

Owen County Council
Public Hearing-Tax LIT Increase
Minutes-August 26, 2021

Meeting was called to Order by President Andy Wood.

Pledge of Allegiance was said, and Prayer given by Sheriff Hobbs.

Members Present: Andy Wood, Verl Keith, Amy Casebeer, Polly Chesser, Anton Neff, and Nick Robertson.

Absent: Chuck Hess

Also Present: Attorney Jim Bryan, Peter's Consultant Jeff Peters, and Auditor Sheila Reeves.

Public signed in; Sheet attached for permanent record.

**Due to multiple Audible issues with no microphone to hear everyone's comments, some are limited to my notes only and from my personal cell phone recording. Sign in sheet is not legible on some signatures also.

Mr. Wood started by thanking everyone for coming tonight and stating that "We Are Governed by The People-For the People" which is why we are here tonight. He is Concerned with the recent happenings with the Health Dept., and School issues, Council Issues, Exploitations on Social-Media, and the personal harassment that is happening.

He announced to the Public that was present to make sure they had signed up to speak during the Public Hearing if they so wished and to please stay focused.

A brief overview was given by Mr. Bryan of the current Funds status, specifically the General Fund #1000 and negative balances that have been that way for the last 20 months. The August negative starting balance was over \$500000 and is down to 345000. The State has approved the use of LIT Edit Fund #7332, Riverboat Fund #1191, Fuel Reimbursement Fund, and Jail Housing 4906 for a cap of \$1.2 million to pay claims to help reduce the County General Fund negative balance. Payroll Revenue and Expenses equal to \$250000 in/out so Payroll will still be processed from the General Fund. An added possible option to consider was to move EMS Cash balance of \$600000 to the General Fund. Overall cuts have been made, certain legal requirements for some offices need to be met, single person and/or small staffed offices have limited options, but services must be provided, cuts made with no additional revenue, possibly only open two to three days week. The Auditor and Treasurer Office is rotating staff, the Court Reporter is going back and forth between courts.

Revenue-Tax Increase currently for Correctional Facilities Fund#1233 has had to be used to operate and maintain the current jail. If a new Jail is to happen a second Tax it would absolutely be needed.

Summary: General Fund in the Red \$1.6 million, No other Avenues where money could come from, Financial Reality, twenty plus Departments in the General Fund with the Sheriff's Budget the largest at \$2.4 million.

If the Tax was passed; the Sheriff's Budget could come out of the General Fund and placed in the new LIT Fund. This would allow the County to reduce deficit spending in the General. A reminder that the County rolled over the year with a deficit of \$6485 and this would help to provide a solid goal by 2023-2024.

The proposed Ordinance would increase from the current rate of 1.6% to 2.5%. A copy of the Proposed Tax Increase was provided to the public for review and will be attached for permanent record. The actual Ordinance was to be read in the called Public Hearing.

Mr. Bryan further related that if Council doesn't consider he recommends rescinding of the Correctional Facility as they are already two years into the loan.

Jeff Peters summary included that their company had developed the current Fiscal Plans. You would need to adjust and move forward and make cuts in the plan to produce a three percent growth factor. Budget has been inflationary for 2 years, cash eaten over General, no negative balances can continue, need cash for expenses and emergencies. With a Fiscal Plan increase at .9% it should begin to restore Cash by 2023-2024. For Bond Ratings it would need to be operationally self-sufficient. Again, possibly consider stopping the current .2% and secure bonds. Correctional Facility can go towards \$22-24million project. If objectives are hit it could be done in 2023. Maintaining facility, keep more there with no principle, pay interest in construction.

Impact to taxpayers would be \$445.89 a year based on a median household income. Mr. Robertson asked if they would rescind the .2% if it would free up funds-Mr. Bryan answered no. County hasn't been able to save money and has gone through over four million in two years Mr. Neff commented if change .2% PSAP they only get 80% and town 20%.

No other comments from Council Members were made.

Mr. Wood opened the Public Hearing at 7:43pm. He asked the public to be respectful in its comments and each person will be limited to two minutes.

Mr. Bryan read the proposed Ordinance 2021-016 in its entirety.

Public Comments:

Charles Nanny-primarily concerned with the road's conditions, farmers can't move equipment, lots of law enforcement as property taxes have already gone up 40% over the years for him. He'd like to have something if the increase went up to 2.5%

Donald ?-He objects.2015 running in the red and spending over \$700000 and no one trying to fix it bothers him. Wants details shown to them line-by-line. Our Jail is only 35 years old, compared to Vigo at 100 years old. Why can't maintenance be done properly? To Sheriff-Why does it take two deputies and state cops to go on runs? Answered-Safety. Do they have take-home cars? Answer-Yes to allow quicker response.

Lester Hall-Can State Auditor Do Check-Mr. Bryan related no that in kind audits and they are aware of what is going on. Road Graders leased in the County-Answered two. Called in several times, they were only 1600 foot from the ditch and why wouldn't they even come down. Mr. Melton explained he was aware of the ditch, and he'd speak with him after the meeting.

Barron Barnett-Been coming to Commissioner/Council Meetings for twenty years and can't understand why they aren't living within their means. Always seems to be another issue, is it a lack of focus? Too many Employees? Why are they being personally punished when the Government Officials didn't do their jobs?

Jeff Marks-Possible lesser increase? Residents have suffered enough; have so at the lack of diligence from management. Something needs done about the roads. Peters Report has nothing in Tax Ordinance for Proper Plan—Proper Management.

Beth Wood-The Tax would hurt everyone. Coming to all the meetings is necessary and feels that the public needs to educate themselves, talk with members and don't wait until it's too late.

Tom Abrell-He's heard 20% reduction and Employees per Department—That is two very different things. Reductions of 20% should be every department. Commissioners/Council should offer as a good will gesture to make a cut also. Health Benefits are being paid at 94%, have potential for up to \$67000 if Comm/Council

John Sorenson-New to the Community, activity service member for 17 years. Disposable Income out of everybody's pocket. Wants accountability for the last five years being in the red, don't spend more than they make, current Jail Tax money isn't being used sufficiently. He manages a budget ten times bigger than this so they can do it; Take responsibility.

Kim Sullivan-She feels for the County as they are in a tough spot, but she can move to Indy for this rate as this puts Owen County in the top percentages in the State. She works in Indy and can just as easily move with the

increase. Feels it will make people move. How many drivers are on the roads and are they being pulled over for speeding and tickets being collected.

Kevin Wampler-If he ran his farm the way the County does; he'd be bankrupt. Nobody is going to come and say I'll help you out. Gets paid once a year and makes it work, the county could do it two times a year?

Debbie Wampler added—Would ½ of the amount work?

Roger Hainey-Mismanagement somehow got us here, will the proposed \$3.7 million coming in and will be gone in no time too? Make a budget work! He came here because he has roots and a low-cost community, not for the free services.

Zach Weisheit-Came from Monroe Co two years ago to get away from high taxes. Police Officer by trade, would never disagree for Police Dept. monies needed. One week each year before taxes come in was laid off to meet budgets. Misrepresentation of Sheriff duties. Agrees with misspending and mismanagement. To the person on why so many officers showing-up; it is to protect them!

Nicole VanDerMoere-Ask if she could share her time with Tom Abrell. Was told no/Sheriff-Sheriff.

Speaking? -Consider Inflation eating us alive right now then tax us more. Why were no brakes a few years ago?

Andy Wood-Got a call on this and no one knew this was happening; and then a call to the State Police/Sheriff. Basically no one knew if something criminal was going on here. They were sending up a budget each that they thought were actual good numbers that they had been given. Now learning, based on numbers that are actual-good numbers when they came out-They did put the brakes on!

??-Did Budgets go up dramatically. Andy replied to them no. Andy stated that they get beat up a lot; Donald commented deserving and said just joking. He thanked Sorenson for his service. Not one of us is dishonorable and looking back-question hindsight. He has shed tears/lost sleep over this mess, people going after them on Facebook. They are good stewards, doesn't want sympathy and each of them are honest and dependable. They do expect to be held accountable in the future.

Lady??- (not on sign in sheet) How are they going to be accountable to the public in the future?

Andy-Expect to be in the black by December with or without tax rate being considered.

Andy-Cash flow issues-Jail over their head, EMS needs another Ambulance and provide services to the county.

Andy to Greg & Sam-Inflation and cost for goods and services is up-both replied yes.

Curt? - Doesn't envy their jobs and would never run for council. Related worked at a private industry that was affected by 911 emotionally and psychologically. They were told that they were going to take a 15% pay cut and that lasted for five years. Feels that every Employee automatically cut with no raise is a way to save.

No Tax increases. Today's paper has 160 property owners that are losing their homes over property taxes, and then this added. Mr. Neff confirmed comment made-.9% is not gross of what is taken. Can individuals buy Bonds to help offset the .9% tax to help those who cannot afford it.

Ulysses Alden-Gervantes-Not in favor of the tax. Could have been done several years ago with the constant losses. How is it dispersed? Could a Food-Beverage Tax be considered?

Andrew Horning-We have a blame on us; Voters need to wake up and take more accountability of their votes. State screwed over with the property tax in 2010. Increase per capita income. Inflation is hurting us, restaurants tax and income tax increase etc. that puts business under; This is pushing people out. He can work from home and live anywhere he wants, and this might be what would make him leave as he isn't getting anything for his taxes.

Uriah Baily-Related that he is one of those 160 people who is going to lose his property. Property taxes just keep rising. He has a home business that is his only income and will likely lose his livelihood. Owned for eight years and hasn't changed a thing and his taxes just keep rising.

Victor Vaillette-Stated that the attorney said negative \$6484; thinks auditor would correct that it is \$524000. To Attorney-would like a real response to his public records request. You four guys here and Chuck are why we

are here today. To Council-None of you are willing to say we screwed up. Gave several Revenue/Expenditure amounts for the past few years. Expenditures exceeded Revenues and many were not budgeted for over five years.

R. Young-Is in favor of, feels council is working hard to fix the problem. A surplus by 2023-2024 with the Peters Plan and addition of tax increase. Will this decrease back down if goal reached? No was replied by Peter's. Meet expenditures with 3% and conservative on income side. Mr. Peters stated that this would continue to fund the Jail and service on Bond.

Jordan Bland-He's not totally against. Tax generates 3.7% million and 20% eaten by Public Safety. If Sheriffs budget is moved to new fund-Where does that money go into the general fund?

Once in the black, where allocated? Does not need to be forever. Mr. Peters stated this is to balance fiscal plan and \$1mi not \$3mi. Two thirds offset overspending to provide services. Why are we not utilizing if there are funds? Mr. Wood-paid from General Fund and not on shared higher rate. PSAP has been at 0% all these years; why hasn't this been proposed sooner. Continued comments--obvious no increase wanted, why not a PSAP tax 12-15 years ago? He asked for council to reply except Anton. Peter's-the public safety tax came in about 12+-15 years ago; JB-so you're saying we're behind then. He continued with an explanation for the different taxes; with counties going to this tax when the expenditure needs out paces the revenue stream, they off source it. If at 10%, how much would they get to keep? Andy moved on to keep on track.

Molly Hainey-Cut across the board; would one year would get us where we belong. She's against a new jail.

Sheriff Sam Hobbs-Thanked the gentleman that had just spoken for his service. Related that the Correctional Facility monies are being spent correctly and only started this year. He's provided many hours of service working the roads, administratively and does have one of the biggest budgets. When he took over this County was woefully in the dark ages for 15 years with professionalism and services were down. He thanked Mr. Weishat for his services and to Donald—To Protect each other is why two officers show up it is perception versus reality. He has 16 officers/12 road crew that work 24/7/365. Arrest rates are up 60%, convictions at 89%, felony drug rate up to 73%. They are working and yes, they do take their cars home to respond for the emergency calls that come, not time to come to town to get. Weishat-agreed safety; need take home cars.

Jeff Peters-Multiple pools, income tax pool that feeds the general fund is called certified shares that includes the townships, schools, cities, libraries, and towns. The Public Safety Tax is only shared with the cities and towns. Gave number of earn 59 cents on every dollar raised and on Public Safety you get 79/80% on public lit.

Andy Wood closed the Public Hearing at 8:45pm.

Mr. Neff related that he had done the math on current and proposed tax. If current was to be rescinded, they'd lose approximately \$840000 in the Jail Lit Fund. If they were to adopt a .2% safety rate and the shared 20% with town and only get \$672000, but there would be no time limited and flexibility.

Budget \$319000 in fund for Jailers and Maintenance. \$352000 available to offset the deficit. Every 2/10% gain flexibility and earmarked \$672000 revenue. Peter's-.9% has an infinite shelf life; .2 only has 22 years max.

Mr. Wood-2023 groundwork laid with a plan to start down road to achieve goals.

Andy Wood to Mr. Burton: Is there a desire or plan for a new jail? He stated that a new jail wasn't even being considered by the Commissioner's due to the current financial situation we are in.

Verl Keith-Council sets here every year and makes a budget, and the problem is they've spent more than budgeted-overspent on other projects and they didn't know that at all. The last Auditor would tell them what was there, and that it was not a problem, so they spent. They must rely on what they are being told. Feels they are going to have to raise taxes to survive. Felt it was Auditor's job to tell them the numbers and if overspent. No big money has been made with current cuts. EMS financially is good, and we are lucky to have them, 911 Dispatch as well. Sheriff's Department is still back logged and are trying to cut. He suggested to go talk with

Departments and offered for any of them to come to him with any suggestions.

Nick Robertson- if .1% amount would be \$49.54 per medium household income? Confirmed yes.

Amy Casebeer-She hasn't been on Council very long and its more than anticipated and its tough. No, she doesn't want to raise taxes, however, to take care of needs it is necessary. People want better roads and bridges fixed; but we can slow down a little bit to not tear their cars up. There are many services that we need! We have the best EMS but not enough employees and need more qualified staff. There is a difference between a want and need. Inflation is up, adding to going forward and deficits.

How can they guarantee it doesn't happen again and feels they have all learned a valuable lesson and this has been a huge wake-up call? They need hard copies of numbers in their hands to see. Appreciates what this tax increase is going to do for our community.

Polly Chesser-began with no criminal activity has been done. They were given understated revenue numbers, budgets were not inflated, need to be fiscally conservative. The problem was five years in the making. She's not hearing any alternatives. They have made cuts and not many more places to cut from, and Personnel is the backbone and unfortunately still overbudgeted for 2022. To get us out of this position she doesn't see any other options.

Anton Neff-Tough personal situation as we are family, friends, neighbors here. Personally related as a small community this is where the rubber meets the road, they are the Nut-Bolts, insurance, gas, wages, and adequate staff. Phenomenal comments given and he takes this seriously and this is a last possible option. With auditor, added internal controls and accuracy in numbers is a step in moving forward.

Separation of powers; Commissioner's don't spend the budget, commissioner's channel with the auditor to approve. Confident in decision needed and done everything possible and now at that point to have to maintain services.

Andy Wood-Impact again, decision on Council to make the decision and asked of members do we make a Motion to start at the top and work their way down?

Mr. Neff stated he would not vote to increase at .9%. He added at .4% it would allow them take care of situation and give some wiggle room with the flexibility and use of existing funds.

Mr. Robertson- if they rescinded current 2% and raised PSAP to .3% would it raise enough revenue? Suggested to start at the bottom and work up on amount.

Mr. Peters-.4% with the fiscal plan would eliminate debt but no wiggle room; .2% would be not provide an impact to budget.

Ms. Casebeer-commented .2% for proposed jail is different than a 35-year-old jail. Sheriff agreed a lot different.

Jim Bryan-Related that the number one liability for any county is their jail. Owen County's is what it is. Time and Insurance is a factor and best interest of county at .4% would only make them be even. Clear actual amounts spent and exhaustion of revenues to be considered.

Mr. Keith-If Departments need more help .4% only evens it out; there's no chance to hire more help.

Ms. Casebeer-

Made a motion to accept a .9% Tax Increase per Ordinance 2021-016; seconded by Verl Keith.

Ms. Chesser to Ms. Reeves-2022 Budget numbers realistic? Ms. Reeves responded by giving 2021 versus 2022 Budget projection. Stated that even though it is an estimated five-million-dollar increase, that this is probably the most accurate Budget that has been turned in.

Mr. Neff-Number crunching and looking at different options, insurance increase, general fund flat, he's not seeing a need for .9%.

Mr. Wood acknowledged numbers di go up; but accurate.

If you build it, they will come. If .8% works or .7% the flexibility; affordable in the future and not have to come back, Ms. Casebeer, with the premise of a Fiscal Plan it restores a cash reserve and allows them to set budgets not just get along.

Mr. Robertson-He heard the Public and it's not what they want. It' a Tax burden and not feasible. Maybe a lower rate; something they can live with and be good stewards of the taxpayer's money.

Sheriff Hobbs-He knows facility is not on their agenda but to move forward and by his State Mandates to allocate monies for a jail is a choice that must be made. If something happens at the Jai it must be fixed, and it can't be done with just the current Correctional Fund. The cost of new jail has gone up from six years ago when proposed at \$14million to over \$20million now. Mr. Burton wanted it clarified that it was not on their agenda right now because of the financial status.

Ms. Chesser-Offered that if this happens; she will go line by line and be a good steward of the taxpayer' money. Just because monies will be brought in doesn't mean they will get spent.

Mr. Wood to Mr. Bryan-confirming .9% gets them there (as the targeted goal with the financial plan) and this is the best possible for everyone. Mr. Bryan-commented that coming back for a third tax and with inflation it was the best option.

Massive cuts would have to be made and where would cuts from if nothing done.

Someone from the public asked did EMS charge for runs? Answered yes.

At this time, Mr. Wood called for a Vote:

Casebeer/Keith/Chesser/Wood voted--Yay

Robertson/Neff voted-- Nay

Motion carried 4-2.

Mr. Wood stated it had been a tough night and that everyone had been respectful and thanked them.

A motion to adjourn was made by Ms. Casebeer; seconded by Mr. Robertson.