

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

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

Noble County has four cross-county units, and is the minor county for each. Lakeland Schools and Wolcottville Civil Town both cross in from LaGrange County. Smith-Green Schools crosses in from Whitley County and the N.E. IN Solid Waste District originates in Steuben County.

Noble County has one conservancy district, Rome City Conservancy District. A Conservancy District is a special taxing district created to provide flood control, irrigation, potable water or wastewater service within a specified area. The cost of providing these services are charged to landowners in the form of a special assessment based on the benefit provided. These special assessments are added to the property tax bill of each landowner and collected along with property taxes. Since the benefit derived may not relate to the assessed value of the property, these assessments are normally expressed in terms of dollars of assessment and not as a tax rate per \$100 of net assessed value. Therefore, the Conservancy District special assessment has not been included in this analysis.

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 \$2.8 million or 5.51%. Following are the levy changes that were greater than \$1 million or a 10% change over the previous year levy. The largest total dollar increases in levies were due to the East Noble School Corporation (\$1,333,648) and the West Noble School Corp. (\$859,564).

Noble County

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$5,103,693	\$5,258,549	\$154,856	3.03%
Children's Psychiatric Res Treatment	53,700	81,739	28,039	52.21%

Noble 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	\$1,198,595	\$1,112,560	-\$86,035	-7.18%

Total County levy increased by \$101,143 or 1.22%.

Sparta Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Fire Equipment Debt	\$70,110	\$16,197	-\$53,913	-76.90%

Total Township levy decreased \$49,702 or 30.10%.

East Noble School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Debt Service	\$4,233,842	\$5,127,503	\$893,661	21.11%
Capital Projects	2,956,319	3,337,942	381,623	12.91%
Bus Replacement	340,439	423,272	82,833	24.33%

Total School levy increase of \$1,333,648 or 7.70%. School was approved for a lease rental agreement of \$5,745,000 and GO Bonds in the amount of \$900,000 for 2008.

West Noble School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$3,044,371	\$3,268,911	\$224,540	7.38%
Debt Service	1,190,178	1,641,708	451,530	37.94%
School Pension Debt	230,561	359,929	129,368	56.11%

Total School levy increase of \$859,564 or 11.02%. School was approved for a lease rental agreement for 2008 of \$14.2M.

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.

Class % Increase

No Data Available

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).

Class

2007 Ratio

2008 Ratio

No Data Available

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>
ALBION TOWNSHIP	-8.31%	-11.06%	-3.00%	-2.05%	-1.10%	-13.33%
ALBION-ALBION	7.91%	3.53%	-4.05%	-3.58%	-2.33%	-17.02%
ALLEN TOWNSHIP	14.03%	15.75%	1.51%	3.79%	5.17%	-4.92%
KENDALLVILLE CITY-ALLEN TOWNSH	-6.32%	-3.51%	3.00%	4.67%	6.52%	-7.08%
AVILLA TOWN ELKHART TOWNSHIP	9.41%	9.03%	-0.34%	0.99%	2.70%	-9.14%
GREEN TOWNSHIP	7.46%	6.01%	-1.35%	0.74%	2.33%	-7.40%
JEFFERSON TOWNSHIP	-3.11%	-3.49%	-0.39%	1.33%	2.18%	-10.67%
NOBLE TOWNSHIP	10.16%	6.72%	-3.12%	-2.20%	-1.23%	-13.50%
ORANGE TOWNSHIP	13.98%	10.01%	-3.48%	-2.66%	-1.71%	-13.83%
ROME CITY TOWN WOLCOTTVILLE TOWN	0.83%	2.84%	1.99%	4.23%	5.61%	-4.69%
PERRY TOWNSHIP	2.99%	5.44%	2.38%	4.53%	6.15%	-5.06%
LIGONIER CITY	3.81%	3.41%	-0.39%	0.53%	2.45%	-14.65%
SPARTA TOWNSHIP	14.91%	13.73%	-1.03%	1.14%	2.79%	-6.69%
CROMWELL TOWN	10.30%	7.72%	-2.34%	-1.08%	1.15%	-12.04%
WASHINGTON TOWNSHIP	18.62%	12.75%	-4.96%	-3.65%	-2.54%	-12.05%
WAYNE TOWNSHIP	3.44%	2.40%	-1.00%	0.37%	2.52%	-12.08%
KENDALLVILLE CITY-WAYNE TOWNSH	5.52%	7.32%	1.71%	4.05%	5.45%	-4.74%
YORK TOWNSHIP	1.74%	0.55%	-1.17%	0.93%	2.51%	-7.33%
ALBION-JEFFERSON	6.64%	9.39%	2.58%	5.03%	6.45%	-3.58%
Average	-1.37%	1.64%	3.05%	4.73%	6.55%	-6.97%
	5.70%	5.43%	-0.77%	0.72%	2.24%	-9.99%

Downward pressure on tax rates came from increases in Assessed Value due to trending and the increased Homestead Credit rate. Upward pressure on tax rates came from increases in tax levies, especially debt levies that don't benefit from PTRC.

The estimated reduction in net homestead tax bills for Noble County is 29.24%.

The change in levy percentage by district (5.43%) differs from the change in levy percentage by fund (5.51%) because of conservancy districts. The Rome City Conservancy district is included, by logodaba, in the levy percentage by fund, but not by district.

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 - 10% Increase</u>	<u>10 - 30% Increase</u>	<u>30 - 100% Increase</u>	<u>More Than Doubled</u>
Commercial	30.6%	1.5%	18.8%	29.0%	14.4%	5.8%
Industrial	23.8%	3.1%	25.2%	38.1%	7.8%	2.0%
Residential	29.7%	1.9%	40.7%	14.7%	9.1%	3.8%
Overall	25.9%	1.8%	35.0%	24.9%	9.1%	3.3%

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.