Specifically, the Reorganization Committee recommends a seven (7) member APC, with five (5) representatives appointed from districts consistent with the newly established Legislative Districts for the Reorganized Town, and two (2) members to be

appointed from anywhere within the boundaries of the Reorganized Town. Appointments shall be as provided in Ind. Code §36-7-4-207(b). For the BZA, the Reorganization Committee recommends a five (5) member board, again with geographic apportionment consistent with the newly established Legislative Districts. Appointments shall be as provided in Ind. Code §36-7-4-902(a). The Reorganization Committee further recommends that as appointments to the APC and BZA arise in the future, that such appointments be for staggered terms if allowed by applicable law. Members of the APC and BZA shall continue to serve without compensation.

Because the Reorganized Town of Sheridan will be divided into a Town District and a Rural District, the Reorganization Committee recommends that the APC and the BZA initially adopt by reference and enforce the Unified Development Ordinance and any related zoning and planning ordinances of Hamilton County to govern development in that portion of the Rural District outside the Extraterritorial Jurisdiction and to continue to enforce the Unified Development Ordinance of the Old Town to govern development in the Town District and the Extraterritorial Jurisdiction.

The Reorganization Committee also strongly recommends that maintaining the agricultural uses and zoning classifications and flexibility of the Hamilton County ordinances be a priority in all decisions relating to development in the Rural District outside of the Extraterritorial Jurisdiction. Specifically, it is critical that such development must respect the right to farm by neighbors, precluding complaints about noxious noises, lights, and/or odors emanating from nearby agricultural operations. This "right to farm" covenant should be considered for inclusion in all development standards in the Rural District. The other zoning classifications — residential, commercial, industrial, etc. — would continue to be managed within the two sets of ordinances.

Residents within the Town District and the Rural District should be subject to the local ordinances that apply immediately prior to the Effective Date within each respective district. As property is reclassified from the Rural District to the Town District, however, the Committee recommends that the local ordinances applicable to the Town District apply to the newly reclassified area.

Finally, in the event the Reorganization is approved by the voters, the Reorganization Committee recommends that the existing Comprehensive Plan, last updated in 2013, should be updated to include the Reorganized Town as a whole, rather than addressing development

only in the Old Town and the Extraterritorial Jurisdiction. A new Comprehensive Plan directed and approved by the Reorganized Town Council will address the needs of uniform and well planned development of the Reorganized Town of Sheridan.

E. Road and Street Infrastructure

The Reorganization Committee recommends reorganization. The Committee recommends that the legislative bodies of the Reorganized Town and Hamilton County enter into interlocal agreements to provide road improvements, snow removal, grading, and maintenance for roads and streets in the Rural District. However, if such an agreement cannot be achieved, the Reorganized Town will be responsible to maintain road and streets services at their current levels within both the Town and Rural Districts.

F. Water and Wastewater

The Reorganization Committee recommends reorganization. As part of the recommendation, the Reorganization Committee encourages the Reorganized Town of Sheridan to collaborate with water and wastewater service providers to develop a strategic plan and assist in facilitating reasonable expansion of water and wastewater services to areas designated for growth and development that are identified by the Town Council, the APC and the BZA.

G. Stormwater Utility

Pursuant to the Town of Sheridan's Code of Ordinances Title V §53.01, the Old Town operates and manages a stormwater utility through an appointed Stormwater Board. The Reorganization Committee recommends the continuation of the current level of service of the utility within the Town District of the Reorganized Town. Stormwater management within the Rural District of the Reorganized Town will continue at the current level of service as provided by the Hamilton County Surveyor. As areas of the Rural District are developed and subsequently included in the Town District, stormwater utility services will be provided to such areas by the Reorganized Town through the Stormwater Board.

H. Trash and Recycling Collection Service

The Reorganization Committee recommends rebidding and extending trash and recycle collection services throughout the Reorganized Town. Trash and Recycling services are an important quality of life element. The Old Town maintains a trash and recycle collection contract with a single private entity that provides services within the current corporate boundaries of the Old Town. Rebidding this service to include all residents within

the Reorganized Town will likely achieve economies of scale thus providing this essential service at a more affordable cost.

I. Governance

The Committee recommends reorganization. The Committee believes that citizens of the Township and the Old Town will benefit from a unified and consolidated government that is, to a large extent, consistent with the boundaries of the Sheridan Community School Corporation, a unifying institution throughout the community. Reorganization will provide the citizens of our community with an opportunity to participate in governance issues such as land use and planning that currently do not exist. Just as important, reorganizing the Township, and the Old Town into one governmental unit operating as a town, but with all of the powers, authorities and responsibilities of both a towns and a townships under Indiana law is consistent with the goals of the Act because, over the course of time, consolidation should promote efficiency, reduce reliance on property taxes and provide simplified financial transparency to taxpayers.

Consideration and Action by the Legislative Bodies of Adams Township and the Town of Sheridan

This Plan of Reorganization is being delivered to the legislative bodies of Adams Township and the Town of Sheridan for review, consideration, a public hearing and final official adoption as provided in Ind. Code §36-1.5-4-19, and Ind. Code §36-1.5-4-20. If the legislative bodies of Adams Township and the Town of Sheridan approve the Plan of Reorganization, then the voters from Adams Township and the Town of Sheridan will determine whether the reorganization contemplated by the Plan of Reorganization shall be approved. Ind. Code §36-1.5-4-32.

Voter Threshold for Public Question Referendum

Pursuant to the provisions of Ind. Code §36-1.5-4-32(b) for reorganizations involving a township and a municipality located in the same township a Plan of Reorganization is approved only if the percentage of voters voting on the public question who (a) reside in the reorganizing municipality (the Old Town), (b) reside in the reorganizing township and not in the reorganizing municipality (the unincorporated areas of Adams Township) and (c) both the reorganizing municipality and the reorganizing township together (all voters in the Township) vote in favor of the proposed reorganization at a level greater than fifty percent (50%). The Reorganization Committee does not recommend the adoption of a voter approval

threshold greater than the statutory fifty percent (50%) threshold. Consequently, the recommended voter approval threshold for this Plan of Reorganization is fifty percent (50%) of the voters plus one (1) vote in each of the foregoing three (3) separate vote tallies.

Recommended Form of Public Question

The Reorganization Committee recommends that upon approval of this Plan of Reorganization by the legislative bodies of the Old Town and the Township the following public question be submitted to the Hamilton County Election Board for review, approval and submittal to the DLGF:

> The Town of Sheridan and Adams Township of Hamilton County, Indiana have each adopted a Plan of Reorganization that provides for the consolidation of Adams Township into the Town of Sheridan as a single governmental unit that will be governed and administered as a town with a seven (7) member elected Town Council. Shall the Town of Sheridan and Adams Township reorganize as a single political subdivision?

The administrator of the Hamilton County Election Board has requested the proposed public question be submitted to its office no later than July 15, 2024 to provide adequate time for approval, submittal to the DLGF under Ind. Code §36-1.5-4-28 and certification of the question by the Hamilton County Election Board for a November 5, 2024 Referendum.

List of Exhibits

Exhibit A Copies of Certified Resolutions of the Town and Township
Exhibit B Boundaries of Reorganized Town of Sheridan
Exhibit C Current Boundaries of Adams Township and the Town of Sheridan
Exhibit D Fiscal Impact Analysis of Reorganized Town of Sheridan and Confirming Resolutions
Exhibit E Legislative District Map
Exhibit F Town District and Rural District Map
Exhibit G Approximate Area of Extraterritorial Jurisdiction

EXHIBIT A TO PLAN
Copies of Certified Resolutions

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 bests 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

Attest:

Michelle Junkins;
Adams Township Trustee

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

(Seal) TOWN OF SHERIDAN SEAL SHERIDAN, IND.

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

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

(Seal) TOWN OF SHERIDAN SEAL SHERIDAN, IND.

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 bests 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

TOWN OF SHERIDAN SEAL SHERIDAN, IND.

EXHIBIT B TO PLAN

Reorganized Town of Sheridan

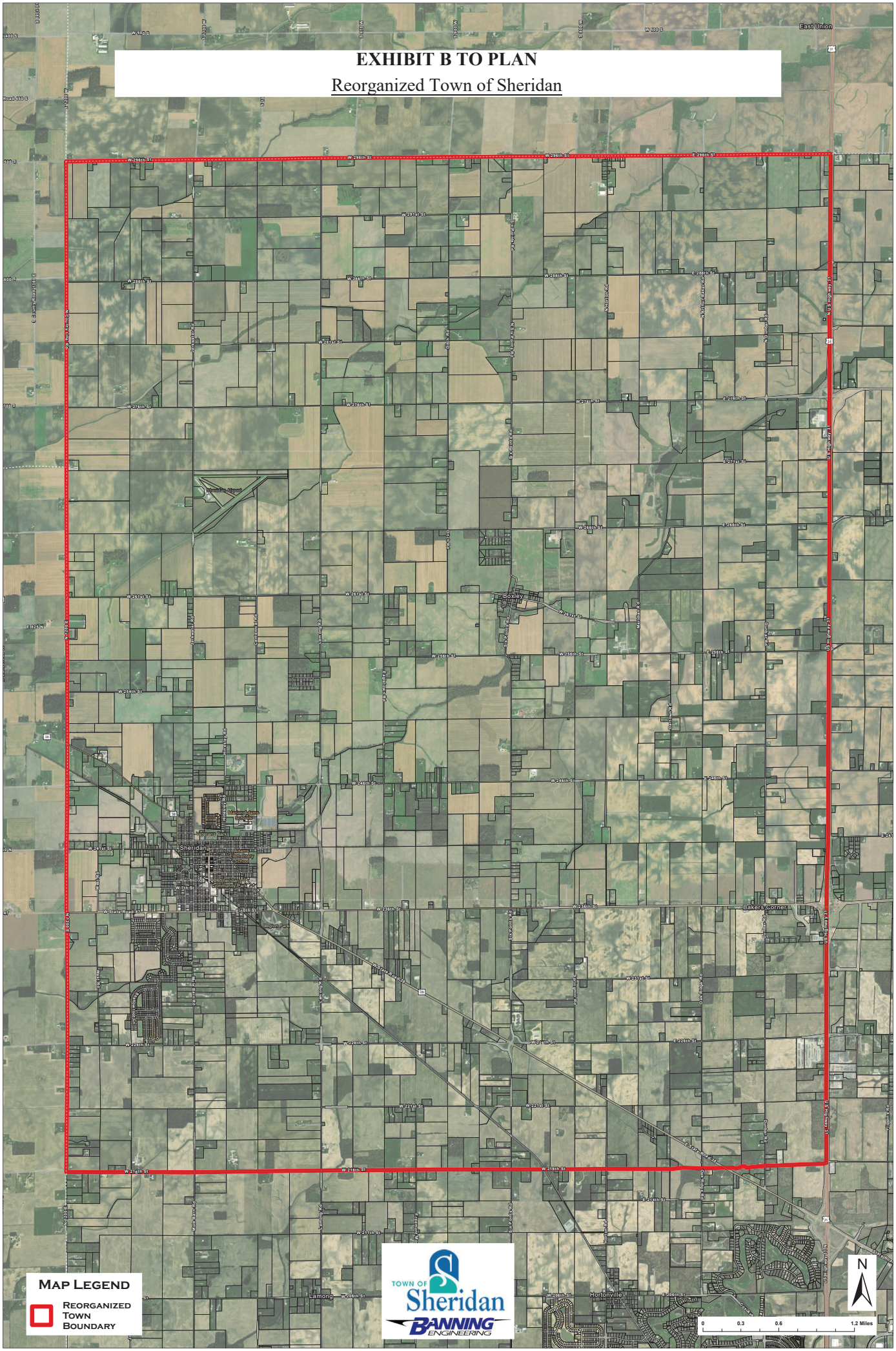


EXHIBIT C TO PLAN

Current Boundaries of Township and Town

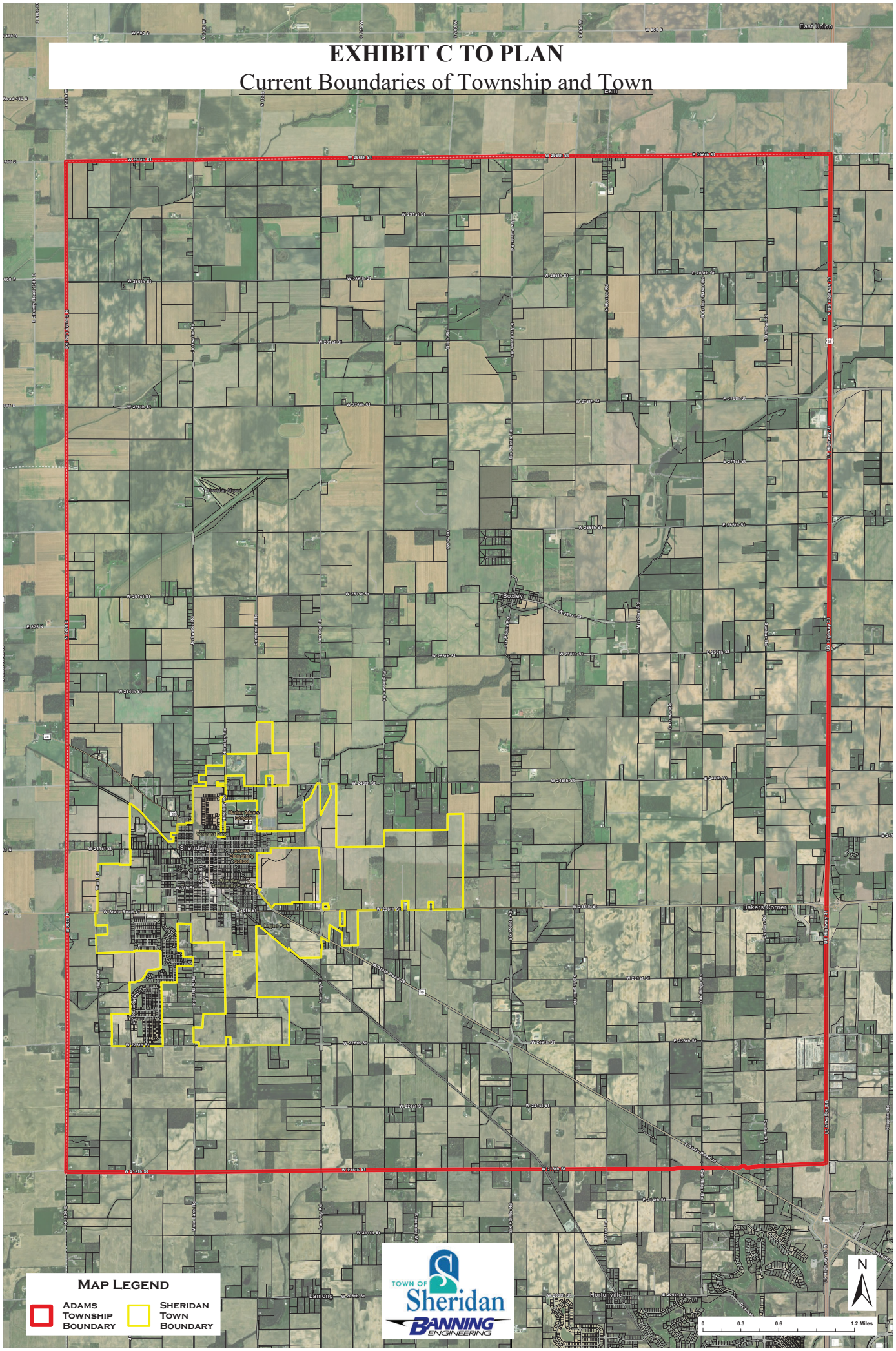


EXHIBIT D TO PLAN
Fiscal Impact Analysis and Confirming Resolutions

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 2024-05 duly adopted by the Sheridan Town Council on May 9, 2024. This certification is being made in accordance with Ind. Code §36-1.5 *et seq*.

IN WITNESS WHEREOF, I have hereunto set my hand effective as of the 9th day of May, 2024.

TOWN OF SHERIDAN, INDIANA

(Seal)

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

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

Exhibit A and B omitted

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 the Resolution 2024-01 duly adopted by the Adams Township Board on May 9, 2024. This certification is being made in accordance with Ind. Code §36-1.5 *et seq.*

IN WITNESS WHEREOF, I have hereunto set my hand effective as of the 9th day of May, 2024.

ADAMS TOWNSHIP OF HAMILTON COUNTY, INDIANA

(Seal)

By: Michelle Junkins
Michelle Junkins, Township Trustee

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

ADAMS TOWNSHIP BOARD

	AYE	**NAY**
Sal Sodh	✓	
Ronald D Stone	✓	
Floyd H. Baker	✓	

ATTEST:

Michelle Junkins,
Adams Township Trustee

Exhibit A and B omitted

FISCAL IMPACT ANALYSIS

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

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Draft Dated: May 3, 2024

CPAS ▲ ADVISORS

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

Table of Contents

PURPOSE OF THE REPORT 1

GOVERNMENT MODERNIZATION ACT AND REORGANIZATION STATUTE 2

SHERIDAN AND ADAMS TOWNSHIP, HAMILTON COUNTY, INDIANA REOGRANIZATION EFFORTS 4
- Plan of Reorganization Proposal 4
- Interlocal Agreement 5
- Map of the Town and Township 6

FINANCIAL ANALYSIS OF REORGANIZATION 7
- Process for Financial Analysis 7
- Summary of Tax Levy and Tax Rate Creation 7
- Analysis of Expenditures 8
- Analysis of Outstanding Debt 11
- Analysis of Available Revenues 11
- Calculation of Estimated Property Tax Levies and Tax Rates 12
- Comparison to Current Tax Rates 14
- Circuit Breaker Tax Credit 15
- Summary of Financial Analysis 16

APPENDIX A – 2024 Town Budget Expenditures and Allocation by Service District A-1

APPENDIX B – 2024 Township Budget Expenditures and Allocation by Service District B-1

APPENDIX C – Allocation of Town Miscellaneous Revenues C-1

APPENDIX D – Allocation of Township Miscellaneous Revenues D-1

APPENDIX E – Town of Sheridan Outstanding Debt as of December 31, 2023 ..... E-1

APPENDIX F – Adams Township, Hamilton County Outstanding Debt as of December 31, 2023 ..... F-1

APPENDIX G – Comparison and Current Tax Rates to Reorganized Tax Rates G-1

APPENDIX H – Circuit Breaker Impact Analysis H-1

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@lwgpca.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

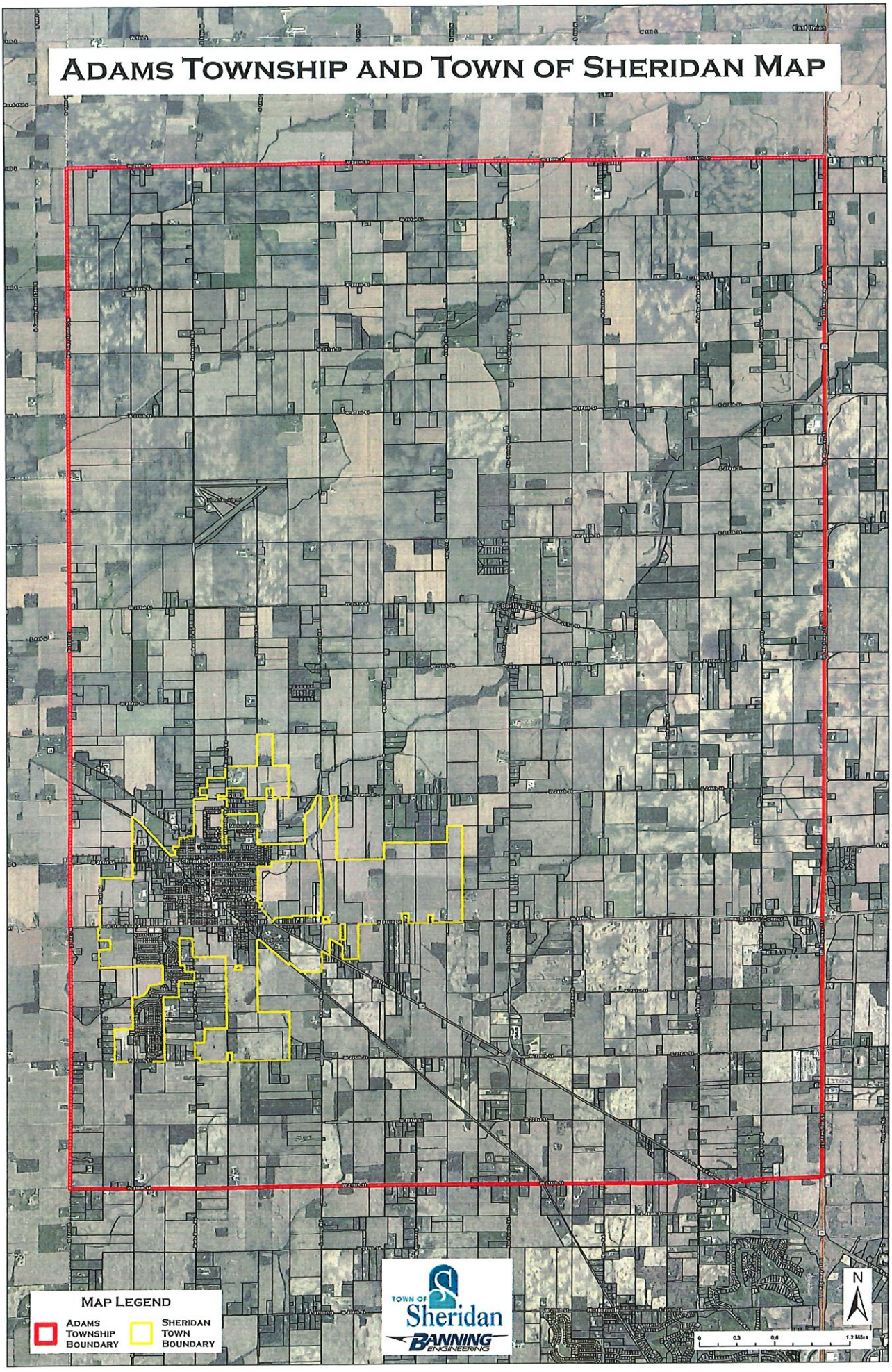
Officials of the Town and Township are desirous of working with the Board of County Commissioners of Hamilton County to enter into an interlocal agreement pertaining to the road improvements, snow removal, grading and maintenance of the roads and streets within the current, unincorporated area of Adams 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



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)

Salaries, wages and employee benefits are included within the Personal Services category. Supplies primarily include general office supplies, certain tools necessary, or other consumable items for operation of a particular department. Other Supplies and Services is a catch-all for many other expenditures and includes any contractual services employed by a department, such as lease payments (other than equipment leases) and debt service payments. Capital Outlay includes any expenditures of a capital nature. This could include building improvements, vehicle or equipment purchase, and other capital items.

As part of the budget process, units also must estimate miscellaneous revenues anticipated to be received by the taxing unit in the next year. These revenues do not include property taxes as those will be captured through the tax levy. Rather, miscellaneous revenues include, but are not limited to, local option income tax revenue, excise tax revenue, grants, riverboat revenue allocations, fee revenue, reimbursements, licensing revenue, rental income, permit revenue, and interest income. In addition, cash balances for each fund of the taxing unit will be identified on the budget form, as a taxing unit could utilize available cash balances to fund budgeted expenditures. For the purposes of this Report, we have included cash balances as of December 31, 2023, and operating balances based on the 2024 Fund Report in our consideration for property tax levies. Finally, desired operating balances are identified in order to produce a final proposed property tax levy. Both cash balances and operating balances, however, primarily serve as cash flow management tools in the budget. On a continuing annual basis, structural budget balance can only be achieved by annual revenues equaling or exceeding annual expenditures. After subtracting the estimated miscellaneous revenues from the estimated expenditures, the remainder of the expenditures would be funded through a property tax levy for those funds which are allowed to levy a property tax. The property tax levy is therefore calculated according to the following equation:

Estimated Expenditures	-	Estimated Miscellaneous Revenues	-	Cash Balance	+	Operating Balance	=	Property Tax Levy

After the calculation of the property tax levy for each fund of the taxing unit, it is necessary to calculate the tax rate that will be needed to fulfill the tax levy. To do this, the net assessed value of taxable property within a particular taxing district for which the fund is applicable is calculated. The property tax levy is then spread across this net assessed value to calculate the tax rate. The tax rate is typically expressed in dollars and cents per $100 of net assessed value. The formula for the calculation of the tax rate is:

$$\text{Property Tax Levy} \div \frac{\text{Net Assessed Value}}{100} = \textbf{Tax Rate}$$

Analysis of Expenditures

As the summary above describes, the budget process is often initiated by evaluating expenditures for the services to be provided. For the purposes of this Report, LWG started with analyzing the budgeted expenditures for the Town and the Township for the 2024 budget year. To do this, LWG identified the expenditures associated with each department or fund by the expenditure category for the Town and the Township separately. The Town's expenditures are identified in Appendix A and the Township's expenditures are identified in Appendix B. For purposes of the financial analysis, expenditures associated with these departments or funds are assumed to continue unless otherwise noted in Table 1.

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.

Town Expenditures	Rural District	Town District	Town Debt
Expenditures			
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	3,825,649	-	-
Lease Rental Payment	-	-	29,806
Debt Service	-	-	171,660
Cumulative Capital Development	100,000	-	-
Motor Vehicle Highway (1)	318,841	-	-
Town Police	-	-	-
Transfer from General Fund	-	584,151	-
Total Town Police	-	584,151	-
Town Fire	-	-	-
Transfer from General Fund	-	550,672	-
Total Town Police	-	550,672	-
Total Town Expenditures	$ 4,244,490	$ 1,134,823	$ 201,466

(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

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

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

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

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

Town	Cash Balance
General	$ 1,938,793
Lease Rental Payment	4,584
Debt Service	73,676
Cumulative Capital Development	126,367
Motor Vehicle Highway (3)	9,845
Total Town	$ 2,153,264

Township	Cash Balance
General (1)	$ 1,101,072
Township Assistance (1)	223,806
Fire (2)	312,885
Cumulative Fire (Township) (2)	185,016
Total Township	$ 1,822,780

(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

	General (1)	Cumulative Capital Development (1)	Motor Vehicle Highway (1) (3)
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	1,083,245	213,133	9,845
Total Estimated Property Tax Levy	$ 433,297	$ 186,766	$ 299,711

	Police (2)	Fire (2)	Town Debt Service (2)	Lease Rental Payment (2) (4)
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	682,573	1,099,219	18,819	(157)
Total Estimated Property Tax Levy	$ 687,236	$ 647,850	$ 106,777	$ 22,913

(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

Rural District

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

Town District

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

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

Proposed District Rate Summaries

	Town	Rural	Total	Current	Difference
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 potentia 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.

Taxing Unit	2024 Circuit Breaker Credits
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

Taxing Unit	Estimated Circuit Breaker Impact
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	34.00
Total Circuit Breaker Credits	$ 94,208.00

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	Amount Applicable: Town District	Amount Applicable: 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

Department or Fund	Personal Services	Supplies	Other Services and Charges	Capital Outlay	Total	Amount Applicable Rural District
Property Tax Supported						
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

Department or Fund	Total	Amount Applicable: Rural District	Amount Applicable: Town District	Amount Applicable: Town Debt
Property Tax Supported				
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

Department or Fund	Total	Amount Applicable Rural District
Property Tax Supported		
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

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

Town of Sheridan 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
General Obligation Bonds of 2022	Pay for necessary capital expenditures involving the equiping of the town's fire, police, park and street departments.	1/5/2028	$ 480,000	$ 171,660
2019 Equipment Lease	Purchase of a jet vac machine and John Deere tractor.	1/1/2025	14,743	29,806

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

	Current Pay 2024 Tax Rates				Reorganized Tax Rates						
Taxing District	Township	Corporate	Other Taxing Units (1)	Total	Rural District	Town District	Town Debt (2)	New District Subtotal	Other Taxing Units (3)	Total	Net Effect of Reorganization
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

District Name	2024 Baseline Tax Rate	Reorganized Tax Rate	Tax Rate Change
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	-

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

EXHIBIT E TO PLAN

Reorganized Town Council Districts

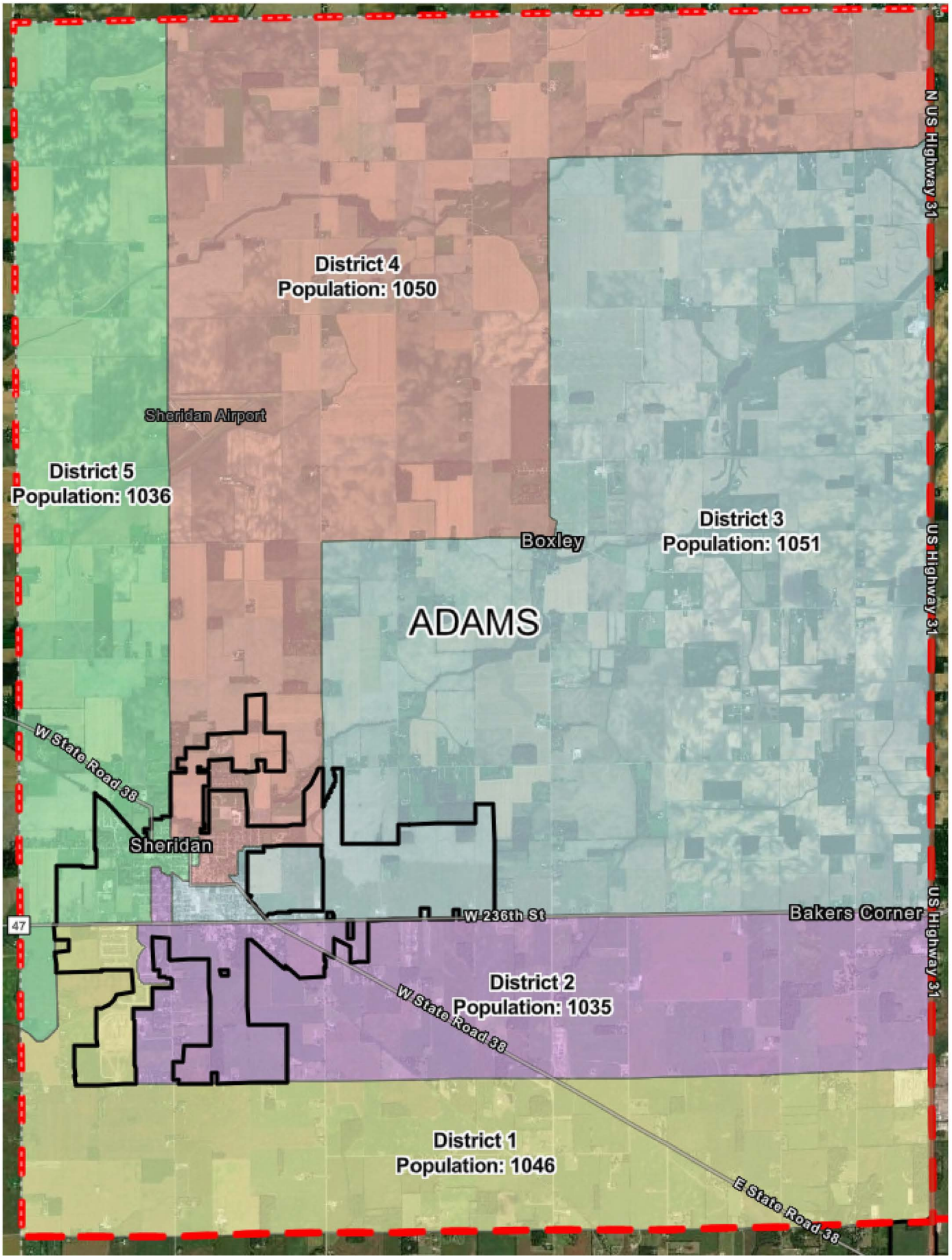
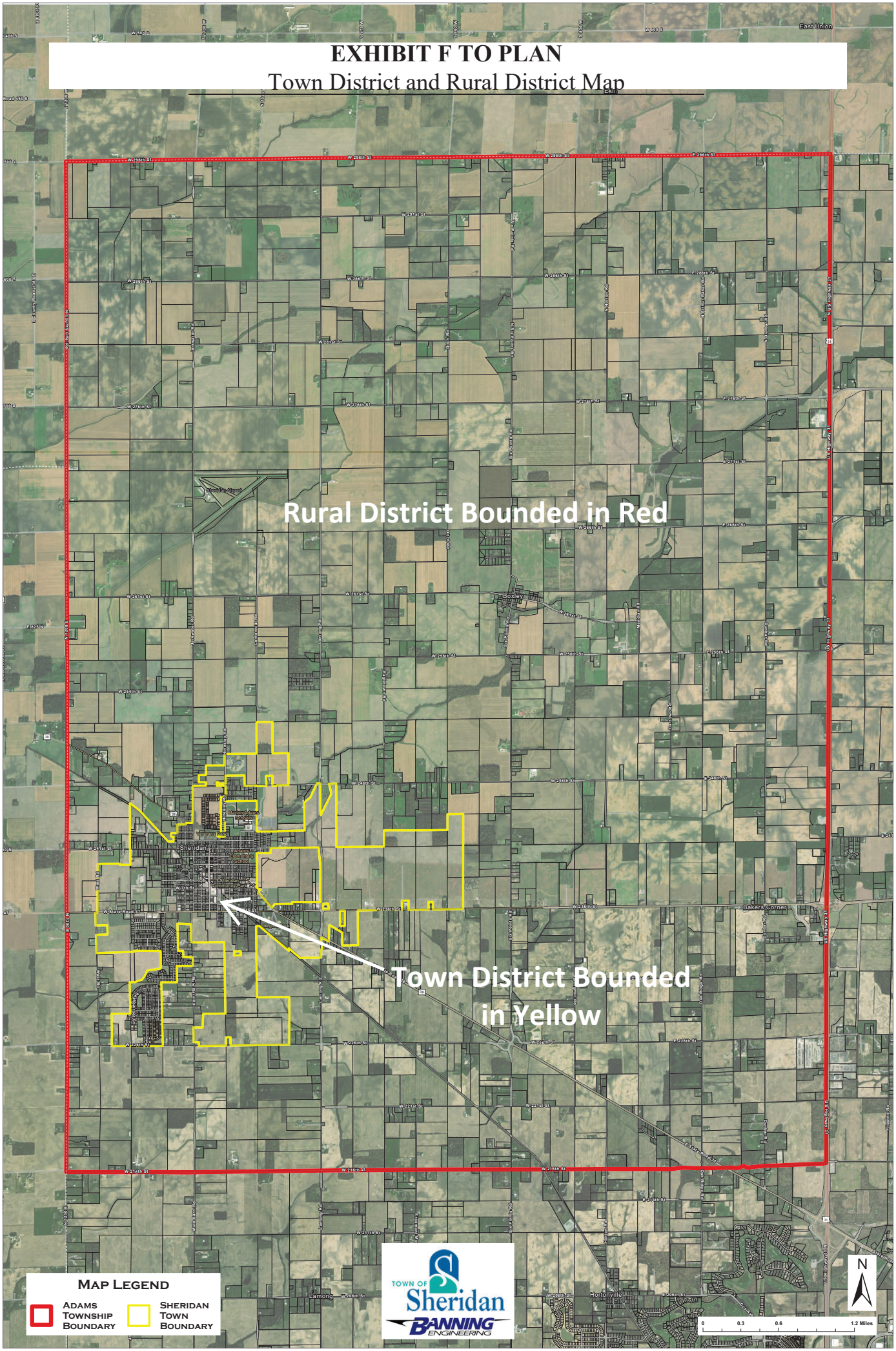
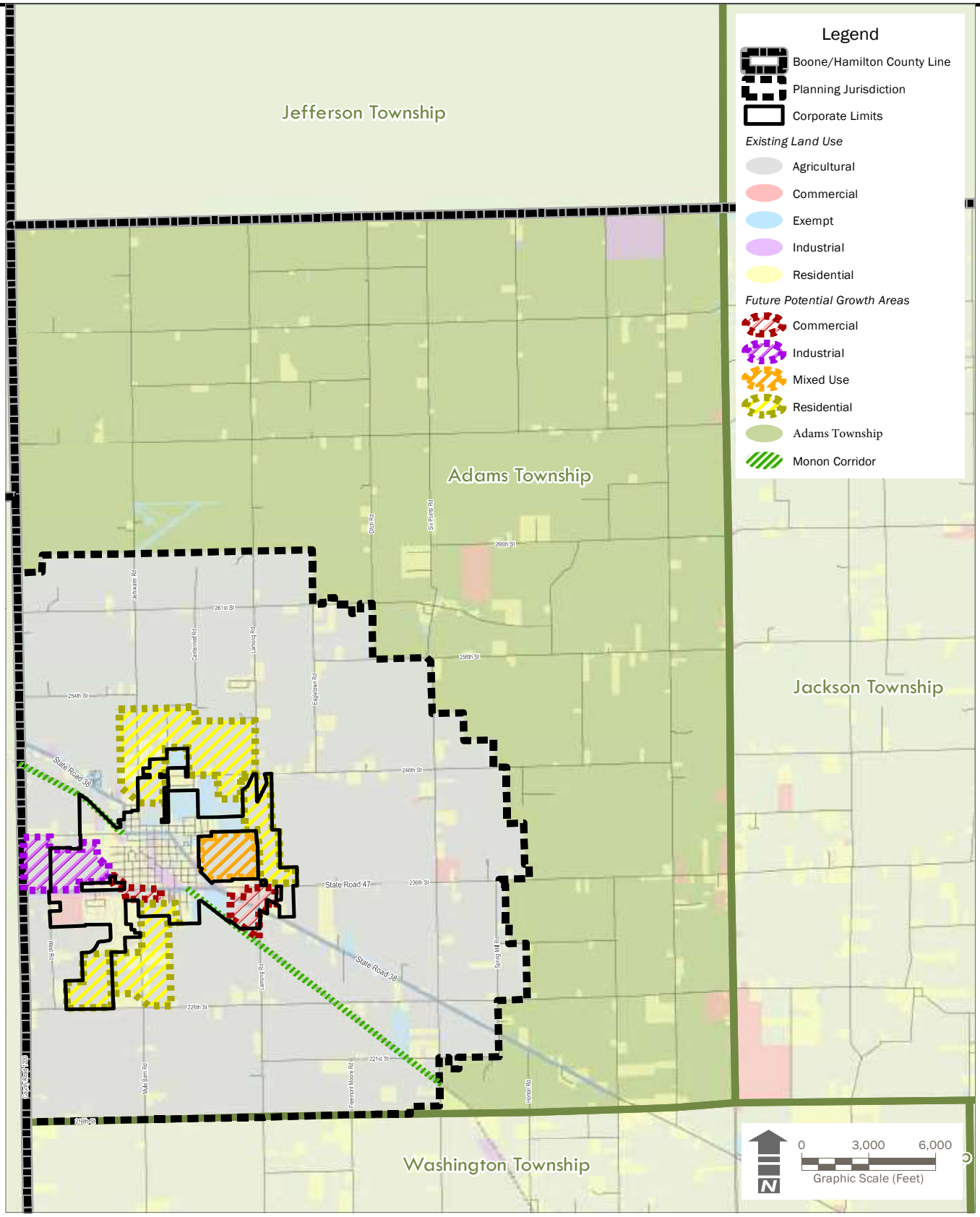


EXHIBIT F TO PLAN

Town District and Rural District Map




Legend
Boone/Hamilton County Line
Planning Jurisdiction
Corporate Limits
Existing Land Use
Agricultural
Commercial
Exempt
Industrial
Residential
Future Potential Growth Areas
Commercial
Industrial
Mixed Use
Residential
Adams Township
Monon Corridor
Jefferson Township
Adams Township
Jackson Township
Washington Township
State Road 39
State Road 47
0
3,000
6,000
Graphic Scale (Feet)
N