Owen County Council

Public Hearing-October 15, 2024 @ 6:00 PM

Courthouse 2nd Floor

Public Hearing: 2025 Budget Hearing

- Meeting was called to order by President Polly Chesser.
- Opening Prayer and Pledge of Allegiance
- Roll call and public sign in
- Council members present: Amy Casebeer Polly Chesser, Verl Keith, Anton Neff, Nick Roberts
- Council members Absent: Steve Carrell and Andy Wood

Public Hearing Opened:

- Polly Chesser opened the meeting by outlining the purpose of the 2025 budget hearing. She emphasized the importance of flexibility in the budget to allow for adjustments between different sub-funds as needed. This approach aims to ensure that all areas, including the General Fund, EMS, and other critical services, receive appropriate funding throughout the fiscal year.

Explanation of the Budget Process

- Highlighted the process of advertising the budget with higher figures to allow for flexibility during the adjustment phase. Emphasized that this approach prevents issues like those encountered in the 2024 budget process.
- **Detailed Explanation by Anton Neff**:
- **Overview of Advertised Budget Numbers**: Neff explained that the high figures seen in the notice to taxpayers are a standard part of the budget process. These numbers are intentionally set high to ensure that when the state issues the preliminary budget order, the county has the flexibility to reallocate funds among the seven sub-funds.
- **Purpose of Higher Advertised Numbers**: The advertised numbers do not imply increased taxes or higher expenses. Instead, they allow the Council to adjust allocations within sub-funds like the General Fund, EMS, Health, and Cumulative Capital Development without legal restrictions.
- **Impact of Last Year's Advertising Error**: Neff noted that in the previous year, lower advertised figures limited the Council's ability to adjust fund allocations, leading to imbalances, such as an overfunded General Fund and an underfunded EMS. This experience informed the decision to advertise higher this year.
- **Property Tax Levy Cap**: Neff clarified that Indiana law sets a levy maximum, capping the amount of property tax revenue the county can collect. Despite what might appear on the advertised budget, the actual revenue collected cannot exceed this cap.

- **Other Funding Sources**: Highlighted that property tax is only one part of the funding. The General Fund, for example, is significantly supplemented by income tax and other revenue streams, such as reimbursements for services like school resource officers.

Public Comments and Questions

Key Points Raised by Pamela Rogers:

- **Errors in Property Assessment**: Rogers pointed out several discrepancies in property assessments, including incorrect property classifications and under-assessed commercial properties. She argued that such inaccuracies unfairly shift the tax burden to residential property owners, causing undue financial strain.
- **TIF District Issues**: Rogers expressed concerns about the administration of Tax Increment Financing (TIF) districts, particularly cases where properties enter the system with a $0 starting value. This practice, she argued, results in less economic development revenue being channeled back into general tax relief, affecting overall county funding.
- **Economic Development Fund Allocation**: Rogers questioned the use of economic development funds to cover expenses such as insurance, suggesting that these funds should instead be directed toward community development projects like parks and public infrastructure.
- **Need for Ordinance Review**: She also called for a review of outdated ordinances governing the use of Cumulative Capital Development (CUM CAP) funds. According to Rogers, revising these ordinances could enable better use of the funds for critical infrastructure projects, including road maintenance and drainage improvements.
- **Question**: Rogers sought clarification on whether the hearing only covered the property tax levy or if it encompassed the entire budget, including other revenue sources like local income taxes.
- **Response by Anton Neff**: Confirmed that the hearing primarily focuses on the property tax component, as mandated by state regulations, and does not cover other revenue streams directly.
- **Follow-up by Pam Rogers**: Rogers expressed concern that this hearing might be the only opportunity for the public to ask comprehensive questions about the entire budget, including decisions made during the preliminary hearings. She emphasized the importance of transparency in the process.
- **Response by Polly Chesser**: Acknowledged Rogers' concerns and confirmed that while the budget hearings are open to the public, attendance has typically been low. Chesser emphasized the Council's commitment to transparency and invited the public to engage throughout the budget process.

Budget Process Review

Anton Neff Provided additional insights into the timeline of the budget process:

- **Budget Workshops**: Noted that the Council conducted two full days of budget workshops, open to the public and recorded for transparency. During these workshops,

all aspects of the budget, including revenue sources and departmental requests, were discussed.

- **Budget Balance**: Neff mentioned that the proposed budget, after adjustments, aligns closely with expected revenues, ensuring a balanced approach without the need for borrowing or cutting services. He highlighted the challenge of increasing costs, particularly in areas like health insurance and utilities, but maintained that the county's finances remain stable.
- **Wage Increases**: Noted that the Council approved wage increases to address challenges in retaining county employees, which was a key focus during the budget discussions.

Clarification on Public Participation

- **Summary**: Rogers raised a concern about her previous attempt to provide input during budget hearings, noting that she was not facilitated to speak despite raising her hand and intending to participate.
- **Response by Polly Chesser and Anton Neff**: They acknowledged the importance of public input throughout the budgeting process and emphasized that they aim to ensure all voices are heard in future meetings.

Additional Public Questions

- **Question**: Sought clarification on the difference between projected revenues and expenditures, specifically asking about the buffer between the two figures.
- **Response by Anton Neff**: Neff explained that the goal is to maintain a balanced budget, with a small buffer built into the advertised figures. This buffer is intended to cover any unforeseen shortfalls or urgent needs that may arise during the fiscal year, ensuring financial stability without resorting to last-minute adjustments.

- **Question**: Inquired about the possibility of increasing the budget allocation for road maintenance, citing concerns from the community about deteriorating infrastructure.
- **Response by Anton Neff**: Neff explained that road maintenance funding is primarily dependent on state allocations and local fuel tax revenues, which are outside the scope of the county's property tax adjustments. He encouraged residents to participate in legislative sessions and advocate for increased state support to boost funding for local infrastructure projects.

- **Question**: Questioned the disparity between the advertised budget figures and the actual anticipated expenditures, raising concerns about the transparency of the budgeting process.
- **Response by Anton Neff**: Neff clarified that the advertised figures are designed to include a buffer for potential adjustments throughout the year. This approach ensures that the county can respond to changing needs without being constrained by a rigid budget cap. He emphasized that the actual anticipated expenditures for the year are estimated at around $9.7 million, which reflects the true financial needs of the county.

Motion made by Anton Neff to close the public hearing and for the record, identify that we have public comment. We also have written comments which can be entered into the record from Pam Rogers (see attached). The budget adoption hearing has already been advertised for October the 28th in the same room at 6:00 PM., and that we've reviewed these numbers, and will proceed in entering that into the record. Seconded by Verl Keith 5/0 Approved.

Public Hearing was closed by President Polly Chesser.

Motion by Anton Neff to adjourn the public hearing and take a brief recess before the regular meeting seconded by Amy Casebeer 5/0 Approved