

Lastly, the council heard from Alicia Corwin, Pennville Town Council President, and John Glasford, Bryant Resident, about the positive impact of JCDC on the smaller cities and towns. They added by eliminating or reducing their county funding it would hurt the small communities who rely on them.

Bill Walters, director the ECI Regional Planning, who was listed on the agenda was unable to attend the meeting.

With no further business for the council Faron Parr made a motion to adjourn the meeting; Cindy Bracy seconded the motion and the meeting was adjourned at 8:05 p.m.

JAY COUNTY COUNCIL

NAY

DATE April 5, 2023
Jason Semler
Cindy Bracy
Randy May
Shad Towell

ATTEST: Emily Franks
JAY COUNTY AUDITOR

April 5, 2023

The Jay County Commissioners, Jay County Council and Jay County Redevelopment Commission met in a joint session on Wednesday, April 5, 2023 at 6:00 PM in the auditorium in the courthouse. Attending was Brian McGalliard, Chad Aker, President of the Jay County Commissioners; Jeanne Houchins, president, Cindy Bracy, Harold Towell, Faron Parr, Dave Haines, Matt Minnich and Randy May of the Jay County Council. auditor Emily Franks and attorney, Wes Schenenauf was also in attendance. Absent was commissioner Rex Journay. The purpose of the special meeting was to hear from Jason Semler, financial consultant from Baker Tilly Financial LLP.

Jason Semler, partner with Baker Tilly Financial LLP, came to give a presentation on financial information related to EDIT and Redevelopment Commission Funds. Mr. Semler first started speaking in regards to local income taxes. It is one of the few revenue streams the county has outside of property taxes. Property taxes are more regulated and consistent throughout the state. The maximum levy for property tax increased by 5% in 2023 over the prior year. He wanted to clear up a big misconception that a county can arbitrarily increase their property tax revenue. As an example, if a Honda plant came in to town and paid a million more in property tax, they would pay one million more, but the taxpayers would pay one million less due to the max levy.

However, income taxes can increase as the amount of people increase. This would mean more income taxes to help fund your budgets. LIT (Local Income Tax) the money goes to the principal county of the resident and not the company the county is in. This is why it becomes important for taxpayers to both live and work in the county to receive benefit. Cindy Bracy questioned how the windfarm economic development fund worked in relation to EDIT funds. Jason Semler explained it came from an Economic Development Agreements with the windfarm companies. This allows the county to receive money up front while the full abatement is in effect. The use of monies is very broad to allow the county the most flexibility.

Mr. Semler discussed the three buckets of LIT income tax. The expenditure bucket can go up to total of 2.5%. Currently Jay County is at 2.45% with PTRC (Property Tax Replacement Credit) at .6%. This portion goes to helping lower the property tax bill for each taxpayer. The county currently has a rate of 1.4% for Certified Shares/Levy Freeze formerly known as CAGIT (County Adjusted Gross Income Tax) that goes into County General to help fund operations. This portion is distributed to all taxing units including cities, towns, townships, libraries, school corporation and the county. LIT-Economic Development formerly known as EDIT (Economic Development Income Tax) is currently at .25%. Before 1995 the money could only be used for economic development, but the definition has changed to allow for any legal use. This is only distributed to the cities, towns, and county. LIT-Public Safety formerly known as LOIT has a rate of .2% and is applied to all cities, towns, and county. This money is used towards PSAP (Public Safety Answering Points).

There are certain income taxes that would only go towards the county. This could be looked at more if the county chooses. The EDIT tax is based on the adjusted gross income, the citizens living in Jay County, and the taxing levy. All income taxes for the county are distributed monthly to the auditor who then distributes based on the allocation from the state. There have been huge swings in some of the bigger counties on how it is distributed based on levy. As a CAGIT county, the council has the discretion to increase or decrease a rate. If the council would like to lower the amount, they would need to check with other entities. As an example, if it is pledged towards a bond, it would not be able to be decreased. In 2023, the total EDIT monies received will be \$1,053,278 with \$636,967 to the county, \$297,038 to Portland, \$89,028 to Dunkirk, \$2,026 to Bryant, \$6,514 to Pennville, \$21,197 to Redkey, and \$508 to Salamonia. Jeff Bailey, Vice President of FCC asked if they could determine how much LIT EDIT monies came from each manufacturing facility. Jason Semler indicated there was no like report from the Department of Revenue (DOR).

The next topic Mr. Semler discussed was new housing developments and TIFs. Creating new housing developments is a very popular thing right now throughout the state and county. TIF- Tax Increment Financing can be used as a revenue tool to pay for that area or certain projects. The county would identify a certain area in the county and any new development would go towards a certain project. TIF can now be used for residential now called HO-TIFS and is no longer limited to commercial areas. As an example, New Castle created a residential TIF area and issued new bonds to pay for the roads, sidewalks, and lighting for the developer to make that investment.

Mr. Semler added the last thing the county would want is to bring in a large manufacturer and have all the employees live in Randolph County instead of Jay. The income tax revenue could only be collected from those who are residents of the county. Typically, school corporations are anti-TIF for manufacturing but would be in favor of housing TIFs as they can increase student population numbers. Currently, there is proposed legislation that would remove the requirement for Schools to approve or disapprove a TIF district. Jeanne Houchins added she hoped to see the bill pass legislation. Mr. Semler indicated it had become in issue in tying hands for creating TIFs which was the source of the proposed legislation.

The Redevelopment commissions is a separate elected body that oversees the TIF areas. It is a five-member board with 3 selected by the commissioners and 2 by the council with a non-voting school member with one-year terms. The only county redevelopment commission is the Premier Ethanol TIF started in 2007. There were two bonds issued in 2007 with both bonds now paid in full by the TIF monies. The Redevelopment Commission could elect annually to continue to capture the TIF revenue or disburse it. The redevelopment commission can buy land for more or less than the assessed value where as the county cannot. This would be the main reason to do this for the increased flexibility to sell to potential buyers.

Jeanne Houchins asked if there were any other areas the commission would be more flexible than the county. Wes Schemenaur, county attorney, added they can enter into lease agreements, and invest. As an example, they could take over an abandoned building and invest in it. If we would then try to market it, he would recommend the commission do those things instead of the county. Jeanne Houchins asked if the county could just hand over the land to the Redevelopment commission. Mr. Schemenaur indicated they could develop a spec building and then have the redevelopment commission sell it. He added he believed any type of investment would be better suited for the Commission than the county Commissioners.

Mr. Semler added in his work with redevelopment commissions he always recommends they purchase land if available to entice developers. He referenced Honda and Boars Head in New Castle. Mr. Schemenaur stressed the redevelopment commission would have to come back to the county council for approval. It is not an unfettered ability to be able to do whatever they want. They are allowed to do it if approved by the county council. Mr. Semler added while they also have bonding abilities, they would have to get that approved by county council first too. He also pointed out the board members can be removed and a new members appointed if they are not following the board's wishes.

An example of what can be done primarily for cities and towns is a façade program for downtown areas. They will have matching grants up to \$50,000 for a capital investment. Currently, Portland's TIF is utilizing the program. After 2008, it became more important to retain the investment, than have new businesses. Mr. Schemenaur added they could do loan to grant investment agreements. The redevelopment commission could loan money that would turn into a grant over time. This could encourage redevelopment for a business. An example on Mt. Comfort Road in Hancock County, Walmart put in a distribution center. They were willing to build the road and then get reimbursed over time. There was money in their TIF and were able to reimburse Walmart as certain benchmarks were met. These ideas are all possible if the project would benefit that TIF area even if the project is not in the TIF area.

Cindy Bracy asked the process for the TIF since the bonds are paid off. Mr. Semler answered when the TIF area was first developed a plan was created for the project, area. The redevelopment commission can decide if they want to spend it on that parcel or benefit that area as a capital project. The plan can always be amended to add different projects. If you have a road listed on a project, it must be torn down and rebuilt to count as a capital project. If it is just resurfacing or paving, it is considered maintenance not a capital project by state board of accounts. Courthouse repairs such as a new roof could be described as benefiting the TIF area.

Cindy Bracy questioned who decides how a plan gets amended. Mr. Semler stated the redevelopment commission would need to amend the original plan in a declaratory resolution. It would then go to the plan commission to make sure the amendment fits the overall plan of the county. After their approval it would then need to go to the council or commissioners and then back to the redevelopment commission for a public hearing. TIF areas can be expanded to include a larger area and it would go through a similar process. Currently the property is in the City of Portland and would require their approval. Mrs. Bracy was referring to the property that was recently purchased by the county, on West Volaw St.

The discussion turned back to EDIT funds with Cindy Bracy inquiring about the process and who controls how it is spent. Jason Semler stated every county looks a little different but usually part of the commissioners' budget is the EDIT fund. The commissioners usually determine the projects they would like to work on and the council would have to approve the additional. Mrs. Bracy asked if the EDIT fund is required to be a part of the commissioners' budget. Jeanne Houchins explained how the budget process has worked in the past for EDIT funds. The commissioners turn in the budget forms as to where they want monies to go. The council approved, moved expenditures into other funds, and had the ultimate decision on budgeting.

Jeanne Houchins gave the example of the council allocating \$200,000 to an entity. The commissioners have since implemented a funding application in order to receive the funds in this year's budget the council had already approved. Some of those funds were moved into contractual services line item. Her question was if they could do that. Jason Semler said they could transfer to contractual services if it is in the same account series. Mrs. Bracy asked if the fund was required to be under the commissioners' budget. Mr. Semler believed it was but would double check on it for sure.

Jason Semler stated the commissioners are required every few years to come up with a capital plan but it is not something that they are held to, it can be amended. It should have 75-80% Of the county's EDIT funds earmarked on the capital plan. A lot of plans are very vague to check the box off. It is not a specific plan, but is very generic to allow for needs that might come up. Faron Parr stated he believed there was a lot of trying to understand where the different duties lie between the commissioners and the council. As an example the council approves tax rates where as a jail or courthouse falling apart is the commissioners role to indicate a need for funds. The commissioners are currently working on the capital improvement plan. Mr. Semler concurred the commissioners should determine capital needs and bring it to the council. Both bodies need to agree before appropriating the funds.

Matt Minnich had heard the fund was used as a slush fund and questioned if that was true. He asked if it was worth the bother of budgeting the money if it would just be transferred. Mr. Semler stated he would need to know specifics to make sure he is answering the question correctly. Jeanne Houchins stated she did not like the word slush fund being used because the council is required to appropriate the money.

Harold Towell disagreed as he was told the commissioners could do whatever they wanted with the money once appropriated. Emily Franks, auditor, showed the example in the budget to Mr. Semler. The money was transferred from 1112-001-30-0136 JCDC Services which does have a contract into 1112-001-30-0027 Contractual Services. Mr. Semler asked if the commissioners were spending above the appropriated amount. Ms. Franks stated that they had not spent over the appropriated amount.

Brian McGalliard questioned if money could be transferred at the commissioners' discretion if it was in the same series. Mr. Semler believes so but would double check. Money should be able to be transferred if the accounts are within the same series. As an example, a 300 series account to a 300 series account or 400 series account to 400 series account without council approval. This is indicated by the third set of numbers of an account, 1000-001-30-0027 to 1000-001-30-xxxx. However, money cannot be transferred between different series without council approval. Mrs. Bracy asked what happened to any monies not spent in a budget year. Ms. Franks responded the money stays in the fund if unspent. Jeff Bailey, resident, asked if more money was spent from the fund than was brought in. Mr. Semler indicated it fluctuated from year to year based on the needs of the county.

The last topic turned back to housing and the new land purchased by the county. County attorney, Wes Schemenaur stated the land would have to be part of a new residential TIF. Jack Houck, realtor, asked if the money from the current Premier Ethanol TIF could be used towards a new housing addition. Mr. Schemenaur stated the current plan states it can be used to any purpose that might benefit

the TIF district. The question would be does a new housing development benefit the TIF district. Gary Clark, resident asked where Jay County fell on the rate of income taxes and whether we were on the hiter end. Mr. Semler stated he would have to double check but believed Jay County fell somewhere in the middle of 92 counties.

With no further business, Cindy Bracy made a motion to adjourn at 7:20 p.m.; Dave Haines seconded the motion and the motion passed by unanimous vote.

JAY COUNTY COUNCIL

NAY

Handwritten signatures and names:
Dave Haines
Cindy Bracy
Matt Minnich
Harold Towell
Harold Towell
ATTEST: *Handwritten signature*
JAY COUNTY AUDITOR

APRIL 12TH, 2023

The Jay County Council met in regular session on Wednesday, April 12th, 2023, at 6:00 PM, in the auditorium at the Jay County Courthouse. Attending were, Harold Towell, Cindy Bracy, Randy May, David Haines, Matt Minnich, Attorney Wes Schemenaur, Auditor Emily Franks, and Jeanne Houchins, presiding. Absent was Faron Parr. David Haines made a motion to approve the minutes from March 8th, 2023 council meeting; Cindy Bracy seconded the motion and the motion passed by unanimous vote.

Additional Appropriations:

COUNTY GENERAL
1000-009-10-0017 Prosecutor- Employer Social Security \$165.50
1000-009-10-0018 Prosecutor- Employer PERF \$242.30
1000-009-10-0024 Prosecutor- Wages Investigator \$2,163.20
Matt Minnich made a motion to approve the additional appropriations from County General. Harold Towell seconded the motion and the motion passed by unanimous vote.

LT ECONOMIC DEVELOPMENT \$137,500
1112-001-30-0224 Jay County Humane Society
The additional appropriation for the full amount of \$275,000 was originally approved at the April 13, 2022 council meeting. Harold Towell asked if there were any time limitations on how long an appropriation could be carried. Emily Franks, auditor, clarified the additional could continue as long as the council would decide to carry it. The budget could also be reduced by the same process of an additional appropriation. The full appropriation for 2022 was not used by the end of the year and the remaining budgeted amount went back into the fund. Mr. Schemenaur, attorney, clarified the commissioner did not release the full amount until the Jay County Humane Society was ready to move forward on construction which was after the first of the year. Jeanne Houchins added the purchase of a building instead of a new construction has saved the organization money. Mr. Towell asked if there was any guarantee the money would be given to the Jay County Humane Society and not transferred to another account. Ms. Franks clarified the commissioners had approved the claim to the humane society at their March 13th meeting and was waiting on council approval. Once approved by the council the check would then be written to the organization. Mr. Minnich stated he did not approve the original appropriation in 2022 and was seeking clarification on how the process worked. Ms. Houchins asked for a motion. Dave Haines made a motion to approve the additional appropriation. The motion died for lack of second.

COUNTY PLAT BOOK \$4,672.00
1181-001-30-0161 39 Degrees North Contract
Matt Minnich made a motion to approve the additional appropriation for county plat book. Harold Towell seconded the motion and the motion passed by unanimous vote.

INNKEEPERS TAX -TOURISM \$120,346.67
7304-001-30-0027 Contractual Services
Matt Minnich made a motion to approve the additional appropriation from Innkeepers Tax Fund. Harold Towell seconded the motion and the motion passed by unanimous vote.

TITLE IV-E REIMBURSEMENT \$1,000.00
8891-001-30-0087 Pauper Counsel
Matt Minnich made a motion to approve the additional appropriation from Title IV-E fund. Dave Haines seconded the motion and the motion passed by unanimous vote.

TRANSFERS
County General- Coroner 1000-007-10-0016 (Autopsy Expense) to 1000-007-10-0016 (Wages- PT Deputies) \$1,000.
Cindy Bracy made a motion to approve the transfer from the coroner. Harold Towell seconded the motion and the motion passed by unanimous vote.

County General- Superior Court 1000-201-10-0068 (Guardian Ad Litem) to 1000-201-10-0064 (Translator) \$1,250. Matt Minnich made a motion to approve the transfer from Superior Court. Harold Towell seconded the motion and the motion passed by unanimous vote.

Cum Cap Dev 1138-001-40-0022 Equipment to 1138-001-30-0084 Repair Bldgs & Structures \$17,858. The City of Dunkirk will be paying for have of the expense of roof repair at the Dunkirk Fire/JEMS base. Matt Minnich made a motion to approve to transfer from Cum Cap Dev. Dave Haines seconded the motion and the motion passed by unanimous vote.

JAY COUNTY SCOUT FACILITIES

Gary Maitlen, Treasurer and Francis Betts came to the council to request funding for projects to the Jay County Scout Facilities. The original amount requested to the commissioners was 62% of their project for \$13,429. The whole project includes expanding the parking lot, handicap accessible restroom upgrades and installing a generator. The commissioners recommended at their April 10, 2023 meeting to fund just the parking lot project for \$10,974. This would increase the parking

lot by roughly 20 spots and would add a stone area to the existing asphalt parking lot. Mr. Maitlen felt their most immediate need was the parking lot for voting. Mrs. Bracy questioned how many people voted at the scout facility. Mr. Maitlen was unsure of the number of voters at any one time but the parking also holds the poll workers.

Mr. Towell questioned if the building was on ground that was not owned by the facility. Mr. Maitlen confirmed they were originally under a 20-year contract and are currently under a 5-year extension with Waste Management. He is unclear of what will happen after the conclusion of the extension in 3 ½ years. However, they have committed to be a community partner and cannot imagine they will not renew the contract. In the buffer zone the Jay County Community Center utilizes the soccer fields as well as the Jay County Sheriff Department for their Firing Range.

Matt Minnich made a motion to approve the \$10,974 for the scout facilities. Dave Haines seconded the motion and the motion passed by unanimous vote. An additional appropriation will be advertised for the next meeting May 10th.

HELP! STRATEGIC INVESTMENT PLAN

Travis Richards, JCDC director, came to the council for a final adoption of the HELP! Strategic Investment Plan. The next step after adoption will be to start working on the grant management to apply for the matching money. They will meet with representatives from OCRA to talk through the CDBG project. Matt Minnich asked if they could ask at that meeting if the land purchase would qualify for the matching grant. Matt Minnich made a motion to approve the HELP! SIP. Cindy Bracy seconded the motion and the motion passed by unanimous vote.

SHERIFF REPORTS

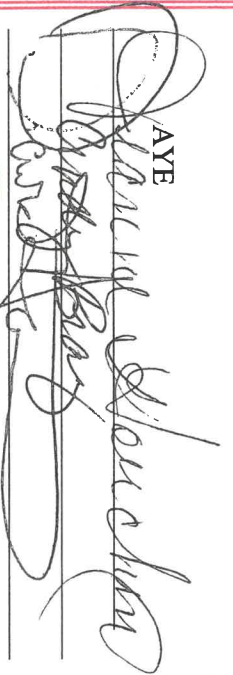




The sheriff annual jail report for 2022 was presented to council as well as a meal report for the first quarter of 2023.

FUTURE MEETINGS

Jeanne Houchins asked for the council to set up another meeting with Jason Semler from Baker Tilly to go over the comprehensive financial plan. They will look at him coming the May 1st, 2023 or if not, other available dates.

Bill Walters, ECI Regional Planning Director, met with commissioners regarding a broadband commercial project today. They would like to set up a meeting with the council in the future. Jeanne Houchins will check with them for the 17th of May at 6p for an executive session.

With no further business for the council Cindy Bracy made a motion to adjourn the meeting; Dave Haines seconded the motion and the meeting was adjourned at 6:51 p.m.

	JAY COUNTY COUNCIL	
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ATTEST: 		
JAY COUNTY AUDITOR		