

**Warrick County, Indiana
2007 Pay 2008 Budget Order**

An analysis of the data with the 2007 Pay 2008 Budget Order for Warrick County shows that the budgets, levies and tax rates to be approved are in compliance with Indiana statutes.

Warrick County has no cross-county units.

Warrick County has no conservancy districts.

Changes in Local Tax Levies

Tax levy increases are made up of routine increases in controlled levies, increases in tax rate controlled levies and debt service levies. Controlled levies increase based on an annual growth factor or excess levy appeals. Tax rate controlled levies increase based on increases in assessed value applied to a specific tax rate (tax rates are adjusted downward to eliminate the effect of reassessment or trending).

The total net increase in tax levy for Pay 2008 on a county-wide basis was approximately \$2.5 million or 3.77%. Following are the levy changes that were greater than \$1 million or a 10% change over the previous year levy. The largest total dollar increase in levy was due to the Warrick County School Corporation (\$1,190,039) and the County unit (\$896,202).

Warrick County

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$9,099,282	\$9,320,025	\$220,743	2.43%
Election/Registration	176,655	274,776	98,121	55.54%
Children's Psychiatric Res Treatment	92,976	-0-	-92,976	-100.00%

Warrick County Welfare

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Welfare - Family and Children	\$576,453	\$1,230,103	\$653,650	113.39%

Total County levy increased by \$896,202 or 6.67%. Existing cash balances used in Children's Psych Treatment for 2008. Welfare levy increased due to need for 2008. Cash balances used in large part for 2007.

Hart Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Fire	\$12,520	\$-0-	-\$12,520	-100.00%
Township Assistance	3,951	10,420	6,469	163.73%

Total Township levy increased \$19,357 or 31.08%. Township received an excess levy appeal for Emergency Assistance in the amount of \$6,523, which is the entire levy increase. The fire department was consolidated in to a fire territory so the levy was eliminated.

Lynnville Civil Town

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Fire Territory General	\$-0-	\$86,373	\$86,373	-%
Fire Territory Equipment	-0-	20,903	20,903	-%

Total Town levy increase of \$98,245 or 208.50%. Fire protection territory was created in 2008. Town received appeals for fire territory and volunteer fire, each in the amount of \$76,464.

Warrick County School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$20,324,623	\$21,576,322	\$1,251,699	6.16%
Debt Service	6,406,068	5,869,347	-536,721	-8.38%
Bus Replacement	241,738	258,801	17,063	7.06%

Total School levy increase of \$1,190,039 or 2.80%.

No units in the County exceeded the working maximum levy. All units in the County levied up to or near their working maximum levy.

No units in the County exceeded the normal statutory growth rate for controlled fund levies.

Changes in Real Property Gross Assessed Values

Real Property Gross Assessed Values increases by property class are as follows.

<u>Class</u>	<u>% Increase</u>
Agriculture	18.19%
Mining	1.84%
Industrial	-0.16%
Commercial	1.16%
Residential	7.61%
Exempt	25.85%
Utility	1.06%

Changes in the proportion of Gross Assessed Value by Class can create a burden shift from one class to another. The proportion (mix) of values of real property by class (this can represent the relative tax burden by class, except that it does not include the impact of deductions or credits).

<u>Class</u>	<u>2007 Ratio</u>	<u>2008 Ratio</u>
Agriculture	4.28%	4.69%
Mining	0.10%	0.10%
Industrial	4.07%	3.77%
Commercial	9.76%	9.15%
Residential	76.69%	76.44%
Exempt	4.74%	5.53%
Utility	0.36%	0.34%

As can be seen from the analysis, a shift from residential, industrial, and commercial property to agricultural and exempt property occurred. This shift was approximately 1.20%.

Change in Net Tax Rates

Changes in net tax rate by district were as follows.

<u>District</u>	<u>Change in NAV</u>	<u>Change in Levy</u>	<u>Change in Gross Tax Rate</u>	<u>Change in Business Personal Property Net Tax Rate</u>	<u>Change in Real Estate and Other Personal Property Net Tax Rate</u>	<u>Change in Homestead Net Tax Rate</u>
ANDERSON TOWNSHIP	0.67%	2.74%	2.06%	4.28%	5.15%	-7.22%
BOON TOWNSHIP	9.76%	11.89%	1.94%	4.14%	5.06%	-7.61%
BOONVILLE CITY	-1.61%	1.45%	3.11%	4.45%	6.23%	-10.78%
CHANDLER TOWN-BOON TOWNSHIP	0.35%	3.60%	3.24%	5.24%	6.44%	-7.97%
CAMPBELL TOWNSHIP	7.35%	9.45%	1.96%	4.20%	5.09%	-7.47%
GREER TOWNSHIP	1.36%	3.71%	2.31%	4.44%	5.30%	-6.55%
ELBERFELD TOWN	0.00%	2.79%	2.79%	4.64%	4.99%	-3.66%
HART TOWNSHIP	-0.07%	12.42%	12.49%	16.91%	19.62%	9.83%
LYNNVILLE TOWN	0.42%	8.73%	8.28%	11.56%	14.24%	2.71%
LANE TOWNSHIP	5.37%	7.43%	1.96%	4.15%	5.10%	-7.68%
NEWBURGH TOWN	-0.48%	1.20%	1.68%	3.44%	4.32%	-9.36%
OWEN TOWNSHIP	3.24%	5.13%	1.83%	3.88%	4.37%	-9.07%
PIGEON TOWNSHIP	5.95%	7.93%	1.87%	3.99%	4.90%	-7.67%
SKELTON TOWNSHIP	5.41%	7.50%	1.98%	4.13%	5.05%	-7.59%
TENNYSON TOWN	-1.02%	1.55%	2.60%	4.41%	6.69%	-5.92%
OHIO TOWNSHIP	3.80%	2.76%	-1.01%	0.42%	0.65%	-11.49%
CHANDLER TOWN-OHIO TOWNSHIP	-4.16%	-1.69%	2.58%	4.41%	5.30%	-8.78%
Average	6.21%	3.77%	3.73%	6.35%	7.80%	-7.83%

Downward pressure on tax rates came from increases in Assessed Value due to trending and the increased Homestead Credit rate.

Some upward pressure on tax rates came from minimal increases in tax levies.

The estimated reduction in net homestead tax bills for Warrick County is 26.27%.

Assessment Status

The DLGF has prepared an analysis of assessed valuation change by property class based on a review of parcel data. The results of this analysis are summarized in the table below:

Percent of Parcels with Identified Assessed Valuation Change

Property Class	<u>Decrease</u>	<u>No Change</u>	<u>0 - 10% Increase</u>	<u>10 - 30% Increase</u>	<u>30 - 100% Increase</u>	<u>More Than Doubled</u>
Commercial	3.4%	41.0%	48.5%	1.9%	3.1%	2.0%
Industrial	4.7%	36.3%	48.6%	1.9%	3.8%	4.7%
Residential	4.6%	44.7%	37.5%	8.4%	2.1%	2.8%
Overall	3.6%	42.0%	30.6%	15.1%	6.5%	2.2%

TIF Neutralization Worksheets

The County has several Tax Increment Areas. A Tax Increment Financing (TIF) Neutralization Worksheet must be completed for each TIF District in order to calculate tax increment generated by real property growth rather than increases in assessed valuation due to reassessment or trending. The TIF Neutralization Worksheets were reviewed for both numerical accuracy and for logical analysis and completeness.