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October 19, 2026
Via email only

Ms. Anna Culy
Department of Local Government Finance
Indiana Government Center North
100 North Senate Avenue N1058(B)
Indianapolis, Indiana 46204

RE: Review of Fiscal Impact Analysis

Dear Ms. Culy:

The Town of Ellettsville and Richland Township (collectively, the "Units") appreciate the Department of Local Government Finance's review of the Fiscal Impact Analysis ("Analysis") and the opportunity to clarify the assumptions, service areas, and funding sources underlying the proposed reorganization. This response is intended to address the Department's comments using the Fiscal Impact Analysis and the supporting financial workpapers provided with this response. Where an item depends on a future agreement, budget certification, statutory determination, or transition action, the Units acknowledge that the final implementation will remain subject to those requirements.

Executive Summary of Clarifications

- Property-tax service areas are intended to follow service delivery: Police, existing Town debt, and cumulative funds are Town-District-only; General Administration, Fire, and Parks apply across the reorganized area; Township Assistance applies to the former Richland Township service area and the Ellettsville-Richland portion, but excludes the Bean Blossom portion of Ellettsville.
- The projected 2027 gross property-tax levy is $6,121,981. It is a planning estimate/requested initial levy, not a representation that DLGF has certified that amount. The planning model was prepared prior to certification of the MLGQ for 2027.
- The 2027 funding plan projects $11,488,315 of receipts and $11,326,182 of disbursements, for an estimated $162,133 positive change in fund balance. The plan allocates projected receipts by service/fund rather than treating all non-property-tax revenue as unrestricted.
- In the financial model, road funding includes $909,754 in projected gas-tax/MVH/LRS revenue, $332,200 in County Wheel Tax revenue, and $204,300 in municipal wheel-tax/surtax revenue. The Town expects an additional $210,371 of County Wheel Tax from reallocating road miles and population as part of the reorganization. (See attachment #2.)The Units acknowledge that interim

- road and snow-removal arrangements for the January 1, 2027 transition must be documented separately.
- The Units agree that the Bloomington City/Richland Township area requires a legally supportable treatment for continuing township-assistance responsibilities and any related financing. The supplied tax-base workpaper expressly states that this Bloomington area cannot be taxed by Ellettsville; therefore, an interlocal/transfer arrangement or other lawful mechanism must be documented before implementation.

1. Statutory context

Response. The Units acknowledge the Department's description of the Government Modernization Act and understand that the Review constitutes statutory comments under Ind. Code § 36-1.5-4-18(e), rather than individualized legal or financial advice.

2. Structure and effective date

Response. The Analysis assumes voter approval and an effective date of January 1, 2027. The proposed structure consolidates Richland Township into the Town of Ellettsville and establishes Town (urban) and Rural service districts. The Units acknowledge that implementation remains contingent on voter approval and completion of all statutory transition steps.

3. Pay-2026 transition, settlements, and cash balances

Response. The Units agree that the January 1, 2027 effective date does not itself establish a levy or resolve pay-2026 settlement and fund-balance transfers. The Analysis addresses the 2027 operating structure but does not contain a final settlement-distribution or cash-transfer protocol. The Units will coordinate the accounting treatment with the State Board of Accounts and document the treatment of restricted balances, encumbrances, liabilities, and year-end settlements before implementation.

4. Service districts and proposed tax base

Response. The intended property-tax structure is reflected in the supporting "Proposed Taxing Structure" workpaper. (See attachment #1.) Police, cumulative fire, cumulative capital development, and legacy Town debt are assigned to the Town District. General administration, Fire, and Parks are assigned to the entire reorganized area. Township Assistance is assigned to the former Richland Township/Ellettsville-Richland service area and excludes the Bean Blossom portion of Ellettsville. The separate proposed-tax-base workbook uses the same concept and excludes Bloomington City/Richland Township from the Ellettsville municipal tax base.

5. Bloomington territory and Township Assistance

Response. The Units agree with the Department that exclusion from the municipal boundary does not, by itself, extinguish township-service responsibilities in the Bloomington portion of former

Richland Township. The supporting workbook identifies Bloomington City/Richland Township separately and states that this area cannot be taxed by Ellettsville. Accordingly, the Units will not rely on an Ellettsville municipal levy over that territory. As noted in the DLGF's June 10, 2026 email to attorney Darla Brown, the area of Richland Township annexed by the City of Bloomington "appears heavily industrial/commercial," and not residential. Before implementation, the Units will document the lawful service and funding arrangement for Township Assistance in that area, including any agreement authorized by Ind. Code § 36-1.5-4-40.5. No executed agreement is contained in the materials supplied for this response.

6. Funding sources for roads and police

Response. The financial model provides additional detail regarding the projected non-property-tax resources for street and road maintenance. For 2027, the model includes $909,754 of gas-tax/MVH/LRS revenue, $332,200 of County Wheel Tax revenue, and $204,300 of municipal wheel-tax/surtax revenue. The funding-plan workpaper allocates $316,700 to Local Road & Street, $593,054 to Motor Vehicle Highway, $202,000 to Municipal Surtax, and $2,300 to Municipal Wheel Tax. These are planning estimates and remain subject to the applicable distribution formulas, eligible mileage, timing, and statutory uses.

For police, the proposed property-tax levy remains Town-District-only ($1,602,586), while the funding plan also allocates $300,000 of LIT and $257,600 of SRO revenue to police. The Units recognize the Department's concern that the Plan describes broader responsibility while the property-tax levy is urban-only.

The 911 system in Monroe County operates through the Monroe County Central Emergency Dispatch Center (CEDC) which is the unified Public Safety Answering Point for all of Monroe County. The CEDC dispatches for all law enforcement, fire and emergency medical services for municipal agencies in the county. A 911 call is dispatched to the nearest agency. If the nearest agency is not available, the 911 call will be routed to the next available agency. Both Ellettsville Fire and Police have responded to calls for service in Monroe County, the City of Bloomington, and the Town of Stinesville. Those entities have assisted Ellettsville when necessary. No agency refuses to help another with regard to police and fire protection. The Units expect that all police and fire personnel in Monroe County will continue to work together as they have for years to assist one another.

The Units intend that primary call-taking responsibilities will shift from the Monroe County Sheriff's Office ("MSCO") to the Town. The MCSO will respond to emergency calls when Ellettsville Police Department ("EPD") officers are busy or to assist EPD when requested. EPD does not expect the MCSO to take calls for service that are not deemed life-threatening or do not otherwise present an immediate safety issue.

Ellettsville Marshal Jimmie Durnil, Deputy Chief George Robinson, and Detective Lt. Zach Michael met with Monroe County Sheriff Ruben Marté, Chief Deputy Phil Parker, and Lt. Col. Randy Jacobs on January 29, 2026 to discuss the proposed Reorganization between the Units. Both entities recognized the close working relationship they have developed over the years.

The Reorganization Plan calls for the addition of three new police officers, giving EPD, and Monroe County as a whole, more law enforcement resources. The Units intend to implement additional phased staffing over the next five to seven years to meet service demands.

With regard to snow removal, the Units would state that there are 15 full-time employees in the Town's Department of Public Works. That number includes Ellettsville Utilities employees who have been cross trained to operate trucks with snow plows and sand spreaders. The financial analysis proposes that two additional employees will be hired if the Reorganization passes. Currently, the Town has 11 trucks with snowplows and salt/sand spreaders. The Director of Public Works has engaged in discussions with potential contractors who can step in on an as-needed basis to assist with snow removal. Because additional service arrangements that may be required for the winter of 2027 are weather dependent, costs to retain outside contractors are speculative at this time. Contracts for snow removal will be documented separately.

7. Taxpayer impact illustrations

Response. The Units confirm that the percentages in the Analysis are scenario estimates, not guaranteed tax bills: +6.9% for current Richland Township, +4.1% for Ellettsville-Richland, and +3.5% for Ellettsville-Bean Blossom. For the $300,000 homestead illustration, the Analysis shows an estimated $148 annual increase in Richland and no increase in the two Ellettsville districts because the modeled properties are already at the applicable tax caps. The Units agree that actual liability will depend on assessed value, deductions, credits, certified rates, and tax-cap treatment.

8. Reconciliation of departmental expenditures to funds

Response. The Units agree that the departmental presentation in the Analysis should be reconciled to the proposed funds. The attached funding-plan workpaper provides that bridge by allocating receipts and disbursements among Town General, Police, Fire, Park and Recreation, Local Road & Street, Motor Vehicle Highway, municipal wheel/surtax, LIT Public Safety, LIT Economic Development, cumulative funds, Debt Service, and Township Assistance. The Units will use this fund-level schedule as the supporting framework for the 2027 budget process, subject to DLGF budget forms and lawful-use restrictions.

9. Projected expenditures and staffing

Response. The Analysis projects 2027 operating expenditures of $11,326,182. The increase reflects expanded service delivery and phased staffing, while eliminating identified duplicative Township

administration and recreation costs. The Units acknowledge the Department's observation that certain staffing schedules are not directly comparable to single-year departmental increases. The staffing table is a planning schedule and includes phased or fully loaded personnel estimates; it should not be read as requiring every listed position or full annual cost to be incurred on January 1, 2027. The 2027 budget will reconcile the timing of hires, departmental costs, and fund allocations. Township Assistance is projected at $530,000 and reflects creation of a Town public-assistance department and associated staffing/service costs.

10. Available revenues and fund allocation

Response. The 2027 funding plan identifies projected receipts by source and allocates them by service/fund. Total projected 2027 receipts are $11,488,315, including $6,121,981 of gross property tax, $3,179,234 of LIT, $909,754 of gas-tax/MVH/LRS revenue, $332,200 of County Wheel Tax, $204,300 of wheel tax/surtax, $357,582 of auto excise/CVET/FIT, and other identified receipts. The Units agree that each receipt must be reconciled to its source year, distribution formula, lawful use, and receiving fund. Internal transactions between the existing Units will not be treated as external revenue after reorganization. Cash and investment balances will be transferred only after review of restrictions, encumbrances, and continuing obligations in coordination with SBOA.

11. Proposed levy

Response. The $6,121,981 figure is the proposed 2027 gross property-tax levy used in the fiscal model and requested as the initial levy for planning purposes. The Units acknowledge that it is not a DLGF determination of the maximum lawful levy and that the certified levy will be established through the applicable statutory and budget-certification process. The Units also agree that the proposed 2027 gross levy should be compared to a consistent gross-levy baseline rather than pay-2026 after-circuit-breaker collections.

12. Tax rates and assessed value

Response. The Units acknowledge that the Analysis used the most recent assessed-value information available when prepared and that final rates depend on the lawful tax base for each fund. The proposed-tax-base workbook separately identifies the areas intended to support each fund. The Units will reconcile the final certified NAV, service-area boundaries, legacy-debt area, and Township Assistance area before rates are certified. The Analysis's rates should therefore be understood as estimates per $100 of NAV, not certified rates.

13. Effects on nonparticipating units

Response. The Analysis includes an estimated circuit-breaker impact table for overlapping taxing units. The Units acknowledge the Department has not independently verified those estimates and that higher rates may affect circuit-breaker credits borne by other units. The Units will preserve the underlying assumptions and calculations supporting the table and update them as necessary using final certified rates and NAV. The Analysis currently estimates an aggregate increase in property-tax

credits of approximately $106,034 versus the modeled 2027 baseline, including approximately $23,373 for Richland-Bean Blossom Community School Corporation, $8,059 for Monroe County, $1,957 for the Monroe County Public Library, and $563 for the Monroe County Solid Waste Management District.

14. MLGQ and future LIT changes

Response. The Units acknowledge that the Analysis used a 2027 MLGQ assumption of 1.056, while the Department identifies the subsequently certified 2027 quotient as 1.060. Future-year growth assumptions in the model are planning assumptions only and will be updated to the applicable certified factors. The Units also acknowledge the Department's comments regarding SEA 1-2025 and HEA 1210-2026. The model's future LIT assumptions will be reconciled to the statutory adoption, collection, and distribution schedule before reliance on municipal-LIT receipts in later years.

The Units appreciate DLGF's review and agree that the fiscal model will need to be carried forward into the 2027 budget and transition process with fund-level reconciliations, lawful service-area tax bases, updated certified values and revenue estimates, and documented transition arrangements. The Units believe the attached workpapers provide additional support for the proposed taxing structure and funding plan while recognizing that final levies, rates, distributions, accounting transfers, and intergovernmental service arrangements remain subject to applicable law and the appropriate State and local approval processes.

Sincerely,

Darla S. Brown

Darla S. Brown

Attachments:

1. Proposed Taxing Structure_Ellettsville Richland Twp Reorg
2. Impact on County Wheel Tax
3. Estimate Receipts and Disbursements by Fund and Service

53 - MONROE COUNTY - 2026 Certified

Fund-District - Details - Proposed Ellettsville-Richland Township Reorganization

UTC	UC	UNIT NAME	FC	FUND NAME	TDC	District Name	Adjusted Net AV
	0788	ELLETTSVILLE CIVIL TOWN	0101	GENERAL	011	Richland Township	$706,655,781
					013	Elletsville Town	$561,975,446
					018	Ellettsville-Bean Blossom	$865,286
					0101 - TOTAL NET AV		**$1,269,496,513**
				MUNICIPAL FIRE	011	Richland Township	$706,655,781
					013	Elletsville Town	$561,975,446
					018	Ellettsville-Bean Blossom	$865,286
					0101 - TOTAL NET AV		**$1,269,496,513**
				POLICE	013	Elletsville Town	$561,975,446
					018	Ellettsville-Bean Blossom	$865,286
					0180 - TOTAL NET AV		**$562,840,732**
				PUBLIC ASSISTANCE	011	Richland Township	$706,655,781
					013	Elletsville Town	$561,975,446
					0180 - TOTAL NET AV		**$1,268,631,227**
			0180	DEBT SERVICE	013	Elletsville Town	$561,975,446
					018	Ellettsville-Bean Blossom	$865,286
					0180 - TOTAL NET AV		**$562,840,732**
			0283	LEASE RENTAL PAYMENT	013	Elletsville Town	$561,975,446
					018	Ellettsville-Bean Blossom	$865,286
					0283 - TOTAL NET AV		**$562,840,732**
			0706	LOCAL ROAD & STREET	013	Elletsville Town	$561,975,446
					018	Ellettsville-Bean Blossom	$865,286
					0706 - TOTAL NET AV		**$562,840,732**
			0708	MOTOR VEHICLE HIGHWAY	011	Richland Township	$706,655,781
					013	Elletsville Town	$561,975,446
					018	Ellettsville-Bean Blossom	$865,286
					0708 - TOTAL NET AV		**$1,269,496,513**
			1191	CUMULATIVE FIRE SPECIAL	013	Elletsville Town	$561,975,446
					018	Ellettsville-Bean Blossom	$865,286
					1191 - TOTAL NET AV		**$562,840,732**
			1301	PARK & RECREATION	011	Richland Township	$706,655,781
					013	Elletsville Town	$561,975,446
					018	Ellettsville-Bean Blossom	$865,286
					1301 - TOTAL NET AV		**$1,269,496,513**
			2379	CUMULATIVE CAPITAL IMP (CIG TAX)	013	Elletsville Town	$561,975,446
					018	Ellettsville-Bean Blossom	$865,286
					2379 - TOTAL NET AV		**$562,840,732**
			2391	CUMULATIVE CAPITAL DEVELOPMENT	013	Elletsville Town	$561,975,446
					018	Ellettsville-Bean Blossom	$865,286
					2391 - TOTAL NET AV		**$562,840,732**

ELLETTSVILLE, INDIANA

PROPOSED REORGANIZATION WITH RICHLAND TOWNSHIP

IMPACT ON COUNTY WHEEL TAX

	2024 Wheel Tax Distribution
MONROE COUNTY UNIT	$ 1,475,392.00
BLOOMINGTON CITY	1,243,237.00
ELLETTSVILLE TOWN	121,728.00
STINESVILLE TOWN	5,236.00
Totals	$ 2,845,593.00

	Monroe County-Wide
Estimated Total Distribution - 2024	$ 2,845,593.00
Amount distributed by population (60%)	$ 1,707,355.80
Amount distributed by road miles (40%)	$ 1,138,237.20

	2020 Census Population	% Allocation	2024 Allocation	Population Adjustment for Consolidation	Adjusted population	Adjusted Allocation %	Adjusted Distribution	Change
MONROE COUNTY UNIT	53,692	38.4%	$ 656,116.95	(8,490)	45,202	32.4%	$ 552,369.04	$ (103,747.91)
BLOOMINGTON CITY	79,168	56.7%	967,434.00	-	79,168	56.7%	967,434.00	-
ELLETTSVILLE TOWN	6,655	4.8%	81,324.19	8,490	15,145	10.8%	185,072.10	103,747.91
STINESVILLE TOWN	203	0.1%	2,480.66	-	203	0.1%	2,480.66	-
TOTALS	139,718	100.0%	$ 1,707,355.80	-	139,718	100.0%	$ 1,707,355.80	$ 0.00

	Road Miles (1)	% Allocation	2024 Estimated Allocation	Road Mile Adjustment for Consolidation	Adjusted Road Miles	Adjusted Allocation %	Adjusted Distribution	Change
MONROE COUNTY UNIT	705.754	71.9%	$ 817,929.40	(92.00)	613.754	62.5%	$ 711,306.55	$ (106,622.85)
BLOOMINGTON CITY	238.776	24.3%	276,728.03	-	238.776	24.3%	276,728.03	-
ELLETTSVILLE TOWN	34.984	3.6%	40,544.50	92.00	126.984	12.9%	147,167.35	106,623
STINESVILLE TOWN	2.619	0.3%	3,035.27	-	2.619	0.3%	3,035.27	-
TOTALS	982.133	100.0%	$ 1,138,237.20	-	982.133	100.0%	$ 1,138,237.20	$ 0.00

	Estimated Wheel Tax Distribution	Change due to Annexation	Adjusted LRS Distribution
MONROE COUNTY UNIT	$ 1,474,046.35	$ (210,370.76)	$ 1,263,675.59
BLOOMINGTON CITY	1,244,162.03	-	1,244,162.03
ELLETTSVILLE TOWN	121,868.69	210,370.76	332,239.45
STINESVILLE TOWN	5,515.93	-	5,515.93
TOTALS	$ 2,845,593.00	$ 0.00	$ 2,845,593.00

Notes:
(1) Road miles from the INDOT 2024 Jurisdictional Mileage report.

ESTIMATED RECEIPTS AND BUDGETED DISBURSEMENTS BY SERVICE TYPE AND FUND
(AFTER REORGANIZATION)

	Town General	Police	Fire	Park and Recreation	Local Road & Street	Motor Vehicle Highway	Municipal Surtax	Municipal Wheel Tax	LIT - Public Safety	LIT - Economic Development	Cumulative Fire Bldg. & Equipment	Cumulative Capital Development	Debt Service	Township Assistance	Total All Services
Receipts:															
Property Tax	$ 284,733	$ 1,602,586	$ 2,825,855	$ 108,516	$ -	$ -	$ -	$ -	$ -	$ -	$ 193,095	$ 289,842	$ 376,909	$ 440,445	$ 6,121,981
Circuit Breaker & Other Tax Credits	(10,882)	(139,411)	(107,995)	(4,147)	-	-	-	-	-	-	(16,798)	(25,214)	(3,245)	(16,844)	(324,536)
Auto Excise, CVET & FIT	17,066	96,055	169,375	6,504	-	-	-	-	-	-	11,574	17,372	13,237	26,399	357,582
Alcohol & Cigarette Tax	21,700	-	-	-	-	-	-	-	-	-	-	-	-	-	21,700
Charges for Services	105,900	-	-	600	-	4,800	-	-	-	-	-	-	-	-	111,300
Cigarette Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
County Wheel Tax	-	-	-	-	-	332,200	-	-	-	-	-	-	-	-	332,200
Earnings on Investments	91,300	-	-	-	-	-	-	-	-	-	-	-	-	-	91,300
Fire Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas Tax	-	-	-	-	316,700	593,054	-	-	-	-	-	-	-	-	909,754
HTCU Revenue	110,900	-	-	-	-	-	-	-	-	-	-	-	-	-	110,900
Local Income Tax	590,679	300,000	300,000	-	-	-	-	-	341,735	1,646,820	-	-	-	-	3,179,234
Payment in Lieu of Tax	76,900	-	-	-	-	-	-	-	-	-	-	-	-	-	76,900
Refunds and Reimbursements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Riverboat Revenue	38,100	-	-	-	-	-	-	-	-	-	-	-	-	-	38,100
SRO Revenue	-	257,600	-	-	-	-	-	-	-	-	-	-	-	-	257,600
Wheel Tax & Surtax	-	-	-	-	-	-	202,000	2,300	-	-	-	-	-	-	204,300
Other Receipts & Cash Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	1,326,396	2,116,830	3,187,235	111,473	316,700	930,054	202,000	2,300	341,735	1,646,820	187,871	282,000	386,901	450,000	11,488,315
Disbursements															
Fire	-	-	3,063,239	-	-	-	-	-	170,800	694,500	187,871	35,000	-	-	4,151,410
Police	-	2,114,335	-	-	-	-	-	-	170,800	639,920	-	160,000	-	-	3,085,055
Street Maintenance	-	-	-	-	316,700	930,054	202,000	2,300	-	-	-	-	-	-	1,451,054
Administration	690,600	-	-	-	-	-	-	-	-	232,400	-	67,000	-	-	990,000
Planning and Zoning	594,108	-	-	-	-	-	-	-	-	-	-	20,000	-	-	614,108
Twp. Maintenance (cemeteries, snow & weeds)	15,750	-	-	-	-	-	-	-	-	-	-	-	-	-	15,750
Capital - Planning	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital - Police	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Park and Recreation	-	-	-	109,300	-	-	-	-	-	-	-	-	-	-	109,300
Capital - Fire	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Township Assistance	-	-	-	-	-	-	-	-	-	80,000	-	-	-	450,000	530,000
Cemeteries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Twp. Community Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	379,505	-	379,505
Capital - Street	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital - Admin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital - Parks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated - CCI Cig Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Disbursements	1,300,458	2,114,335	3,063,239	109,300	316,700	930,054	202,000	2,300	341,600	1,646,820	187,871	282,000	379,505	450,000	11,326,182
Est. Change in Fund Balance	$ 25,938	$ 2,495	$ 123,996	$ 2,173	$ -	$ -	$ -	$ -	$ 135	$ -	$ -	$ -	$ 7,396	$ -	$ 162,133