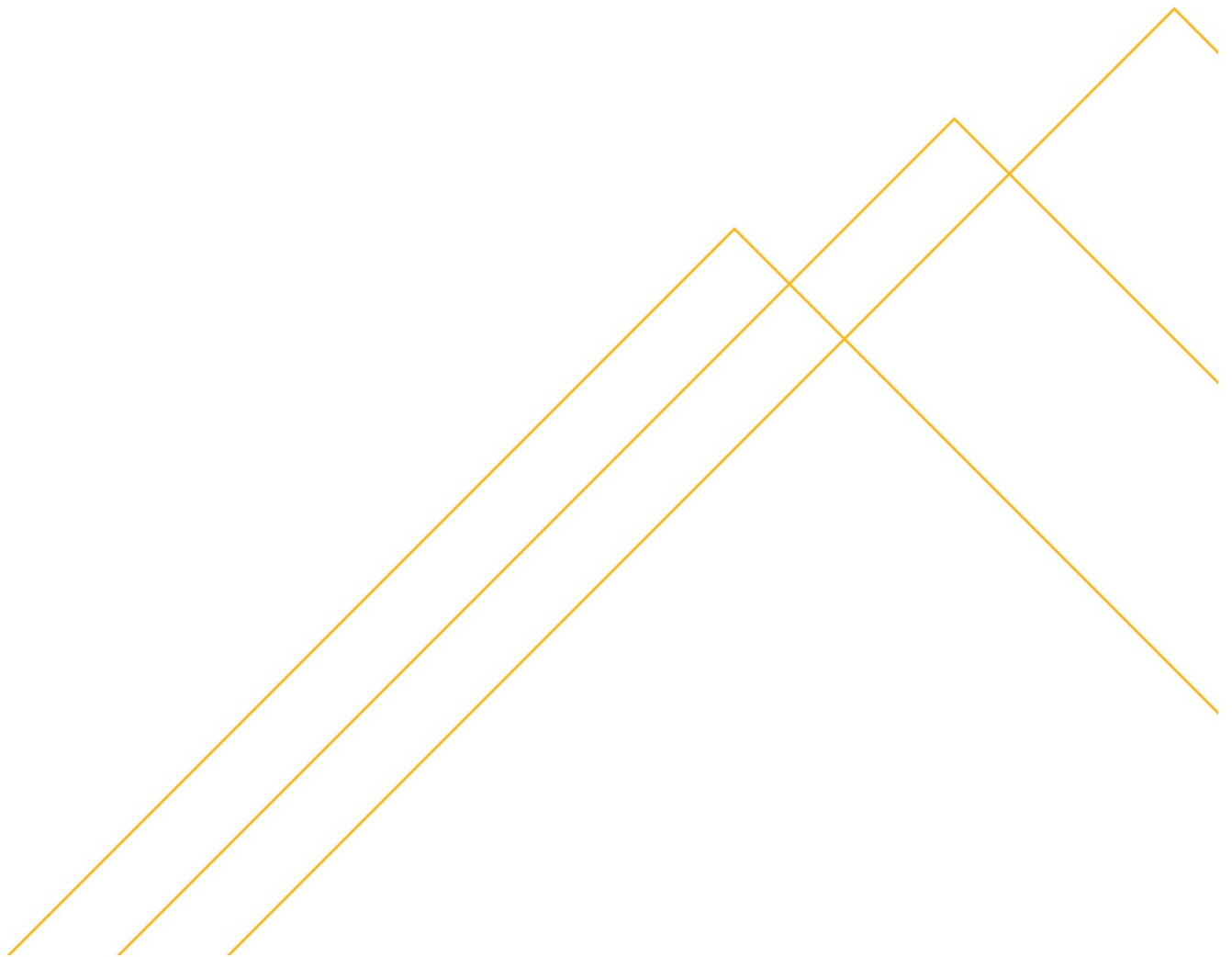


# Proposed 2020 Budget Town of Zionsville

August 28, 2019

As Amended September 27, 2019



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## Purpose of the Report

The Town of Zionsville (the “Town”) has asked Crowe LLP (“Crowe”) to prepare the attached 2020 Budget Summary (the “Report”). The purpose of the Report is to estimate 2019 ending cash balances of certain Town funds, calculate the Town’s proposed 2020 budget based on certain assumptions outlined in the Report, and to provide a summary of the proposed 2020 budget.

The Report is based on estimates, assumptions, and other data developed by us from knowledge of and participation in other budgets and studies, and data supplied by the Town and the Indiana Department of Local Government Finance (the “DLGF”).

In the course of preparing the Report, we did not conduct an audit, review, or compilation of any financial or supplemental data used in the accompanying exhibits. We have made certain projections of revenues and expenditures, which may vary from actual results because events and circumstances frequently do not occur as expected and such variances may be material. We have no responsibility to update the Report for events or circumstances occurring after the date of the Report.

## Proposed 2020 Budget Summary

The following is a summary of the proposed 2020 budget:

- Minimum operating balances for each fund were reviewed in context of the Reserve and Liquidity Policy adopted by the Town. The Town's goal is to maintain a minimum operating balance as a percentage of total annual operating disbursements between fifteen and twenty percent (15% – 20%).
- A three and five tenths percent (3.5%) increase in the Town's 2020 property tax levies is consistent with the assessed value growth quotient for 2020 as provided by the DLGF.
- The estimated 2020 maximum levy includes an excess levy appeal amount of \$159,950 due to the reclassification of parcels from rural service district to urban service district which was approved in 2018.
- A new property tax rate for the General Obligations Bonds, Series 2018 A-D will be levied in 2020.
- Local income tax (LIT) revenues are estimated to increase by nine and seventy-one hundredths percent (9.71%) for the certified shares distribution and nine and one-tenth percent (9.10%) for the public safety distribution as provided by the DLGF.
- Commencing 2019, the Town must receipt fifty percent (50%) of their distribution from the State Motor Vehicle Highway Account to the Town's MVH Restricted Fund. The MVH Restricted Fund shall be used for construction, reconstruction, and preservation of the Town's highways.
- The Proposed 2020 budget summary (selected funds) is as follows:
  - General Fund:
    - Estimated 2020 net operating receipts is (\$236,402).
    - Operating balance as a percentage of total annual operating disbursements is 78.04% and is above the Town's minimum operating balance goal.
    - Increases in the General Fund budget are due to one-time expenses anticipated to occur in 2020.
    - Estimated December 31, 2020, balance is \$3,940,781. The estimated 2019 ending balance is \$4,177,183.
  - Motor Vehicle Highway Fund:
    - Estimated 2020 net operating receipts is (\$78,366).
    - Operating balance as a percentage of total annual operating disbursements is 53.95% and is above the Town's minimum operating balance goal.
    - Increases in the Motor Vehicle Highway Fund budget are due to capital projects anticipated to occur in 2020.
    - Estimated December 31, 2020, balance is \$2,517,674. The estimated 2019 ending balance is \$2,596,040.
  - Fire Operating Fund:
    - Estimated 2020 net operating receipts is (\$238,833).
    - Operating balance as a percentage of total annual operating disbursements is 48.65% and is above the Town's minimum operating balance goal.
    - Estimated December 31, 2020, balance is \$3,113,300. The estimated 2019 ending balance is \$3,352,133.
  - Police Operating Fund:
    - Estimated 2020 net operating receipts is (\$898,853).
    - Operating balance as a percentage of total annual operating disbursements is 15.12% and is above the Town's minimum operating balance goal.
    - The Police Operating Fund has, in the past, been budgeted at a deficit. Continuously budgeting at a deficit will soon deplete reserves resulting in currently identified expenditures no longer being funded or will require the Town to identify a new source of funding. Crowe recommends that the Town review the Police Operating Fund to see if adjustments can be made.
    - Estimated December 31, 2020, balance is \$645,305. The estimated 2019 ending balance is \$1,544,158.

- Local Road and Street Fund:
  - The existing cash balance will be reduced in order to fund \$500,000 of street repairs.
  - Estimated December 31, 2020, balance is \$636,815. The estimated 2019 ending balance is \$819,777.
- Golf Course Fund:
  - Estimated 2020 net operating receipts is (\$45,905).
  - Estimated December 31, 2020, balance is \$5,361. The estimated 2019 ending balance is \$51,266.
- Public Safety LIT Fund:
  - The Public Safety LIT Fund is estimated to have both positive operating receipts and a positive estimated ending cash balance as of December 31, 2020, as shown below.
  - The Town's goal is to maintain \$100,000 in operating reserves in this fund.
  - The Estimated 2020 Beginning Balance assumes that both the Fire and Police Departments spend 100% of their 2019 budgets. (Note: It is anticipated that the Fire Department will not spend 100% of its 2019 budget; therefore, the Estimated 2020 Beginning Balance shown below will likely be greater.)

	<u>Fire Department</u>	<u>Police Department</u>
Estimated 2020 Beginning Balance	\$ 364,666	\$ 166,113
Estimated 2020 Revenues	3,722,494	1,520,456
Estimated 2020 Disbursements	<u>(4,086,626)</u>	<u>(1,633,245)</u>
Estimated 2020 Net Operating Receipts	(364,132)	(112,789)
Estimated 2020 Ending Balance	<u>\$ 534</u>	<u>\$ 53,324</u>

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## Proposed 2020 Budget Approach

The Report provides estimated 2019 ending cash balances based on projected operating receipts and disbursements, and a summary of the preliminary 2020 budget. It is important to note that the Report is based on funds selected by the Town and do not include funds such as, but not limited to, the following funds: revenue bond and interest funds, construction funds, enterprise funds, and other non-property tax based funds.

### Estimated Cash Summary 2019 (Selected Funds)

The total 2019 operating receipts consider the certified revenues from the 1782 Notice provided by the DLGF for the 2019 budget, the actual receipts recorded in the Town's financials as of June 30, 2019, and projections from July 1, 2019, through December 31, 2019, from the Town and/or other reliable sources. The 2019 operating disbursements are based on the 2019 Certified Budget provided by the DLGF and any additional appropriations or prior year encumbrances provided by the Town.

### Proposed Budget Summary 2020 (Selected Funds)

Analysis of total 2020 operating receipts is based on projections provided by the DLGF, trends in Town receipts, and desired 2020 ending cash balances in accordance with Town policies. 2020 Operating disbursements were provided by the Town and the estimated circuit breaker credits were provided by the DLGF. The purpose of the net operating receipts calculation is to illustrate whether the estimated 2020 revenues can support the estimated disbursement as provided by the Town.

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## Summary of Significant Assumptions

The Report was prepared on the basis of assumptions provided by the DLGF, the Town, and other resources deemed reliable. Actual results may vary from these assumptions and these variances may materially affect the financial results shown in the Report.

1. Operating receipts that are considered State of Indiana (the "State") revenues are revenues controlled by the State and are based on projections provided by the DLGF. These include, but are not limited to, the Financial Institution Tax, Excise Tax, Commercial Vehicle Excise Tax, LIT, Motor Vehicle Highway (MVH) Distributions, and Local Road & Street Distributions. The allocation of these revenues among the associated funds is based on a percentage of their certified or proposed levies or in a way consistent with previous years' fund distributions, based on the needs of the Town.
2. The 2019 circuit breaker credits are based on actual values provided by the DLGF. Crowe assumed the 2020 circuit breaker credits remained the same and equal to the 2019 circuit breaker credits.
3. Property Tax receipts are based on an one hundred percent (100%) collection rate; however, as noted above, Crowe has reduced such collections per the circuit breaker credits.
4. Total 2019 Operating Disbursements includes and/or assumes the Town spends one hundred percent (100%) of the 2019 Certified Budget for all funds, actual and anticipated additional appropriations, actual 2019 circuit breaker credits, and the prior year's encumbrances.
5. Total Operating Disbursements for 2020 includes and/or assumes the Town spends one hundred percent (100%) of the proposed 2020 budget and has actual 2019 circuit breaker credits applied to it.
6. The 2020 LIT revenue allocation between funds remains the same as the 2019 LIT revenue allocation.
7. The 2020 Public Safety LIT is allocated seventy-one percent (71%) Fire and twenty-nine percent (29%) Police and is based on the net assessed value of the Fire and Police Operating Funds. The desired allocation percentage will be phased-in over five years in order to obtain a goal allocation of sixty-two percent (62%) Fire and thirty-eight percent (38%) Police. The allocation percentages will be reviewed regularly to ensure proper allocation is obtained.
8. Crowe assumed a three and five-tenths percent 3.5% increase in the Town's 2020 property tax levies consistent with the 2020 growth quotient as provided by the DLGF.
9. For purposes of calculating the Payable Year 2020 estimated tax rates, the 2020 Net Assessed Valuations (NAV) are based on eighty (80%) of the 2020 NAV as provided by the County. The actual Payable Year 2020 tax rates should be lower than what is shown in the Report.

# Exhibits

## Proposed 2020 Budget Summary

The following exhibit is a summary of the proposed 2020 budget, including estimated receipts and disbursements used to calculate net operating receipts. The exhibit compares estimated 2020 expenditures to the 2019 budget. Total estimated receipts for the selected funds are approximately \$34.3 million and total estimated expenditures are \$35.5 million. Net operating receipts are (\$1.9) million taking into consideration estimated circuit breaker losses of \$666 thousand. The overall proposed 2020 budget represents an estimated five and seventy-four hundredths percent (5.74%) increase when compared to the 2019 budget.

Fund	Estimated 2020 Property Tax Lev	Estimated 2020 Miscellaneous Revenues (1)	Total Estimated 2020 Revenues	Estimated 2020 Expenditures	Estimated 2020 Circuit Breaker (2)	Net Operating Receipts	Estimated Year-End 2020 Fund Balance	Operating Balance % of Total Operating Disbursements	2019 Budget	Percent Change
General	\$ 962,093	\$ 3,901,697	\$ 4,863,790	\$ (5,049,521)	\$ (50,671)	\$ (236,402)	\$ 3,940,781	78.04 %	\$ 4,299,715	17.44 %
Motor Vehicle Highway	1,652,891	3,061,039	4,713,930	(4,667,062)	(125,234)	(78,366)	2,517,674	53.95	3,975,914	17.38
Local Road and Street	-	317,038	317,038	(500,000)	-	(182,962)	636,815	127.36	50,000	900.00
Fire Operating	3,590,145	2,762,568	6,352,713	(6,399,238)	(192,308)	(238,833)	3,113,300	48.65	5,978,682	7.03
Fire Equipment Replacement	929,746	57,123	986,869	(883,000)	(47,628)	56,241	382,999	43.37	858,300	2.88
Police	1,517,685	1,965,833	3,483,518	(4,267,150)	(115,221)	(898,853)	645,305	15.12	3,740,967	14.07
PS LIT (Police/Fire)	-	5,242,950	5,242,950	(5,719,871)	-	(476,921)	53,858	0.94	6,209,365	(7.88)
Debt Service	525,262	49,564	574,826	(550,095)	-	24,731	275,966	50.17	1,351,195	(59.29)
Union Twp. (Fire Building Debt)	173,233	11,425	184,658	(187,000)	-	(2,342)	94,000	50.27	186,000	0.54
GO Bonds 2018	929,933	-	929,933	(807,936)	-	121,997	121,997	15.10	-	-
Parks and Recreation	1,197,729	891,644	2,089,373	(2,011,378)	(63,101)	14,894	1,516,243	75.38	2,081,832	(3.38)
Golf Course	-	248,500	248,500	(294,405)	-	(45,905)	5,361	1.82	342,880	(14.14)
Cumulative Capital Improvement	-	52,431	52,431	-	-	52,431	170,600	-	-	-
Cumulative Capital Development	1,428,518	87,830	1,516,348	(1,310,793)	(71,543)	134,012	411,380	31.38	1,718,600	(23.73)
Record Perpetuation	-	500	500	(500)	-	-	41	8.20	500	-
Law Enforcement Continuing Education	-	20,000	20,000	(45,000)	-	(25,000)	28,801	64.00	20,000	125.00
Food and Beverage	-	355,000	355,000	(464,444)	-	(109,444)	334,411	72.00	339,000	37.00
Promotional	-	5,000	5,000	(5,000)	-	-	2,884	57.68	5,000	-
TIF - Zionsville EDA	-	1,786,000	1,786,000	(1,724,071)	-	61,929	733,630	42.55	1,849,940	(6.80)
TIF - Oak Street	-	240,000	240,000	(250,000)	-	(10,000)	30,448	12.18	300,000	(16.67)
TIF - Metro FiberNet	-	95,740	95,740	(95,740)	-	-	-	-	-	-
TIF - Creekside	-	200,000	200,000	(240,000)	-	(40,000)	57,945	24.14	240,000	-
<b>Total</b>	<b>\$ 12,907,235</b>	<b>\$ 21,351,882</b>	<b>\$ 34,259,117</b>	<b>\$ (35,472,204)</b>	<b>\$ (665,706)</b>	<b>\$ (1,878,793)</b>	<b>\$ 15,074,439</b>	<b>42.50 %</b>	<b>\$ 33,547,890</b>	<b>5.74 %</b>

(1) Includes miscellaneous State distributions, local income tax revenues, public safety local income tax revenues, and miscellaneous local revenues.

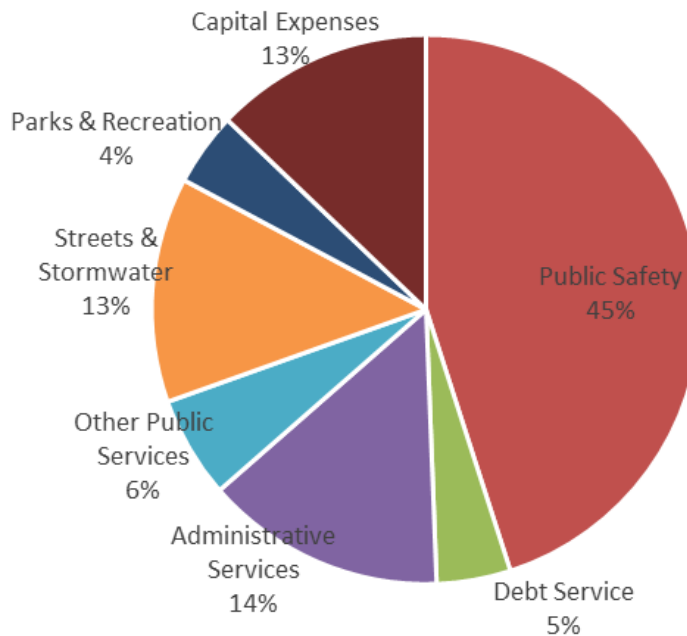
(2) Assumes 2019 circuit breaker credits are held constant.



## Proposed 2020 Budget Appropriations

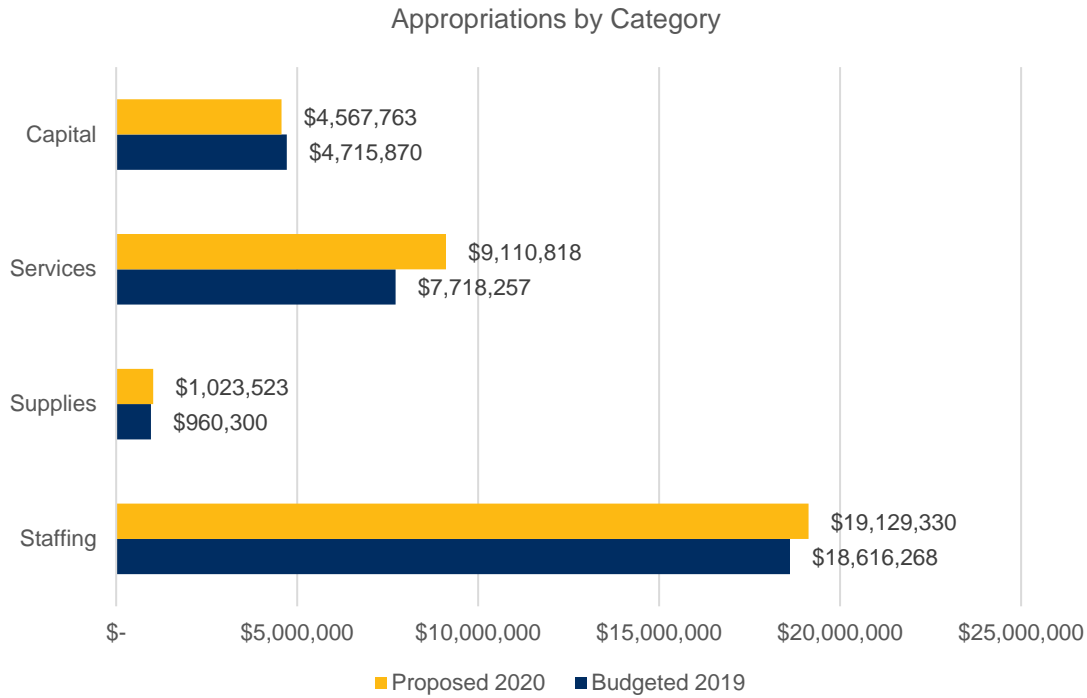
The following represents the 2020 appropriations broken down by the type of services provided. The largest category is public safety services, comprised of police and fire protection, and total approximately \$16 million. Administrative Services includes the General Fund budget for the Mayor and Administration Department, the Department of Finance and Records, and Town Council expenses. Administrative Services is the second largest category and totals approximately \$5 million. Other Public Services include expenses for record perpetuation, promotional materials, expenses budgeted out of the Food and Beverage Fund and various tax increment finance (TIF) funds. Parks & Recreation includes the Parks Department budget and the Zionsville Golf Course expenses. Capital expenses include anticipated capital expenditures for all service areas or departments.

Total Appropriations by Service  
\$35,472,204



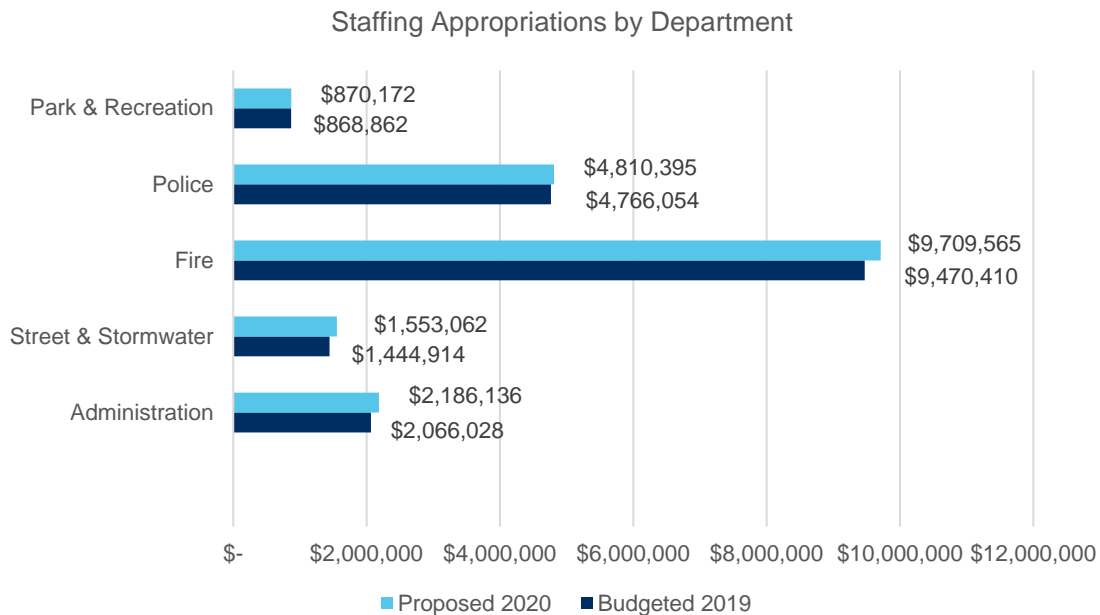
### Appropriations by Category

The following chart is a comparison of appropriations by spending category for budgeted 2019 expenses and proposed 2020 budgeted expenses. Each spending category is further broken down by department in the charts that follow. The services category excludes debt fund expenditures.



### Staffing

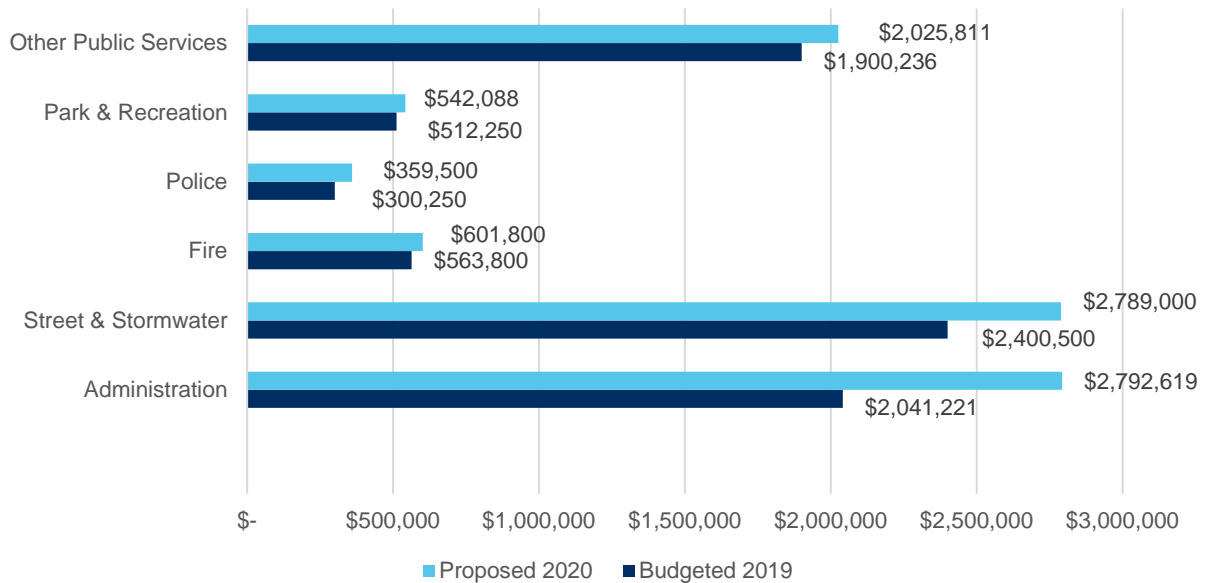
Total staffing appropriations for 2020 are expected to grow by approximately \$513 thousand or 2.76% when compared to the 2019 budget.



**Services**

Total services appropriations grew by approximately \$1.4 million or 18.04% when compared to the 2019 budget. The Administration Department accounts for roughly half (\$751,398) of the proposed 2020 budget increase and includes one-time expenses such as costs associated with updates to the employee handbook and economic strategic plan anticipated to occur in 2020. The Administration Department increase also includes updated estimates for workman’s compensation, which was not previously included. The Street & Stormwater Department accounts for \$388,500 of the proposed 2020 budget increase and includes one-time expenses such as an additional street repair costs anticipated to be incurred in 2020.

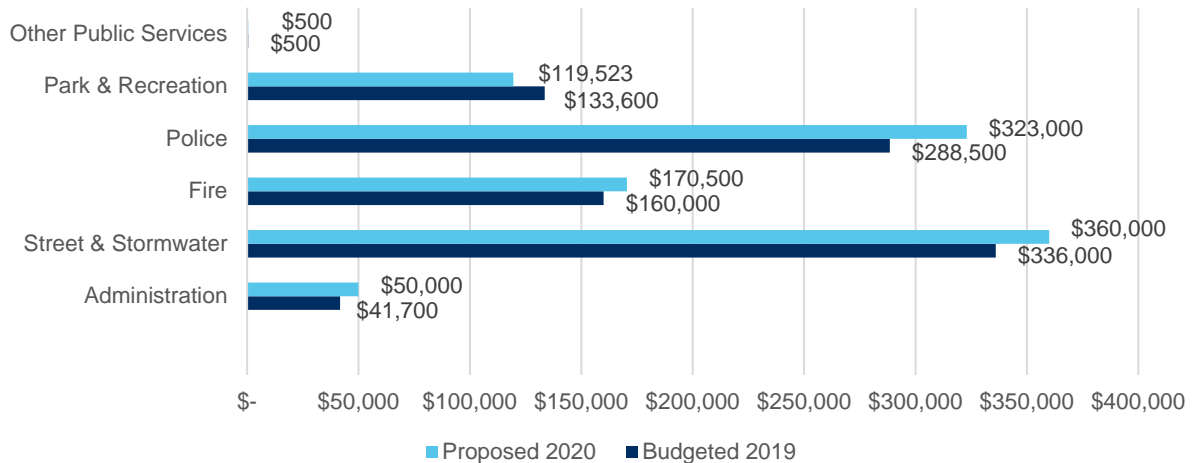
Services Appropriations by Department



**Supplies**

Total supplies appropriations grew by \$63,223 or 6.58% when compared to the 2019 budget.

Supplies Appropriations by Department



## Capital Expenditures

The below table details capital expenditures anticipated to occur in 2020.

Department	Expenditure Description	Amount
Administration (General Fund)	Rail Trail Gardens	\$25,000
Administration (General Fund)	Land Contract Payments	90,766
Administration (General Fund)	Equipment Upgrades	45,000
Administration (CCD Fund)	IT Upgrades	180,000
Administration (CCD Fund)	Vehicle Upgrades	40,000
<b>Subtotal Administration</b>		<b>380,766</b>
Street & Stormwater (MVH Fund)	Oak St. & 800 E. Roundabout Preliminary Engineering	465,000
Street & Stormwater (CCD Fund)	Pickup/Plow Trucks	35,793
Street & Stormwater (CCD Fund)	CR 400 S. Widening	30,000
Street & Stormwater (CCD Fund)	Irongate Drainage	500,000
Street & Stormwater (CCD Fund)	Dump/Plow/Salt Truck	100,000
Street & Stormwater (CCD Fund)	Wood Chipper	30,000
Street & Stormwater (CCD Fund)	Leaf Vac Trailer	85,000
Street & Stormwater (CCD Fund)	Oak St. Roundabout Landscape	150,000
Street & Stormwater (CCD Fund)	Bridge 202 Treatment Matching	20,000
<b>Subtotal Street &amp; Stormwater</b>		<b>1,415,793</b>
Fire (Operating Fund)	Office Furniture	4,000
Fire (Equipment Replacement Fund)	Fire Equipment	62,000
Fire (Equipment Replacement Fund)	EMS Equipment	45,000
Fire (Equipment Replacement Fund)	Communication Equipment	3,000
Fire (Equipment Replacement Fund)	Tanker	105,000
Fire (Equipment Replacement Fund)	Vehicle	63,000
Fire (Equipment Replacement Fund)	Fire Station Repairs	5,000
Fire (Equipment Replacement Fund)	New Facilities	600,000
<b>Subtotal Fire</b>		<b>887,000</b>
Police (Operating Fund)	Digital In-Car Cameras	100,000
Police (Operating Fund)	Equipment	25,000
Police (Operating Fund)	Vehicle Equipment	35,000
Police (Operating Fund)	Furniture & Fixtures	2,500
Police (Operating Fund)	Vehicles	200,000
Police (Operating Fund)	Computers	55,000
Police (Operating Fund)	Vehicle Upgrades	35,000

Department	Expenditure Description	Amount
<b>Subtotal Police</b>		<b>452,500</b>
Parks & Recreation (Parks Fund)	Park Improvements	60,000
Parks & Recreation (Parks Fund)	Non-Reverting Capital	300,000
Parks & Recreation (Parks Fund)	Feature Replacement/Repair	50,000
Parks & Recreation (Parks Fund)	Other Capital Projects	310,000
Parks & Recreation (Golf Course Fund)	Miscellaneous Course Improvements	4,000
Parks & Recreation (Golf Course Fund)	Major Course Improvements	50,000
<b>Subtotal Parks &amp; Recreation</b>		<b>774,000</b>
Zionsville EDA TIF	Economic Development Incentive	250,000
Zionsville EDA TIF	Zionsville Community School Corporation Loan	153,704
Zionsville EDA TIF	First St. Project	100,000
Zionsville EDA TIF	Creekside Corporate Park HW	54,000
Zionsville EDA TIF	Commissions	100,000
<b>Subtotal Zionsville TIF</b>		<b>657,704</b>
<b>Total Capital Expenditures</b>		<b>\$4,567,763</b>

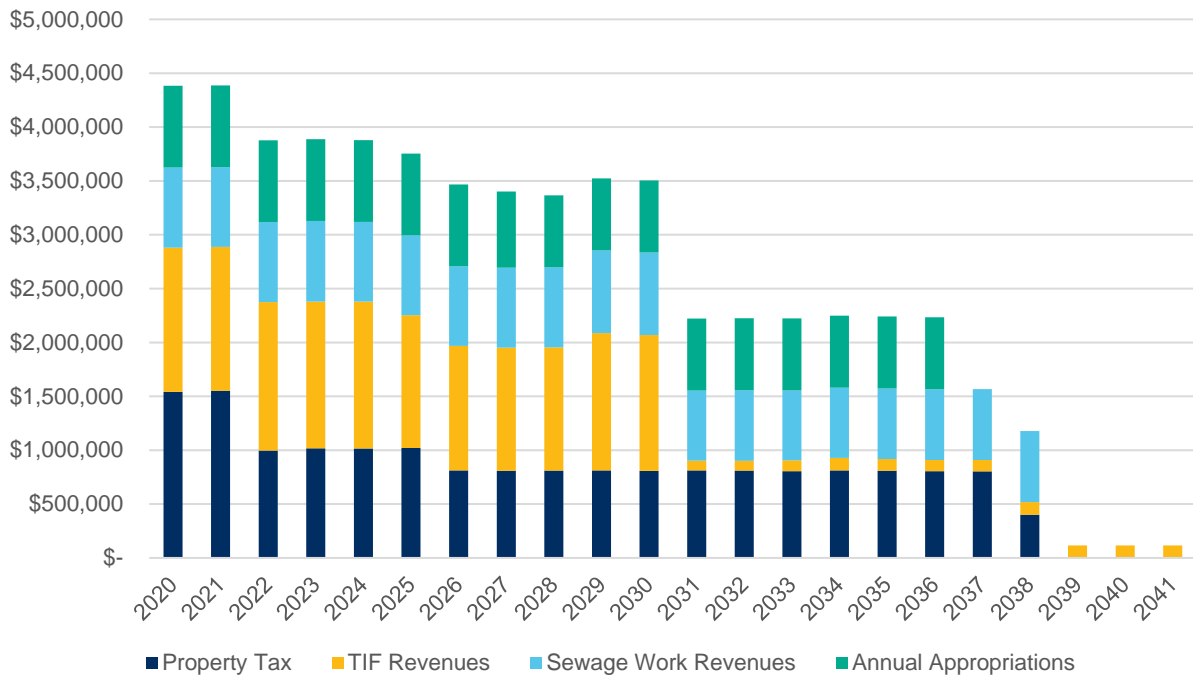
**Annual Debt Service and Lease Payments by Revenue Source**

Several obligations mature in pay year 2019, including the Town’s General Obligation Bonds of 2005, the Zionsville Municipal Building Corporation First Mortgage Refunding Bonds, Series 2009, the General Obligation Refunding Bonds, Series 2017, and the Zionsville Redevelopment Authority Economic Development Lease Rental Refunding Bonds of 2012.

There is a decrease in debt service payable from TIF revenues in 2031 due to the maturity of the Zionsville Redevelopment Authority Lease Rental Revenue Bonds, Series 2016.

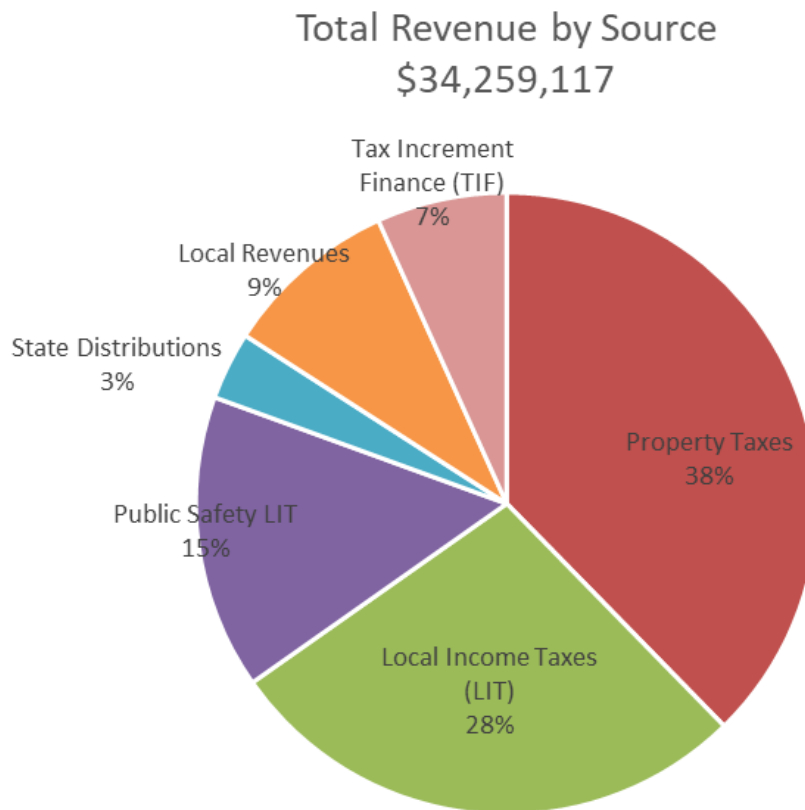
Debt service payable from annual appropriations include the Zionsville Town Hall Building Corporation First Mortgage Note of 2016 (See “First Mortgage Note of 2016 (Town Hall) Estimated Cash Flow” for anticipated revenue sources identified to make payments) and the 2017 Land Contract (Erin Corporation), which is budgeted from the General Fund.

Annual Debt Service and Lease Payments by Revenue Source



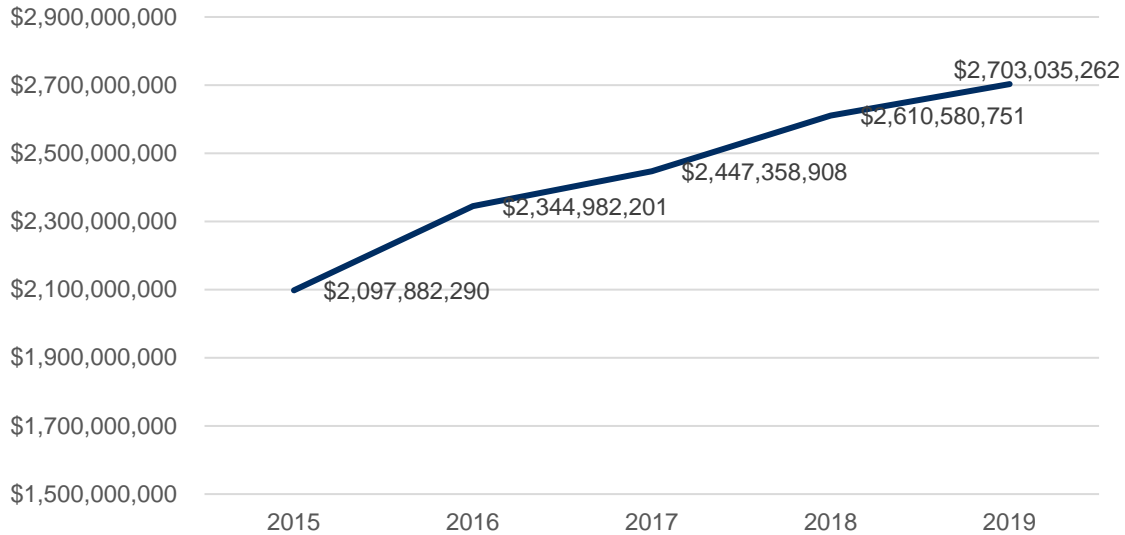
## Proposed 2020 Budget Revenues

The following represents 2020 revenues broken down by revenue source. Property tax revenues and LIT revenues combined make up sixty-six percent (66%) of the Town's total budgeted revenues. Estimated property tax revenues assume a three and five-tenths (3.50%) increase in the Town's 2020 property tax levies consistent with the 2020 growth quotient provided by the DLGF. State distributions include Financial Institution Tax, Excise Tax, Commercial Vehicle Excise Tax, LIT, MVH Distributions, and Local Road & Street Distributions. TIF revenues include estimated revenues from the Zionsville Economic Development Area, which is comprised of the Original Zionsville Economic Development Allocation Area and the Creekside Allocation Area, and the Oak Street Economic Development Area and corresponding allocation area.



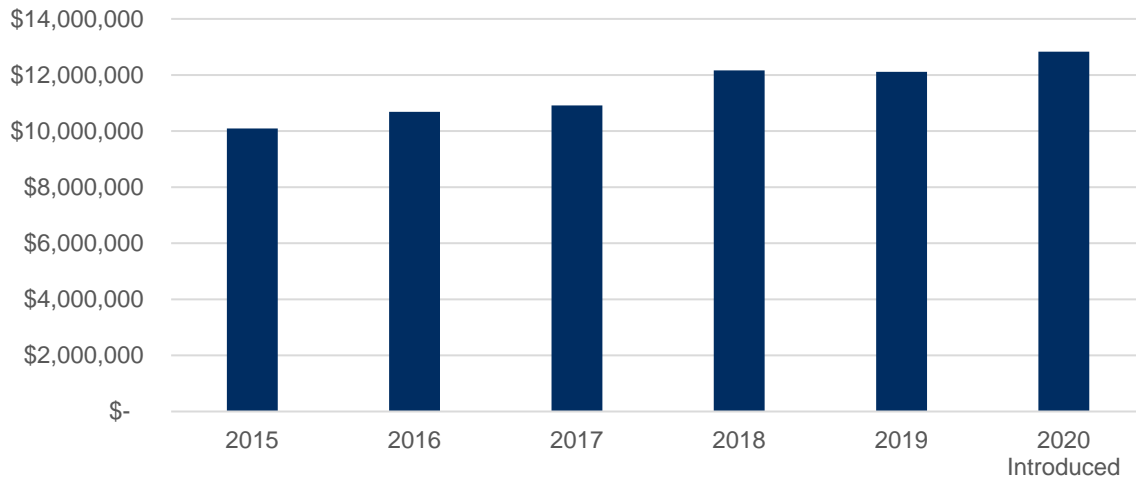
The net assessed value (NAV) of the Town’s General Fund has increased by twenty-eight and eighty-five hundredths percent (28.85%) from 2015 to 2019. The large increase in NAV from 2015 to 2016 is partially due to the reorganization of Perry Township with the Town.

### General Fund Net Assessed Value (NAV) Growth



The Town’s property tax levy has increased by twenty-seven and twelve percent (27.12%) from 2015 to 2019. Estimated property tax revenues assume a three and five-tenths (3.50%) increase in the Town’s 2020 property tax levies consistent with the 2020 growth quotient provided by the DLGF.

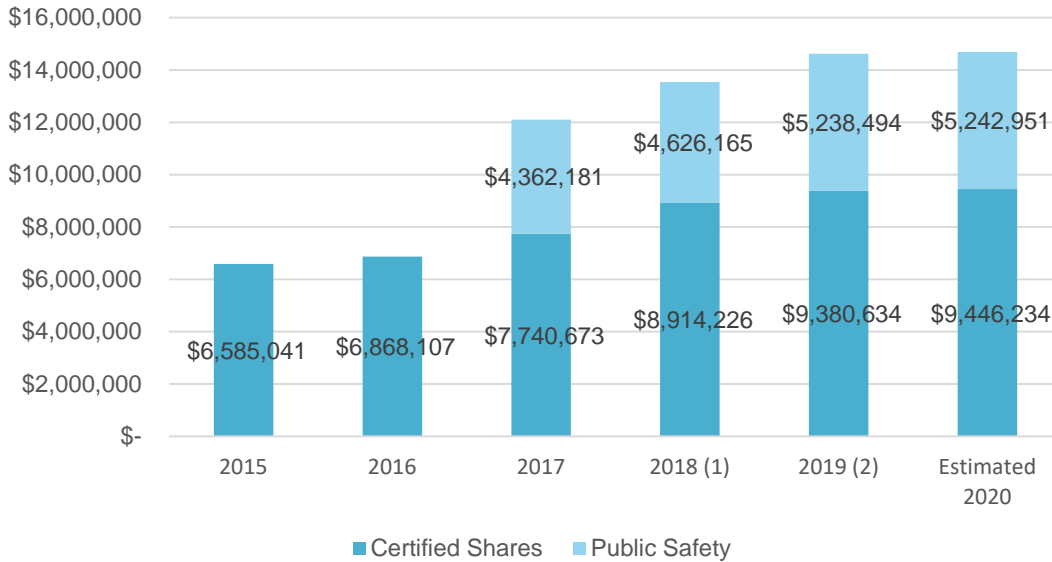
### Property Tax Revenue Certified Levy





The current Local Income Tax rate is one and five-tenths percent (1.5%) of adjusted gross income of Boone County resident taxpayers and certain non-resident taxpayers. The rate is allocated five-tenths percent (0.50%) public safety and one percent (1.00%) certified shares. The below table reflects actual revenues collected from 2015 through 2018.

### Certified & Estimated Local Income Tax Distributions



- (1) The 2018 certified distribution for certified shares is \$8,189,945. The excess amount represents a special one-time and supplemental distribution from the State.
- (2) The 2019 certified distribution for certified shares is \$8,610,012. The excess amount represents a supplemental distribution from the State. The 2019 certified distribution for public safety is \$4,805,590. The excess amount represents a supplemental distribution from the State and certain reimbursements.

## Local Income Tax (LIT) Allocation

### Certified Shares Allocation Summary

<u>Year</u>	<u>General</u>	<u>MVH</u>	<u>Fire</u>	<u>Police</u>	<u>Parks</u>	<u>Total</u>
2013	\$ 348,312	\$ 885,516	\$ 2,702,124	\$ 1,695,072	\$ -	\$ 5,631,024
2014	850,482	1,275,700	2,502,700	1,358,600	108,500	6,095,982
2015	628,870	1,114,415	3,073,600	1,768,156	-	6,585,041
2016	1,126,936	714,415	3,233,600	1,793,156	-	6,868,107
2017	1,787,654	1,070,329	2,856,280	1,595,511	430,899	7,740,673
2018	2,766,453	1,979,671	1,908,379	1,488,639	771,084	8,914,226 (1)
2019	3,442,925	1,913,695	1,846,361	1,435,549	742,104	9,380,634 (2)
2020	2,931,843	2,099,557	2,025,683	1,574,972	814,179	9,446,234 (3)

(1) The 2018 certified amount is \$8,189,945. The additional amount of \$724,281 represents a special one-time and supplemental distribution from the State. The supplemental and special one-time distributions were allocated based on the allocation percentages used for the original certified shares distribution.

(2) The 2019 certified amount is \$8,610,012. The additional amount of \$770,622 represents a supplemental distribution from the State. The supplemental distribution was 100% allocated to the General Fund.

(3) Estimated amount provided by the Indiana Department of Local Government Finance.

### Public Safety Allocation Summary

<u>Year</u>	<u>Revenues (1)</u>		<u>Disbursements</u>		<u>Net Revenues</u>	<u>Cumulative Cash Flow</u>
	<u>PS LIT - Fire</u>	<u>PS LIT - Police</u>	<u>PS LIT - Fire</u>	<u>PS LIT - Police</u>		
2017	\$ 3,188,116	\$ 1,174,065	\$ 1,424,111	\$ 671,068	\$ 2,267,002	\$ 2,267,002
2018	3,377,895	1,248,270	3,915,648	1,475,868	(765,351)	1,501,651
2019	3,824,101 (2)	1,414,393 (2)	4,217,028	1,992,337	(970,871)	530,780
2020	3,722,495 (3)	1,520,456 (3)	4,086,627 (4)	1,633,245 (4)	(476,921)	53,859

(1) For years 2017 through 2019, revenues were allocated 27% to Police and 73% to Fire based on the average allocation of coverage area, population served and budget. For year 2020, revenue was allocated 29% Police and 71% Fire. The allocation percentages were calculated based on the net assessed value of the Fire and Police Operating Funds and were provided by the Town. The desired allocation percentages will be phased-in over five years in order to obtain a goal allocation of 62% Fire and 38% Police.

(2) The 2019 certified amount is \$4,805,590. The additional amount of \$432,904 represents a supplemental distribution from the State and reimbursements. The supplemental distribution was allocated based on the allocation percentages used for the original public safety distribution.

(3) Estimated amount provided by the Indiana Department of Local Government Finance.

(4) Estimated disbursements, subject to change.

## First Mortgage Note of 2016 (Town Hall) Estimated Cash Flow

Year	Estimated Revenues					Total Estimated Revenues	Less: First Mortgage Note of 2016	Estimated Annual Cash Flow	Estimated Cumulative Cash Flow
	LIT Revenues	Food & Beverage	Cumulative Cap Dev. Fund	Oak Street TIF Revenues	Boone County TIF Contribution				
2016	\$ 283,066			\$ 162,955		\$ 446,021	\$ 157,790	\$ 288,231	\$ 288,231
2017	283,066	\$ 115,000	\$ 70,000	162,955	\$ 100,000	731,021	668,487	62,534	350,765
2018	223,066	115,000	70,000	222,955	100,000	731,021	668,487	62,534	413,299
2019	146,021	115,000	70,000	300,000	100,000	731,021	668,487	62,534	475,833
2020	196,021	115,000	70,000	250,000	100,000	731,021	668,487	62,534	538,367
2021	196,021	115,000	70,000	250,000	100,000	731,021	668,487	62,534	600,901
2022	196,021	115,000	70,000	250,000	100,000	731,021	668,487	62,534	663,435
2023	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	625,969
2024	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	588,503
2025	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	551,037
2026	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	513,571
2027	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	476,105
2028	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	438,639
2029	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	401,173
2030	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	363,707
2031	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	326,241
2032	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	288,775
2033	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	251,309
2034	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	213,843
2035	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	176,377
2036	196,021	115,000	70,000	250,000		631,021	668,487	(37,466)	138,911
Totals	\$ 4,267,576	\$ 2,300,000	\$ 1,400,000	\$ 5,098,865	\$ 600,000	\$ 13,666,441	\$ 13,527,530		

Note: As Oak Street TIF Revenues increase, their contribution towards the First Mortgage Note of 2016 will also increase and the LIT Revenues' contribution will decrease accordingly.

## Estimated Cash Summary 2019 (Selected Funds)

	General (101)	Motor Vehicle Highway (201)	Local Road and Street (202)	Fire Operating (207)	Fire Equipment Replacement (208)	Police (209)	PS LIT (Police/Fire) (249)	Debt Service (319)	Union Twp. (Fire Building Debt) (318)	Park and Recreation (216)
<b>Operating Receipts:</b>										
Estimated Property Tax (1)	\$ 924,153	\$ 1,552,718		\$ 3,508,649	\$ 847,853	\$ 1,428,564		\$ 762,690	\$ 175,807	\$ 1,151,276
Other Taxes (2)	139,475	103,622		245,309	59,027	95,336		51,250	10,554	81,506
Local Income Tax (2)	3,442,925	1,913,695		1,846,361		1,435,549				742,104
Public Safety Local Income Tax (2)							\$ 5,238,494			
Local Road and Street Distribution (2)			\$ 362,255							
Planning, Zoning, and Building Permits and Fees (2)	826,887									
Cable TV Licenses (2)	66,359									
Rental of Property (2)										
Court Costs and Fees (2)	26,300									
Earning on Investments (2)	212,114									
Street and Curb Cuts (2)		14,331								
Continuing Education (2)										
Fire Protection Contracts and Services (2)				500,000						
Police Security - Zionsville School Corporation (2)						375,858				
Other Charges for Services, Sales, and Fees (2)				339,055						
Motor Vehicle Highway Distribution (2)		692,306								
Food and Beverage Tax (2)										
Payment in Lieu of Taxes (2)										
Riverboat Wagering Tax (2)										
Miscellaneous Receipts (3)	46,484	11,581								
<b>Total Operating Receipts</b>	<b>5,684,697</b>	<b>4,288,253</b>	<b>362,255</b>	<b>6,439,374</b>	<b>906,880</b>	<b>3,335,307</b>	<b>5,238,494</b>	<b>813,940</b>	<b>186,361</b>	<b>1,974,886</b>
<b>Operating Disbursements:</b>										
Personal Services (4)	2,066,028	1,444,914	-	5,253,382	-	2,773,717	6,209,365	-	-	752,832
Supplies (4)	41,700	336,000	-	160,000	-	288,500	-	-	-	69,500
Other Services and Charges (4)	2,041,221	2,195,000	50,000	563,800	-	280,250	-	1,451,778	186,000	414,500
Capital Outlays (4)	150,766	-	-	1,500	858,300	398,500	-	-	-	845,000
Actual and Anticipated Additional Appropriations (5)	450,000	58,580	-	-	73,000	-	-	-	-	-
Encumbrances (6)	31,245	779,587	-	78,886	282,718	307,381	-	-	-	239,313
<b>Total Operating Disbursements</b>	<b>4,780,960</b>	<b>4,814,081</b>	<b>50,000</b>	<b>6,057,568</b>	<b>1,214,018</b>	<b>4,048,348</b>	<b>6,209,365</b>	<b>1,451,778</b>	<b>186,000</b>	<b>2,321,145</b>
<b>Net Operating Receipts</b>	<b>903,737</b>	<b>(525,828)</b>	<b>312,255</b>	<b>381,806</b>	<b>(307,138)</b>	<b>(713,041)</b>	<b>(970,871)</b>	<b>(637,838)</b>	<b>361</b>	<b>(346,259)</b>
Increase/(Decrease) in Cash Balance	903,737	(525,828)	312,255	381,806	(307,138)	(713,041)	(970,871)	(637,838)	361	(346,259)
Add: Beginning Cash Balance as of 1/1/19 (6)	3,273,446	3,121,868	507,522	2,970,327	633,896	2,257,199	1,501,650	889,073	95,981	1,847,608
<b>Estimated Ending Cash Balance as of 12/31/19</b>	<b>4,177,183</b>	<b>2,596,040</b>	<b>819,777</b>	<b>3,352,133</b>	<b>326,758</b>	<b>1,544,158</b>	<b>530,779</b>	<b>251,235</b>	<b>96,342</b>	<b>1,501,349</b>
<b>Operating Balance % of Total Operating Disbursements</b>	<b>87.37%</b>	<b>53.93%</b>	<b>1639.55%</b>	<b>55.34%</b>	<b>26.92%</b>	<b>38.14%</b>	<b>8.55%</b>	<b>17.31%</b>	<b>51.80%</b>	<b>64.68%</b>
Payable Year 2019 Certified Tax Rate (1)	\$ 0.0354	\$ 0.0988	\$ -	\$ 0.1344	\$ 0.0333	\$ 0.0909		\$ 0.0548	\$ 0.0475	\$ 0.0441
Payable Year 2019 Certified Assessed Valuation (1)	\$ 2,703,035,262	\$ 1,666,288,876	\$ 1,666,288,876	\$ 2,703,035,262	\$ 2,639,693,478	\$ 1,666,288,876		\$ 1,391,769,623	\$ 370,120,083	\$ 2,703,035,262

- (1) Per the Department of Local Government Finance (DGLF) 2019 Certified Budget Order and Line 7 (December Property Tax Collections) Calculation Worksheet for Budget Year 2020. Represents the lesser of Certified Levy or Abstract Levy except for debt service fund levies. Abstract Levy has been computed by multiplying the abstract tax rate by the abstract assessed value and then subtracting total property tax cap credits from this amount.
- (2) Represents revenues received as of June 30, 2019, plus estimated receipts to be received July 1 through December 31, 2019.
- (3) Includes revenues such as certain reimbursements, refunds, business licenses, and other miscellaneous revenues that were not budgeted for 2019.
- (4) Per the 2019 Budget.
- (5) Provided by the Town.
- (6) Per the Town's financial statements.

### Estimated Cash Summary 2019 (Selected Funds) (Continued)

	Golf Course (275)	Cumulative Capital Improvement (401)	Cumulative Capital Development (427)	Record Perpetuation (204)	Law Enforcement Continuing Education (206)	Food and Beverage (271)	Promotional (277)	TIF - Zionsville EDA (490)	TIF - Oak Street (494)	TIF - Creekside (496)	Total of Selected Funds
<b>Operating Receipts:</b>											
Estimated Property Tax (1)			\$ 1,305,301								\$ 11,657,011
Other Taxes (2)		\$ 52,191	93,153								931,423
Local Income Tax (2)											9,380,634
Public Safety Local Income Tax (2)											5,238,494
Local Road and Street Distribution (2)											362,255
Planning, Zoning, and Building Permits and Fees (2)											826,887
Cable TV Licenses (2)											66,359
Rental of Property (2)											26,300
Court Costs and Fees (2)											212,114
Earning on Investments (2)											14,331
Street and Curb Cuts (2)											-
Continuing Education (2)											500,000
Fire Protection Contracts and Services (2)											375,858
Police Security - Zionsville School Corporation (2)											580,350
Other Charges for Services, Sales, and Fees (2)	\$ 220,795			\$ 500	\$ 20,000						692,306
Motor Vehicle Highway Distribution (2)											325,710
Food and Beverage Tax (2)						\$ 325,710					-
Payment in Lieu of Taxes (2)											-
Riverboat Wagering Tax (2)											-
Miscellaneous Receipts (3)							\$ 5,000	\$ 1,700,000	\$ 240,000	\$ 160,000	2,163,065
<b>Total Operating Receipts</b>	<b>220,795</b>	<b>52,191</b>	<b>1,398,454</b>	<b>500</b>	<b>20,000</b>	<b>325,710</b>	<b>5,000</b>	<b>1,700,000</b>	<b>240,000</b>	<b>160,000</b>	<b>33,353,097</b>
<b>Operating Disbursements:</b>											
Personal Services (4)	116,030	-	-	-	-	-	-	-	-	-	18,616,268
Supplies (4)	64,100	-	-	500	-	-	-	-	-	-	960,300
Other Services and Charges (4)	97,750	-	155,500	-	20,000	339,000	5,000	1,016,236	300,000	240,000	9,356,035
Capital Outlays (4)	65,000	-	1,563,100	-	-	-	-	833,704	-	-	4,715,870
Actual and Anticipated Additional Appropriations (5)	(43,500)	-	123,900	-	-	-	-	-	-	-	661,980
Encumbrances (6)	110,183	-	930,432	-	-	67,123	-	-	-	-	2,826,868
<b>Total Operating Disbursements</b>	<b>409,563</b>	<b>-</b>	<b>2,772,932</b>	<b>500</b>	<b>20,000</b>	<b>406,123</b>	<b>5,000</b>	<b>1,849,940</b>	<b>300,000</b>	<b>240,000</b>	<b>37,137,321</b>
<b>Net Operating Receipts</b>	<b>(188,768)</b>	<b>52,191</b>	<b>(1,374,478)</b>	<b>-</b>	<b>-</b>	<b>(80,413)</b>	<b>-</b>	<b>(149,940)</b>	<b>(60,000)</b>	<b>(80,000)</b>	<b>(3,784,224)</b>
Increase/(Decrease) in Cash Balance	(188,768)	52,191	(1,374,478)	-	-	(80,413)	-	(149,940)	(60,000)	(80,000)	(3,784,224)
Add: Beginning Cash Balance as of 1/1/19 (6)	240,034	65,978	1,651,846	41	53,801	524,268	2,884	821,641	100,448	177,945	20,737,456
<b>Estimated Ending Cash Balance as of 12/31/19</b>	<b>51,266</b>	<b>118,169</b>	<b>277,368</b>	<b>41</b>	<b>53,801</b>	<b>443,855</b>	<b>2,884</b>	<b>671,701</b>	<b>40,448</b>	<b>97,945</b>	<b>16,953,232</b>
Operating Balance % of Total Operating Disbursements	12.52%		10.00%	8.20%	269.01%	109.29%	57.68%	36.31%	13.48%	40.81%	45.65%
Payable Year 2019 Certified Tax Rate (1)		\$ -	\$ 0.0500								\$ 0.5892
Payable Year 2019 Certified Assessed Valuation (1)		\$ 2,703,035,262	\$ 2,703,035,262								

(1) Per the Department of Local Government Finance (DGLF) 2019 Budget Certified Order and Line 7 (December Property Tax Collections) Calculation Worksheet for Budget Year 2020. Represents the lesser of Certified Levy or Abstract Levy except for debt service fund levies. Abstract Levy has been computed by multiplying the abstract tax rate by the abstract assessed value and then subtracting total property tax cap credits from this amount.  
 (2) Represents revenues received as of June 30, 2019, plus estimated receipts to be received July 1 through December 31, 2019.  
 (3) Includes revenues such as certain reimbursements, refunds, business licenses, and other miscellaneous revenues that were not budgeted for 2019.  
 (4) Per the 2019 Budget.  
 (5) Provided by the Town.  
 (6) Per the Town's financial statements.

## Proposed Budget Summary 2020 (Selected Funds)

	General (101)	Motor Vehicle Highway (201)	Local Road and Street (202)	Fire Operating (207)	Fire Equipment Replacement (208)	Police (209)	PS LIT (Police/Fire) (249)	Debt Service (319)	Union Twp. (Fire Building Debt) (318)	GO Bonds 2018	Park and Recreation (216)
<b>Operating Receipts:</b>											
Estimated Property Tax (1)	\$ 962,093	\$ 1,652,891		\$ 3,590,145	\$ 929,746	\$ 1,517,685		\$ 525,262	\$ 173,233	\$ 929,933	\$ 1,197,729
Other Taxes (2)	119,854	106,986		236,085	57,123	98,431		49,564	11,425		77,465
Local Income Tax (2)	2,931,843	2,099,557		2,025,683		1,574,972					814,179
Public Safety Local Income Tax (2)							\$ 5,242,950				
Local Road and Street Distribution (2)			\$ 317,038								
Planning, Zoning, and Building Permits and Fees (2)	650,000										
Cable TV Licenses (2)	80,000										
Rental of Property (2)											
Court Costs and Fees (2)	20,000										
Earning on Investments (2)	100,000										
Street and Curb Cuts (2)		2,000									
Continuing Education (2)											
Fire Protection Contracts and Services (2)				500,000							
Police Security - Zionsville School Corporation (2)						292,430					
Other Charges for Services, Sales, and Fees (2)				800							
Motor Vehicle Highway Distribution (2)		852,496									
Food and Beverage Tax (2)											
Payment in Lieu of Taxes (2)											
Riverboat Wagering Tax (2)											
Miscellaneous Receipts (2)											
<b>Total Operating Receipts</b>	<b>4,863,790</b>	<b>4,713,930</b>	<b>317,038</b>	<b>6,352,713</b>	<b>986,869</b>	<b>3,483,518</b>	<b>5,242,950</b>	<b>574,826</b>	<b>184,658</b>	<b>929,933</b>	<b>2,089,373</b>
Without property tax	3,901,697	3,061,039	317,038	2,762,568	57,123	1,965,833	5,242,950	49,564	11,425	-	891,644
<b>Operating Disbursements:</b>											
Personal Services (3)	2,186,136	1,553,062		5,622,938		3,227,150	5,669,871				774,378
Supplies (3)	50,000	360,000		170,500		298,000	25,000				70,500
Other Services and Charges (3)	2,652,619	2,289,000	500,000	601,800		289,500	25,000	550,095	187,000	807,936	446,500
Capital Outlays (3)	160,766	465,000		4,000	883,000	452,500					720,000
Circuit Breaker Shortfall (4)	50,671	125,234		192,308	47,628	115,221					63,101
<b>Total Operating Disbursements</b>	<b>5,100,192</b>	<b>4,792,296</b>	<b>500,000</b>	<b>6,591,546</b>	<b>930,628</b>	<b>4,382,371</b>	<b>5,719,871</b>	<b>550,095</b>	<b>187,000</b>	<b>807,936</b>	<b>2,074,479</b>
<b>Net Operating Receipts</b>	<b>(236,402)</b>	<b>(78,366)</b>	<b>(182,962)</b>	<b>(238,833)</b>	<b>56,241</b>	<b>(898,853)</b>	<b>(476,921)</b>	<b>24,731</b>	<b>(2,342)</b>	<b>121,997</b>	<b>14,894</b>
Increase/(Decrease) in Cash Balance	(236,402)	(78,366)	(182,962)	(238,833)	56,241	(898,853)	(476,921)	24,731	(2,342)	121,997	14,894
Add: Estimated Ending Cash Balance as of 12/31/19 (5)	4,177,183	2,596,040	819,777	3,352,133	326,758	1,544,158	530,779	251,235	96,342	-	1,501,349
<b>Estimated Ending Cash Balance as of 12/31/20</b>	<b>3,940,781</b>	<b>2,517,674</b>	<b>636,815</b>	<b>3,113,300</b>	<b>382,999</b>	<b>645,305</b>	<b>53,858</b>	<b>275,966</b>	<b>94,000</b>	<b>121,997</b>	<b>1,516,243</b>
Operating Balance % of Total Operating Disbursements (6)	78.04%	53.95%	127.36%	48.65%	43.37%	15.12%	0.94%	50.17%	50.27%	15.10%	75.38%
Payable Year 2020 Estimated Tax Rate (7)	\$ 0.0421	\$ 0.1075	\$ -	\$ 0.1570	\$ 0.0416	\$ 0.0987		\$ 0.0452	\$ 0.0566	\$ 0.0407	\$ 0.0524
Payable Year 2020 Estimated Assessed Valuation (8)	\$ 2,287,081,150	\$ 1,537,487,282	\$ 1,537,487,282	\$ 2,287,081,150	\$ 2,234,746,444	\$ 1,537,487,282		\$ 1,162,664,598	\$ 306,055,698	\$ 2,287,081,150	\$ 2,287,081,150

(1) Per the 2020 estimated budget Form 4b Line 16.  
 (2) Per the 2020 estimated budget Form 2 Column B. Provided by the Town or calculated by Crowe based on State revenue budget estimates.  
 (3) Provided by the Town.  
 (4) Per the DLGF Circuit Breaker Report for 2019.  
 (5) Per the Estimated Budget Summary 2019 (Selected Funds).  
 (6) Calculation excludes Circuit Breaker Shortfall from Total Operating Disbursements.  
 (7) Per \$100 of Net Assessed Value.  
 (8) Represents 80% of Payable Year 2020 Certified Assessed Valuation.

### Proposed Budget Summary 2020 (Selected Funds) (Continued)

	Golf Course (275)	Cumulative Capital Improvement (401)	Cumulative Capital Development (427)	Record Perpetuation (204)	Law Enforcement Continuing Education (206)	Food and Beverage (271)	Promotional (277)	TIF - Zionsville EDA (490)	TIF - Oak Street (494)	TIF - Creekside (496)	TIF - Metro Fiber Net (497)	Total of Selected Funds
<b>Operating Receipts:</b>												
Estimated Property Tax (1)			\$ 1,428,518									\$ 12,907,235
Other Taxes (2)		\$ 52,431	87,830									897,194
Local Income Tax (2)												9,446,234
Public Safety Income Tax (2)												5,242,950
Local Road and Street Distribution (2)												317,038
Planning, Zoning, and Building Permits and Fees (2)												650,000
Cable TV Licenses (2)												80,000
Rental of Property (2)												-
Court Costs and Fees (2)												20,000
Earning on Investments (2)												100,000
Street and Curb Cuts (2)												2,000
Continuing Education (2)												-
Fire Protection Contracts and Services (2)												500,000
Police Security - Zionsville School Corporation (2)												292,430
Other Charges for Services, Sales, and Fees (2)	\$ 248,500			\$ 500	\$ 20,000							269,800
Motor Vehicle Highway Distribution (2)												852,496
Food and Beverage Tax (2)						\$ 355,000						355,000
Payment in Lieu of Taxes (2)												-
Riverboat Wagering Tax (2)												-
Miscellaneous Receipts (2)							\$ 5,000	\$ 1,786,000	\$ 240,000	\$ 200,000	\$ 95,740	2,326,740
<b>Total Operating Receipts</b>	<b>248,500</b>	<b>52,431</b>	<b>1,516,348</b>	<b>500</b>	<b>20,000</b>	<b>355,000</b>	<b>5,000</b>	<b>1,786,000</b>	<b>240,000</b>	<b>200,000</b>	<b>95,740</b>	<b>34,259,117</b>
<b>Operating Disbursements:</b>												
Personal Services (3)	95,794											19,129,329
Supplies (3)	49,023			500								1,023,523
Other Services and Charges (3)	95,588		140,000		45,000	464,444	5,000	1,066,367	250,000	240,000	95,740	10,751,589
Capital Outlays (3)	54,000		1,170,793					657,704				4,567,763
Circuit Breaker Shortfall (4)			71,543									665,706
<b>Total Operating Disbursements</b>	<b>294,405</b>	<b>-</b>	<b>1,382,336</b>	<b>500</b>	<b>45,000</b>	<b>464,444</b>	<b>5,000</b>	<b>1,724,071</b>	<b>250,000</b>	<b>240,000</b>	<b>95,740</b>	<b>36,137,910</b>
<b>Net Operating Receipts</b>	<b>(45,905)</b>	<b>52,431</b>	<b>134,012</b>	<b>-</b>	<b>(25,000)</b>	<b>(109,444)</b>	<b>-</b>	<b>61,929</b>	<b>(10,000)</b>	<b>(40,000)</b>	<b>-</b>	<b>(1,878,793)</b>
Increase/(Decrease) in Cash Balance	(45,905)	52,431	134,012	-	(25,000)	(109,444)	-	61,929	(10,000)	(40,000)	-	(1,878,793)
Add: Estimated Ending Cash Balance as of 12/31/19 (5)	51,266	118,169	277,368	41	53,801	443,855	2,884	671,701	40,448	97,945	-	16,953,232
<b>Estimated Ending Cash Balance as of 12/31/20</b>	<b>5,361</b>	<b>170,600</b>	<b>411,380</b>	<b>41</b>	<b>28,801</b>	<b>334,411</b>	<b>2,884</b>	<b>733,630</b>	<b>30,448</b>	<b>57,945</b>	<b>-</b>	<b>15,074,439</b>
<b>Operating Balance % of Total Operating Disbursements (6)</b>	<b>1.82%</b>		<b>31.38%</b>	<b>8.20%</b>	<b>64.00%</b>	<b>72.00%</b>	<b>57.68%</b>	<b>42.55%</b>	<b>12.18%</b>	<b>24.14%</b>		<b>42.50%</b>
Payable Year 2020 Estimated Tax Rate (7)		\$ -	\$ 0.0625									\$ 0.7041
Payable Year 2020 Estimated Assessed Valuation (8)		\$ 2,287,081,150	\$ 2,287,081,150									

(1) Per the 2020 estimated budget Form 4b Line 16.  
 (2) Per the 2020 estimated budget Form 2 Column B. Provided by the Town or calculated by Crowe based on State revenue budget estimates.  
 (3) Provided by the Town.  
 (4) Per the DLGF Circuit Breaker Report for 2019.  
 (5) Per the Estimated Budget Summary 2019 (Selected Funds).  
 (6) Calculation excludes Circuit Breaker Shortfall from Total Operating Disbursements.  
 (7) Per \$100 of Net Assessed Value.  
 (8) Represents 80% of Payable Year 2020 Certified Assessed Valuation.