

The Future of Our Community – Options and Issues

September 22, 2008 6:30PM to 9:00PM

Meeting Purpose: Understand and answer questions about the incorporation options for White River Township residents

Meeting Agenda:

- Introduction
 - Understanding your questions and concerns
 - WRCU presentation – Options and Issues
 - Incorporation processes / timing / resources / costs – Courtney Schaafsma – Crowe Horwath LLP
 - Additional questions
 - Next steps and Feedback survey
-

White River Township Community Questions:

1. What is the agenda for White River Citizens United – who are you – what is your political affiliation?
 2. How much will the various options cost? (Short-term and long-term)
 3. Will my taxes increase – if so, then how much?
 4. How long will the various options take?
 5. What will be different – what will I get for my higher taxes if we do some form of incorporation?
 6. Who will make the decision about incorporation?
 7. How are the schools impacted?
 8. Will there be any changes to my fire protection?
 9. Will I still pay County and Township property taxes?
 10. What can the County or the Township do today to improve my roads, provide local parks, or trails?
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White River Township Community Questions (con't):

11. What happens if things just stay the way they are?
 12. How do I get greater representation in local government?
 - 13.
-

The Future of White River Township

Our understanding of the options and issues

Presentation Agenda

- White River Citizens United
- Government and Taxing Districts
- Options and Issues
 - Trigger event – the IU Study
 - Status quo
 - Incorporation
 - Annexation
 - Merge
- Tax Impact

White River Citizens United

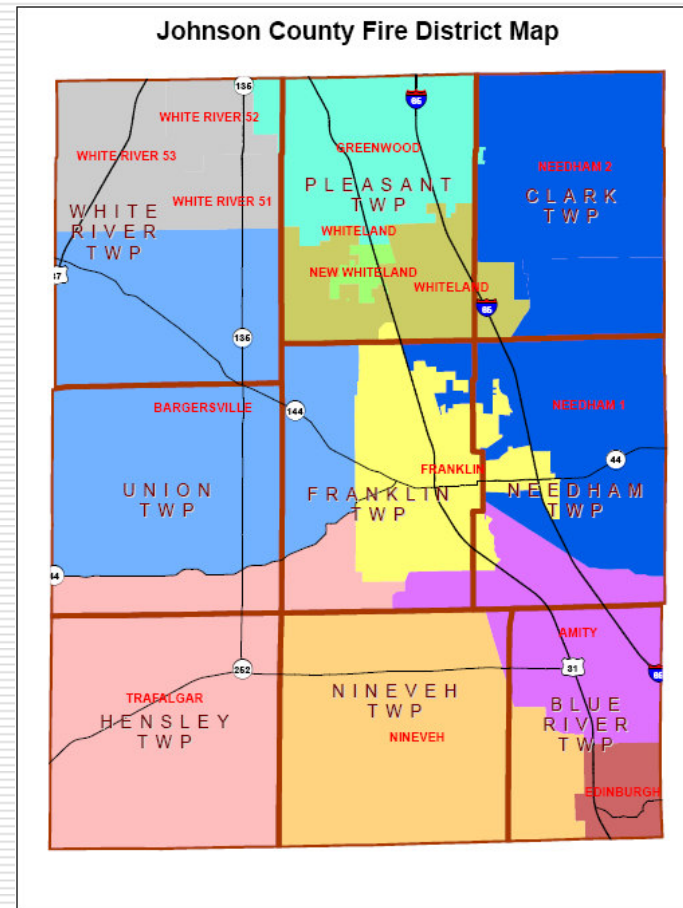
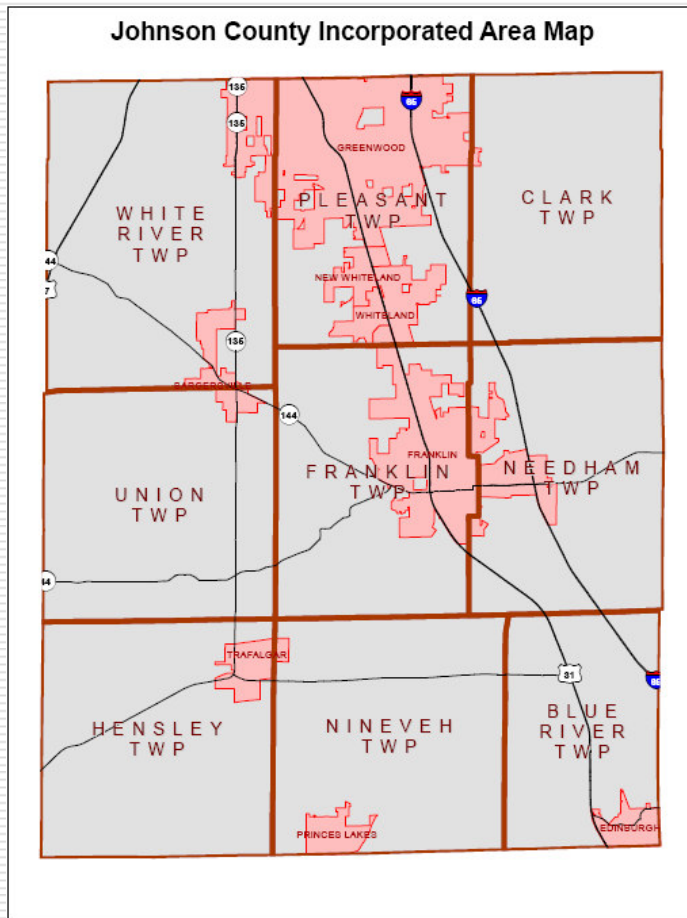
□ **Who Are We?**

- White River Citizens United is an alliance of White River Township neighborhood associations and individuals

□ **Our Mission:**

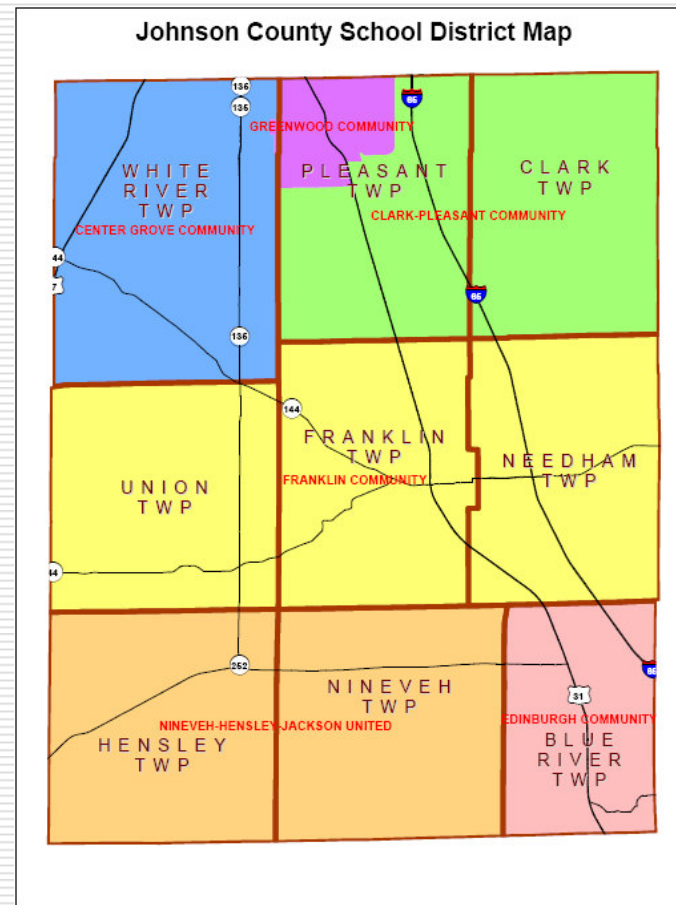
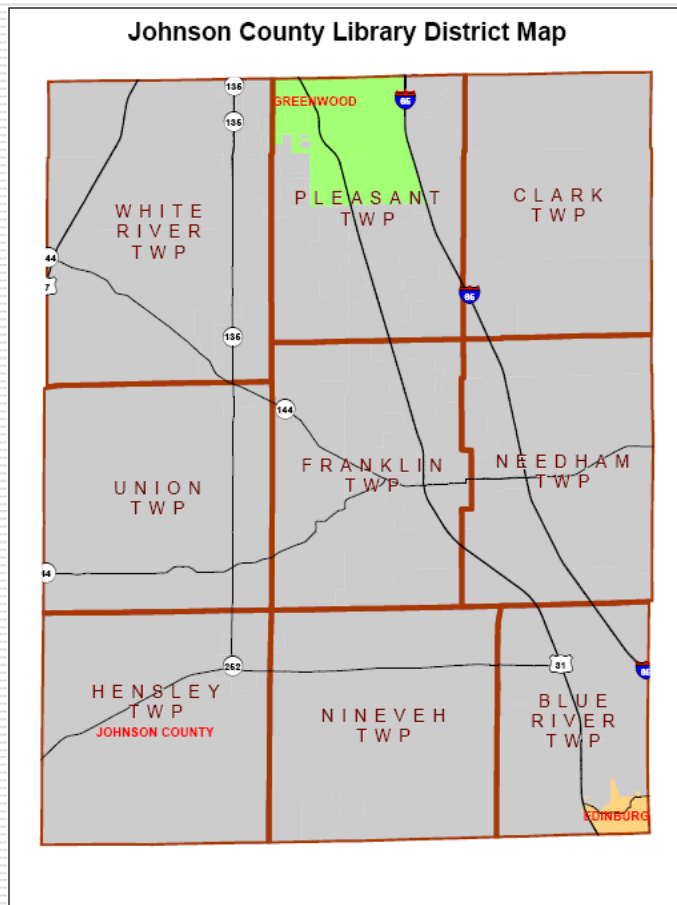
- We are dedicated to engaging with State, County, and City planning and governance bodies to:
 - Advocate for comprehensive land-use planning to manage growth
 - Assist governmental units in the preparation and enforcement of land-use plans
 - Lobby for necessary infrastructure to be in place in advance of further commercial and residential growth in the township
 - Represent the interests of township residents in preserving and enhancing their quality of life
 - Protect and enhance property values, advance public safety, and the creation of recreational space

Levels of government are very complex...



There are eight tax districts just in Greenwood...

Many of the districts are independently configured...



And the services and costs vary considerably

IU Graduate School of Business Study

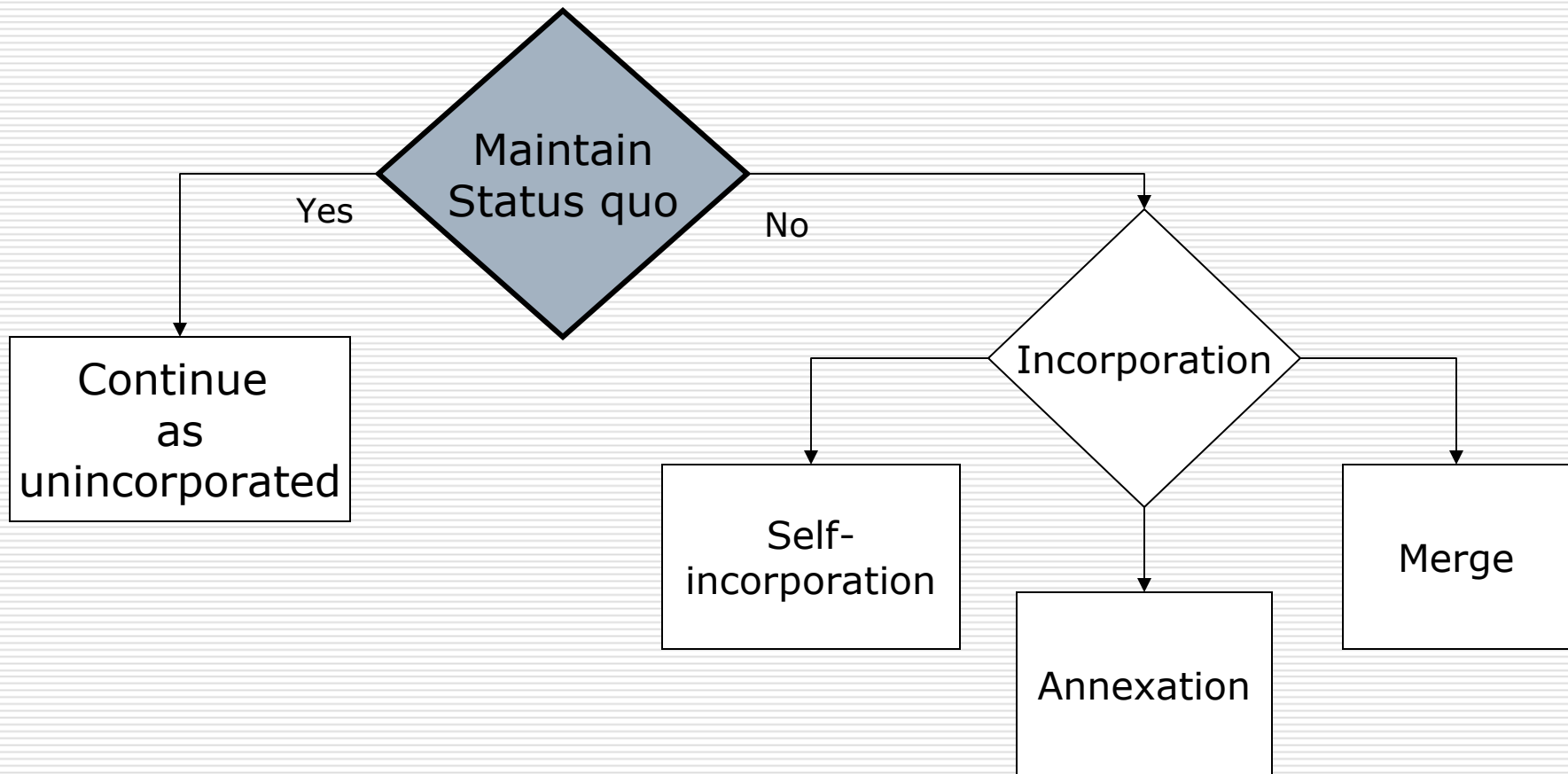
- Completed April 2007
 - Initial hypothesis – be annexed by Bargersville
 - Conclusion – WRT should self incorporate
 - Would take years to complete and costs would be financed

- Short-run impact
 - Large short-run investment
 - Tax revenues lag spending by one year
 - Tax-rate hikes
 - Relatively lengthy
 - Uncertainty
 - Delayed short-run result

- Long-run benefits
 - Protect sovereignty
 - Maintain character
 - Keep tax revenues
 - Attract businesses
 - Improve services
 - Maintain local responsiveness

This activity started our investigation last year...

The first decision – do you want to do anything?



Status quo option...

Benefits

- Easiest
- Requires no effort
- Lowest short-term cost
- Path of least resistance

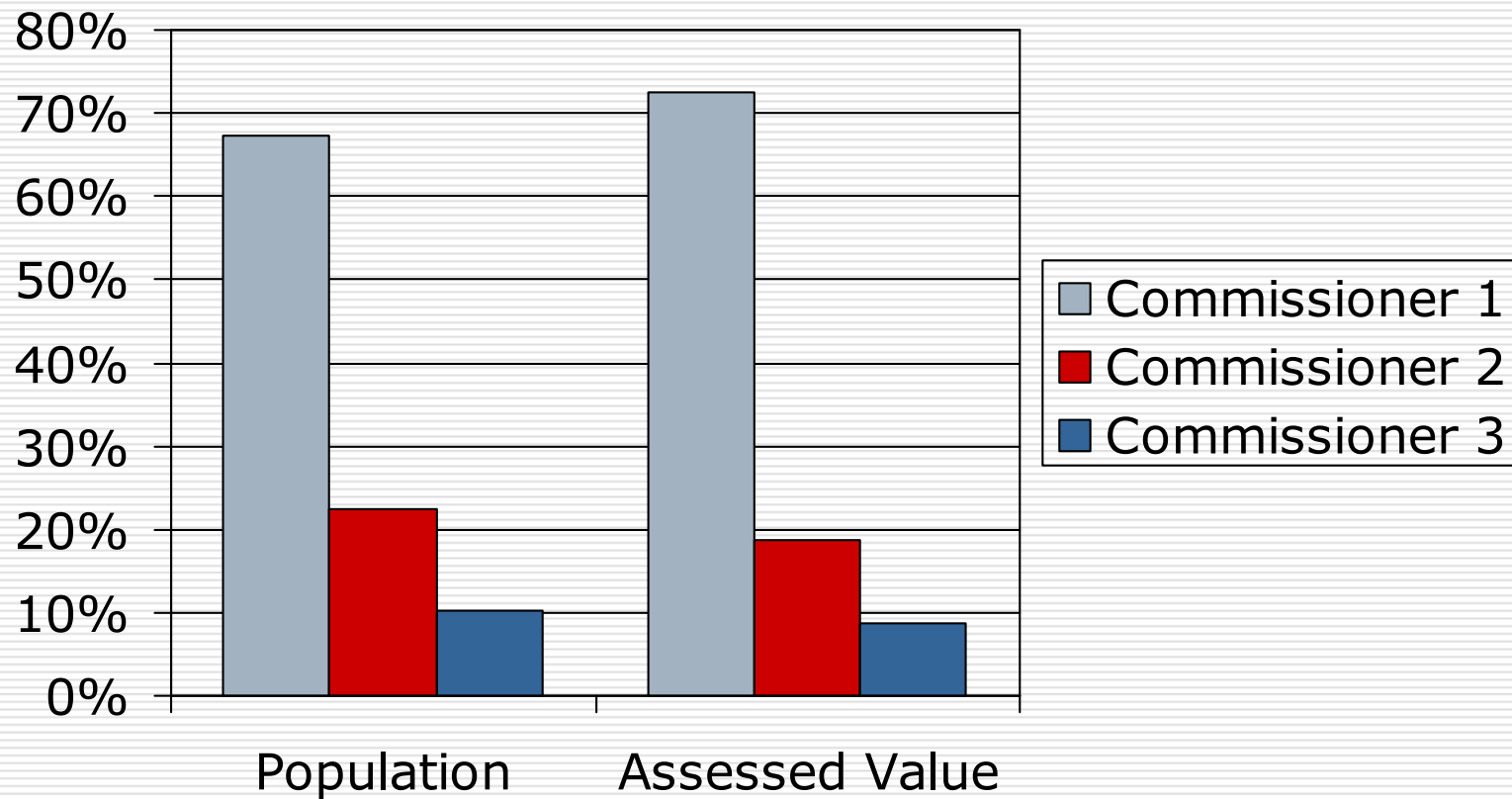
Concerns

- Area significantly under-represented by County Government
- No representation in Greenwood or Bartersville decisions
- Roads
- Inability to control continued growth that County cannot support
- Potential impact on residential property values
- Continued selective annexation

White River Township has the greatest assessed value in Johnson County

	<u>Jul-07 Est. Population</u>	<u>% of Total Population</u>	<u>2007 AV</u>	<u>% of Total AV</u>
White River	39,709	29%	\$2,660,925,430	39%
Pleasant	49,827	37%	\$2,072,049,460	31%
Franklin	21,581	16%	\$813,022,620	12%
Needham	5,955	4%	\$315,939,480	5%
Hensley	3,722	3%	\$239,582,850	4%
Clark	2,104	2%	\$181,279,550	3%
Nineveh	4,542	3%	\$180,781,780	3%
Blue River	5,566	4%	\$175,187,960	3%
Union	2,945	2%	\$146,336,410	2%
Johnson County	135,951	100%	\$6,785,105,540	100%

The citizens of White River Township are significantly under-represented in Johnson County government

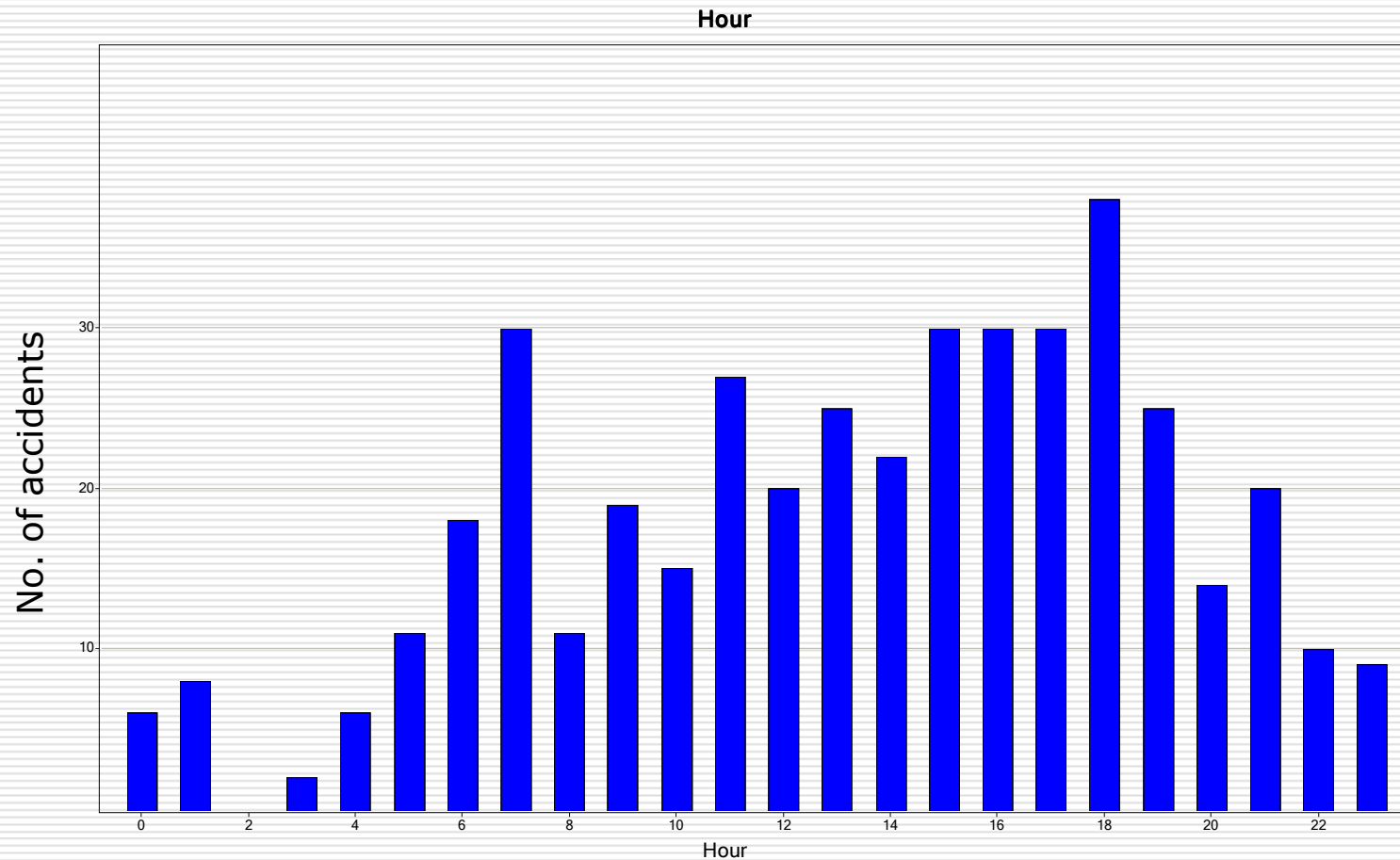


Roads are a major issue...

- Condition
 - Subdivision and main roads
- Capacity
 - The ability to move traffic quickly and safely
- Configuration
 - Frequency of traffic signals
 - Number of and design of curb-cuts and intersections
 - Lack of east-west corridors
- Funding
 - Counties receive and spend less on road maintenance



Roads are also a public safety issue...



Based on two years of accident data, this is twice the predicted rate for a highway of this configuration

State Road 135 configuration...

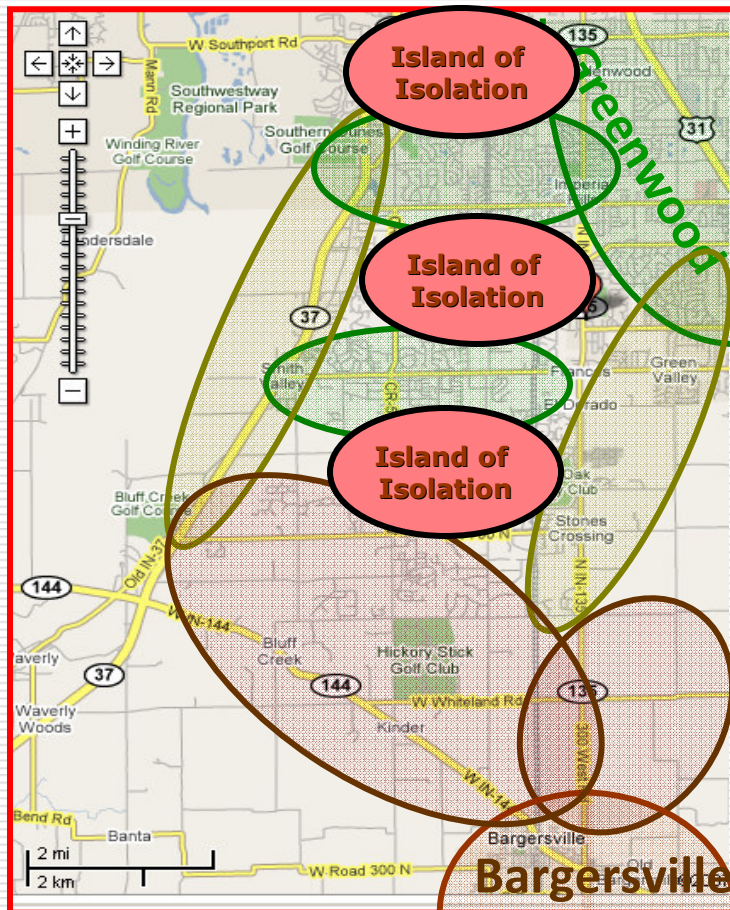
- State Road 135
 - County Line Road to Smith Valley Road
 - A 1.93 mile segment with dense commercial development
 - In 2005 there were 378 accidents

- Causes
 - High traffic volumes (approx. 34,000 vehicles/day)
 - 7 stop lights with unequal spacing (difficult to synchronize)
 - 100 access points (driveways and streets)
 - Average access point is every 200 feet!
 - Minimum right turn de-acceleration lanes
 - Left turn anywhere; the "suicide" lane
 - Limited raised median unlike U.S. 31

- Solutions
 - A redevelopment vision that reduces access points via access roads
 - Ordinances based on national highway access management standards

This impacts all of us, but we do not have a voice in the situation...

Maintaining status quo can lead to selective annexation...



- Greenwood and Bartersville selectively access commercial corridors for tax benefits
- Residential areas – “islands of isolation” – are left with continuing County support for services

The impact of any form of incorporation...

□ Benefits

- Residents gain local control of issues
- A town council can enact and enforce ordinances
- Public services may be improved
- A town has the ability to garner revenues
- Economic development opportunities may be enhanced
- Community identity can be maintained

□ Concerns

- With authority comes responsibility
- County government may actually cut back on services
- Residents will pay higher taxes
- The municipality must respond to state and federal mandates

The self-incorporation option...

Benefits

- Fresh start
- Most local control
- Image unique to this area

Concerns

- Most expensive – startup funding requirements need to be financed
- Takes longer to accomplish
- Lack of local leadership
- Not consistent with State direction to reduce layers and cost of government

The Self-incorporation process...

1. Form steering committee
2. Determine area to be incorporated
3. Decide on the services to be provided
4. Determine the cost of the provided services
5. Estimate dedicated State-distributed monies
6. Obtain assessed valuation for the area and determine tax rate
7. Prepare documentation for Incorporation
8. Obtain signatures of at least 50 property owners
9. Submit signed petitions to County Commissioners, along with:
 - Survey of the area
 - Statement of the number of residents
 - Statement of the assessed value
 - Statement of provided services
 - Statement of estimated costs
10. Commissioners forward to County Plan Commission
11. Plan Commission to present recommendation within 10 days

Self-incorporation process (con't)

12. Commissioners hold public hearing within 60 – 90 days
13. Notice of Public hearing sent registered mail to all residents, legislative areas within 3 miles, and the Township Trustee
14. Commissioners must obtain consent by ordinance from the legislative body of each municipality
15. After public hearing, Commissioners may approve incorporation if requirements of the statute have been met
16. Persons interested in running for positions on the new town council or as clerk-treasure file petition with County Clerk by August 1st, proceeding November election
17. County Clerk gives notice of general election
18. Newly incorporated town will not receive any property tax revenues for at least the first year after incorporation

Annexation...

□ Benefits

- Quicker to achieve improved services – existing structures in place
- Better representation in what is being done locally – re-districting
- Taxing levels can be phased in – incorporated funding stays in local area

□ Concerns

- Potentially adversarial process
- Expensive to do
- Limited by contiguity – usually done in phases
- Possibility of selective annexation – what and when is determined by incorporated area
- “Islands of isolation”

The Annexation Process...

- There are two types of annexation:
 - Involuntary—initiated by a municipality
 - Voluntary----initiated by the land owner
 - “Totally” when 100% agree
 - “Majority” when equal to, or greater than 51% agree
- The area must be “contiguous” with the municipality
 - More than 1/8th of the external boundaries of the area to be annexed must be common with the municipality
- Town doing annexation has to seek consent of any city within 3 miles of municipality boundaries if annexation is involuntary
- The process is dependent on the type of annexation

Merging is now an option...

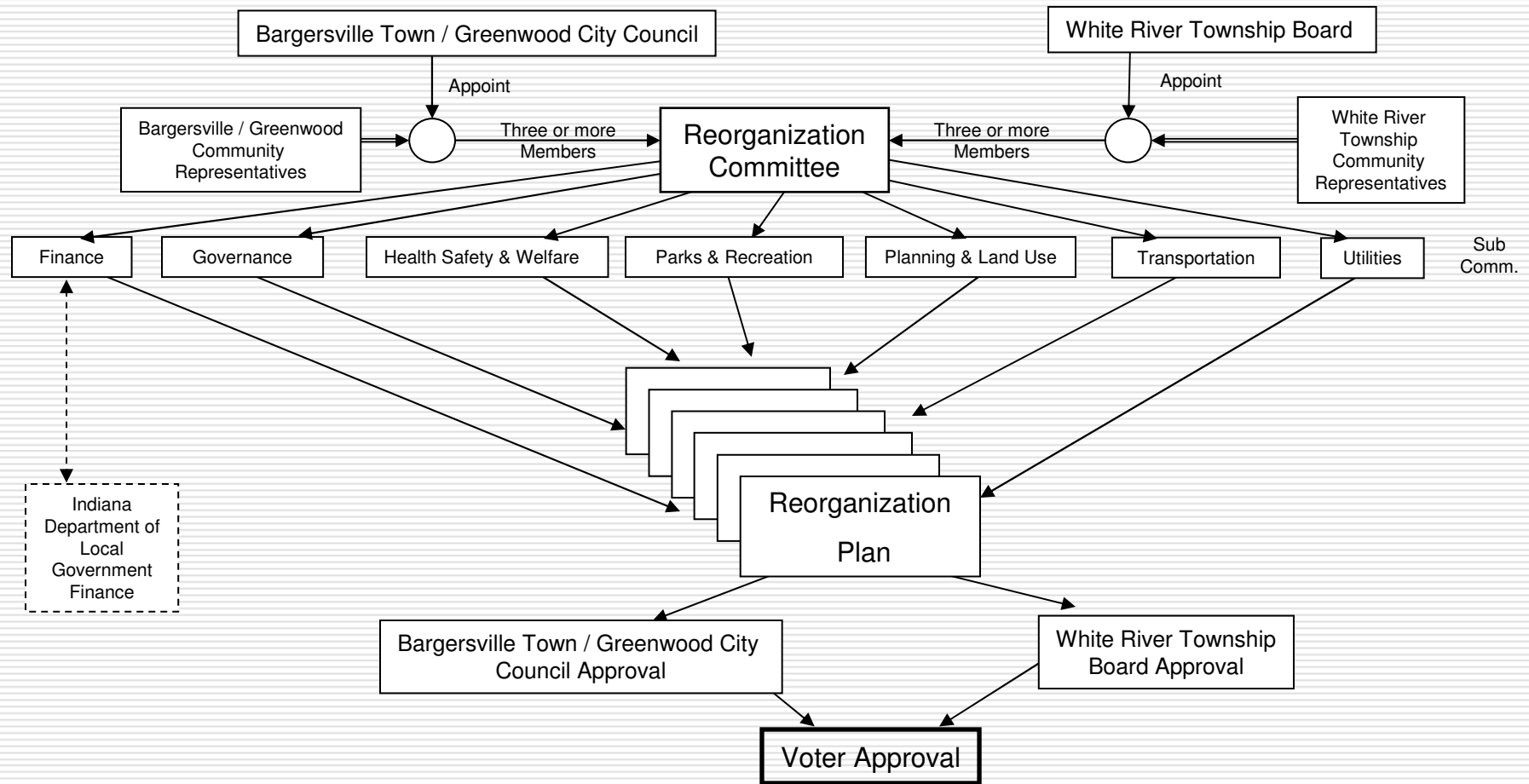
Benefits

- More cost effective to implement
- More community involvement – number of review opportunities
- Approval requires both legislative bodies and general public

Concerns

- Requires significant effort and community participation
- Requires education of the general public

The Merge Process...



What about taxes – the question everyone asks...

- We all pay – and will continue to pay - a County tax
- Pending legislation to eliminate “double tax” on selective services
- Annexation or merging tax levels – negotiable
- Expect property taxes to decrease due to 1% sales tax
- Property tax reform – taxes will not exceed 1% of assessed value – incorporated or unincorporated

Other tax revenue sources...

- ❑ 16 Sources of state collected taxes (not Real Estate taxes)

- ❑ Examples:
 - Fuel Tax
 - Alcohol Tax
 - Auto Excise Tax
 - Wheel Tax
 - Riverboat Gambling Tax
 - County Income Tax

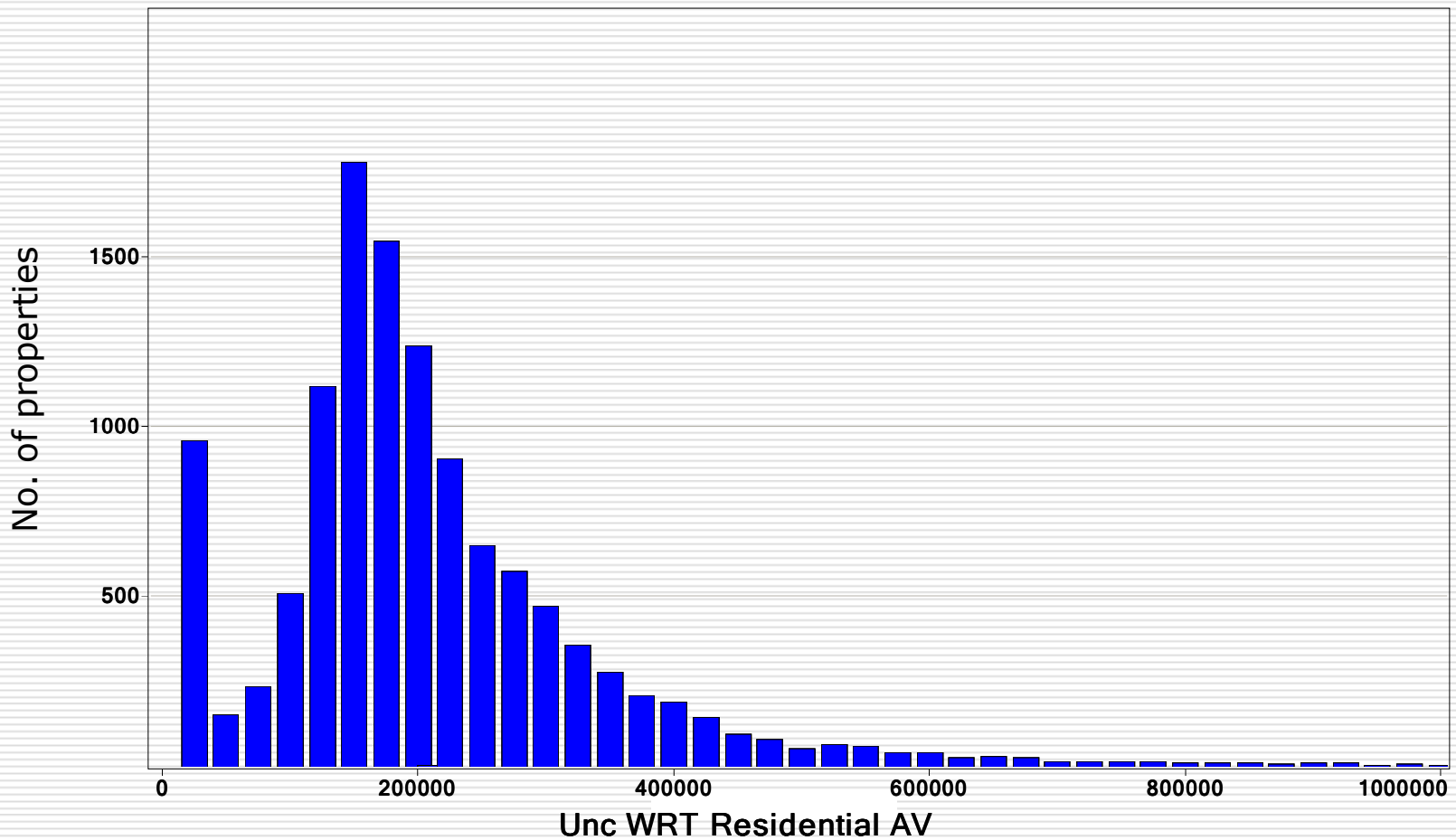
- ❑ Distributed to local government units based on:
 - Population
 - Road Miles
 - Registered Vehicles
 - State Authorized Budget (tax levy)

...Resultant tax allocation

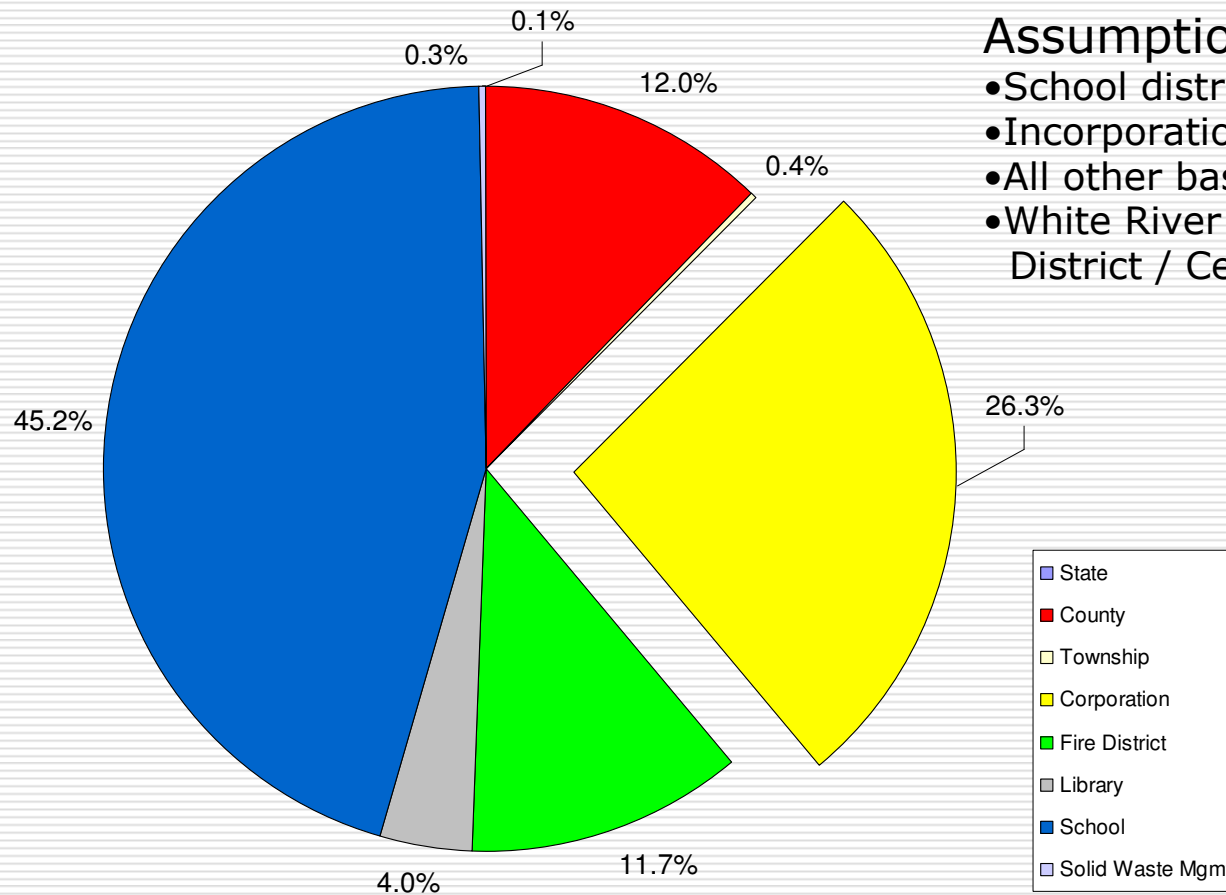
- In 2006 - Community of WRT generated:
 - \$2,600,000----- Actual to Johnson County
 - \$4,000,000----- Possible if incorporated

- More of OUR tax dollars, FOCUSED in OUR community

The median home assessed value in unincorporated WRT is \$169,300



Forecasted 2010 distribution of real estate taxes...

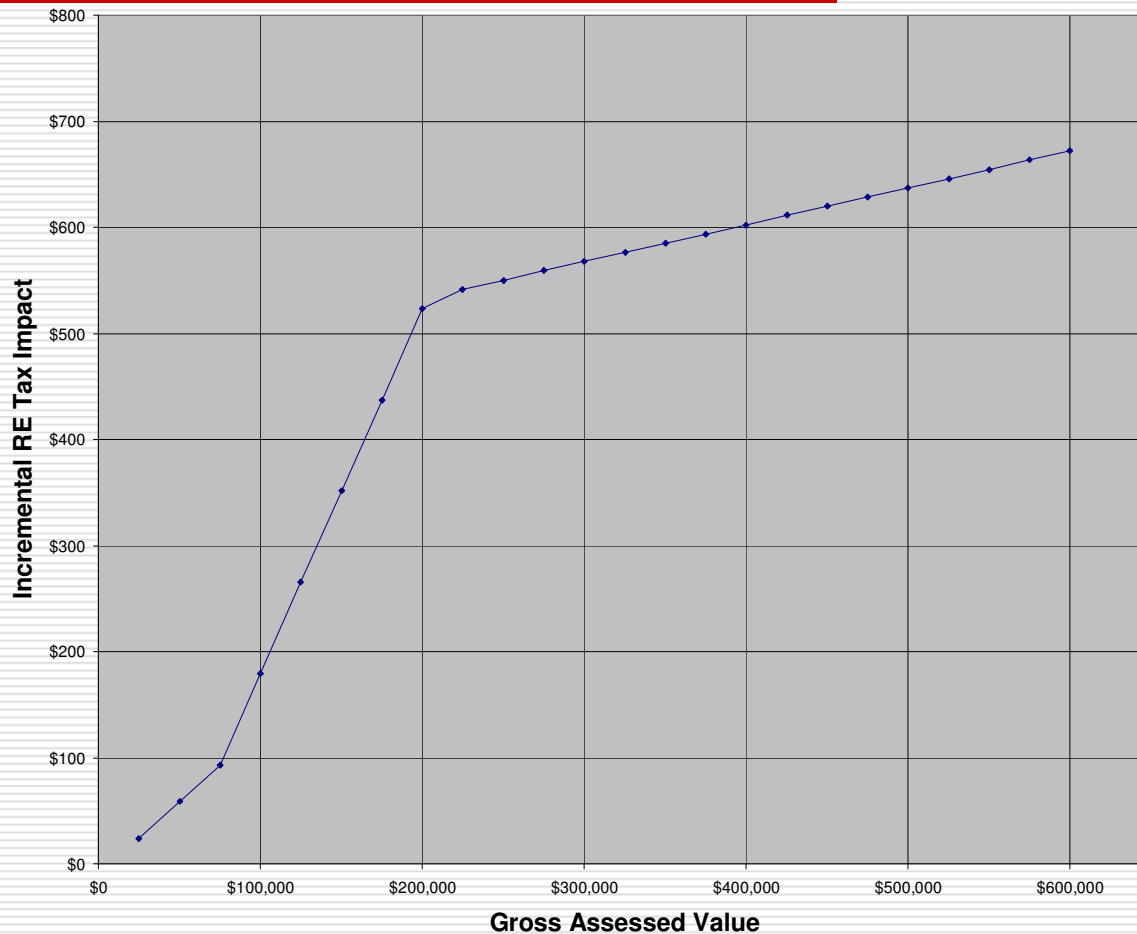


Assumptions:

- School district rates reduced by 40%
- Incorporation tax rate of .5298
- All other based on 2008 payable rates
- White River Township / White River Fire District / Center Grove Schools

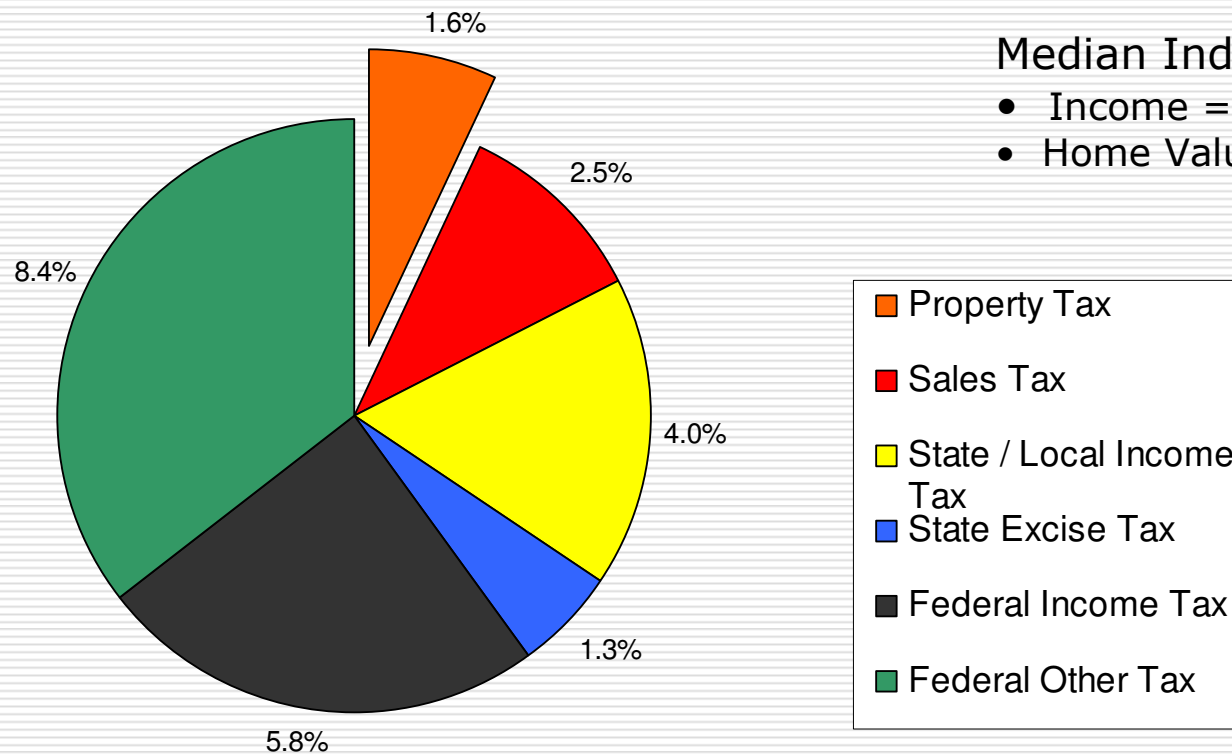
Based on 2007 assessments and new State Tax legislation

Estimated Annual WRT Residential Tax Impact for Incorporation...



But there are a number of unknowns...

Property Taxes are only a small piece of the total tax picture...



Median Indiana Homeowner

- Income = \$55,634
- Home Value = \$120,700

Property taxes estimated range from 1.5% to 2.1% of total income...
total taxes range from 13.6% to 28.2% of total income

The choice is yours...

Let change happen...

Or

Make change happen...

What additional questions do you have?

White River Township Meeting Survey

For what additional questions or issues would you like answers?

Given your current level of understanding of the situation, which of the following options do you favor?

- Maintain current unincorporated status
- Self incorporation
- Annexation by either Greenwood or Bargersville (please circle preference)
- Merge with either Greenwood or Bargersville (please circle preference)

Why?

Do you feel that another meeting to have further discussion on the tax issue is needed?

(Optional)

Name:

Email address:



Thanks for your attendance...

Please complete the survey and deposit
it as you exit