

**Annexation Fiscal Plan
For Land Contiguous to the Town of McCordsville, Indiana
To Be Known as the:**

“Summerton 1” Annexation

March 9, 2021

Petitioner:
Lennar Homes of Indiana, Inc.
Three Sisters Family LP

Prepared for:
Town of McCordsville, Town Council

This Fiscal Plan is for Territory containing one (1) tract of property located in Vernon Township in Hancock County, Indiana, hereinafter referred to as “Territory”. The parcel identification number of the Territory is 30-01-13-400-034.000-016. The acreage for the Territory is 78 +/- acres and the owners are Three Sisters Family LP. There are no existing residences in the Territory.

A legal description is included in Exhibit “A”. The 2020 assessed value for this property (land and improvements) was \$108,300. Based on the 2020 McCordsville tax rate of 0.5111, the total annual taxes that McCordsville may collect from this property in the existing state is \$553.52.

The zoning designation as determined by the Hancock County Area-wide Plan Commission is R-1 (one residential unit per acre). The 2015 Town of McCordsville Future Land Use Map has designated the area as Low Density Residential. A full list of permitted uses and special exceptions can be found in the Town of McCordsville Zoning Ordinance No. 121410, as amended. It is anticipated that the undeveloped portions of this property will develop as a single-family residential subdivision.

The 2010 certified census showed McCordsville at a population of 4,797. However, with over 2,945 “roof tops”, as well as an apartment complex and senior living facility, it is believed that the current population is close to 8,900. The current population of the territory is 0. The estimated future population of territory, following build-out of the proposed development is 490.

1. The cost estimates of planned services to be furnished to the Territory are itemized per department or agency as follows:

I.	General Administration	\$0.00
II.	Fire Protection	\$0.00
III.	Police Protection	\$122,318
IV.	Sanitary Sewers	\$0.00
V.	All Roads and Streets	\$6,694.07
VI.	Storm Drainage Facilities	\$0.00
VII.	Parks and Recreation	\$0.00
VIII.	Trash Service	\$20,645.04

2. The planned services will be funded via the Town's General Fund, Local Option Income Tax, Motor Vehicle Highway, and Local Roads & Streets. The estimated average market value of each home will be approximately \$390,000. Revenues will be received from the following sources: Property taxes, Local Option Income Tax, Alcoholic Beverage Tax, Cigarette Tax, Vehicle Excise Tax, Motor Vehicle Highway Tax, Local Road & Street Tax, Wheel Tax, Gas Tax, Riverboat Tax, PILOT, and permit fees.
3. The plan for extension of services is detailed below:

Specific Service	Beginning Date of Service
Sewer Service	Spring 2024
Water Service	Spring 2024
Electricity Service	Spring 2024
Phone Service	Spring 2024
Cable Service	Spring 2024
Trash Service	Spring 2024

Initial capital expenses for installation of all services noted above will be provided by the developer. The Town contracts with a provider for trash service. The current provider is CGS and is funded via the General Fund.

4. All planned non-capital services, which includes police protection, fire protection, street and road maintenance, and other non-capital services normally provided within the corporate boundaries, will be provided to the annexed territory immediately upon the effective date of the annexation, which is 30 days following approval by the Town Council, publication, and after the petition is recorded in the Hancock County Recorder's Office. That effective date is anticipated to be approximately May 20, 2021.
5. All capital services, including street construction, street lighting, sewer facilities, water facilities, and stormwater drainage facilities, will be provided by the developer. Those services are currently estimated to be provided beginning in the

Spring of 2024. In the event the subdivision is not constructed, the Town would provide the same level of services as it does to other rural properties in the Town.

6. Specific methods of financing the planned services are itemized as follows:

I.	General Administration	N/A
II.	Fire Protection	N/A
III.	Police Protection	General Fund, LOIT
IV.	Sanitary Sewers.	Sewer Availability Fees (capital) Sewer Bills (ops & maintenance)
V.	All Roads and Streets.	Motor Vehicle Highway Funds, LRS
VI.	Storm Drainage Facilities.	Capital by others Stormwater management fee (ops & maintenance)
VII.	Parks & Recreation	N/A
VIII.	Trash Service	General Fund

Article I: General Administration

1. **Responsibilities:** The general administration of the Town of McCordsville provides government services, including, but not limited to utility billing, fiscal health and budgeting, planning and zoning services, building permits, engineering, and all other general administrative services. The Administration includes a five (5) member Town Council and a Clerk-Treasurer. The Town also employs a Town Manager, three (3) Department heads, a Town Engineer, two (2) administrative assistants, two (2) building inspectors, and five and half (5.5) public works employees. The Town contracts professional services to act as Town Attorney. The administrative staff, as presently composed, has the capability of meeting the needs of the proposed Territory to be annexed to the same extent as the rest of the community. The hiring of additional personnel is not anticipated.
2. **Cost Estimate of Services:** No additional services are planned. The Territory will receive the same services the Town provides to all other parts of the Town.
3. **Funding Plan:** The administration of the Town is funded by property taxes, local income taxes, fees, grants, and other miscellaneous sources.
4. **Plan for Extension of Services:** No additional services are planned. The Territory will receive the same services the Town provides to all other parts of the Town. All non-capital services will be provided immediately upon the effective date of the annexation, which is 30 days following approval by Council, and after the petitioner is recorded with the Hancock County Recorder's Office. All capital services are anticipated to be to be provided by the developer, and will be provided as stated herein.

Article II: Fire Protection

The Territory proposed for annexation is within the current service area of the Vernon Township Fire Protection Territory. As the Territory develops, the Indianapolis Water Company will install fire hydrants which will be located for adequate fire protection of the proposed homes.

Article III: Police Protection

1. Responsibilities: The services provided by the Town of McCordsville Police Department include the prevention of crime, the detection and apprehension of criminal offenders, assistance for those who cannot care for themselves or who are in danger of physical harm, resolution of day-to-day conflicts among family, friends and neighbors and the creation and maintenance of a feeling of security in the community. Also, the Police Department performs traffic control, vehicle crash investigations and promotes civil order.

2. Funding Sources: The Town of McCordsville Police Department is funded from property taxes and local income taxes, as well as some funding from fees and the occasion receipt of state and/or federal grants.

3. Plan for Extension of Services: The addition of the annexation territory will neither require any immediate changes to how the department assigns patrol nor the number of personnel needed. However, as the annexation territory develops, and call volumes increase additional staff will be needed to continue adequate law enforcement coverage for the area.

The proposed 169 lots have the potential to create an additional 169 homes. The 169 homes, using the Mt. Vernon School Corporation's multiplier of 2.9 people per household would create an increase of population by 490 residents. The Town currently uses the ratio of one sworn police officer to serve 500 residents. Using this information the annexation territory, at build out, would require an additional 0.98 sworn police officers. Additional information is also taken into consideration before adding an officer, such as call volume, number of officers working a shift, as well as additional growth in the Town of McCordsville. While this specific development may not by itself warrant the need for extra manpower the subdivision along with other growth may result in that need.

Since we are not able to hire officers as a percentage it is figured that the annual cost of an officer when added for salary and benefits is approximately \$122,318 (which includes cost of vehicles, equipment, etc).

Article IV: Sanitary Sewers

1. Responsibilities: The Town of McCordsville owns and is operating a Wastewater Treatment Plant (WWTP) and Collection System. The adopted "Sewer Master

- Plan” prepared by Witsman Engineering, LLC, and is dated October 11, 2011 designates this Territory to be contained within the “Bay Creek” sewage collection basin. The developer must comply with the master plan as interpreted by the Town Engineer.
2. **Cost Estimate of Services:** The Territory is estimated to contain 169 equivalent dwelling units (EDUs) and corresponding average sewage load of 52,390 gallons per day. The Bay Creek sewage collection basin is already partially developed. The Bay Creek lift station and force mains were constructed with prior developments along with the gravity sewer extending to the property line of the development. The added Territory would represent 5% of the ultimate service load (169 EDUs/3,134 EDUs) of the Bay Creek basin. The Territory would be serviced by extension of a 15” gravity line along McCord Road which was designed and installed specifically to serve the area of the Territory. There will be no cost to the town’s utility for the gravity sewer extension since it will be funded by the developer. Immediate expansion of the WWTP will not be necessary from the added flows from the Territory. There is capacity within the existing WWTP which is currently being expanded from 0.5 mgd to 1 mgd and will be completed on or near August 2021.
 3. **Funding Plan:** McCordsville’s method of collecting sewer availability fees provides the necessary funds to increase capacity at the WWTP. The sewer availability fees collected with this development will be used along with fees from other developments will be used to fund the next expansion of the WWTP. The estimated sewer availability fees to be generated by the development with this Territory are \$523,900 based on 169 EDUs at \$3,100 per EDU. Funds available in the Sewer Improvement and Betterment fund as of February 2021 was \$1,812,183.21. Monthly sewer use bills will fund expenses required to operate the WWTP and provide maintenance on the collection system. The Town of McCordsville will review and approve the design and construction of the infrastructure to serve the Territory.
 4. **Plan for Extension of Services:** The developer will install and dedicate the sewer infrastructure and easements necessary to service the territory.

Article V: All Roads and Streets

1. **Responsibilities:** The Public Works Department is responsible for maintaining all roads within the incorporated limits of the Town. Currently, the Town has 48.7 road miles.
2. **Cost Estimate of Services:** There are two current roads, CR 500W and CR 900N, located within this Territory. There is 2,663 feet or 0.5 miles of CR 500W and 1,027 feet or 0.2 miles of CR 900N that would be incorporated into the Town. It is also anticipated that the proposed Summerton subdivision will construct a new internal street system of 7,906 feet or 1.5 miles that would be incorporated into the Town. The total amount of streets added is 11,596 feet or 2.2 miles. The Town estimates road maintenance costs of \$3,042.76 per road mile annually. The total road maintenance cost for the Territory is \$6,694.07.

3. **Funding Plan:** The Territory will expand the Town's total road miles by 2.2 miles. The additional miles will provide an additional \$15,466.67 of Motor Vehicle Highway (MVH) funds and \$4,026.32 of Local Road and Street (LRS) funds. The total of \$19,492.99 will be enough to fund road maintenance.
4. **Plan for Extension of Services:** All proposed roads will be installed by the developer. The Town will be responsible for maintenance. No new employee or equipment will be needed to service this territory.

Article VI: Storm Drainage Facilities

1. **Responsibilities:** The Public Works Department is responsible for maintaining all storm infrastructure within the incorporated limits of the Town, which are not regulated drains by the Hancock County Drainage Board.
2. **Cost Estimate of Services:** There is no current storm sewer infrastructure located within this Territory. As development occurs, the developers will install any proposed storm sewer infrastructure. The design and construction of the storm sewer infrastructure will be reviewed and approved by the Town of McCordsville. The Town will be responsible for maintenance of this infrastructure. It is unknown at this time the amount of storm sewer infrastructure that will be incorporated into a potential development.
3. **Funding Plan:** The storm sewer infrastructure would be dedicated to the Town of McCordsville. The Town of McCordsville's stormwater utility would collect funds from the residential homes within the Territory, which would allow for maintenance of the stormwater infrastructure.
4. **Plan for Extension of Services:** All storm sewer infrastructure and easements will be installed and dedicated by the developer. The Town will be responsible for maintenance. No new employee or equipment will be needed to service this territory.

Article VII: Trash Service

1. **Responsibilities:** The Utility Department is responsible for overseeing the trash service provided to all residential homes. The Town contracts with a provider for this service.
2. **Cost Estimate of Services:** The anticipated cost to the Town per home within the Territory is \$10.18 per month.
3. **Funding Plan:** Trash service is currently paid from the General Fund.
4. **Plan for Extension of Services:** Trash service will be provided immediately upon recording of the annexation ordinance to the existing homes and upon occupancy of each newly constructed residential home in the Territory.

Article VIII: Parks & Recreation

1. **Responsibilities:** The General Administration is responsible for overseeing the Town's park.
2. **Cost Estimate of Services:** A new park is not proposed within the Territory.

3. **Funding Plan:** No costs will be incurred.
4. **Plan for Extension of Services:** Future residents will be able to use the Town's existing park.

Article IX: SUMMARY

The estimated effect of the proposed annexation on taxpayers in each of the political subdivisions to which the annexation applies is listed below:

	2019 Tax Rate	2020 Tax Rate	2021 Tax Rate	2022 Tax Rate	2023 Tax Rate
County	0.3443	0.3431	N/A	N/A	N/A
Township	0.1366	0.2098	N/A	N/A	N/A
School	1.5616	1.5311	N/A	N/A	N/A
Town	0.4907	0.5111	N/A	N/A	N/A

The estimated effect the proposed annexation will have on municipal finances, specifically how the municipal tax revenues will be affected by the annexation for four (4) years after the effective date of the annexation is listed below. Please note there is a 1-year delay in time between taxes being assessed and collected by the Town. This annexation will not affect other political subdivisions in the County not part of this annexation.

	2020	2021	2022	2023	2024	Build-out
	(undeveloped)	(no homes)	(homes const. starts)	(8 homes)	(16 homes)	(169 homes)
Town Revenue*	\$276.76	\$553.52	\$553.52	\$6,144.80	\$12,289.60	\$129,808.90
Town** Expenses	\$2,129.93	\$2,129.93	\$2,129.93	\$4,084.49	\$65,588.67	\$83,657.11

*Based only upon property taxes. Assumes \$390,000 average AV & exemptions.

**Based upon 2020 costs.

***Capital costs of \$66,000 are not included in table above.

Exhibit:

Legal Description – The Territory

Part of the Southeast Quarter of Section 13, Township 17 North, Range 5 East of the Second Principal Meridian, Vernon Township, Hancock County, Indiana, based upon a survey prepared by Michael G. Judd, Professional Surveyor Number 21500017, HWC Engineering Job Number 2020-235-S, dated January 7, 2021, more particularly described as follows:

BEGINNING at the southeast corner of said Southeast Quarter, marked by a railroad spike found per Hancock County Surveyor reference ties; thence North 00 degrees 15 minutes 05 seconds East (assumed bearings per ALTA/NSPS Land Title Survey recorded as Instrument Number 201805353 in the Office of the Recorder of Hancock County, Indiana) along the east line of said Southeast Quarter a distance of 1614.25 feet to the southeast corner of John W. Snider's Minor Subdivision, the plat of which is recorded in Plat Cabinet B, Slide 135 as Instrument Number 930004787 in said Recorder's Office, the following three (3) courses being along the south, west, and north lines of said subdivision; (1) thence North 89 degrees 44 minutes 55 seconds West a distance of 290.40 feet; (2) thence North 00 degrees 15 minutes 05 seconds East a distance of 150.00 feet; (3) thence South 89 degrees 44 minutes 55 seconds East a distance of 290.40 feet to said east line of said Southeast Quarter; thence North 00 degrees 15 minutes 05 seconds East along said east line a distance of 898.28 feet to the northeast corner of said Southeast Quarter, marked by a railroad spike found per Hancock County Surveyor reference ties; thence South 86 degrees 47 minutes 20 seconds West along the north line of said Southeast Quarter a distance of 1350.46 feet to the northwest corner of the East Half of said Southeast Quarter; thence South 00 degrees 15 minutes 05 seconds West along the west line of said East Half of said Southeast Quarter a distance of 2363.88 feet to the northwest corner of a tract of land described in Instrument Number 201706617 in said Recorder's Office, the following two (2) courses being along the north and east lines of said tract; (1) thence North 86 degrees 54 minutes 55 seconds East a distance of 299.00 feet; (2) thence South 03 degrees 05 minutes 05 seconds East a distance of 295.17 feet to the south line of said Southeast Quarter; thence North 86 degrees 54 minutes 55 seconds East along said south line a distance of 648.07 feet to the southwest corner of the John Young Jr. Minor Subdivision, the plat of which is recorded in Plat Cabinet B, Slide 14 as Instrument Number 870004267 in said Recorder's Office, the following three (3) courses being along the west, north, and east lines of said Subdivision; (1) thence North 03 degrees 05 minutes 05 seconds West a distance of 290.40 feet; (2) thence North 86 degrees 54 minutes 55 seconds East a distance of 150.00 feet; (3) thence South 03 degrees 05 minutes 05 seconds East a distance of 290.40 feet to said south line of said Southeast Quarter; thence North 86 degrees 54 minutes 55 seconds East along said south line a distance of 236.00 feet to the POINT OF BEGINNING, containing 78.263 acres, more or less.