

**JENNINGS COUNTY COUNCIL PUBLIC HEARING
SEPTEMBER 18, 2018 6:00 P.M.**

Josh Yeager and Tony Eder absent

The meeting open with Mike Kelley, President of the Council addressing the audience and informing them that the public hearing was to talk about funding for the new jail project and introduced Jeff Peters, financial advisor for the project to explain different options available to the county.

Mr. Peters explained that the County can amortize the debt needed across various time periods up to 25 years. Typically, amortization between 20 and 25 years would be expected for a project of this size. Because this debt is a revenue bond, it will need to be backed by another source of security. Property tax is typically used as the backup. Bond Counsel has concluded that property tax backing can only cover up to 20 years. Other backup can be sued, if the County wants 25 year amortization. However, the backup will not be as good as property tax and will therefore cost more in interest. Mr. Peters' recommendation is to amortize across 20 years with property tax backup.

Mr. Peters stated that the County is fortunate that the Council had Rick Hall with Barnes and Thornburg lobby legislation for a Special Jail LIT rate that can be set at an amount sufficiently high to fully to provide funding for the project for debt service payments and coverage. Therefore, no other LIT rate would need to be changed, if the County imposes an adequate Special Jail LIT rate.

Mr. Peters went on to say that if the County wishes to decrease a separate LIT rate, then it can according to previous discussions. These options are plentiful and have various consequences to various units of government, depending on with LIT and which other units of government share in that particular LIT pool.

Mr. Peters gave some examples of if changes were made in the Public Safety LIT how it would affect the County, North Vernon City and Town of Vernon distributions. Mr. Peters used an example of a median household income using 2016 Indiana Statistics \$50,425 and using the full .65 Special Jail LIT rate would be a cost of \$327.76 more annually. If the County would also impose the .20 Correctional & Rehabilitation Facility tax that same income family would pay \$100.85 tax annually.

Mr. Peters took questions from the audience and when finished, Mike Kelley then opened the meeting up to statements and questions from the audience.

Next an Ordinance of the County Council was introduced modifying the Local Income Tax Rates as follows:

Property Tax Relief Rate (IC 6-3.6-5) Existing Rate 0.2500% Proposed Rate 0.2500%

Expenditure Rate (IC 6-3.6-6) Existing Rate 2.2500% Proposed Rate 2.2500%

Correctional Facilities and Rehabilitation Facilities Existing Rate 0.0000% Proposed Rate 0.200%

Economic Development Existing Rate 0.2500% Proposed Rate 0.250%

Public Safety Existing Rate 1.0000% Proposed Rate 1.000%

Certified Shares Existing Rate 1.0000% Proposed Rate 1.000%

There was a second Ordinance of the County Council imposing a new Local Income Tax Rate. This tax would generate revenue which may be used to address deficiencies with respect to the jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs. Pursuant to IC 6-3.6-7-12.5(b), the County council has previously authorized and approved the completion of a study of feasibility of, the need for and the desire of contiguous counties to establish a regional single gender jail.

Mike Kelley stated that no surrounding county was interested in a regional jail. It was announced that there would be a second public meeting on Tuesday, October 2, 2018 at 6:00 p.m. again in the Commissioner meeting room to vote on these Ordinances.

Matt Sporleder stated that no one wants to build a new jail but with the overcrowding that is happening now and has been happening for a while; the County really has no choice. Mr. Sporleder stated he had the last three years Sheriff reports showing the number of prisoners rising every year. Mr. Sporleder stated that they have gone out and contracted the best people to help the County in this decision and the Jail Committee trusts these people's recommendations and he asked the taxpayers to trust the Committee.

After everyone was heard that wanted to speak, Mike Kelley announced the meeting was adjourned.

Attest:



Kay Sue Vance, Auditor

9/18

Mike Kelley

Mike Kelley, President

Dave Woodall

Dave Woodall, Vice-President

Paul Belding

Howard Malcomb

Howard Malcomb

Larry Maschino

Larry Maschino