

**TOWN OF BEVERLY SHORES, TOWN OF PINES AND  
PINE TOWNSHIP, INDIANA**

**FINANCIAL ANALYSIS AND TAX IMPACT OF  
PROPOSED FIRE PROTECTION TERRITORY**

January 22, 2016

**PRELIMINARY DRAFT**

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**TOWN OF BEVERLY SHORES, TOWN OF PINES AND  
PINE TOWNSHIP, INDIANA**

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**TOWN OF BEVERLY SHORES, TOWN OF PINES AND  
PINE TOWNSHIP, INDIANA**

**PURPOSE OF THE REPORT**

Cender & Company, L.L.C. has performed a study and analysis of the operating and financial reports, budgets and other data pertaining to the proposed Fire Protection Territory (Territory) including the service area of the Town of Beverly Shores, Town of Pines and Pine Township. The results of our analysis are contained in the Financial Analysis and Tax Impact of Proposed Fire Protection Territory (Report) that is attached.

The purpose of this Report is to estimate the Territory's budget and estimated tax rate impact for the proposed fire territory. Currently, Indiana law requires a provider unit to establish a maximum levy when the territory is created; therefore, we have assumed the full implementation, in 2017 for the Fire Protection Territory General Fund as the maximum levy that would be needed and utilized in the tax impact calculations. The proposed Fire Protection Territory General Fund property tax rate is \$.2159 and the Fire Protection Territory Equipment Replacement Fund tax rate is to be \$.0300 per \$100 of assessed value. The proposed tax levies will be \$619,150 for the Fire Protection Territory General Fund and \$86,042 for the Fire Protection Territory Equipment Replacement Fund. We have shown the estimated reductions to Town's General Fund - Fire Services Department as a result of implementing the proposed Territory.

We have calculated the estimated circuit breaker credit impact to the proposed Territory, the Town and other affected taxing units as a result of creating the proposed Territory. These calculations were based on assessed values of the individual parcels for assessments in 2014 payable in 2015, the most recent available information.

In the course of preparing this Report, we have not conducted an audit of any financial or supplemental data used in the accompanying Exhibits and Schedules. We have made certain projections that may vary from actual results as events and circumstances frequently do not occur as estimated and such variances may be material.

**TOWN OF BEVERLY SHORES, TOWN OF PINES AND  
PINE TOWNSHIP, INDIANA**

**EXECUTIVE SUMMARY**

The following is an overview of the assumptions used for the proposed Fire Protection Territory (the "Territory") for the Town of Beverly Shores, Town of Pines and Pine Township:

- If approved by both Town Councils and Township Board, the proposed Fire Protection Territory becomes effective on July 1, 2016, but the initial budget and tax levy will not become effective until 2017.
- Proposed operating budget effective for 2017 of \$571,000, which includes no open positions for future consideration.
- Estimated property tax levy for the General Fund of the Territory is \$619,150 (after deducting miscellaneous revenue) and the property tax rate is estimated to be \$.2159 per \$100 of assessed value. The property tax levy for the General Fund is expected to be constant except for the normal annual maximum levy growth as determined by the Department of Local Government Finance for local units of government. See Exhibits E-1 and E-2 for calculation of estimated maximum levy increase and estimated property tax rates in 2017, 2018 and 2019.
- Estimated budget for the Equipment Replacement Fund for the Territory is \$91,205.
- Property tax levy for the Equipment Replacement Fund of the Territory is \$86,042 and the property tax rate is estimated to be \$.0300 per \$100 of assessed value. The Equipment Replacement Fund property tax rate is a fixed rate and we do not anticipate any increase in the property tax rate in future years.
- The projected reduction to the Town of Beverly Shore's General Fund tax levy as a result of establishing the Territory (since Fire Department budget is eliminated from the Town's General Fund) is estimated to be \$31,995 and the projected reduction in the tax rate is \$.0177. The net increase to the Town of Beverly Shores of \$.2282 per \$100 of assessed valuation in 2017, the first year of establishing the Fire Protection Territory.
- The projected reduction to the Town of Pines General Fund tax levy as a result of establishing the Territory (since Fire Department budget is eliminated from the Town's General Fund) is estimated to be \$11,494 and the projected reduction in the tax rate is \$.0557. The net increase to the Town of Pines of \$.1902 per \$100 of assessed valuation in 2017, the first year of establishing the Fire Protection Territory.
- It is estimated that the Territory's share of auto excise taxes, commercial vehicle excise taxes and financial institutions taxes will be approximately 6% of its proposed property tax levies. As a result of establishing the Territory property tax levies, Town's auto excise taxes, commercial vehicle excise taxes and financial institutions taxes will be reduced in a similar proportion (approximately 6% of fire related levies) related to the fire protection funds in its current miscellaneous revenues.
- There is no impact on the Town's and other civil unit's CEDIT funds as a result of the proposed Territory. CEDIT is distributed in Porter County based on population. There are no other local option income taxes besides CEDIT.

- The property tax rates for the Territory will be uniform for all Town of Beverly Shores, Town of Pines and Pine Township taxpayers at a projected total property tax rate of \$.2459, which includes the \$.0300 equipment replacement fund levy. The assumption is that all taxpayers in the Territory will pay the same tax rate for equal fire protection service. The estimate property tax rates for the Territory are expected to increase by \$.0050 and \$.0056 per \$100 of assessed value in 2018 and 2019 resulting from estimated increases in the maximum levy.
- The Territory does not have any current capital improvements anticipated in the proposed Territory. The Equipment Replacement Fund will be used to raise funds for vehicle and equipment purchases.
- The circuit breaker credits are projected to shift from the Town of Beverly Shores, Town of Pines and Pine Township and will be transferred to the Territory. The initial estimate of circuit breaker credits for the Territory is estimated to be \$15,743 (meaning \$15,743 less property taxes to be collected and received by the Territory).
- The projected reduction of the circuit breaker impact to the Town's General Fund is estimated to be \$1,287. The circuit breaker credit analysis is subject to actual property tax levies and property tax rates as certified by the Department of Local Government for 2017. See Exhibit H for the Estimate of Tax Impacts of the Circuit Breaker Credits to the affected taxing units as result of establishing the Territory.
- The projected net increase to a taxpayer with a gross assessed value of \$100,000 of \$68.00 in the Town of Beverly Shores, \$56.67 in the Town of Pines and \$54.29 for a taxpayer living in Pine Township in 2017. See Exhibits I-1 through I-3 for Property Tax Impact for Selected Homeowners as a Result of Establishing the Fire Protection Territory in 2017, 2018 and 2019.

**TOWN OF BEVERLY SHORES, TOWN OF PINES AND PINE TOWNSHIP**  
**Proposed Fire Protection Territory**

Detail of Fire Operating Expenditures - 2014

General Fund

	Town of Beverly <u>Shores</u>	Town of <u>Pines</u>	Pine <u>Township</u>	<u>Total</u>
Expenditures				
Clothing Allowance	\$ -	\$ -	\$ 9,000	\$ 9,000
Operating Supplies	-	-	6,626	6,626
Repair and Maintenance Supplies	-	-	5,743	5,743
Utilities	-	-	4,051	4,051
Insurance	-	-	11,680	11,680
Telephone and Internet	-	-	2,185	2,185
Fire Contract	33,000	21,960	-	54,960
Other Expenses	<u>-</u>	<u>-</u>	<u>2,480</u>	<u>2,480</u>
Subtotal	<u>33,000</u>	<u>21,960</u>	<u>41,765</u>	<u>96,725</u>
				-
Capital Outlays	<u>8,000</u>	<u>-</u>	<u>10,603</u>	<u>18,603</u>
				-
Total Expenditures	<u><u>\$ 41,000</u></u>	<u><u>\$ 21,960</u></u>	<u><u>\$ 52,369</u></u>	<u><u>\$ 115,329</u></u>

**TOWN OF BEVERLY SHORES, TOWN OF PINES AND PINE TOWNSHIP**  
**Proposed Fire Protection Territory**

Detail of Fire Operating Expenditures - 2015

	General Fund			
	Town of	Town of	Pine	
	Beverly	Pines	Township	Total
	<u>Shores</u>	<u>Pines</u>	<u>Township</u>	<u>Total</u>
Expenditures				
Clothing Allowance	\$ -	\$ -	\$ 9,000	\$ 9,000
Operating Supplies	-	-	913	913
Repair and Maintenance Supplies	-	-	3,825	3,825
Utilities	-	-	3,487	3,487
Insurance	-	-	11,938	11,938
Telephone and Internet	-	-	2,212	2,212
Professional Services	-	-	1,370	1,370
Fire Contract	33,000	21,960	-	54,960
Other Expenses	-	-	724	724
	<u>33,000</u>	<u>21,960</u>	<u>33,469</u>	<u>88,429</u>
Subtotal				-
Capital Outlays	8,000	-	10,787	18,787
	<u>8,000</u>	<u>-</u>	<u>10,787</u>	<u>18,787</u>
				-
Total Expenditures	<u>\$ 41,000</u>	<u>\$ 21,960</u>	<u>\$ 44,256</u>	<u>\$ 107,216</u>

**TOWN OF BEVERLY SHORES, TOWN OF PINES AND PINE TOWNSHIP**  
**Proposed Fire Protection Territory**

Detail of Fire Operating Budget - 2017  
 General Fund

	<u>Number of</u> <u>Positions</u>	2017 <u>Budget</u>
Expenditures		
3 Man Truck 24/7 365 Days		\$ 390,000
Administrator	1	40,000
Assistant Administrator	1	20,000
Overtime/Volunteers		25,000
Clothing Allowance		25,000
Operating Supplies		5,000
Repair and Maintenance Supplies		9,500
Utilities		16,000
Insurance		15,000
Telephone and Internet		1,000
Testing		10,000
Training		5,000
Other Expenses		<u>9,500</u>
Subtotal		<u>571,000</u>
Capital Outlays (1)		<u>-</u>
Total Operating Budget		<u><u>\$ 571,000</u></u>

(1) Capital outlays to be paid from the Equipment Replacement Fund.



**TOWN OF BEVERLY SHORES, TOWN OF PINES AND PINE TOWNSHIP**  
Proposed Fire Protection Territory

Estimated Tax Levy and Tax Rate for Proposed Fire Protection Territory  
for 2017 and 2018 (Years 1 and 2)

	<u>2017</u>	<u>2018</u>
Estimated Fire General Fund Operating Budget (Exhibit D)	\$ 571,000	\$ 571,000
Operating Balance (1)	<u>85,650</u>	<u>85,650</u>
Total Estimated Proforma General Fund Budget	656,650	656,650
Less Funding Sources (other than property tax):		
Estimated Revenues from EMS Services	-	-
Miscellaneous Revenue - Excise Taxes and Financial Instit. Taxes (2)	<u>(37,500)</u>	<u>(38,500)</u>
Estimated Fire General Fund Levy	619,150	618,150
Times: Estimated Allowed Maximum Levy Growth Percentage (3)	<u>N/A</u>	<u>2.50%</u>
Estimated Property Tax Levy Increase	<u>-</u>	<u>15,454</u>
Estimated Fire General Fund Levy After Max Levy Increase	619,150	633,604
Divided by Assessed Value 2015 Payable 2016 (4)	<u>286,807,856</u>	<u>286,807,856</u>
<b>Estimated Tax Rate for Fire General Fund</b>	<b>\$ 0.2159</b>	<b>\$ 0.2209</b>
<b>per \$100 of Assessed Value (Years 2017 and 2018)</b>		
Estimated Capital Budget - Equipment Replacement Fund	\$ 91,205	\$ 91,205
Less Funding Sources (other than property tax):		
Miscellaneous Revenue - Excise Taxes and Financial Instit. Taxes (2)	<u>(5,163)</u>	<u>(5,163)</u>
Estimated Equipment Replacement Fund Levy	86,042	86,042
Divided by Assessed Value 2015 Payable 2016 (4)	<u>286,807,856</u>	<u>286,807,856</u>
<b>Estimated Tax Rate for Equipment Replacement Fund</b>	<b>\$ 0.0300</b>	<b>\$ 0.0300</b>
<b>per \$100 of Assessed Value (Years 2017 and 2018)</b>		
<b>Total Estimated Tax Rate for Fire Territory</b>	<b>\$ 0.2459</b>	<b>\$ 0.2509</b>
<b>per \$100 of Assessed Value (Years 2017 and 2018)</b>		
<b>Estimated Increase in Property Tax Rate for Territory in 2018</b>		<b>\$ 0.0050</b>
<b>per \$100 of Assessed Value</b>		

- (1) Operating balance at 15% of Fire Territory General Fund Budget. This can be used for additional expenses, to offset the circuit breaker credits or for working capital.
- (2) Miscellaneous revenues include FIT, Auto Excise and CVET estimated at 6% of levy. Proposed Territory has no impact on the Town's or other taxing units CREDIT funds that are received. There are no other local option income taxes that will be impacted by the Territory.
- (3) Estimate allowed maximum levy increase to be 2.5% increase in 2017 and 2018. Actual percentage is determined by the DLGF.
- (4) The Fire Territory estimated assessed value is based on the 2015 pay 2016 certified assessed value as follows:

	<u>Assessed Value</u>	<u>Percentage</u>
Beverly Shores Civil Town	\$ 180,582,075	62.96%
Pines Civil Town	20,645,703	7.20%
Pine Township	<u>85,580,078</u>	<u>29.84%</u>
Total	<u>\$ 286,807,856</u>	<u>100.00%</u>

Assume that assessed values will be constant for years payable 2017, 2018 and 2019.

- (5) There are no planned capital improvements at this time other than equipment purchases.
- (6) There are no annual debt service payments for the proposed Territory.

**TOWN OF BEVERLY SHORES, TOWN OF PINES AND PINE TOWNSHIP**  
**Proposed Fire Protection Territory**

Estimated Tax Levy and Tax Rate for Proposed Fire Protection Territory  
for 2019 (Year 3)

Estimated Fire General Fund Operating Budget (Exhibit E-1)	\$ 571,000
Estimated Budget Increases in 2019	16,995
Operating Balance (1)	85,650
Total Estimated Proforma General Fund Budget	<u>673,645</u>
Less Funding Sources (other than property tax):	
Estimated Revenues from EMS Services	-
Miscellaneous Revenue - Excise Taxes and Financial Instit. Taxes (2)	<u>(40,000)</u>
Estimated Fire General Fund Levy	633,645
Times: Estimated Allowed Maximum Levy Growth Percentage (3)	<u>2.5%</u>
Estimated Property Tax Levy Increase for 2019 (Budget Increase)	<u>15,841</u>
Estimated Fire General Fund Levy After Max Levy Increase	<u>649,486</u>
Divided by Assessed Value 2015 Payable 2016 (4)	<u>286,807,856</u>
Estimated Tax Rate for Fire General Fund per \$100 of Assessed Value (Year 2019)	<u>\$ 0.2265</u>
Estimated Capital Budget - Equipment Replacement Fund	\$ 91,205
Less Funding Sources (other than property tax):	
Miscellaneous Revenue - Excise Taxes and Financial Instit. Taxes (2)	<u>(5,163)</u>
Estimated Equipment Replacement Fund Levy	86,042
Divided by Assessed Value 2015 Payable 2016 (4)	<u>286,807,856</u>
Estimated Tax Rate for Equipment Replacement Fund per \$100 of Assessed Value (Year 2019)	<u>\$ 0.0300</u>
<b>Total Estimated Tax Rate for Fire Protection Territory per \$100 of Assessed Value (Year 2019)</b>	<u><b>\$ 0.2565</b></u>
Total Estimated Tax Rate for Fire Protection Territory - 2018 (Exh. E-1)	<u>\$ 0.2509</u>
<b>Estimated Increase in Property Tax Rate for Territory in 2019 per \$100 of Assessed Value (Year 2019)</b>	<u><b>\$ 0.0056</b></u>

- (1) Operating balance at 15% of Fire Territory Operating Budget. This can be used for additional expenses, to offset the circuit breaker credits or for working capital.
- (2) Miscellaneous revenues include FIT, Auto Excise and CVET estimated at 6% of levy. Proposed Territory has no impact on the Town's or other taxing units CREDIT funds that are received. There are no other local option income taxes that will be impacted by the Territory.
- (3) Estimate allowed maximum levy increase to be 2.5% increase in 2019. Actual percentage is determined by the DLGF.
- (4) The Fire Territory estimated assessed value is based on the 2015 pay 2016 certified assessed value as follows:

	<u>Assessed Value</u>	<u>Percentage</u>
Beverly Shores Civil Town	\$ 180,582,075	62.96%
Pines Civil Town	20,645,703	7.20%
Pine Township	<u>85,580,078</u>	<u>29.84%</u>
Total	<u>\$ 286,807,856</u>	<u>100.00%</u>

Assume that assessed values will be constant for years payable 2017, 2018 and 2019.

- (5) There are no planned capital improvements at this time other than equipment purchases.
- (6) There are no annual debt service payments for the proposed Territory.

**TOWN OF BEVERLY SHORES, TOWN OF PINES AND PINE TOWNSHIP**  
**Proposed Fire Protection Territory**

Estimated Reduction to Town's General Fund Levy and Tax Rate in 2017

	Town of Beverly Shores	Town of Pines
<b>Calculation of Reduction to General Fund Levy</b>		
Pay 2016 General Fund Levy	\$ 307,351	\$ 85,969
Less EMS Revenue	-	-
Subtotal	307,351	85,969
Times: Percentage of Town's Fire Disbursements to Total General Fund Budget	10.41%	13.37%
Allocable Portion of General Fund to Fire Department	\$ 31,995	\$ 11,494
Proforma 2017 Reduction in General Fund Levy (1)	\$ 31,995	\$ 11,494
Divided by Assessed Value 2015 Payable 2016	180,582,075	20,645,703
Estimated Reduction in Tax Rate for Town's General Fund per \$100 of Assessed Value	\$ 0.0177	\$ 0.0557
<b>Portion of Fire Dept. Operating Budget to General Fund</b>		
Fire Operating Disbursements Applicable to the Town	41,000	21,960
Divided by Total General Fund Budget	393,915	164,197
Percentage of Town's Fire Disbursements to Total General Fund Budget	10.41%	13.37%

The Fire Territory estimated assessed value is based on the 2015 pay 2016 certified assessed value as follows:

	<u>Assessed Value</u>	<u>Percentage</u>
Beverly Shores Civil Town	\$ 180,582,075	62.96%
Pines Civil Town	20,645,703	7.20%
Pine Township	85,580,078	29.84%
Total	\$ 286,807,856	100.00%

- (1) The above uses 2016 Town's general fund budget and levy for determining portion of tax levy to be reduced in 2017 as a result of forming the proposed Territory. (See Exhibits G-1, G-2 and G-3) for summary of proforma property tax rates for Town of Beverly Shores, Town of Pines and Pine Township.
- (2) Estimated excise taxes and financial institutions taxes that the Town will lose in 2017 as a result of forming the Fire Protection Territory is approximately \$3,436.

Township Funds to be eliminated:

	2017 Proposed <u>Tax Levy</u>	2017 Current <u>Tax Rate</u>
Township Fire Fund	\$ 49,380	\$ 0.0577
Township Cumulative Fire Fund	7,873	0.0092
Total Township Fire Funds	\$ 57,253	\$ 0.0669

Note: Property tax rates for 2016 have not been certified by the DLGF. Tax rate impact is based on current property tax rates in effect for 2015 in Exhibits G-1, G-2 and G-3.

## TOWN OF BEVERLY SHORES, INDIANA

Property Tax Rates 2014 Pay 2015  
and Proforma Property Tax Rates -  
Beverly Shores (Pine Township)

	2014 Pay 2015		Proforma
	Tax Rate	Adjustments	2016 Pay 2017 Tax Rate
<u>County</u>			
General	\$ 0.3703	\$ -	\$ 0.3703
Reassessment	0.0046	-	0.0046
Cumulative Bridge	0.0050	-	0.0050
Health	0.0127	-	0.0127
Jail Lease Rental	0.0337	-	0.0337
Cumulative Capital Development	0.0233	-	0.0233
<b>Total County</b>	<b>\$ 0.4496</b>	<b>\$ -</b>	<b>\$ 0.4496</b>
<u>Township</u>			
General	\$ 0.0176	\$ -	\$ 0.0176
Township Assistance	0.0024	-	0.0024
<b>Total Township</b>	<b>\$ 0.0200</b>	<b>\$ -</b>	<b>\$ 0.0200</b>
<u>Corporation</u>			
General	\$ 0.1601	\$ (0.0177) (1)	\$ 0.1424
Motor Vehicle Highway	0.0429	-	0.0429
Debt Service	0.2404	-	0.2404
Cumulative Capital Development	0.0372	-	0.0372
<b>Total Corporation</b>	<b>\$ 0.4806</b>	<b>\$ (0.0177)</b>	<b>\$ 0.4629</b>
<u>School</u>			
Debt Service	\$ 0.5789	\$ -	\$ 0.5789
School Pension Debt	0.0710	-	0.0710
Capital Projects	0.2232	-	0.2232
Transportation	0.1333	-	0.1333
<b>Total School</b>	<b>\$ 1.0064</b>	<b>\$ -</b>	<b>\$ 1.0064</b>
<u>Library</u>			
General	\$ 0.0681	\$ -	\$ 0.0681
Bond	0.0049	-	0.0049
<b>Total Library</b>	<b>\$ 0.0730</b>	<b>\$ -</b>	<b>\$ 0.0730</b>
<u>Special Districts</u>			
Fire Protection Territory General Fund	\$ -	\$ 0.2159 (2)	\$ 0.2159
Fire Protection Territory Equipment Replacement	-	0.0300 (2)	0.0300
Special Airport General	0.0062	-	0.0062
Special Airport Cumulative Building	0.0019	-	0.0019
<b>Total Special Districts</b>	<b>\$ 0.0081</b>	<b>\$ 0.2459</b>	<b>\$ 0.2540</b>
<b>Total Gross Tax Rate</b>	<b>\$ 2.0377</b>	<b>\$ 0.2282</b>	<b>\$ 2.2659</b>

Note: Using most recent certified property tax rates from 2015 in the above analysis, as 2016 property tax rates have not been certified at the date of this report.

(1) See Exhibit F for reduction in Town's general fund property tax rate.

(2) See Exhibit E-1 for calculation of proposed Fire Protection Territory property tax rates for 2016.

## TOWN OF PINES, INDIANA

**Property Tax Rates 2014 Pay 2015  
and Proforma Property Tax Rates -  
Pines (Pine Township)**

	<b>2014 Pay 2015</b>		<b>Proforma</b>
	<b>Tax Rate</b>	<b>Adjustments</b>	<b>2016 Pay 2017</b>
<u>County</u>			<b>Tax Rate</b>
General	\$ 0.3703	\$ -	\$ 0.3703
Reassessment	0.0046	-	0.0046
Cumulative Bridge	0.0050	-	0.0050
Health	0.0127	-	0.0127
Jail Lease Rental	0.0337	-	0.0337
Cumulative Capital Development	0.0233	-	0.0233
<b>Total County</b>	<b>\$ 0.4496</b>	<b>\$ -</b>	<b>\$ 0.4496</b>
<u>Township</u>			
General	\$ 0.0176	\$ -	\$ 0.0176
Township Assistance	0.0024	-	0.0024
<b>Total Township</b>	<b>\$ 0.0200</b>	<b>\$ -</b>	<b>\$ 0.0200</b>
<u>Corporation</u>			
General	\$ 0.3258	\$ (0.0557) (1)	\$ 0.2701
Motor Vehicle Highway	0.1912	-	0.1912
<b>Total Corporation</b>	<b>\$ 0.5170</b>	<b>\$ (0.0557)</b>	<b>\$ 0.4613</b>
<u>School</u>			
Debt Service	\$ 0.5789	\$ -	\$ 0.5789
School Pension Debt	0.0710	-	0.0710
Capital Projects	0.2232	-	0.2232
Transportation	0.1333	-	0.1333
<b>Total School</b>	<b>\$ 1.0064</b>	<b>\$ -</b>	<b>\$ 1.0064</b>
<u>Library</u>			
General	\$ 0.0681	\$ -	\$ 0.0681
Bond	0.0049	-	0.0049
<b>Total Library</b>	<b>\$ 0.0730</b>	<b>\$ -</b>	<b>\$ 0.0730</b>
<u>Special Districts</u>			
Fire Protection Territory General Fund	\$ -	\$ 0.2159 (2)	\$ 0.2159
Fire Protection Territory Equipment Replacement	-	0.0300 (2)	0.0300
Special Airport General	0.0062	-	0.0062
Special Airport Cumulative Building	0.0019	-	0.0019
<b>Total Special Districts</b>	<b>\$ 0.0081</b>	<b>\$ 0.2459</b>	<b>\$ 0.2540</b>
<b>Total Gross Tax Rate</b>	<b>\$ 2.0741</b>	<b>\$ 0.1902</b>	<b>\$ 2.2643</b>

Note: Using most recent certified property tax rates from 2015 in the above analysis, as 2016 property tax rates have not been certified at the date of this report.

(1) See Exhibit F for reduction in Town's general fund property tax rate.

(2) See Exhibit E-1 for calculation of proposed Fire Protection Territory property tax rates for 2016.

## PINE TOWNSHIP, INDIANA

**Property Tax Rates 2014 Pay 2015  
and Proforma Property Tax Rates -  
Pine Township**

	2014 Pay 2015		Proforma 2016 Pay 2017	
	<u>Tax Rate</u>	<u>Adjustments</u>	<u>Tax Rate</u>	
<u>County</u>				
General	\$ 0.3703	\$ -	\$ 0.3703	
Reassessment	0.0046	-	0.0046	
Cumulative Bridge	0.0050	-	0.0050	
Health	0.0127	-	0.0127	
Jail Lease Rental	0.0337	-	0.0337	
Cumulative Capital Development	0.0233	-	0.0233	
<b>Total County</b>	<b>\$ 0.4496</b>	<b>\$ -</b>	<b>\$ 0.4496</b>	
<u>Township</u>				
General	\$ 0.0176	\$ -	\$ 0.0176	
Township Assistance	0.0024	-	0.0024	
Township Fire	0.0545	(0.0545) (1)	-	
Township Cumulative Fire	0.0092	(0.0092) (1)	-	
<b>Total Township</b>	<b>\$ 0.0837</b>	<b>\$ (0.0637)</b>	<b>\$ 0.0200</b>	
<u>Corporation</u>				
General	\$ -	\$ -	\$ -	
Motor Vehicle Highway	-	-	-	
<b>Total Corporation</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<u>School</u>				
Debt Service	\$ 0.5789	\$ -	\$ 0.5789	
School Pension Debt	0.0710	-	0.0710	
Capital Projects	0.2232	-	0.2232	
Transportation	0.1333	-	0.1333	
<b>Total School</b>	<b>\$ 1.0064</b>	<b>\$ -</b>	<b>\$ 1.0064</b>	
<u>Library</u>				
General	\$ 0.0681	\$ -	\$ 0.0681	
Bond	0.0049	-	0.0049	
<b>Total Library</b>	<b>\$ 0.0730</b>	<b>\$ -</b>	<b>\$ 0.0730</b>	
<u>Special Districts</u>				
Fire Protection Territory General Fund	\$ -	\$ 0.2159 (2)	\$ 0.2159	
Fire Protection Territory Equipment Replacement	-	0.0300 (2)	0.0300	
Special Airport General	0.0062	-	0.0062	
Special Airport Cumulative Building	0.0019	-	0.0019	
<b>Total Special Districts</b>	<b>\$ 0.0081</b>	<b>\$ 0.2459</b>	<b>\$ 0.2540</b>	
<b>Total Gross Tax Rate</b>	<b>\$ 1.6208</b>	<b>\$ 0.1822</b>	<b>\$ 1.8030</b>	

Note: Using most recent certified property tax rates from 2015 in the above analysis, as 2016 property tax rates have not been certified at the date of this report.

(1) Reduction in Township's fire and cumulative fire funds property tax rates.

(2) See Exhibit E-1 for calculation of proposed Fire Protection Territory property tax rates for 2016.

TOWN OF BEVERLY SHORES, TOWN OF PINES AND PINE TOWNSHIP  
Proposed Fire Protection Territory

Estimate of Tax Impact of Circuit Breaker Credits  
With and Without Proposed Fire Protection Territory  
For Taxes Payable in 2016

Tax Impact of Circuit Breaker With Proposed Fire Protection Territory													
Taxing Unit	Land	Improvements	Total Value of Real Estate	Exemptions/ Deductions	Net Value of Real Estate	County	Township	Corporation	School	Library	Special Unit	Fire Protection Territory	Total
Beverly Shores - Pine Township	\$ 86,026,700	\$ 144,146,500	\$ 230,173,200	\$ 45,082,023	\$ 185,091,177	\$ 29,071	\$ 1,293	\$ 29,931	\$ 65,074	\$ 4,720	\$ 524	\$ 14,995	\$ 145,609
Town of Pines - Pine Township	7,571,800	25,897,100	33,468,900	14,019,414	19,449,486	1,148	51	1,177	2,569	186	21	592	5,744
Pine Township	26,930,900	43,272,800	70,203,700	24,556,049	45,647,651	303	13	-	679	49	5	156	1,207
Total	\$ 120,529,400	\$ 213,316,400	\$ 333,845,800	\$ 83,657,486	\$ 250,188,314	\$ 30,522	\$ 1,358	\$ 31,109	\$ 68,322	\$ 4,956	\$ 550	\$ 15,743	\$ 152,560

Tax Impact of Circuit Breakers Without the Proposed Fire Protection Territory													
Taxing Unit	Land	Improvements	Total Value of Real Estate	Exemptions/ Deductions	Net Value of Real Estate	County	Township	Corporation	School	Library	Special Unit	Fire Protection Territory	Total
Beverly Shores - Pine Township	\$ 86,026,700	\$ 144,146,500	\$ 230,173,200	\$ 45,082,023	\$ 185,091,177	\$ 29,071	\$ 1,293	\$ 31,076	\$ 65,074	\$ 4,720	\$ 524	-	\$ 131,758
Town of Pines - Pine Township	7,571,800	25,897,100	33,468,900	14,019,414	19,449,486	1,148	51	1,320	2,569	186	21	-	5,294
Pine Township	26,930,900	43,272,800	70,203,700	24,556,049	45,647,651	303	56	-	679	49	5	-	1,094
Total	\$ 120,529,400	\$ 213,316,400	\$ 333,845,800	\$ 83,657,486	\$ 250,188,314	\$ 30,522	\$ 1,401	\$ 32,395	\$ 68,322	\$ 4,956	\$ 550	\$ -	\$ 138,146
Difference						\$ -	\$ (43)	\$ (1,287)	\$ -	\$ -	\$ -	\$ 15,743	\$ 14,413

Note: The Circuit Breaker Tax Credits are presented only for real property, as personal property tax rates for commercial property are below the 3% tax cap.

The above analysis is on a preliminary basis, as assessed values, tax levies and tax rates for 2016 have not been certified. The above information is subject to change upon receiving the certified data. Changes in the taxing units' assessed values and tax rates in future years will have an impact on the Circuit Breaker Tax Credits. It is not known whether those changes in assessed values and property tax rates will have on the Circuit Breaker Tax Credits in future years at this time.

**TOWN OF BEVERLY SHORES, TOWN OF PINES AND PINE TOWNSHIP**  
Proposed Fire Protection Territory

Property Tax Impact for Selected Homeowners  
as a Result of Establishing Fire Protection Territory in 2017  
First Year of Fire Protection Territory

**Beverly Shores - Pine Township**

Market AV	Deductions	Net AV	Net Change in Property Tax Rate		Net Change in Annual Property Taxes (2)
\$ 100,000	\$ 67,250	\$ 32,750	\$ 0.2282	(1)	\$ 68.00
150,000	84,750	65,250	0.2282	(1)	135.47
175,000	93,500	81,500	0.2282	(1)	169.20
200,000	102,250	97,750	0.2282	(1)	n/a (3)
250,000	119,750	130,250	0.2282	(1)	n/a (3)
300,000	137,250	162,750	0.2282	(1)	n/a (3)

**Town of Pines - Pine Township**

Market AV	Deductions	Net AV	Net Change in Property Tax Rate		Net Change in Annual Property Taxes (3)
\$ 100,000	\$ 67,250	\$ 32,750	\$ 0.1902	(1)	\$ 56.67
150,000	84,750	65,250	\$ 0.1902	(1)	112.91
175,000	93,500	81,500	\$ 0.1902	(1)	141.03
200,000	102,250	97,750	\$ 0.1902	(1)	n/a (3)
250,000	119,750	130,250	\$ 0.1902	(1)	n/a (3)
300,000	137,250	162,750	\$ 0.1902	(1)	n/a (3)

**Pine Township**

Market AV	Deductions	Net AV	Net Change in Property Tax Rate		Net Change in Annual Property Taxes (3)
\$ 100,000	\$ 67,250	\$ 32,750	\$ 0.1822	(1)	\$ 54.29
150,000	84,750	65,250	\$ 0.1822	(1)	108.17
175,000	93,500	81,500	\$ 0.1822	(1)	135.10
200,000	102,250	97,750	\$ 0.1822	(1)	162.03
250,000	119,750	130,250	\$ 0.1822	(1)	215.91
300,000	137,250	162,750	\$ 0.1822	(1)	269.78

- (1) See Exhibit G-1, G-2 and G-3 for estimated change in property tax rates in Town of Beverly Shores, Town of Pines and Pine Township.
- (2) Net of Porter County homestead property tax credit (9.02%)
- (3) Properties with a market value of \$200,000 and above do not receive any property tax savings or increased cost as a result of the Territory as those properties are at the level where the circuit breaker credits limit the property tax bill. In other words these property owners have already benefited in property tax reduction by the circuit breakers.



**TOWN OF BEVERLY SHORES, TOWN OF PINES AND PINE TOWNSHIP**  
**Proposed Fire Protection Territory**

Property Tax Impact for Selected Homeowners  
as a Result of Establishing Fire Protection Territory in 2018  
Second Year of Fire Protection Territory

**Beverly Shores - Pine Township**

Market		Net	Net	Net	Net
<u>AV</u>	<u>Deductions</u>	<u>AV</u>	Change in	Change in	Change in
			Property	Property	Annual
			Tax Rate	Tax Rate	Property
					Taxes (2)
\$ 100,000	\$ 67,250	\$ 32,750	\$ 0.0050	(1)	\$ 1.49
150,000	84,750	65,250	0.0050	(1)	2.97
175,000	93,500	81,500	0.0050	(1)	3.71
200,000	102,250	97,750	0.0050	(1)	n/a (3)
250,000	119,750	130,250	0.0050	(1)	n/a (3)
300,000	137,250	162,750	0.0050	(1)	n/a (3)

**Town of Pines - Pine Township**

Market		Net	Net	Net	Net
<u>AV</u>	<u>Deductions</u>	<u>AV</u>	Change in	Change in	Change in
			Property	Property	Annual
			Tax Rate	Tax Rate	Property
					Taxes (2)
\$ 100,000	\$ 67,250	\$ 32,750	0.0050	(1)	\$ 1.49
150,000	84,750	65,250	0.0050	(1)	2.97
175,000	93,500	81,500	0.0050	(1)	3.71
200,000	102,250	97,750	0.0050	(1)	n/a (3)
250,000	119,750	130,250	0.0050	(1)	n/a (3)
300,000	137,250	162,750	0.0050	(1)	n/a (3)

**Pine Township**

Market		Net	Net	Net	Net
<u>AV</u>	<u>Deductions</u>	<u>AV</u>	Change in	Change in	Change in
			Property	Property	Annual
			Tax Rate	Tax Rate	Property
					Taxes (2)
\$ 100,000	\$ 67,250	\$ 32,750	\$ 0.0050	(1)	\$ 1.49
150,000	84,750	65,250	0.0050	(1)	2.97
175,000	93,500	81,500	0.0050	(1)	3.71
200,000	102,250	97,750	0.0050	(1)	4.45
250,000	119,750	130,250	0.0050	(1)	5.92
300,000	137,250	162,750	0.0050	(1)	7.41

- (1) See Exhibit E-1 for estimated change in property tax rates in Town of Beverly Shores, Town of Pines and Pine Township.
- (2) Net of Porter County homestead property tax credit (9.02%)
- (3) Properties with a market value of \$200,000 and above do not receive any property tax savings or increased cost as a result of the Territory as those properties are at the level where the circuit breaker credits limit the property tax bill. In other words these property owners have already benefited in property tax reduction by the circuit breakers.

**TOWN OF BEVERLY SHORES, TOWN OF PINES AND PINE TOWNSHIP**  
Proposed Fire Protection Territory

Property Tax Impact for Selected Homeowners  
as a Result of Establishing Fire Protection Territory in 2019  
Third Year of Fire Protection Territory

**Beverly Shores - Pine Township**

Market AV	Deductions	Net AV	Net Change in Property Tax Rate	Net Change in Annual Property Taxes (2)
\$ 100,000	\$ 67,250	\$ 32,750	\$ 0.0056 (1)	\$ 1.66
150,000	84,750	65,250	0.0056 (1)	3.29
175,000	93,500	81,500	0.0056 (1)	4.12
200,000	102,250	97,750	0.0056 (1)	n/a (3)
250,000	119,750	130,250	0.0056 (1)	n/a (3)
300,000	137,250	162,750	0.0056 (1)	n/a (3)

**Town of Pines - Pine Township**

Market AV	Deductions	Net AV	Net Change in Property Tax Rate	Net Change in Annual Property Taxes (3)
\$ 100,000	\$ 67,250	\$ 32,750	0.0056 (1)	\$ 1.66
150,000	84,750	65,250	0.0056 (1)	3.29
175,000	93,500	81,500	0.0056 (1)	4.12
200,000	102,250	97,750	0.0056 (1)	n/a (3)
250,000	119,750	130,250	0.0056 (1)	n/a (3)
300,000	137,250	162,750	0.0056 (1)	n/a (3)

**Pine Township**

Market AV	Deductions	Net AV	Net Change in Property Tax Rate	Net Change in Annual Property Taxes (3)
\$ 100,000	\$ 67,250	\$ 32,750	\$ 0.0056 (1)	\$ 1.66
150,000	84,750	65,250	0.0056 (1)	3.29
175,000	93,500	81,500	0.0056 (1)	4.12
200,000	102,250	97,750	0.0056 (1)	4.94
250,000	119,750	130,250	0.0056 (1)	6.58
300,000	137,250	162,750	0.0056 (1)	8.22

- (1) See Exhibit E-2 for estimated change in property tax rates in Town of Beverly Shores and Town of Pines.
- (2) Net of Porter County homestead property tax credit (9.02%)
- (3) Properties with a market value of \$200,000 and above do not receive any property tax savings or increased cost as a result of the Territory as those properties are at the level where the circuit breaker credits limit the property tax bill. In other words these property owners have already benefited in property tax reduction by the circuit breakers.

**TOWN OF BEVERLY SHORES, TOWN OF PINES AND PINE TOWNSHIP**  
Proposed Fire Protection Territory

Annual Property Tax Calculations for Selected Homeowners  
Including the Proposed Fire Protection Territory  
Using Actual 2015 Property Tax Rates Plus Fire Protection Territory Rates for 2017

**Beverly Shores - Pine Township**

(Exhibit F-1)					Property Taxes at	Property Tax
Market		Net	Property	Property	Circuit	Savings
<u>AV</u>	<u>Deductions</u>	<u>AV</u>	<u>Tax Rate</u>	<u>Taxes (2)</u>	<u>Breaker (1%)</u>	<u>Tax Caps</u>
\$ 100,000	\$ 67,250	\$ 32,750	\$ 2.2659 (1)	\$ 675.14	\$ 1,000.00	\$ (324.86)
150,000	84,750	65,250	2.2659 (1)	1,345.12	1,500.00	(154.88)
175,000	93,500	81,500	2.2659 (1)	1,680.11	1,750.00	(69.89)
200,000	102,250	97,750	2.2659 (1)	2,015.10	2,000.00	15.10
250,000	119,750	130,250	2.2659 (1)	2,685.08	2,500.00	185.08
300,000	137,250	162,750	2.2659 (1)	3,355.06	3,000.00	355.06

**Town of Pines - Pine Township**

Market			(Exhibit F-2)			Property Taxes at Circuit Breaker (1%)	Tax Savings From Tax Caps
<u>AV</u>	<u>Deductions</u>	<u>Net AV</u>	<u>Property Tax Rate</u>		<u>Property Taxes (2)</u>		
\$ 100,000	\$ 67,250	\$ 32,750	\$ 2.2643	(1)	\$ 674.68	\$ 1,000.00	\$ (325.32)
150,000	84,750	65,250	2.2643	(1)	1,344.19	1,500.00	(155.81)
175,000	93,500	81,500	2.2643	(1)	1,678.96	1,750.00	(71.04)
200,000	102,250	97,750	2.2643	(1)	2,013.72	2,000.00	13.72
250,000	119,750	130,250	2.2643	(1)	2,683.24	2,500.00	183.24
300,000	137,250	162,750	2.2643	(1)	3,352.76	3,000.00	352.76

**Pine Township**

Market		Net	(Exhibit F-3)		Property	Property	Property	Tax
<u>AV</u>	<u>Deductions</u>	<u>AV</u>	Property		Taxes (2)	Taxes at	Savings	
			Tax Rate			Circuit	From	
						Breaker (1%)	Tax Caps	
\$ 100,000	\$ 67,250	\$ 32,750	\$ 1.8030	(1)	\$ 537.21	\$ 1,000.00	\$ (462.79)	
150,000	84,750	65,250	1.8030	(1)	1,070.34	1,500.00	(429.66)	
175,000	93,500	81,500	1.8030	(1)	1,336.90	1,750.00	(413.10)	
200,000	102,250	97,750	1.8030	(1)	1,603.45	2,000.00	(396.55)	
250,000	119,750	130,250	1.8030	(1)	2,136.57	2,500.00	(363.43)	
300,000	137,250	162,750	1.8030	(1)	2,669.68	3,000.00	(330.32)	

- (1) See Exhibit G-1, G-2 and G-3 for estimated change in property tax rates in Town of Beverly Shores, Town of Pines and Pine Township.
- (2) Net of Porter County homestead property tax credit of 9.02%.