

*Hancock County Council Meeting*

*October 10, 2012*

The County Council of Hancock County, Indiana, met in the Commissioner Court in the Hancock County Courthouse Annex, Greenfield, Indiana, on the 10th day of October 2012 at the hour of 8:30 A.M. in accordance with the rules of the Council. Council members present were William Bolander, Brian Kirkwood, Jim Shelby, Rosalie Richardson . Tom Roney and John Jessup are absent. Also, present were Auditor, Robin D. Lowder, Deputy Ginny Martin, Ray Richardson, County Attorney.

President Bill Bolander called the meeting to order.

President Bolander opened public hearing regarding additional appropriations for Clerk in the amount of \$16,585 and Food & Beverage \$100,000.

No public comment

Public hearing closed.

Councilman Skvarenina made a motion to approve all the additional appropriations presented, seconded by Councilman Shelby. Vote 5-0 motion passed

**In the Matter of 2013 Budget)**

Councilman Shelby reported the new CCD process. It was the recommendation of the budget committee and Commissioners to make the following changes to the process:

- Council allow Commissioners over-site of CCD spending
- Council will appropriate the fund
- \$900,000 coming into CCD fund
- Request from Council that the Commissioners keep the capital spending at \$900,000
- That each department head appear before Commissioners for approval of their capital expenditure.

Rosalie Richardson, Joe Skvarenina, Bill Bolander and Jim Shelby on the budget committee agreed on these recommendations.

Councilman Shelby proposed not to hire any new positions for the Sheriff, Jail and E911. Councilman Skvarenina and Councilman Bolander disagreed.

Council did agree to wait on the State's 1782 budget order.

Sheriff pension was also discussed.

Councilman Skvarenina made a motion to adopt the 2013 budget. Councilman Shelby seconded the motion. Roll call vote 4-1 motion passed.

Aye

Joe Skvarenina  
Jim Shelby  
Rosalie Richardson  
Bill Bolander

Nay

Brian Kirkwood

### **In the Matter of Income Tax Issues)**

(3) changes recommended to the income tax the first to lower the LOIT Public Safety by .5 and reduce the CEDIT/Library by .5 and increase the CEDIT/General by .10 overall affect would be neutral. The increase in the regular CEDIT would be for one year and to be used for road maintenance.

State says no, you can't lower the CEDIT tax the same year that you lower the CAGIT income tax. This option can't be utilized.

Option 1 is to lower LOIT-PS by .5, lower CEDIT/Library .5 for a period of a year. Total lowering of income tax by .10 for 2012.

Option 2 don't lower LOIT-PS by .5 lower CEDIT/Library .5 and increase CEDIT regular by .10 total increase of income tax .5 for 2013.

OPTION #1  
 LOIT PS ↓5  
 CEDIT LIB ↓5  
~~CEDIT REG ↑10~~

TOTAL ↓10 IN 2012

Now	#1 2012
LOIT .25	LOIT .20
CEDIT .15	CEDIT LIB .10
.40	.30

- GET 600K FROM PRESENT FUND
- GET 260K FROM BOND ISSUANCE TRS. 860K FOR ROADS

OPTION #2

~~LOIT PS ↓5~~  
 CEDIT LIB ↓5  
 CEDIT REG ↑10

TOTAL ↑5 IN 2013

#2 2012
LOIT .25
CEDIT LIB .10
CEDIT REG .10
.45

- GET 800-900K FOR ROADS
- GETS 260K FOR ROADS FROM BOND IF DONE

BOND

Now .045 ↓  
 2K-4Y .02 ↑

IN 2013 CEDIT LIB ↑5  
 CEDIT REG ↑10  
 OR LET CEDIT STAND IDLE

2YR ↑5

3YR ↓5

IN 2013 LOIT PS ↓5  
 CEDIT LIB ↑5  
 CEDIT REG ↓10

2YR ↓5

3YR ↓5

After discussion with the budget committee option 1 was the recommended option. If option 1 is done that would not give the money for the 1 year road maintenance. Possibly using the current CEDIT special tax fund that has a balance of approximately \$800,000 taking \$600,000 for roads. Then implement the CEDIT regular. Option 2 you would not get the money for the roads, but you would lower public safety.

Bonding also is in the discussion, if we do the bonding for the trucks that frees \$260,000 more from the Highway fund and would mean \$860,000 for the roads. No consent for the bond from the budget committee if option 2 is decided.

Councilman Richardson made a motion to introduce Ordinance 2012-10a, seconded by Councilman Kirkwood.

Ordinance, as follows:

WHEREAS,

- County Council recognizes the need for capital improvements
- Department of Revenue has determined that the CEDIT rate cannot be increased for 2013
- County Council will revisit the CEDIT rate next year
- Section 33.09.3 of the Hancock County Code, titled County Economic Development Income Tax that established a rate of 0.10% is hereby repealed.
- This does not repeal the tax imposed by Hancock County Code 33.09, the revenue from which is deposited into the Library PTRC fund designated under IC 6-3.5-7-23 to be used to replace the public library property taxes imposed by libraries in Hancock County.

Councilman Kirkwood made a motion to adopt on the same day of introduction Ordinance 2012-10a, seconded by Councilman Shelby. Vote 5-0 motion unanimously passed.

Councilwoman Richardson made a motion to adopt Ordinance 2012-10a, to repeal the County Income tax imposed by Hancock County Code 33.09 by .10, seconded by Councilman Kirkwood. Vote 5-0 motion passed.

John Jessup arrived to meeting at 9:04 am.

Councilman Bolander called the next Council meeting from November 14, 2012 to November 7, 2012

Councilman Jessup arrived, the bond issue was discussed again.

Issues for Bonding:

- The bond is for 5 years
- \$500,000 is already in the 2013 budget
- A bond is retiring in early 2013 approximately \$9 million
- \$1.7 million can be put in the bank up to (3) years. Commissioners don't have to expend right away. There is flexibility.
- Need for new trucks for Highway is a concern versus trucks that are paid in full
- Cumulative Fund needs to cumulate as a true Cumulative Capital Fund.
- By bonding it would take approximately \$200,000 out of CCD fund.
- \$860,000 earmarked for Highway if the bond is approved, this is over and above the bond amount.
- A need for a balanced fiscal policy, but have it in a more timely manner instead of waiting till the last minute to decide on capital expense issues, then having to do a bond.
- The more we shift from property tax, we will never recoup those dollars.
- More open discussions are needed on these issues.
- Our fiscal policy is in bits and pieces and not written in a policy.
- More accountability is needed from the departments that these capital expenses are being used appropriately.
- The sale of the trucks proceeds from the Highway will go into the CCD fund .
- Use existing CEDIT funds approximately \$600,000 for Highway in addition to the bond.

Councilman Bolander advised Council that a unanimous vote is needed to allow Council to vote on the bond today.

Councilman Kirkwood made a motion to suspend the rules and vote on the Bond Ordinance today, seconded by Councilman Shelby. Roll call vote 6-0 motion passed rules are suspended and vote will be taken today.

Aye	Nay
Joe Skvarenina	
John Jessup	
Brian Kirkwood	
Jim Shelby	
Rosalie Richardson	
Bill Bolander	

Attorney Ray Richardson submitted a Resolution to Council with all the capital expenditures that are to be included in the General Obligation bond issue.

Councilwoman Richardson made a motion to introduce a Bond Ordinance 2012-10b of Hancock County of said Bonds.

Councilwoman Richardson made a motion to pass Bond Ordinance 2012-10b on the same day of introduction, seconded by Councilman Shelby.

**In the Matter of Sheriff)**

Sheriff Shepherd appeared before Council to clarify how many positions were approved. It was agreed that Council approved (4) positions for 2013.

Sheriff requested approval of a Commissary expense for inmate property loss. Councilman Jessup made a motion to approve Resolution to allow this expense, seconded by Councilman Kirkwood . Vote 6-0 motion passed.

Sheriff requested replacement of Kevin Haggard who is retiring from the Sheriff Department. Councilwoman Richardson made a motion to approve request, seconded by Councilman Jessup. Vote 6-0 motion passed.

Sheriff requested to appropriate \$7,000 from the trade in of Sheriff cars. Dealership messed up and sent a check and the money needs additionally appropriated back to motor vehicle line item. Council approved Auditor to advertise the request.

**In the Matter of Budget Transfers)**

Connie Hoy, Director E911 requested to allow a budget transfer from a part-time line item to cleaning services in the amount of \$604.41. Councilwoman Richardson made a motion to approve, seconded by Councilman Shelby. Vote 6-0 motion passed.

Pat Powers, Director appeared before Council to request a budget transfer from his operating supply line item to his part-time line item in the amount of \$1400. Councilwoman Richardson made a motion to approve the request, seconded by Councilman Shelby. Vote 6-0 motion passed.

**In the Matter of Tsuda Industries)**

Skip Kuker, Economic Development Director introduced Tsuda Industries. Tsuda is a new company coming to Mt. Comfort area of Hancock County. Tsuda is a Japanese Company headquartered in Japan and was established in 1934. They have \$16.4 million in capital. Tsuda produces parts for Toyota power trains. They employ 1,122 employees worldwide and have annual sales of \$480 million. Tsuda is requesting a 10 year real property and a proposed \$55 million personal property tax abatement from the Council.

Skip presented the Resolution 2012-10-6 for Council. Councilman Shelby made a motion to introduce Resolution 2012-10-6 to offer the 10 year tax abatement for real property and 10 year abatement for personal property, seconded by Councilman Skvarenina. Vote 6-0 motion passed.

Public comment was taken from audience regarding the Bond.

Attorney Ray Richardson will do a Resolution regarding the CCD fund and how it is going to be implemented with the new process for the 2013 budget.

Councilwoman Richardson made a motion to approve a Resolution that the appropriation amount by \$800,000 be appropriated into a line for the 2013 budget, Council will request the Commissioners to review each request for spending from the fund and limit it to the appropriated amount. The amount that is left in the CCD from the 1782 budget order when it is received will remain in the fund for emergency uses. The motion was seconded by Councilman Jessup. Vote 6-0 motion passed.

Councilwoman Richardson made a motion to adopt Ordinance 2012-10b. authorizing the issuance and sale of bonds in said County for purposes of providing funds to be used for the costs of trucks for Highway Department, truck for the Surveyor, Assessor Pictometry and paving of the Annex parking lot and cost of issuance of bond therefore, which was previously introduced. Councilman Shelby seconded motion. Roll call vote 3-3 motion was not adopted.

Aye

Jim Shelby  
Rosalie Richardson  
Bill Bolander

Nay

Joe Skvarenina  
Brian Kirkwood  
John Jessup

Councilman Shelby made a motion to adjourn No second and no vote taken.

Meeting adjourned.

Approved this date:

Aye

Nay

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Attest: \_\_\_\_\_  
Robin D. Lowder  
Auditor