

Vanderburgh County, Indiana
2007 Pay 2008 Budget Order

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

Vanderburgh County has no cross-county units.

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 decrease in tax levy for Pay 2008 on a county-wide basis was approximately \$1,643,569, or 0.73%. The largest total dollar increases in levy were due to Evansville Civil City (\$385,654) and the Evansville-Vanderburgh Public Library (\$211,149). The largest total dollar decreases in levy were due to Vanderburgh County (\$1,453,656) and the Evansville-Vanderburgh School Corporation (\$897,069). Following are the levy changes that were greater than a 10% change over the previous year levy.

1. The Vanderburgh County taxing unit, including all funds, decreased its levy by \$1,453,656 or 2.67% over the prior year. Funds with significant decreases included the Welfare Family and Children Fund levy, which decreased \$3,299,477 (32.47%) and the Health Fund, which decreased \$260,379 or 10.21%. The County received a shortfall levy appeal in the amount of \$643,499.
2. Center Township had a total levy increase of \$75,078 or 9.27%. This increase was mainly due to an excess levy appeal in the Fire Fund in the amount of \$59,047. The levy increase in the Fire Fund was \$60,257 (34.93%).
3. Knight Township decreased its total levy by \$55,569 (11.20%). The majority of the levy decrease was for the Fire Fund by \$49,365 or 37.34%.
4. Pigeon Township increased its total levy by \$98,500 or 9.84%. This was entirely due to the increase in the Township Assistance Fund \$114,571 (12.88%).
5. Scott Township experienced a total levy decrease of \$41,421 or 7.47%. This decrease is mainly due to the decrease in the Park Bond Fund levy in the amount of \$69,774 (66.65%).
6. Jackson Township's General Fund levy increased \$1,329 or 21.56% while the total Township Assistance Fund levy decreased \$681 for a 14.70% rate. The total levy increased \$648 (6.00%).
7. Evansville Civil City had several funds with both significant increases and decreases in their levies. The increase was in the General Fund levy of \$1,885,804 or 4.58%. Offsetting reductions include the Police and Fire Pension levies, each of which decreased by over \$400,000 (12.00%) and the Park Bond levy, which experienced a 10.78% or \$122,969 decrease. Overall, the total levy increase for the City was \$385,654 or 0.68%. The City received a shortfall levy appeal in the amount of \$1,325,760.
8. The Evansville-Vanderburgh School Corporation saw a total levy decrease of \$897,069 or 0.93%. The Capital Projects Fund levy increased by \$2,707,659 or 17.55%, which was more than offset by the decreases in the Bus Replacement Fund levy (\$226,936 or 56.83%), the General Fund levy (\$1,976,159 or 3.38%), and the Debt Service Fund levy (\$1,708,765 or 31.48%).

No units in the County exceeded the working maximum levy. All units in the County levied up to the working maximum levy. No rate controlled funds had tax rates that exceeded their rate caps.

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	2.83%
Industrial	-6.80%
Commercial	7.04%
Residential	1.25%
Utilities	26.22%

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	54.65%	54.80%
Industrial	3.41%	3.10%
Commercial	11.41%	11.91%
Residential	30.39%	30.01%
Utilities	0.15%	0.19%

As can be seen from the analysis, a shift from Residential and Industrial to Commercial and Agricultural has occurred. This shift was approximately 0.65%, with 0.50% of the shift going toward Commercial.

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 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>
Armstrong Township	-5.74%	-1.85%	0.07%	1.69%	0.32%
Darmstadt Town – Armstrong	9.91%	-2.64%	-0.92%	0.80%	-0.59%
Center Township	1.38%	-1.93%	-0.02%	1.63%	0.27%
Evansville City – Center Twp.	5.38%	-1.39%	-0.09%	1.92%	0.47%
Darmstadt Town – Center Twp.	16.09%	-2.61%	-2.61%	0.80%	-0.58%
German Township	0.46%	-2.10%	-0.22%	1.41%	0.01%
Darmstadt Town – German Twp	-2.16%	-2.64%	-0.93%	0.80%	-0.59%
Perry Township	1.60%	-2.12%	-0.24%	1.39%	-0.01%
Evansville City – Perry Twp.	0.06%	-1.38%	-0.08%	1.94%	0.49%
Knight Township	-18.77%	-2.45%	-0.65%	1.01%	-0.32%
Evansville City – Knight Twp.	2.14%	-1.38%	-0.08%	1.93%	0.48%
Pigeon Township	-50.15%	1.62%	4.13%	5.68%	3.85%
Evansville City – Pigeon Twp.	-2.23%	-1.04%	-0.27%	2.30%	0.81%

Scott Township	10.26%	-2.82%	-1.13%	0.36%	-1.11%
Darmstadt Town – Scott Twp.	17.61%	-3.11%	-1.51%	0.10%	-1.39%
Union Township	-7.22%	-1.37%	0.59%	2.36%	1.08%
Average	-1.34%	-1.83%	-0.21%	1.63%	0.20%

Upward pressure on tax rates came from decreases in Assessed Value due to trending.

Downward pressure on tax rates came from the increased Homestead Credit rate, as well as decreases in tax levies.

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:

Property Class	Percent of Parcels with Identified Assessed Valuation Change				
	<u>Decrease</u>	<u>No Change</u>	<u>0 – 30% Increase</u>	<u>30 – 100% Increase</u>	<u>More Than Doubled</u>
Commercial	8.8%	30.6%	50.9%	6.1%	3.6%
Industrial	54.8%	27.9%	12.7%	2.7%	1.8%
Residential	15.4%	44.2%	37.5%	6.7%	1.1%
Agricultural	14.8%	3.8%	67.7%	13.2%	0.5%
Utilities	12.2%	41.5%	1.6%	7.3%	37.4%
Overall	15.2%	42.4%	38.3%	2.7%	1.3%