

MARCH 5, 2025

The Jay County Commissioners met in executive session on Wednesday, March 5, 2025, at 4:00 p.m. in the courthouse auditorium. Attending was Doug Horn, Duane Monroe, auditor Emily Franks, and Chad Aker, president, presiding. Absent attorney, Wes Schemenaur. The commissioners met in executive session to discuss pending litigation per IC 5-14-1.5-6.1(B)().

The meeting was concluded at 5:08 p.m.

JAY COUNTY COMMISSIONERS

Chad Aker

Duane Monroe

Doug Horn

Attest: Emily Franks
Jay County Auditor

MARCH 10, 2025

The Jay County Commissioners met in session on Monday, March 10, 2025, at 9:00 a.m. in the courthouse auditorium. Attending was Doug Horn, Duane Monroe, auditor Emily Franks, attorney Wes Schemenaur, and Chad Aker, president, presiding. Doug Horn made a motion to approve the minutes from February 20th, 2025 special session, Regular session from February 24th, 2025 and the executive session from March 5, 2025. Duane Monroe seconded the motion and the motion passed by unanimous vote.

PUBLIC HEARING- VACATION OF ALLEYS IN NEW CORYDON

A public hearing was opened for Ordinance 2025-05; Ordinance Vacating an Alley

WHEREAS, Jon Spencer has filed a petition to vacate a portion of Center Street located between two parcels of real estate owned by the petitioner and Water Street in its entirety in New Corydon, Wabash Township, Jay County, Indiana, and

WHEREAS, the petition was set for hearing on the 10th day of March, 2025 at 9:00 o'clock A.M. in the Jay County Courthouse Auditorium in Portland, Indiana after publication of notice in The Commercial Review as required by law and

WHEREAS, public comment concerning the proposed vacation of said alley was received, and

WHEREAS, the Board of Commissioners find that the proposed vacation would not adversely affect access to any person nor would it eliminate the public's access to any church, school, public building or place nor would it adversely affect police or fire protection.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF JAY COUNTY, INDIANA, that a portion of Center Street in New Corydon, Wabash Township, Jay County, Indiana located between Lot 1, Block 6 in New Corydon, Wabash Township, Jay County Indiana and Lot 4, Block 7 New Corydon, Wabash Township, on the SE Corner of Center and Water Streets is hereby vacated;

BE IT FURTHER ORDAINED THAT, Water Street located in New Corydon, Wabash Township, Jay County, Indiana is hereby vacated and each adjoining landowner shall take half of the vacated street adjacent to their respective parcel.

Present were Dan Mock, Andrew Yoder and Christopher Kelly, adjacent landowners.

Andrew Yoder stated that he owned on either side of Broadway and wondered if it would also be vacated. Mr. Schemenaur clarified it would only be the entire length of Water Street and Center Street between Mr. Spencer's property as was advertised. He added no structures can be built in the vacated alley as there is still an easement with the power company to maintain access. Broadway is not included. Doug Horn made a motion to approve Ordinance 2025-05 vacating alleyways in New Corydon. Duane Monroe seconded the motion and the motion passed by unanimous vote.

GLOBE LIFE

Jessi Vogel, Globe Life Liberty National Division, came to the commissioners to discuss offering county employees benefits from their company. They just started partnered with the City of Portland with a 90% participation rate. She stated it would be a pretax program with no cost to the county. They offer a free, \$3,000 life insurance policy for employees with \$1,000 for spouse and dependents, a discount card for prescriptions and chiropractic care. Emily Franks, asked that the current insurance coverage from open enrollment be resolved before adding additional insurance. Doug Horn made a motion to table the discussion until the issues from open enrollment were resolved. Duane Monroe seconded the motion and the motion passed by unanimous vote.

LIFESTREAM

Kevin DeCamp, project manager, came to the commissioners for approval of a deobligation agreement of state and federal monies with INDOT. The agreement included \$127,319 for the 2023 grant and \$58,199 for their 2024 grant. Doug Horn made a motion to approve the deobligation agreement. Duane Monroe seconded the motion and the motion passed by unanimous vote.

SJCA INC

Perry Knox, director of business development, came to the commissioners to discuss a professional services agreement with the county. The services would be for civil engineering and related services including work with state and federal funding and matching grants primarily for bridges. The company was established in 1998 and now has 100 employees, 21 of which are structural engineers. They currently do work for INDOT and are subcontractors of EGIS who has a contract with the county for bridge inspections. The service agreement outlines the parameters if the county were to use them in the future.

Bob Howell, highway superintendent, was asked if they had any projects where the company could be utilized. Mr. Howell believed they could be used for putting the culvert in for Bridge 114, Bridge 113, and a lot of their smaller structures. Mr. Monroe stated the company had been highly recommended by the two other counties. He looks for the company to go through the county's projects and get a plan together. Mr. Horn echoed his sentiments adding it was his opinion to take a proactive approach to repairs due to the estimated costs. Doug Horn then made a motion to approve the service agreement with SCJA Inc. Duane Monroe seconded the motion and the motion passed by unanimous vote.

OWNER OCCUPIED REHAB

Darlesia Lee, Assistant Director ECI Regional Planning District, came to the commissioners to give an update on the OOR. All previous contractors are currently registered in SAM.gov. She has worked with a few companies in Redkey to be registered in SAM.gov and so they will be ready for the next round of bids. One of those companies was brought forward by a homeowner who had received a significantly lower quote from them. The state and EGIS will be coming to the commissioners on the 10 homes that are ready to move forward. The commissioners questioned the timeline for proceeding with the program. Mrs. Lee stated while they wanted to come before the commissioners today, they were not available and might look at having a special session in order to get this approved.

Mrs. Lee also gave an update on broadband after attending a BEAD meeting in Jay County recently. The group introduced those present to a digital equity grant which goes hand in

hand with what Autumn Marshall is already working on. The opening date for the grant is in April and is focused on connectivity digital literacy and access. The focus will be to bring reliable and affordable internet and computers and devices into the hands of those that need them.

HIGHWAY

Bob Howell, superintendent, gave commissioners an update on operations. Their drivers are out spreading stone to prepare for grading. The gravel roads have also been very soft which has led to additional spreading and grading of the roads. The 2024 Chevy truck is in but still needs the safety lighting installed. A claim to Kelley Chevrolet for \$16,910 and a \$15 claim for the licensing was presented for commissioners' approval. Duane Monroe made a motion to approve both claims as presented. Doug Horn seconded the motion and the motion passed by unanimous vote.

Stephanie Klarer, assistant superintendent/ERC, spoke to the commissioners regarding committing match money for bridge grants. She presented commissioners with a spreadsheet for budgeting plans for 2026-2028. They have submitted Bridge #177 and #178 for federal funding last week. When the paperwork was submitted, they questioned if the county would be willing to pay more than the 20% required for the preliminary engineering. She noted Bridge #93 and #110 would let in 2026 and the county would be required to pay a portion of the construction cost. The worry is that if the county would not commit higher than the 20%, it would lose the federal portion. Mr. Aker questioned what percentage the department felt like they could afford to pay. Ms. Klarer believed they would be able to afford 30% and would show an effort to the state.

Perry Knox, SJCA Inc., explained for Randolph County they submitted three bridges and then prioritized them. They had agreed to pay preliminary engineering (PE) for the top bridge and was awarded and put the other two towards the next grant cycle. Mr. Knox explained for both bridge #177 and #178 have a poor rating on the super structure or deck. The county could pay more towards the preliminary engineering on one or the other, but then they might only award funding for one. Duane Monroe made a motion to allow the county to offer to pay 30% towards the preliminary engineering costs. Doug Horn seconded the motion and the motion passed by unanimous vote.

A claim to Stoops Freightliner for the 2026 Western Star Dump truck in the amount of \$134,510 was presented for commissioner approval. Mr. Howell explained they have received truck #225 from Stoops and it is now at WA Jones being outfitted. The department should receive the completed truck the 2nd or 3rd week of April. Doug Horn made a motion to approve the claim as presented. Duane Monroe seconded the motion and the motion passed by unanimous vote.

Mr. Howell explained a guardrail at 550 E between 400 N and 500 N was damaged. They are working with the driver's insurance to cover the cost of repairs. They will turn in the costs for the temporary and permanent fix to their insurance. There are two quotes for the repair, one from James Drew Corporation for \$5,225 and SteveTeck for \$9,312.54. Mr. Howell recommended going with James Drew for the complete repair. Duane Monroe made a motion to approve the purchase from James Drew. Doug Horn seconded the motion and the motion passed by unanimous vote.

The final detour paperwork was brought forward for commissioner approval on State Road 18 West of Bryant. The detour is scheduled to start July 1st to conduct work with an estimated ending date of November 15th, 2025. Doug Horn made a motion to accept the detours as INDOT has put forth. Duane Monroe seconded the motion and the motion passed by unanimous vote.

ORDINANCE 2025-04 AMENDING TRUCK ROUTES

The ordinance would prohibit trucks on certain roads during official INDOT detours. Duane Monroe made a motion to approve the ordinance as presented. Doug Horn seconded the motion and the motion passed by unanimous vote.

ORDINANCE NO. 2025 -04

ORDINANCE AMENDING TITLE VII,

CHAPTER 71, SCHEDULE IV OF THE JAY COUNTY CODE

Title VII Chapter 71, Schedule IV, Truck Restriction, is hereby amended to read as follows:

RESTRICTIONS WHEN STATE HIGHWAYS ARE CLOSED DUE TO OFFICIAL DETOUR. Trucks, truck-tractors, and semitrailers are prohibited from using any part of the following roads or sections of roads during any period of time when State Highway 26, U.S. Highway 27, or State Highway 18 are subject to an official detour provided by the Indiana Department of Transportation:

ROAD	RESTRICTED SECTION
State Line Road	Between County Road 300 N and County Road 400 S
County Road 700 E	Between County Road 300 N and County Road 400 S
County Road 600 E	Between County Road 300 N and County Road 400 S
County Road 300 E	Between County Road 300 N and County Road 400 S
County Road 100 E	Between State Highway 26 and County Road 200 S
Division Road	Between the Portland City Limits to County Road 600 E
County Road 100 N	Between U.S. Highway 27 to County Road 600 E
County Road 200 N	Between U.S. Highway 27 to County Road 700 E
County Road 300 N	Between U.S. Highway 27 to State Line Road
County Road 100 S	Between the Portland City Limits to State Highway 26
County Road 200 S	Between U.S. Highway 27 to State Line Road
County Road 400 S	Between U.S. Highway 27 to State Line Road
County Road 50 W	Between State Highway 18 and County Road 650 N
County Road 650 N	Between County Road 50 W and County Road 250 W
County Road 250 W	Between County Road 650 N and State Highway 18

All other provisions not amended hereby remain in full force and effect.

Mr. Monroe noted a recent incident where a semi-trailer was parked near a wind turbine. Vehicles were having to go around it which led to damage to the roadway and ditch. He would like to see those responsible for damage to the road pay for the repairs.

AG WEEK PROCLAMATION

Larry Temple came to the commissioners for an official Ag Week Proclamation noting 96% of the farms in Jay County are family owned. Duane Monroe read the proclamation out loud. Proclaiming March 17th to March 21st, 2025 Ag week in Jay County. Doug Horn made a motion to approve the proclamation. Duane Monroe seconded the motion and the motion passed by unanimous vote.

Allison Keen, extension coordinator, in conjunction with Ag week invited commissioners to their annual meeting next week. She also informed commissioners they would like to put The Agent by Norman Rockwell on the window located on Walnut St. The painting is based on a Jay County Family with the extension agent at the time. They will start fundraising efforts to apply the design already created by Display Craft. Duane Monroe made a motion to allow the window decals to be added to the building. Doug Horn seconded the motion and the motion passed by unanimous vote.

EMERGENCY MANAGEMENT

Samantha Rhodohamel, director, came to the commissioners to give a quarterly update on operations. She updated commissioners on training already completed this year and upcoming trainings. The grant for HMEP was awarded for \$24,300.34 and includes a 20% in kind match. The cybersecurity taskforce has been meeting monthly and has completed the state Cybertrack survey. She has attended winter weather hazard training and has also been

asked to teach a weather workshop for 4-H members. At the end of the month, she will take a management course to work on the county's management plan. They will continue updating MOUs with local counties including Darke County.

Ms. Rhodehamel gave a brief update on the bird flu outbreak which has impacted 9 facilities in Jay County. They are hoping the warm weather will keep it from spreading. They have received 4 PPE shipments from BOAH. Lastly, she informed commissioners that it is severe weather awareness week.

SHERIFF

Larry "Ray" Newton, sheriff, came to the commissioners to discuss various items. They had found that their roughly 25-year-old repeater was out of operations and have been using a loaner. The cost to replace the repeater is \$18,944.23 and is not in his current budget. They also found the site in Bryant was out but were able to use a part from the old rescue garage. They are going to hold off on that repair at an estimated cost of \$10,000. Doug Horn made a motion to approve the purchase out of the Cum Cap Development fund. Duane Monroe seconded the motion and the motion passed by unanimous vote.

Mr. Newton also reported the car and body cameras are in and now in service and gave an update on the battery backup and LED installation. He provided the commissioners the 2024 annual jail report. He would like to install 4 new cabinets, and get the bars redone also noting when they redid the security system, they did not replace the fobs or speakers. Mr. Newton requested they look into an electronic water management system to help curtail inmates flushing everything constantly. Lastly, he reported they are averaging 45 inmates a day.

2026 EDIT REQUESTS

The commissioners discussed a deadline for EDIT requests for the 2026 budget. Ms. Franks explained budget requests are due by July 1st to start the process. The commissioners agreed applications be due by June 13th to the auditor's office. They will then have a special session on June 25, 2025 at 4:00 p.m. to review applications. The commissioners will meet in regular session on June 30th, 2025.

SCHNEIDER GEOSPATIAL

The update contract with Schneider Geospatial for Beacon GIS was presented for commissioners' approval. The agreement is for services through December 31, 2027. Duane Monroe made a motion to approve the professional services agreement as presented. Doug Horn seconded the motion and the motion passed by unanimous vote.

RESOLUTION 2025-06 ELECTRONIC PARTICIPATION

Resolution 2025-06 establishing electronic means of communication was presented for commissioner approval. Duane Monroe made a motion to approve Resolution 2025-06 as presented. Doug Horn seconded the motion and the motion passed by unanimous vote.

RESOLUTION ESTABLISHING ELECTRONIC MEANS OF COMMUNICATION POLICY FOR MEMBERS OF A GOVERNING BODY.

WHEREAS, Indiana Code (hereinafter "IC") Section 5-14-1.5-3.5 provides the procedures for holding Electronic Meetings when NOT under an emergency for a governing body of a political subdivision; and,

WHEREAS, I.C. 5-1-1.5-3.5(d) requires that the governing body adopt a written policy establishing procedures that apply to a member's participation in a meeting by an electronic means of communication and the Council desires to enact such a policy.

THEREFORE, BE IT RESOLVED that the Board of Commissioners of Jay County, Indiana approves the following Electronic Means of Communication Policy for the Jay County Council:

1. IC 5-14-1.5-3.5 requires all participating members of the governing body to simultaneously communicate with each other, therefore, any electronic participation shall

utilize a technology approved by the Commissioners and the Jay County Auditor in advance of the meeting.

2. At least fifty percent (50%) of the members of the governing body must be physically present at a meeting. Any member desiring to participate in a meeting electronically must notify the Jay County Auditor and Commissioner President at least 5 days in advance of the meeting that the member intends to participate through electronic means.
3. A member may participate by electronic means of communication and be counted in the quorum, however, in order for the member to participate in any final action at the meeting, the member must be seen and heard.
4. A Commissioner may not attend more than 50% of the governing body's meetings in a calendar year by means of electronic communication nor may a member attend more than two (2) meetings in a row using electronic communications, unless the member's electronic participation is due to: military service, illness or medical condition, death of a relative or an emergency involving actual or threatened injury to persons or property.
5. All votes taken during a meeting under this section must be taken by roll call vote; and
6. Meeting minutes shall reflect the electronic meeting participant's name and the form of electronic means of communication.
7. Electronic means of communication shall not be permitted for Executive meetings.
8. A Commissioner may not participate in a meeting by electronic means of communication if the Council is attempting to take final action to: (1) adopt a budget; (2) initiate a referendum; (3) establish or increase a fee; (4) establish or increase a penalty; (5) use the governing body's eminent domain authority; (6) make a reduction in personnel; or (7) establish, raise or renew a tax.

IT QUOTES

Ms. Franks presented an IT quote from Cleaver Cabling and Consulting for computers that required replacement by the fall as they will not be able to update to Windows 11. The quote for 12 computers and Microsoft 365 came in at \$13,300. Duane Monroe made a motion to approve the quote as presented. Doug Horn seconded the motion and the motion passed by unanimous vote.

OTHER BUSINESS

The payroll docket was submitted for commissioners' approval. Duane Monroe made a motion to approve the payroll docket. Doug Horn seconded the motion and the motion passed by unanimous vote.

The county home report for February 2025 was presented for commissioners' approval. Doug Horn made a motion to approve the county home report as presented. Duane Monroe seconded the motion and the motion passed by unanimous vote.

A donation of \$415 was received by the JEMS department. Doug Horn made a motion to accept the donation to the JEMS department. Duane Monroe seconded the motion and the motion passed by unanimous vote.

The commissioners agreed to advertise for bids to farm the 68 acres. Bids will need to be submitted to the auditor's office by March 28th, 2025 and will be opened at their next meeting on March 31st, 2025.

Mustard Seed Remolding submitted paperwork for commissioner approval related to the work already approved at the retirement center. Doug Horn made a motion to sign the terms and conditions and quote for Mustard Seed Remodeling. Duane Monroe seconded the motion and the motion passed by unanimous vote.

With no further business, Duane Monroe made a motion to adjourn at 11:07 a.m.; Doug Horn seconded the motion and the motion passed by unanimous vote.

JAY COUNTY COMMISSIONERS

Chad Aker
Duane Monroe
Doug Horn
Attest: Jay County Auditor

MARCH 10, 2025 EXECUTIVE SESSION

The Jay County Commissioners met in executive session on Monday, March 10, 2025, at 4:00 p.m. in the courthouse auditorium. Attending was Doug Horn, Duane Monroe, auditor Emily Franks, attorney Wes Schemenaur, and Chad Aker, president, presiding. The Jay County Commissioners met in executive session to receive information concerning an individual's alleged misconduct per IC 5-14-1.5-6.1(6)(A).

The meeting was adjourned at 4:28 p.m. to open up the special session.

JAY COUNTY COMMISSIONERS

Chad Aker
Duane Monroe
Doug Horn
Attest: Jay County Auditor

MARCH 10, 2025 SPECIAL SESSION

The Jay County Commissioners met in special session on Monday, March 10, 2025, at 4:30 p.m. in the courthouse auditorium. Attending was Doug Horn, Duane Monroe, auditor Emily Franks, attorney Wes Schemenaur, and Chad Aker, president, presiding. The purpose of the meeting was to take any potential action regarding an employee's alleged misconduct.

Duane Monroe made a motion to terminate JEMS shift supervisor, John McFarland, effective immediately for a group three offense of the Jay County Personnel Policy. Doug Horn seconded the motion and the motion passed by unanimous vote.

Doug Horn made a motion to remove John McFarland from the EMS bank account and add shift supervisor, Kyle Gerlach. Duane Monroe seconded the motion and the motion passed by unanimous vote.

With no further business, Duane Monroe made a motion to adjourn at 4:32 p.m; Doug Horn seconded the motion and the motion passed by unanimous vote.

JAY COUNTY COMMISSIONERS

Chad Aker
Duane Monroe
Doug Horn
Attest: Jay County Auditor

MARCH 12, 2025

The Jay County Commissioners met in special session on Wednesday, March 12, 2025, at 4:00 p.m. in the courthouse auditorium. Attending was Doug Horn, Duane Monroe, auditor Emily Franks, attorney Wes Schemenaur, and Chad Aker, president, presiding. The purpose of the meeting was to discuss insurance with USI Insurance.

USI INSURANCE

Tom Schweisthal, Alex Dickman and Renee Olson, Employee Benefits Consultants, met with commissioners to discuss areas of customer service that is expected, to the county, that the auditor's office feels are not being met. USI was sent a list of thirteen bullet points from Emily Franks, Jay County Auditor, and Mr. Schweisthal wanted to take a moment and address those issues. They took the bullet points and combined them in to 4 categories with contingent plans for correcting the issues.

One of the requests from USI is that there would be a weekly phone call happen between the auditor's office, USI and one commissioner. The first meeting will be scheduled for Thursdays at this time with a time to be determined for Thursday, March 20, 2025.

Wes Schemenaur, attorney, expressed concerns that he had discussed with the auditor was the turn around response from PHP. Mr. Schemenaur asked that this be addressed quickly. Mr. Schweisthal advised that he will be reaching out to the PHP rep that is assigned to USI and try to work out the problem.

In final comments, Duane Monroe expressed that he just wants the auditor's office and Emily to be comfortable in working with USI. Doug Horn stated that when he works with an insurance agent, that is who he wants to work with and not chase around other people to get the answers he needs. He informed them that he trusts his insurance agent to do his job and not cause him more work, noting customer service comes first.

With no further business, Doug Horn made a motion to adjourn at 4:19 p.m.; Duane Monroe seconded the motion and the motion passed by unanimous vote.

JAY COUNTY COMMISSIONERS

Chad Aker

Duane Monroe

Doug Horn

Attest:

Jay County Auditor

MARCH 12, 2025 JOINT SESSION

The Jay County Commissioners and Council met in joint session on Wednesday, March 12, 2025, at 5:00 p.m. in the courthouse auditorium. Attending was Doug Horn, Duane Monroe, auditor Emily Franks, attorney Wes Schemenaur, Chad Aker, commissioner president, present from the council was Faron Parr, Bryan Alexander, Harold Towell, Michael Brewster, Matt Minnich, council president. Absent was council members Cindy Bracy and Randy May. The purpose of the joint session was to hear a financing presentation from Jason Semler from Baker Tilly Municipal Advisors, LLC.

Jason Semler, principal partner, came to discuss municipal financing opportunities with the county and funding sources. He noted they still do not know the impact of pending state legislation, there could be some substantial impacts to revenue streams in the future. The reasons a county cannot just get a loan, but are required to bond was explained. There are certain statutes and processes the county must go through to borrow money. It is in place to protect the county and county taxpayers and the DLGF (Indiana Department of Local Government and Finance) will make sure the appropriate steps have been followed to get the

loan. While home rule gives county more jurisdiction, if there are processes in place by statute, the county must follow those procedures.

A municipal bond is issued for the purpose of financing capital projects such as roads, streets, highways, and bridges. Counties under the current law are not allowed to just issue bonds to pay for roads and bridges from property taxes. There is pending legislation that would allow counties to do it, if passed. The county could issue bonds through Cum Bridge. Typically, the county would not bond for operation costs as they do come with a larger interest rate.

Property Tax Bonds are one of the most common types and is levied by the property taxpayers of the county. The county has one current for the Jail Bond that still has a few more years outstanding. Bond anticipation notes are a short-term bond, usually used before a long-term bond. This has been primarily used for Economic Development and TIFs for roughly five years. Revenue Bonds can be paid from other sources such as LIT, Food & Beverage, Innkeepers, or any revenue stream besides property tax. General Revenue bonds do not have one large source and that gives the ability to use any legal revenue of the county. It could be decided year to year how you would pay the bond.

The property tax bonds would be adding a new tax rate to the taxpayer unless you have debt rolling off which would keep it consistent. Mr. Semler relayed that school corporations have typically used these bonds over 3–4-year terms. It has now started to be used by cities, towns, and counties to maintain capital assets. He noted that this will probably become more popular with counties for bridge repair.

Mr. Semler listed items to keep in mind with property tax bonds including debt limits and the petition/remonstrance process. If more than 500 people oppose the project, it would go to a vote process collected and tallied by the auditor's office. If it would die, the county must wait for another year to do the project. Projects over \$20 million would require a referendum subject to the ballot process. If the referendum were to fail, it would be an 18–24-month process to start again. This is only used if an entity knows a project is likely to pass. A benefit to a referendum, is that it would be in addition to the levy and would not be subject to circuit breaker losses.

The current debt limit for the county is 2% of the unit's certified net assessed value (CNAV) divided by three, which is \$9,203,119. If the county would have a project over the debt limit, it would have to be a lease to own through a lease rental bond. Lease rental bonds can be paid from property taxes, income taxes or other available revenue sources. They are more costly than general obligation or revenue bonds because of additional fees and required procedures. This type of debt is excluded from the county's debt limit because it would be taken out through a building corporation. However, the county would still be responsible for paying the debt to the building corporation. The building corporation would then make the bond payment.

Mr. Aker questioned if an increase to the assessed value would also increase the county's debt limit. Mr. Semler confirmed that it would. However, the current proposed legislation for assessing ag land and more deductions and exemptions could decrease the tax base and debt limit. He also added if the county were to issue a bond and start work on nine million this year, and the assessed value were to decrease, it would follow the amount allowed at the time.

Mr. Semler next discussed revenue bonds which are payable from Local Income Taxes (LIT), Tax Increment, User Fees or Food & Beverage or Innkeepers. These types of bonds usually have higher interest rates and lower credit ratings. They typically require a debt service funding reserve with adequate coverage, usually payment for one year. It might require a pledge from an additional revenue source usually a property tax. This would help secure as low of an interest rate as possible. Revenue bonds are not subject to petition/remonstrance or referendum. However, property tax and income tax pledges may count against the debt limit. As an example, if the county has \$4 million on property and \$5 million on LIT, they would both count towards the \$9 million debt limit.

Mr. Alexander questioned if the Lease Rental Bond could only be used for a building. Mr. Semler explained it could be for buildings, roads, bridges, radio equipment or separate equipment lease financing. He informed the county that it is sometimes cheaper to bond instead of the interest rates through the company or bank.

Mr. Semler briefly went over Build Operate Transfer (BOT) agreements which is a procurement method for construction, operation, and/or maintenance of a public facility. This is used primarily if the county does not want to complete (Request for Proposal) RFP process. In that process, the county would go with the lowest bidder. The BOT model eliminates the uncertainty for the county, and gives them more control in who they work with on a project. It also gives the county the opportunity to negotiate best and final offers. As Guaranteed Maximum Price (GMP) is subject to adjustment and more contingency. The county should get that issued towards the end of the project because it will be much higher if it is issued in the beginning. He also advises clients that if any contingency is left over, it should go back to the county as profit.

Property Tax concepts were discussed including; Gross Assessed Value- The tax base before any deductions are applied. Net Assessed Value (NAV) which is the net value after all deductions and abatements are applied. The property tax levy are the funds generated by applying the tax rate to each \$100 of NAV. While the maximum property tax levy is figured using the Maximum Levy Growth Quotient (MLGQ). This caps the amount of taxes the county council can levy every year and is the same amount across the state. Currently, annual growth is not affected by changes in population, property values, development, local expenditures or budgeted appropriations.

The factor was based on a six-year average of non-farm personal income and is affected by changes in the economy. In 2023, the state legislature formally modified statute to have the Max Levy be based on whichever is the lessor, the formula or 4%. It was estimated that in 2024 the rate would have been 5.3%, but was capped at the 4%. There is pending legislation (SB 1) that has the MLGQ 2026 increase is 0%, a 1% increase for 2027, and a 2% increase for 2028's budget. This will lead counties to consider cutting services or bonding to cover expenses. There is also pending legislation that would have the MLGQ be different for every county, but it is still less than the current formula.

Mr. Semler explained that new development would not increase property taxes, but would lower taxes for existing taxpayers. As an example, if a company came in and paid a million in property taxes, the county would still receive the same amount, but the remaining taxpayer's liability would be reduced by a million. Mr. Aker questioned if the county could TIF the solar farm areas before they come in to capture that revenue. Mr. Semler confirmed that the county could and would then receive that revenue once the approved abatements would start to roll off.

Mr. Alexander asked if the savings would be equally applied to each taxpayer. Mr. Semler explained it would lower the tax rate. Mr. Horn expressed concern with increases to county expenses with new developments. Mr. Semler agreed that additional developments could put a higher demand on county services. He added there could be potential concern on how to fund the additional services. Mr. Alexander noted that while the county would receive additional revenue from local income taxes, proposed legislation has it changing from where the employee lives to the employer. Mr. Semler confirmed there was proposed legislation for the change. It could be a benefit to the county or a burden. This is why they changed rules on TIFs that now allow for more than capital projects. It now allows for police and fire because of the increase in demand in services.

Mr. Semler explained the county is at their max levy for 2025, minus some rounding. The controlled funds are County General, Reassessment, Cumulative Bridge, Health Department, and County Emergency Medical Services for a total of \$6,862,306. The county could move funds around, but could not increase from the amount. This might be the same amount for next year depending on legislature. The two funds that are outside the maximum levy are Jail Lease/Referendum Debt, and Cumulative Capital Development for a total of \$1,159,593.

Circuit Breaker Tax Credits were discussed. The credit limits a taxpayer's total property tax liability to a fixed percentage of the gross assessed value of the taxable property, before any deductions. The homestead is capped at 1%, Other residential, rental, agricultural land and long-term care facilities at 2% and commercial/industrial at 3%. Mr. Semler showed an example of a property in Dunkirk and how circuit breaker losses impact the county.

Mr. Semler went through a brief overview of proposed county projects and estimated the total cost at \$13 million. He explained the county has four more years left on the jail bond totaling about \$2.9 million with \$2.7 outstanding principal. If the county were to go ahead and bond for the \$13 million in total projects, the tax rate would go from .0558 to an estimated .0990 for three years. After the jail bond is paid off the rate would go down to .0790. If the county wanted to keep the tax rate the similar to the current, they would need to provide an additional cash on hand of \$600,000-\$700,000 for three years. After the jail bond is paid off, they would need to provide an additional \$400,000 cash on hand.

There were several more slides in the presentation related to Tax Increment Financing (TIF) and its allowable uses that were given to the present members for their review.

To start the regularly scheduled council meeting, Duane Monroe made a motion to adjourn the joint session at 6:04 p.m.; Doug Horn seconded the motion and the motion passed by unanimous vote.

JAY COUNTY COMMISSIONERS

Chad Allen
Chad Allen

Duane Monroe
Duane Monroe

Doug Horn
Doug Horn

Attest: [Signature]
Jay County Auditor