

AN ORDINANCE ANNEXING TERRITORY IN THE BETHANY ROAD AREA
CONTIGUOUS TO THE CITY OF CHARLESTOWN

WHEREAS, the municipal boundary of the City of Charlestown, Indiana, is north and east of, and adjacent and contiguous to, certain territory in the Bethany Road area, described below; and

WHEREAS, a majority of the owners of the territory described below have petitioned the Common Council for the annexation of the territory into the City of Charlestown; and

WHEREAS, the territory described is contiguous and adjacent to the third (3rd) councilmanic district:

THEREFORE, Be it ordained by the Common Council of the city of Charlestown, Indiana, as follows:

1) The following described territory is hereby annexed and declared a part of the City of Charlestown, Indiana, and is assigned to the third (3rd) councilmanic district, to wit:

Property in Clark County, Indiana and more particularly described as follows.

Commencing at the western most corner of the Pleasant Ridge Subdivision in the City of Charlestown, Indiana, thence southeastwardly along the western boundary of said subdivision 930 feet, more or less, to the **Point of Beginning** of this description. Said point being on the common line of properties currently or previously owned by Harold G. & Betty L. Sexton (Grant 116) and Charles M. Couch (Grant 116).

Thence along the common line of properties currently or previously owned by Harold G. & Betty L. Sexton (Grant 116) and Charles M. Couch (Grant 116) and continuing along the common line of properties currently or previously owned by Charles M. Couch (Grant 116) and Dana & Sharon L. Coots (etal) (Grant 116) southwestwardly 1,940 feet more or less.

Thence along the common line of property currently or previously owned by Charles M. Couch (Grant 116) and Dana & Sharon L. Coots (etal) (Grant 116) and continuing along the common line of properties currently or previously owned by Dana & Sharon L. Coots (etal) (Grant 116) and Kynard & Louise Taff (Grant 116) southeastwardly 2,940 feet more or less to the northwestern right-of-way line of High Jackson Road, a public highway.

Thence along the northwestern right-of-way line of High Jackson Road, a public highway, and continuing along the division line between Grant Numbers 115 and 94, and continuing along the division line between Grant Numbers 114 and 93, and continuing along the northwestern right-of-way line of Jenks Road, a public highway, crossing Stacy Road, a public highway, southwestwardly 12,200 feet more or less to the southwestern right-of-way line of Stacy Road, a public highway.

Thence along the southwestern right-of-way line of Stacy Road, a public highway, 7,600 feet more or less to the common line of properties currently or previously owned by Mark, Lynn Ann & Diane Horlander (Grant 70) and Mark W. & Pamela M. Ward (Grant 70).

Thence along the common line of properties currently or previously owned by Mark, Lynn Ann & Diane Horlander (Grant 70) and Mark W. & Pamela M. Ward (Grant 70) southwestwardly 1,330 feet more or less.

Thence along the common line of properties currently or previously owned by Mark W. & Pamela M. Ward (Grant 70) and Richard Lenman (Grant 70) and continuing along the common line of property currently or previously owned by Richard Lenman (Grant 70) and the following: James A. Ward and Carolyn Ward (Grant 70); John & Elaine Cleveland (Grant 70); Robert L. Hollis (Grant 70); G. William & Ruth H. King (Grant 70); George Clark & Mary Schlosser (Grant 70) southeastwardly 2,860 feet more or less to the northwestern line of property currently or previously owned by Cynthia A. Stucky & Vada E. Stucky (Grant 52).

Thence along the common line of properties currently or previously owned by Cynthia A. Stucky & Vada E. Stucky (Grant 52) and Richard Lenman (Grant 70) southwestwardly 860 feet more or less.

Thence along the common line of properties currently or previously owned by Cynthia A. Stucky & Vada E. Stucky (Grant 52) and Charles & Juanita R. Schlosser (Grant 52) and continuing to property currently or previously owned by Derrick L. & Patricia Vogt (Grant 52) southeastwardly 1,400 feet more or less.

Thence along the common line of properties currently or previously owned by Charles & Juanita R. Schlosser (Grant 52) and Derrick L. & Patricia Vogt (Grant 52) northeastwardly 840 feet more or less to the western right-of-way line of property currently or previously owned by the B & O Railroad.

Thence along the common line of property currently or previously owned by Derrick L. & Patricia Vogt (Grant 52) and the western right-of-way line of property currently or previously owned by the B & O Railroad southwestwardly 950 feet more or less.

Thence crossing property currently or previously owned by the B & O Railroad southeastwardly 200 feet more or less to the eastern right-of-way line of property currently or previously owned by B & O Railroad, said eastern right-of-way line also being common to property currently or previously owned by The Church, The Body of Christ (Grant 52).

Thence along the common line of the eastern right-of-way line of property currently or previously owned by B & O Railroad and property currently or previously owned by The Church, The Body of Christ (Grant 52) northeastwardly 2,080 feet more or less.

Thence along the common line of properties currently or previously owned by The Church, The Body of Christ (Grant 52) and Herman & Patty Sharp and crossing Highway 62, a public highway, southeastwardly 1130 feet more or less to the common line of the southeasterly right-of-way line of Highway 62, a public highway, and the westerly line of the Indiana Army Ammunition Plant.

Thence along the common line of the southeasterly right-of-way line of Highway 62, a public highway, and the westerly line of the Indiana Army Ammunition Plant, northerly 6,300 feet more or less.

Thence leaving said common line of the southeasterly right-of-way line of Highway 62, a public highway, and the westerly line of the Indiana Army Ammunition Plant, northwesterly 100 feet more or less to the centerline of the right-of-way of Highway 62, a public highway.

Thence along said centerline of the right-of-way of Highway 62, a public highway, northeastwardly 14,700 more or less.

Thence leaving said centerline of the right-of-way line of Highway 62, a public highway northwestwardly 100 feet more or less to the westerly right-of-way line of Highway 62, a public highway.

Thence along the westerly right-of-way line of Highway 62, a public highway, southwestwardly 3,750 feet more or less.

Thence leaving the westerly right-of-way line of Highway 62, a public highway, along the meanders of the corporate line of Charlestown, Indiana and along lines of properties currently or previously owned by the following: NIBCO; and Greater Clark Elementary Corp.; along the western boundary of the Sunset Acres Subdivision; and along lines of property currently or previously owned by the following: Charlestown Housing Authority; Betty J. & Claudine Buckner; Claudine Buckner; Charles M. Couch; and along the western boundary of the Pleasant Ridge Subdivision generally northwestwardly 12,000 feet more or less to the **Point of Beginning**.

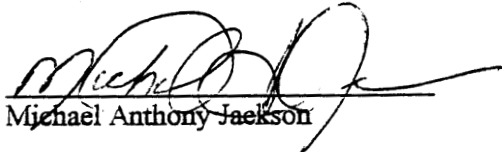
And containing **2,749 ½ Acres**, more or less..

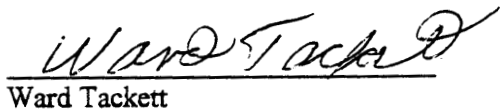
2) The boundaries of the City of Charlestown shall be, and hereby are declared to be extended so as to include all of said real estate as a part of the City of Charlestown.

3) This ordinance shall be in full force and effect takes effect at least thirty (30) days after its publication and upon the filing required by I.C. 34-4-3-22(a).

ALL OF WHICH IS ORDAINED by the common council of the City of Charlestown on the ___ day of October 2002.

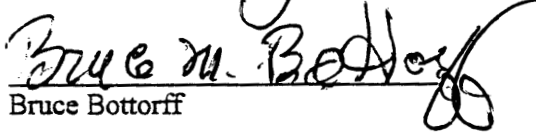
AYES


Michael Anthony Jackson


Ward Tackett

Terry Pierce


Ed Bolly


Bruce Bottorff

NAYS

Michael Anthony Jackson

Ward Tackett

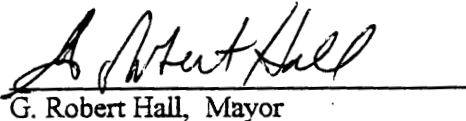

Terry Pierce

Ed Bolly

Bruce Bottorff

PRESENTED TO ME AND APPROVED THIS 11th DAY OF ~~OCTOBER~~ 2002, BY:

NOVEMBER


G. Robert Hall, Mayor

*City of Charlestown
Clark County, Indiana*

DRAFT
Annexation
Fiscal Plan
Bethany Annexation Area

This Fiscal Plan may be inspected at the City Engineer's Office, located in City Hall, Charlestown, IN. Copies of the Fiscal Plan are available to the public for a nominal charge in accordance with the City's ordinances. Questions related to this annexation can be directed to the Mayor's Office, City of Charlestown (812-256-3422).

October 10, 2002

Wabash Scientific, inc.

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Detailed Summary of Annexation Impact

Introduction

The City of Charlestown is undertaking this annexation at the request of property owners in the annexation area. The annexation is being pursued under IC 36-4-3-5, which states,

"if the owners of land located...contiguous to a municipality want to have territory containing that land annexed to the municipality, they may file...a petition: signed by at least: 51% of the of the owners of land in the territory to be annexed...requesting an ordinance annexing the area..."

The City of Charlestown has been approached by property owners in the proposed annexation area and the City is pursuing this annexation under these auspices.

Respect for the Public Process

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

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

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

Readers will note that this Fiscal Plan is marked "draft." As the statutory process unfolds, Wabash Scientific, inc., will make every reasonable effort to respond honestly, fairly and realistically to the information presented, including the possibility of adjusting the Fiscal Plan. Anything less would be an insult to the public process. It is fully understood that every request cannot realistically be fulfilled, but in the end, the public will be given the opportunity to speak, and the public will be fairly heard, and the Fiscal Plan will be adjusted to accommodate the best suggestions of the public process.

Needed & Can Be Used

The annexation area is a combination of undeveloped agricultural land and rural/suburban residential development. The annexation area is needed by the municipality for its future development at the present time and in the reasonably near future.

Annexed Population

The population of the annexation area is preliminarily estimated to be 906. This estimate is based on the estimated number of households in the annexation area multiplied times the average number of persons per household in the Charlestown/Clark County area. This estimate may be refined during the annexation process, especially if the issue of annexed population becomes an important factor in the consideration of the public interest. Due to the undeveloped land in the proposed annexation area, however, it is considered unlikely that the population density will reach 3.0 persons per acre.

The proportionate increase in population resulting from the proposed annexation will generate a projected impact on some municipal services which are offered primarily to the general public, as opposed to commercial business and industry. In the case of Charlestown, the cost of some municipal services is expected to increase in approximate proportion to the estimated increase in population resulting from the proposed annexation.

Annexed Streets & Roads

The annexation area is estimated to contain approximately 16.75 miles of streets and roads to the municipal thoroughfare system, with most of the newly incorporated roads currently being county highways. This includes approximately 4 miles of state highway, as well as approximately 3.3 miles of new roadways in new subdivisions. In addition, the annexation area contains a number of private roads, which are not under public jurisdiction, and which will not be included in the responsibility of the City after the annexation. The City of Charlestown has approximately 27 miles of local streets and roads in inventory; therefore, the projected fiscal impact of the proposed annexation on the street department is estimated to be in approximate mathematical proportion to the proportion of older streets added to the municipal thoroughfare system. This proportionate increase is computed in the summary table, below.

Zoning in the Proposed Annexation Area

The proposed annexation area currently resides within the two-mile fringe-zoning jurisdiction of the City of Charlestown. It is the intent of the City of Charlestown to control future growth of the undeveloped portions of the annexation area.

Contiguity

The proposed annexation area is greater than 12.5% contiguous with the corporate boundaries of the City of Charlestown.

Proportion of Subdivision

Less than 60% of the area proposed for annexation has been subdivided from larger parcels for the purpose of development, in accordance with local zoning and development standards applicable at the time of initial development.

Method of Financing

The extension of municipal services will be financed through the annual operating budget of the City of Charlestown, through the standard statutory process for setting the budget, including review by the Department of Local Government Finance (formerly known as the State Board of Tax Commissioners). The budgets for the years 2003 and thereafter will include financing for extending municipal services to the proposed annexation area.

Contact Person for Further Information

If anyone has additional questions regarding the proposed annexation, all available information is on file with the Mayor's office, located in City Hall. All property owners within the proposed annexation area will be provided a copy of a detailed summary of the Fiscal Plan at no cost to them via direct mail (certified). Any additional copies of the Fiscal Plan will be provided at a cost of \$5 per copy (cash, please) of the report. In addition, any property owner in the annexation area having questions directly related to the annexation may pose those questions in writing to the Mayor's office for formal response.

Plan for Extension of Services

The Fiscal Plan, below, will detail the municipal services projected to be extended to the annexation area and the method that these services will be woven into the responsibilities of the incorporated city. It is expected that the vast majority of the expanded service responsibilities of the City will be funded through the property tax revenues generated by the annexation.

IMPACT OF RE-ASSESSMENT & STATE LEGISLATION

The statewide re-assessment process is ongoing and will affect the taxable value of most real property in Indiana, as will the recent state legislation, which alters the property tax system of Indiana. The impact of the statewide re-assessment is expected to be different from one parcel to another, for a number of reasons. Therefore, it is impossible to make any generalized statement about the impact of re-assessment on the property within the annexation area. It is, however, appropriate to say that the proposed annexation will have no impact on the assessed value of any property with regard to re-assessment. The proposed annexation, will change the taxable status of the property within the annexation area by bringing that property into the municipal corporation and applying the city's property tax rate to the property. Therefore, the property tax burden on the property in the proposed annexation area will increase as a result of annexation, but the annexation will have no impact on re-assessment, per se.

With regard to recent state legislation altering the property tax system of the State, the major change is that a portion of the school budget, which was formerly paid through property taxes, will now be paid by the State. Theoretically, this would result in a reduction in the property tax rate of Indiana real estate; however, the impact remains to be accurately measured.

In both cases, the proposed annexation will have no impact on the operative parameters of the property tax system. With all other property tax parameters held constant, the annexation would result in an increase in property taxes on the annexed parcels. However, all other parameters are not being held constant, and therefore, it is difficult to predict the actual final impact of this combination of state and local actions will have on the individual property tax burdens of individual parcels within the annexation area.

IMPACT ON MUNICIPAL ADMINISTRATION

The projected impact of the proposed annexation on the departments involved in municipal administration is considered in the fiscal analysis as "overhead" for the continuing operations of municipal government. In Charlestown, these municipal departments include the Mayor, City Council, Clerk Treasurer, City Attorney, City Engineer, and other, similar departments.

The proposed annexation is expected to have a minor impact on the operation of the city administration. It is expected that the annexation will have a greater impact on those aspects of city administration that supervise direct delivery of municipal services, such as the building inspectors, city planners, and City Engineer. The annexation will likely have a lesser impact on offices like the Mayor, Clerk-Treasurer, City Council, etc., since the residents of the annexation area already have access to these elected officials, as well as their affiliated boards and all public meetings. Most of the increase in service demands from these latter entities will actually be accruing during the annexation process, long before any services are delivered, costs are incurred or revenues are received.

IMPACT ON POLICE DEPARTMENT

The projected fiscal impact of the annexation on the police department is projected to be moderate (approximately proportionate to the increase in population). The City normally considers the needs for new police resources on an annual basis as part of the budget negotiations, and any increase in the need for police resources (such as officers, equipment or office space) resulting from the impact of annexations such as this is accommodated through the annual budget process.

The City will face an interesting choice with regard to the additional police department services resulting from annexation. It is overly simplistic to state that additional population automatically requires additional police officers. However, it is accurate to state that additional territory, people and property to protect will require additional police work.

Therefore, the interesting choice facing the City of Charlestown will be whether to cover the cost of the additional police protection through the addition of new police personnel (full-time or part-time, civilian or officers) or through increases in police departmental efficiencies and salary increases. This decision can only be reached after discussion between local elected officials and their constituencies.

IMPACT ON THE FIRE PROTECTION SERVICES

Fire protection services are not provided by the City of Charlestown. Fire services to the annexation area are provided by one of two (2) fire districts which are separately established political subdivisions with their own jurisdictional boundaries that are funded through under separate tax levies.

IMPACT ON STREET DEPARTMENT

The projected impact of the proposed annexation on the municipal operation of the Street Department is estimated to be in direct proportion to the number of older miles of additional streets which will be added to the municipal thoroughfare system, as shown on the table below. The municipal street department will undertake responsibility for all public roadways in the annexation area, and will provide both capital and non-capital services to the annexation area. The proportion of older streets added to the City is estimated to be 30%.

The services of the municipal street department generally include minor street repairs (such as filling potholes, crack sealing, etc.), snow removal (during winter), and major (capital street repairs/reconstruction). A review of the public streets in the annexation area by the City Engineer indicates that the older streets in the annexation area are in generally the same condition as existing city streets, with some needing no repairs at this time and others needing only minor repairs. The roads also generally comply with the minimum roadway requirements of the City, however, when these roadways become scheduled for major reconstruction, the City will improve the roadway to modern standards, just as they would do for reconstruction of existing city streets.

STREET LIGHTS

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

The capital service of street lighting will be afforded to the annexation area in precisely the same manner as it is provided in the rest of the City.

IMPACT ON TRASH SERVICES

The residential parcels/owners in the annexation area will begin receiving municipal trash removal services within one year of the effective date of the annexation. Commercial and industrial parcels in the annexation area (if any) will not receive such services, because municipal service policies exclude these types of developments from this municipal service. The City of Charlestown charges a cost-based monthly service fee to the users of this service. Under current service policies, the city charges each residential customer a pro rata share of its cost for trash removal. Since the users each pay a share of this service cost, the proposed annexation will generate no direct fiscal impact on the City of Charlestown.

IMPACT ON MUNICIPAL PARKS

The proposed annexation does not include new park land. Since the annexation is voluntary, it is clear that the annexation area is not demanding new or improved parks as a condition of the annexation. For these reasons, it is preliminarily concluded that the proposed annexation will have no direct impact on the services of the Charlestown municipal parks system.

Indirectly, however, it is likely that the addition of new assessed value to the municipal tax base will result in an increase in parks funding of undetermined size, depending upon the results of the budget process and the expressed needs of the Parks Department.

IMPACT ON DRAINAGE SERVICES

The City does not provide drainage services. The construction of combined sewers has long been outlawed by federal environmental statutes; therefore, no combined sewer services will be extended into the annexation area. In newer developments, drainage parameters are made a part of the subdivision design, with stormwater retention provided onsite, therefore, as new developments are proposed for the undeveloped areas, these new developments will be required to provide drainage services for themselves.

IMPACT ON WATER & WASTEWATER SERVICES

The annexation area will be provided *access* to the City's water and wastewater services. Any extension of service to the annexation area will be at the expense of the developer.

The City of Charlestown will not require forced hook-ups to the wastewater system within the annexation area to those existing parcels that have working septic systems.

Fiscal Impact Analysis

The following table summarizes the City's 2002 budget and projects the cost of providing municipal services to the annexation area. The revenues associated with the annexation are projected to slightly exceed costs.

Projected Impact of Annexation (Based on 2002 city budget)			
Department (numbers are approximate)	%	2002 Budget	Tax Rate
			\$0.7671
ADMINISTRATION	23.53%	\$378,328	\$0.1805
PLANNING & BUILDING	1.37%	\$22,019	\$0.0105
POLICE	53.54%	\$860,711	\$0.4107
STREET DEPARTMENT	17.45%	\$280,536	\$0.1339
PARKS	4.10%	\$65,867	\$0.0315
Totals (approx. \$0.7671)	100.0%	\$1,607,461	\$0.7671
Annexed Population	906		
Existing Population (2000 Census)	5,993		
Impact on population	15.12%		
Annexed NAV (approximate)	\$36,211,220		
Existing City NAV (approximate)	\$105,975,840		
Impact on NAV	34.17%	Projected Revenue Increase	
Administration Budget (overhead)	15.12%	\$378,328	\$57,203
Impact on Planning & Building	15.12%	\$22,019	\$3,329
Impact on Police Department	15.12%	\$860,711	\$130,140
Impact on Street Department	30%	\$280,536	\$84,161
Subtotal of Direct Costs			\$274,833
Estimated Revenues (approximate)			\$277,776
Est. Net Cost Impact of Annexation			\$2,943

Indiana statute requires that the Fiscal Plan make reasonable estimates of the cost impact of the proposed annexation for purposes of determining the fiscal parameters of the decision. The above table is intended to provide a simple method of objectively estimating the fiscal impact of the proposed annexation on municipal services.

Estimated Assessed Value of Annexation Area

The City has performed substantial research regarding the assessed value of the annexation area at the offices of the County Assessor and Auditor. The annexation area was preliminarily estimated to contain roughly 501 parcels, containing approximately 2,495.8 acres. The total assessed value of the annexation area is preliminarily estimated to be \$36,211,220, based on the information available.

Focus on Property Tax Revenues

This Fiscal Plan will focus attention on the impact of the annexation on municipal property tax revenues. Of course, annexation has an impact on many municipal revenue streams, including state revenue distributions, however, the property tax revenue stream is both the largest revenue stream available to the City and the only revenue stream which is controlled locally. As such, the ability of the City to provide necessary municipal services – both inside the existing city and in the annexation area – will largely be determined by the ability of the City to draw upon property tax revenues to meet such needs.

State revenue distributions such as gasoline taxes (LRS), cigarette taxes, and alcohol taxes fluctuate based primarily on the fiscal parameters of the State budget. History has repeatedly shown that when the State is short of money, it is not uncommon to withhold funds from municipalities. Therefore, the only legitimate method of providing assurances that municipal services will be delivered to an annexation area is to base those assurances on revenue streams which are controlled by the same people who are required to deliver the services.

Provision of Municipal Services

Non-Capital services will be provided within one year of the effective date of the annexation action. Within the context of the City of Charlestown the non-capital services would include road maintenance by the Street Department and police protection by the Charlestown Police Department. Non-capital service costs will be paid through the annual revenues of the City, including property tax revenues and other municipal revenues, as appropriate.

Capital services will be provided within 3 years of the effective date of the annexation. At this time, capital services are already provided to the annexation area and no additional capital services are projected to be required by the annexation area. If capital services are later identified as necessary and appropriate under the municipal service policies of the municipality, such capital services will be covered through the issuance of some form of municipal debt.

ORDINANCE NO. 2002-0R-19

ADDITIONAL APPROPRIATION ORDINANCE

WHEREAS, It has been determined it is now necessary to appropriate more money than was appropriated in the annual budget, now, therefore:

Sec 1. Be it ordained by the Common Council of the City of Charlestown, Clark County, Indiana, that for the expense of the taxing unit the following additional, sums of money are hereby appropriated of the funds named and for the purpose specified, subject to the laws governing the same:

	AMOUNT REQUESTED	AMOUNT APPROPRIATED
FUND NAME: HOSPITAL 1999		
TWO POLICE REPLACEMENT VEHICLES	\$58,000.00	\$58,000.00
TOTAL APPROPRIATION:	\$58,000.00	\$58,000.00

Adopted this 16th day of Dec, 2002

AYE

NAY

Ed Baly

Jerry Pierce

Mr. A. J.

Bruce M. Betts

Attest:

Donna Coomer
Donna Coomer, Clerk-Treasurer