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**ANNEXATION FISCAL PLAN  
FOR THE  
TOWN OF BRISTOL, INDIANA**

**HTIW Properties, LLC & W & A Properties,  
LLC Phase II Annexation**

**December 11, 2023**

*Prepared by:*



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## INTRODUCTION

The following fiscal plan (the "Fiscal Plan") is for the proposed annexation of four (4) parcels to the south and east of the existing corporate limits on the south side of Bristol (the "Annexation Area"). The Annexation Area is adjacent to the Town of Bristol, Indiana (the "Town"). The requirements of the Indiana Code mandate the development and adoption of a written fiscal plan and the establishment of a definite policy by resolution of the Town Council. The Indiana Code 36-4-3-13(d) states that this Fiscal Plan must include and provide:

- 1) The cost estimates of planned services to be furnished to the territory to be annexed. The plan must present itemized estimated costs for each municipal department or agency;
- 2) The method or methods of financing the planned services. The plan must explain how specific and detailed expenses will be funded and must indicate the taxes, grants and other funding to be used;
- 3) The plan for the organization and extension of services. The plan must detail the specific services that will be provided and the dates the services will begin;
- 4) That planned services of a non-capital nature, including police protection, fire protection, street and road maintenance, and other non-capital services normally provided within the corporate boundaries will be provided within one (1) year after the effective date of the annexation, and that they will be provided in a manner equivalent in standard and scope to those non-capital services provided in areas within the corporate boundaries regardless of similar topography, patterns of land use, and population density;
- 5) That services of a capital improvement nature, including street construction, street lighting, sewer facilities, water facilities, and stormwater drainage facilities, will be provided to the annexed territory within three (3) years after the effective date of the annexation in the same manner as those services are provided to areas within the corporate boundaries, regardless of similar topography, patterns of land use, and population density, and in a manner consistent with federal, state, and local laws, procedures, and planning criteria;
- 6) The estimated effect of the proposed annexation on taxpayers in each of the political subdivisions to which the proposed annexation applies, including the expected tax rates, tax levies, expenditure levels, service levels, and annual debt service payments in those political subdivisions for four (4) years after the effective date of the annexation;
- 7) The estimated effect the proposed annexation will have on municipal finances, specifically how municipal tax revenues will be affected by the annexation for four (4) years after the effective date of the annexation;

**INTRODUCTION**

- 8) Any estimated effects on political subdivisions in the county that are not part of the annexation and on taxpayers located in those political subdivisions for four (4) years after the effective date of the annexation; and
  
- 9) A list of all parcels of property in the annexation territory and the following information regarding each parcel:
  - (A) The name of the owner of the parcel.
  - (B) The parcel identification number.
  - (C) The most recent assessed value of the parcel.
  - (D) The existence of a known waiver of the right to remonstrate on the parcel.

This Fiscal Plan may include additional materials in connection with the foregoing. It was developed through the cooperative efforts of the Town's various administrative offices and the Town's financial advisors, Baker Tilly. This Fiscal Plan is the result of an analysis of the proposed Annexation Area.

The Annexation Area is contiguous to the Town for the purposes of Indiana Code 36-4-3-1.5, and there is a written Fiscal Plan, herein provided, that has been approved by the Town Council.

## SECTION I

### AREA DESCRIPTION

#### **A. Location, Area Size and Contiguity**

The proposed Annexation Area is located to the south and east of the existing corporate boundaries on the south side of the Town. A map and legal description of the area to be annexed have been included in attached Appendix II.

The Annexation Area is approximately 82.86 acres. The perimeter boundary of the Annexation Area is over 12.5% contiguous to the existing corporate boundaries of the Town.

#### **B. Current Land Use**

The Annexation Area consists of agricultural land.

#### **C. Zoning**

Existing Zoning: Agriculture (A-1) & Limited Manufacturing (M-1)

Proposed Zoning: Agriculture (A-1) & Limited Manufacturing (M-1)

#### **D. Current Population**

The current population of the Annexation Area is estimated at 0, as there does not appear to be any occupied homes within the Annexation Area.

#### **E. Real Property Assessed Valuation**

The estimated net assessed valuation for land and improvements in the Annexation Area is \$72,700. This represents the assessed value as of January 1, 2022 for taxes payable 2023.

## SECTION II

### NON-CAPITAL SERVICES

#### **A. Cost of Services**

The current standard and scope of non-capital services being delivered within the Town and the Annexation Area was evaluated by each municipal department to determine the personnel and equipment necessary to provide such non-capital services in a manner equivalent in standard and scope to services that are currently provided within the existing Town's municipal boundary.

The Town will provide all non-capital services to the Annexation Area within one (1) year after the effective date of the annexation in a manner equivalent in standard and scope to those non-capital services provided to areas within the Town regardless of topography, patterns of land use, and population density.

#### **B. Police Protection**

The Elkhart County Sheriff's Department currently provides police protection and law enforcement services to the Annexation Area. However, all non-capital services of the Bristol Police Department will be made available in the Annexation Area within 1 year of the effective date of this annexation and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the Town.

The Town of Bristol Police Department's (BPD) primary purpose is the prevention of crime. The BPD patrols within the boundaries of the Town on a daily basis and responds to all alarm calls. In addition, the BPD provides other services such as detection and apprehension of offenders, traffic control and preservation of civil order. The BPD does not distinguish between different areas of the Town. The same services are provided throughout the Town. Due to the location and character of the Annexation Area, the Town does not anticipate needing to hire additional officers as a result of the annexation. It is anticipated that an increase in fuel and vehicle maintenance will be necessary in the amount of approximately \$2,600 (plus inflation) per year as a result of the annexation. The Police Department's budget within the Town's General Fund will fund any additional costs.

#### **C. Fire Protection**

The Annexation Area is currently served by the Bristol Fire Department ("BFD"). The BFD serves the Town of Bristol, Washington Township and York Township through contractual agreements. Given the relatively small Annexation Area, it is anticipated that any increase in the cost of the contractual arrangement for fire services will be negligible.

## SECTION II

(Cont'd)

### NON-CAPITAL SERVICES

#### D. Emergency Medical Services

Currently, the BFD provides emergency medical services to the Annexation Area. These services include, but are not limited to, emergency medical response. Given the relatively small Annexation Area, it is anticipated that any increase in the cost of the contractual arrangement for emergency medical services will be negligible.

#### E. Street Maintenance

All dedicated streets and county roads in the Annexation Area are currently maintained by Elkhart County. However, all non-capital services of the Bristol Street Department will be made available in the Annexation Area within 1 year of the effective date of this annexation and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the Town.

The Bristol Street Department is responsible for repairs and replacement, pickup of storm damage, leaf pickup, and snowplowing. The Annexation Area contains approximately 0.79 miles of streets that the Town will be responsible for maintaining. Currently, the Town has approximately 21.11 miles of streets. The Town anticipates additional operating costs for supplies and repairs and maintenance of approximately \$1,300 (plus inflation) per year as a result of the annexation. The Local Road and Street and Motor Vehicle Highway Funds will fund any additional costs.

#### F. Storm Water and Drainage

Storm water and drainage facilities throughout the Annexation Area will be consistent with the Town's current storm water and drainage system throughout the Town. The Town and County have maintained their drainage areas very similarly, therefore it is not anticipated that there will be any additional cost to the Town. Any future development in the areas will have to have its storm water plan approved by the Town, and any associated storm water and drainage costs will be borne by the developers. Nevertheless, all non-capital storm water services will be made available in the Annexation Area within 1 year of the effective date of the annexation and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the Town.

#### G. Parks

There are currently four downtown parks in the Town of Bristol. Hermance Park has a rental pavilion and Congdon Park has a rental gazebo. Raber Golf Course is town-owned and is located across from Bay Ridge on the west end of Town. It is anticipated that no additional parks will be added as a result of annexation, therefore there will be no additional costs to the Town.

**SECTION II**

**(Cont'd)**

**NON-CAPITAL SERVICES**

**H. Governmental Administrative Services**

The Town does not anticipate that the addition of the Annexation Area will result in a demand for Governmental Administrative Services that cannot be met by the existing staffing of the Town's offices, agencies and departments. All non-capital services of the administration of the Town will be made available in the Annexation Area on the date the annexation becomes effective and will be extended in a manner equivalent in standard and scope to the services provided to the other areas within the corporate boundaries of the Town.

The Governmental Administrative Services of the Town include, but are not limited to, the services provided by the following:

- Town Council
- Clerk-Treasurer's Office
- Town Manager



## SECTION III

### CAPITAL IMPROVEMENTS

#### A. Cost of Services

The Annexation Area was evaluated to determine the services and facilities required to provide the same type of services in the same manner as services that are currently provided within the existing Town's corporate limits.

The Town will provide the following capital services to the Annexation Area no later than three (3) years after the effective date of the annexation in the same manner as those capital services provided to areas within the Town regardless of topography, patterns of land use, and population density and in a manner consistent with federal, state and local laws, procedures and planning criteria. It is currently assumed that the annexation will be effective as soon as practically possible, but not later than January 31, 2024.

#### B. Water Service

The Annexation Area is currently not served. The Bristol Municipal Water Utility provides water service in the surrounding area and has the capacity and capability to serve the Annexation Area if and when connection is desired. It is anticipated that new customers will pay the applicable tap fee and water assessment charges. It is important to note that the Water Utility is a separate proprietary fund of the Town that maintains separate books and records, and extensions in service are typically borne by the respective property owner or developer. Regardless, all capital services of the Water Department will be made available to the Annexation Area within 3 years of the effective date of the annexation in the same manner as those services are provided to areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria.

#### C. Wastewater Service

The Annexation Area is currently not served. The Bristol Municipal Sewage Works provides wastewater service in the surrounding areas and has the capacity and capability to serve the Annexation Area if and when connection is desired. It is anticipated that new customers will pay the applicable tap fee and sewer assessment charges. It is important to note that the Sewage Works is a separate proprietary fund of the Town that maintains separate books and records, and extensions in service are typically borne by the respective property owner or developer. Regardless, all capital services of the Wastewater Department will be made available to the Annexation Area within 3 years of the effective date of the annexation in the same manner as those services are provided to areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria.

## SECTION III

(Cont'd)

### CAPITAL IMPROVEMENTS

#### **D. Storm Water and Drainage**

Storm water and drainage facilities throughout the Annexation Area will be consistent with the Town's current storm water and drainage system throughout the Town. Any future development in the Annexation Area will require a storm water plan approved by the Town, and any associated storm water and drainage costs will be borne by the developers; therefore it is not anticipated that there will be any additional cost to the Town. Regardless, all capital storm water services of the Town will be made available to the Annexation Area within three (3) years of the effective date of the annexation in the same manner as those services are provided to areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria.

#### **E. Street Construction**

Construction of any new streets within the Annexation Area will be the responsibility of the appropriate developer in accordance with the applicable Town Code. There are currently no existing streets within the Annexation Area for which the Town will be responsible. Regardless, all capital services of the Street Department, including evaluation and construction services, will be extended to the Annexation Area within 3 years of the effective date of the annexation in the same manner as those services are provided to areas inside the corporate limits and in a manner consistent with federal, state and local laws, procedures and planning criteria.

## **SECTION IV**

### **FISCAL IMPACT**

As a result of the annexation, the net assessed value for the Town will not increase, as all parcels within the Annexation Area are municipal tax-exempt due to their agricultural assessment.

It is assumed that the effective date of this annexation will be as soon as practically possible, but no later than January 31, 2024. Based on the assumed effective date, the property owners of the Annexation Area will not pay property taxes to the Town until 2025 payable 2026, or until the parcel is no longer municipal tax-exempt. However, the Town will begin providing non-capital municipal services to the property owners within one (1) year after the effective date of the annexation, and it will begin providing capital municipal services to the property owners within three (3) years after the effective date of the annexation.

It is anticipated that there will be minimal additional costs to the Town as a result of the annexation. The additional costs are related to the Police Department and Street Department. The causes of the anticipated increased costs are discussed on the prior pages, and a summary of the costs is demonstrated in Appendix I.

It is anticipated that the Town will not realize an increase in its levy as a result of the annexation; therefore, there is no anticipated tax rate increase as a direct result of the annexation. If there is a shortfall in revenue from the annexations the services described in this plan can be provided using funds on hand.

Due to the property in the Annexation Area being municipal tax-exempt, there are no impacts to tax rates or tax levies on other taxing units.

## SECTION V

### **ASSUMED INDEBTEDNESS**

As required by Indiana Code 36-4-3-10, the Town will assume and pay any unpaid bonds or other obligations of Washington Township existing at the effective date of the annexation in the same ratio as the assessed valuation of the property in the Annexation Area bears to the assessed valuation of all property in Washington Township, as shown by the most recent assessment for taxation before the annexation, unless the assessed property within the Town is already liable for the indebtedness.

There is no debt currently outstanding for Washington Township.

## **Appendix I**

TOWN OF BRISTOL, INDIANA

*HTIW Properties, LLC & W & A Properties, LLC Phase II Annexation*

**SUMMARY OF ADDITIONAL COSTS DUE TO ANNEXATION**

(Non-Capital Services)

<u>Department</u>	<u>Description of Costs</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>Ref.</u>
Street	Materials, supplies and repairs	\$ 1,300	\$ 1,339	\$ 1,379	\$ 1,420	\$ 1,463	(1)
Police	Fuel and repairs	<u>2,600</u>	<u>2,678</u>	<u>2,758</u>	<u>2,841</u>	<u>2,926</u>	(1)
	Totals	<u>\$ 3,900</u>	<u>\$ 4,017</u>	<u>\$ 4,137</u>	<u>\$ 4,261</u>	<u>\$ 4,389</u>	

(1) Assumes a 3% inflationary adjustment for 2025 through 2028.

TOWN OF BRISTOL, INDIANA

*HTIW Properties, LLC & W & A Properties, LLC Phase II Annexation*

PARCEL LIST

<u>Parcel ID</u>	<u>Owner</u>	<u>2022 pay 2023 Net Assessed Value</u>	<u>Remonstrance Waiver</u>
20-03-34-400-002.000-030	HTIW Properties, LLC	\$22,600	No
20-03-34-400-013.000-030	HTIW Properties, LLC	15,300	No
20-03-34-400-009.000-030	HTIW Properties, LLC	18,300	No
20-03-34-400-005.000-030	W & A Properties, LLC	<u>16,500</u>	No
	Total	<u><u>\$72,700</u></u>	

## **Appendix II**