

June 26, 2015

BARTHOLOMEW COUNTY COUNCIL
May 9, 2012

The Bartholomew County Council met in regular session on May 9, 2012 at 6:00 p.m. in the County Council Chambers of the Governmental Office Building, 440 Third Street, Columbus, Indiana. Members present were: Larry Fisher, Chris Ogle, Evelyn Strietelmeier Pence, Rob Kittle, Bill Lentz, Ryan Lauer, and Jorge Morales. Auditor Barbara J. Hackman, Chief Deputy Auditor Sandra Beatty, Second Deputy Auditor Carey Nusbaum, and County Council Attorney Rod McGillivray were also in attendance.

Council President Bill Lentz called the meeting to order at 6:00 p.m., and County Council member Chris Ogle gave the invocation. The Pledge of Allegiance followed the invocation and all of the County Council members participated.

The first order of business was the approval of the April 10, 2012 County Council minutes. Evelyn Strietelmeier Pence made a motion to approve the April 10th County Council minutes. Rob Kittle seconded the motion. Ryan Lauer made a change to lines 18-20 on page 9 to read, **“Ryan Lauer thanked Director Barnes for going the extra mile to get the \$6,600 grant, adding that obtaining a GED can make a load of difference for a person’s future in the long term.”** Ryan Lauer made a motion to amend this sentence in the April 10th minutes. Rob Kittle seconded the amendment which passed unanimously. President Lentz asked for a vote on the original motion to approve the April 10th minutes. The original motion passed unanimously.

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Next, Purdue Extension Educator Mike Ferree along with 4-H Youth Development Extension Educator Erika Bonnett, and Program Assistants Harriet Armstrong and Cherie Trimpe to present the County Council with an Extension Office Update before presenting two (2) additional appropriations. Mr. Ferree began by giving the Council members a couple of handouts. The first handout given was a Decision Guide on Managing the Emerald Ash Borer. The second handout gave information on a webinar from Purdue University Agricultural Economics Professor Larry DeBoer called *Local Option Income Taxes and the State Budget*. This webinar will be presented on Thursday, May 10, 2012 from 6:30 p.m. to 8:30 p.m. EDT at the Purdue Extension Office of Bartholomew County or it can be viewed on your personal computer at <https://gomeet.itap.purdue.edu/p10285791/>.

4-H Youth Development Extension Educator Erika Bonnett mentioned in 2011 there were 740 4-H members. The 2012 member numbers are even higher. The three (3) mission mandates for 4-H are: Science, Citizenship, and Healthy Living. A major project is being completed in each of these areas. In Healthy Living, each 4-H Club is working on the Healthy H Challenge where each club completes different activities to collect the most points. The Healthy Challenge is in correlation with the *Reach Health Communities of Bartholomew County* and *Fair Fit*. For Citizenship, 4-H Clubs were asked to participate in a Community Service Project of their choice on April 21st. Thirteen (13) 4-H Clubs participated to show that they can make an impact in our community. Finally, in Science, 4-H received thirteen (13) new robotic kits, so the Lego Robotics program is

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growing. The Bartholomew County 4-H just received a grant with Tippecanoe County. This grant will be used to teach biotechnology and agriculture at Northside Middle School and at Schmitt Elementary in the Beacon Program. The kids will also have an opportunity to go to the Children's Museum and to the Purdue University Campus. This will reach out to a group of kids that the 4-H Program has never been able to reach before.

Next, Program Assistant Harriet Armstrong gave each Council member a handout that gave an update on the Health and Human Sciences Update. Ms. Armstrong created an advisory board that met to discuss the program needs of Bartholomew County residents. Those included: food safety, nutrition, parenting, family relations, life and success skills, self-esteem/empowerment, health and wellness, and budgeting. Ms. Armstrong provided a list of programs that will be offered to Bartholomew County residents. Those include: *Dining with Diabetes*, *Fair Fit*, *ServSafe*, *Getting Ahead in a Just Getting' by World*, *Where Does Your Money Go?*, *Master Food Preservation Workshop*, and *Food Talk*. Parenting programs are being researched to determine which would be the best to offer without overlapping with other parenting programs within the county and which would best meet the needs mentioned by the advisory board.

Finally, Program Assistant Cherie Trimpe mentioned she has done 325 enrichment programs in the Bartholomew County School Corporation and in most of the private schools this school year to promote 4-H from preschool through the 6th grade. Some programs included: agriculture, character education, science, etc. Ms. Trimpe also

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works with 4-H Clover Buds from kindergarten through the 2nd grade. Once a month on Saturday, Ms. Trimpe offers an Adventure Day to teach the Clover Buds what 4-H is all about. Ms. Trimpe also offers Ag Day for preschool and kindergarteners. These are held at the Fairgrounds where they have games, crafts, animals, etc. that are centered on agriculture.

Next, Ms. Bonnett presented the Council with an Additional Appropriation out of County General (001) in the amount of \$6,500.00 that will be used to pay for two (2) summer 4-H internships. The money is given to the County from 4-H and then the Council appropriates this money for the summer interns. Evelyn Strietelmeier Pence asked where this money comes from. Ms. Bonnett said the 4-H Council. Rob Kittle asked if these are user fees or dues. Ms. Bonnett said part of this money is given to 4-H from the Commissioners and the other part is collected from user fees and the drive-thru lunch fundraiser. Ryan Lauer asked what the two (2) interns will be doing. Ms. Bonnett said they will plan drive-thru lunches that are fundraisers for the 4-H program. They will also help with the fair, plan and market some programs for 4-H, prepare for 4-H camp this summer, etc.

Chris Ogle asked what age the interns are. Ms. Bonnett said they are college age. Mr. Ogle asked if they study in agriculture. Ms. Bonnett said they study in agriculture education, extension, etc. Rob Kittle asked if the \$6,500 will cover both positions. Ms. Bonnett said yes. Evelyn Strietelmeier Pence asked if the Extension Office advertised these positions in the newspaper. Ms. Bonnett said the positions are posted everywhere,

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but she is unsure if they were advertised in the newspaper. Ryan Lauer asked how many applicants there were. Ms. Bonnett said there were four (4) applicants. Usually applicants are former 4-H or FFA members. Ms. Pence asked where the positions are advertised. Ms. Bonnett said they are normally past 4-H or FFA members. The positions are advertised on the Purdue University website, the 4-H newsletter that goes out to all past 4-H members, and it is also advertised on the Extension Office website.

Larry Fisher made a motion to approve the additional appropriation out of County General (001) for the two (2) summer internships in the amount of \$6,500. Ryan Lauer seconded the motion that passed unanimously on a vote of 7:0.

Next, Mr. Ferree presented the County Council with an Additional Appropriation from County General (001) in the amount of \$1,881.60 to hire a temporary part-time student from Harrison College in their College Work Study Program to help with secretarial duties for the remainder of 2012. Harrison College would handle the payroll and would bill the County on a quarterly basis. The student will be paid \$9.00 per hour for up to twenty (20) hours a week. The County portion would be \$2.94 an hour with the Federal Program funding the balance.

Mr. Ferree mentioned that at one (1) time the Extension Office had three (3) full-time secretaries and currently they have two (2) secretaries. When someone is on vacation or ill, it is nice to have someone else there to help fill in. Mr. Ferree said the Extension Office would supervise and mentor this student. Chris Ogle asked if this is something Mr. Ferree might consider continuing. Mr. Ferree said this will be for the

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remainder of 2012 and see how it goes, but it might continue if it works out to everyone's benefit. Ryan Lauer asked if this was a new initiative from Harrison College. Mr. Ferree said yes. Evelyn Strietelmeier Pence mentioned that the Council does not usually grant additional appropriations unless they are emergencies. So, she asked him if it is an emergency. Mr. Ferree said they could get by. Ms. Pence suggested Mr. Ferree wait until budget time. Larry Fisher said it would be too late to get someone in for the remainder of 2012 and if the County could get someone to work for \$2.94 then that would be pretty cheap labor.

Rob Kittle asked how important this position would be for the Extension Office not only in the amount of work that this student would do, but securing and developing a relationship with Harrison College. Mr. Ferree said this would give the student an opportunity to work in their field and see different careers, help with their student finances, etc. Ms. Bonnett added that this will open up a relationship with Harrison College for future partnerships. Ryan Lauer asked about insurance and benefits. Mr. Ferree said the federal funding would pick up the cost of the insurance and benefits.

Ryan Lauer asked if Mr. Ferree could absorb the \$1,881.60 from his own budget for 2012. Mr. Ferree said the Extension Office returned \$10,450 last year to the County General Fund. Ms. Pence asked Mr. Ferree if he could transfer this money within his budget to cover the \$1,881.60. Mr. Ferree said he did not think about this, so he would have to do some number crunching. Mr. Kittle said this is an \$1,800 investment that would provide some clerical relief for the Extension Office and will also build a

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relationship and partnership with Harrison College. Chris Ogle agreed with Mr. Kittle and added that Mr. Ferree has from now until budget time to prove that this could be advantageous and become part of the future budget. Mr. Ogle added this could help the County and Harrison College and bring quality people to our County.

Rob Kittle said he does not want to speak for Ms. Pence, but believes there is a concern that this could lead into an additional position for the County. The Council does not want to consider this, so for now it is just a proposition for the remainder of 2012. President Lentz mentioned several counties north and south of Bartholomew County are laying off people, but the reason why Bartholomew County is doing so well is because the Council does not grant many additional appropriations. Jorge Morales asked if the Extension Office would be making a transfer within their budget to pay for this position. Chris Ogle said he sees both sides of the coin. Mr. Ogle asked Mr. Ferree to try and absorb this amount in their budget, and if they are running short in their budget toward the end of 2012, then come back and asked for an additional appropriation. Mr. Kittle said you have to take each request on a case by case basis.

Therefore, Mr. Kittle made a motion to approve awarding the Additional Appropriation from County General (001) in the amount of \$1,881.60 to the Extension Office to hire a student from Harrison College to aid in secretarial work for the remainder of 2012. Larry Fisher seconded the motion that passed on a vote of 6:1 with Chris Ogle, Rob Kittle, Bill Lentz, Jorge Morales, Ryan Lauer, and Larry Fisher voting for the motion. Evelyn Strietelmeier Pence voted against the motion.

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Next on the agenda, Mr. Phil Newton and Mr. Jason Newton of Newton Properties Group, LLC presented the County Council with Resolution 2012-01: Approving a Statement of Benefits for a Tax Abatement for Newton Properties Group, LLC in the amount of \$275,000.

Resolution No. 2012-01

A Resolution Approving Statement of Benefits

WHEREAS, Newton Properties Group, LLC, of Columbus, Indiana has submitted a Statement of Benefits to the Bartholomew County Council, a copy of which, marked Exhibit “A”, is attached hereto (hereinafter also referred to as “The Statement of Benefits”); and

WHEREAS, pursuant to Resolution 2010-01 declaring certain portions of Bartholomew County an Economic Revitalization Area pursuant to Indiana Code 6-1.1-12.1-1 et seq., and Indiana Code 6-1.1-12.1-3, the Bartholomew County Council (hereinafter also referred to as “The Council”), must review The Statement of Benefits, make certain findings of fact, and determine whether a property tax deduction should be allowed; and

WHEREAS, the Council has reviewed the Statement of Benefits and desires to adopt the following resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BARTHOLOMEW COUNTY COUNCIL AS FOLLOWS:

1. The Council hereby determines and finds that the following statements are true:
 - (A) The estimate of the value of the redevelopment or rehabilitation is reasonable for projects of that nature;
 - (B) The estimate of the number of individuals who will be employed or whose employment will be retained, can be reasonably expected to result from the proposed described redevelopment or rehabilitation;

- (C) The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained, can be reasonably expected to result from the proposed described redevelopment or rehabilitation;
 - (D) Any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed described redevelopment or rehabilitation;
 - (E) The totality of benefits is sufficient to justify the deduction;
- 2. Based upon the above-said findings, The Council hereby determines that the benefits set forth in The Statement of Benefits justify the tax deduction for real estate tax abatement.
 - 3. Based upon the above-said findings, The Council determines that the proposed described redevelopment or rehabilitation can be reasonably expected to yield the benefits identified in The Statement of Benefits and that The Statement of Benefits is sufficient to justify the deduction granted under Resolution 2010-01.
 - 4. **The Council hereby determines that, based upon the above-said findings, the Applicant's deductions for real estate tax abatement should be allowed for a period of five (5) years.**

ADOPTED BY THE BARTHOLOMEW COUNTY COUNCIL THIS 9th DAY OF MAY, 2012.

BARTHOLOMEW COUNTY COUNCIL

S/s Bill Lentz
Bill Lentz, President

S/s Jorge Morales
Jorge Morales

S/s Ryan Lauer
Ryan Lauer

S/s Larry Fisher
Larry Fisher

S/s Evelyn Strietelmeier Pence

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Evelyn Strietelmeier Pence

S/s Chris Ogle
Chris Ogle

S/s Rob Kittle
Rob Kittle

ATTEST:

S/s Barbara J. Hackman
Barbara J. Hackman, Auditor
Bartholomew County

President Lentz began by saying this is a tough situation with the railroad. Mr. Phil Newton said, “We have always looked at our situation as an opportunity to improve and to grow.” Mr. Phil Newton said that Rob Kittle mentioned to him that the State will not allow a tax abatement on labor, so Mr. Phil Newton adjusted their tax abatement request by \$60,000 from \$275,000 to \$215,000. Mr. Phil Newton said, “Tax abatements are used as an effective tool to encourage companies to continue to invest in real property.”

The original grain facility in Taylorsville, Indiana was built in 1908. There were not a lot of neighborhoods then. Now, with the community involvement this area is more dangerous because cars travel on Main Street faster than they should and with farmers pulling out of that area there could be a serious collision. Therefore, Newton Properties Group, LLC will be tearing down the existing building structure, the concrete bins, the dump area, and the large (158,000 bushel) bin. The large bin will be moved to the

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Newton Properties Group, LLC location at 1442 West 550 North, Columbus, Indiana. This move will allow the consolidation of all of the grain operations onto one (1) site. However, this move was motivated by the judgment of the Court giving the L & I Railroad ownership of the land which the original elevator had been sitting on for over one hundred (100) years.

Mr. Phil Newton said people believe that once a company gets a tax abatement then they do not have to pay any taxes, but that is not true. In fact, Newton Properties Group, LLC will be paying a lot of taxes this year because of the \$3.3 million dollar investment that began in 2009. This capital investment of \$215,000 would cost over a ten (10) year period approximately \$18,000 to \$20,000 in tax revenue for the County. If Newton Properties Group, LLC would have torn everything down, then the County would have lost tax revenue.

Mr. Phil Newton said they would continue to increase their facility on 550 North because agriculture in Bartholomew County is a major business. It was a \$100,000,000 million dollar industry in 2011. It continues to grow because corn prices have risen from \$4.25 a bushel to \$6.50 a bushel. Soybean prices have risen from \$10.40 in 2007 to \$14.00 in 2012. A *National Geographic* article from two (2) years ago mentioned that a farmer will have to grow 400 bushels of corn an acre to meet the world demands in 2040. Therefore, Newton Properties Group, LLC will need to continue to expand or they will go out of business.

Likewise, farm ground in 2007 was \$4,500 an acre. Today, farm ground costs \$7,000 to \$8,000 an acre. Therefore, agriculture is a major industry in this County and will continue grow. There are three (3) major family or privately owned grain elevators in Bartholomew County. There are seven (7) grain operations in the State of Indiana. The request for this tax abatement is to help Newton Properties Group, LLC grow in Bartholomew County to meet the needs of the agriculture industry.

Chris Ogle asked what the capacity is for the facility right now. Mr. Jason Newton said they are currently licensed for 1.4 million. However, the design structure, layout, and ten (10) year plan will be at 2.6 million. Chris Ogle asked what volume they can hold all the time. Mr. Jason Newton said they will stay at 80% volume ten (10) months out of the year and then the other two (2) months of the year they will clean out to get ready for harvest time. Newton Properties Group, LLC moves 200,000 bushels a month through this new facility. The old facility could move 150,000 bushels through a month. The new facility can handle unloading eleven (11) semis in one (1) hour. This draws in a lot of customers. There are approximately seventy-five (75) local farmers and a total of two hundred farmers from local communities that come to the new facility. The draw of new customers continues to increase. The County benefits from these farmers buying fuel here, parts, Silgas products, etc., so it is a win-win for everyone.

Rob Kittle asked if the Council would approve this tax abatement request, then how would it enhance your operation. Mr. Jason Newton said it results back to the bottom line. The net margins are about the same year to year, but what has changed is

the price of corn increasing. In 1999, the operating budget was \$750,000 a year. In 2012, the operating budget is \$8.23 million. This is borrowed from a local bank. Therefore, every net penny counts.

Mr. Phil Newton said a lot of the labor will be done by Newton Properties Group, LLC. Rob Kittle asked if Newton Properties Group, LLC will retain the same three (3) employees that were on the original abatement request. Mr. Phil Newton said yes. Mr. Jason Newton said a fourth person will be hired this year and eight (8) people will be hired for seasonal help. This was part of the \$60,000. Jorge Morales asked how the wages compare to local industry. Mr. Jason Newton said the salary averages to \$37,000 and two (2) of the three (3) employees are not college grads. Rob Kittle asked if there were benefits. Mr. Jason Newton said each employee has a flex spending account.

Ryan Lauer asked for a breakdown of the \$215,000. Mr. Jason Newton said that the cost includes: removing the large bin, rebuilding at least half the equipment, repair, replacing and repainting, construction of the foundation, dump, pit-scale system, bolt kits, etc. Mr. Phil Newton said the old facility ran on seven (7) motors that were used for one (1) operation. Today, the new facility runs on two (2) motors. The old facility could move 1,200 bushels of soybeans through in one (1) hour. The new facility can move 6,000 bushels of soybean an hour compared to 2009, which was a record crop producing year, and the wait time at the old facility was one hour and thirty minutes. Rob Kittle wanted to recognize Newton Properties Group, LLC for investing in Bartholomew

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County. Retaining three (3) jobs and possibly adding more jobs as this business grows or expands.

Rob Kittle made a motion to approve the Resolution 2012-01 for Tax Abatement for Newton Properties Group, LLC for five (5) years in the amount of \$215,000. Jorge Morales seconded the motion. Chris Ogle asked if the assessed value is larger than \$215,000, then is the Council still only responsible for the \$215,000. It was confirmed that the Council is indeed only responsible for the \$215,000 if the abatement is approved. President Lentz asked for a vote on the motion which passed unanimously on a vote of 7:0.

Auditor Hackman mentioned at the last Council Work Session the Council wanted to review the compliance forms for two (2) or three (3) companies that have tax abatements. Auditor Hackman was not sure if the Council wanted anything further from Mr. Phil Newton about the first tax abatement. Several of the Council said they had enough information given.

However, Rob Kittle asked Mr. Phil Newton how many years the first abatement was approved for. Mr. Phil Newton said five (5) years. Mr. Phil Newton asked since this second tax abatement has been approved, can they go tomorrow and obtain the building permits needed to begin this process? Mr. Newton was told he could proceed. Rob Kittle asked if any changes needed to be made to the SB-1 in terms of the dollar amount since \$215,000 was approved for the tax abatement instead of the \$275,000. Auditor Hackman said no.

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President Lentz asked Auditor Hackman if she wanted to schedule the Willis and Utz Tax Abatements with the Council for review on their compliance. Auditor Hackman said that each one had until May 15, 2012 to file their CF-1 Annual Compliance Form. Jorge Morales said the Council would like to meet with any company that has received a tax abatement that has not met their obligations. Auditor Hackman said each company would need to be notified a week prior to the Council meeting they are to attend. The Council decided if they are not in compliance then ask them to come to the regular Council meeting in June. Ryan Lauer suggested that a letter should be sent from the Council to the companies that are in compliance to let them know they were reviewed. Council Attorney Rod McGillivray suggested that a press release be written to state that the Council has been checking up on tax abatement compliance because he is hearing that residents are tired of tax abatements being given and no one checks up on the compliance.

Rob Kittle asked if there would be some value of having a member of the Council to annually review the compliance of the tax abatement(s) given and then report back to the entire Council with their recommendation(s) because this would help simplify the process. The County Council members agreed this was a great idea, but did not appoint anyone. Ryan Lauer asked if the estimate of the additional employees on the CF-1 is just for the first year of the abatement or for the entire length of the abatement. Auditor Hackman said the number of the employees is a cumulative number for the entire length of the abatement.

The next item on the agenda was Resolution 2012-02 to Transfer 2011 Additional CAGIT Money to the Rainy Day Fund. Auditor Hackman said she proposed during the County Council Work Session to transfer the additional 2011 CAGIT money that was distributed by the Department of Local Government Finance (DLGF) from an error by the Department of Revenue that was found by the State in the amount of \$616,161.88.

Resolution No. 2012-02

A Resolution Transferring Funds from General to Rainy Day Fund

WHEREAS, the Bartholomew County Council adopted a Rainy Day Fund for Bartholomew County pursuant to Ordinance No. 2009-11; and

WHEREAS, Bartholomew County received additional fund from the Indiana County Adjusted Gross Income Tax ("CAGIT") fund in the amount of \$616,161.88; and

WHEREAS, these additional funds were deposited into the County General Fund on the 10th Day of May, 2012; and

WHEREAS, the Council did not anticipate these funds when preparing their budget for the current fiscal year, and the funds will not be needed to cover the anticipated expenses for the County in this fiscal year; and

WHEREAS, the Council wishes to protect these funds for the future benefit of Bartholomew County citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE BARTHOLOMEW COUNTY COUNCIL AS FOLLOWS:

1. The Council hereby determines and finds that the amount of the herein described CAGIT funds received by Bartholomew County is not greater than ten percent (10%) of the Bartholomew County 2012 annual budget adopted under IC 6-1.1-1.
2. The Council hereby determines that these funds are not encumbered.

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3. The Council hereby determines that it is in the best interests of Bartholomew County to preserve these funds by transferring them to the Rainy Day Fund.
4. **The Council hereby determines that, based upon the above-said findings, the amount of \$616,161.88 shall be transferred from the County General Fund to the Bartholomew County Rainy Day Fund.**

ADOPTED BY THE BARTHOLOMEW COUNTY COUNCIL THIS 9th DAY OF MAY, 2012.

BARTHOLOMEW COUNTY COUNCIL

S/s Bill Lentz
Bill Lentz, President

S/s Jorge Morales
Jorge Morales

S/s Ryan Lauer
Ryan Lauer

S/s Larry Fisher
Larry Fisher

S/s Evelyn Strietelmeier Pence
Evelyn Strietelmeier Pence

S/s Chris Ogle
Chris Ogle

S/s Rob Kittle
Rob Kittle

ATTEST:

S/s Barbara J. Hackman
Barbara J. Hackman, Auditor
Bartholomew County

Larry Fisher made a motion to approve Resolution 2012-02. Chris Ogle seconded the motion. Rob Kittle asked for an explanation of why less than ten percent (10%) would be

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transferred. County Council Attorney Rod McGillivray explained that the County can only transfer less than ten percent (10%) of the total budget encumbered and unused. President Lentz asked for a vote on the motion. The motion passed unanimously on a vote of 7:0.

Being there was no public input, President Lentz asked the Council to give updates on their Commissions, Committees, and Board on which they sit. Larry Fisher made a motion for the Council to dispense with the updates. Chris Ogle seconded the motion that passed on a vote of 5:2 with Larry Fisher, Bill Lentz, Evelyn Strietelmeier Pence, Rob Kittle, and Chris Ogle voting in favor of the motion. Jorge Morales and Ryan Lauer voted against the motion.

Next, Larry Fisher made a motion to adjourn the meeting at 8:05 p.m. Chris Ogle seconded the motion that passed unanimously on a vote of 7:0. The next County Council meeting is scheduled for Tuesday, June 12, 2012 at 6:00 p.m. in the County Council Chambers.

BARTHOLOMEW COUNTY COUNCIL

By: _____
William F. Lentz, President

By: _____
Jorge Morales, Pro-Tem

By: _____
Chris Ogle, Member

By: _____

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Rob Kittle, Member

By: _____
Evelyn Strietelmeier Pence, Member

By: _____
Ryan Lauer, Member

By: _____
Larry Fisher, Member

ATTEST: _____
Barbara J. Hackman, Auditor
Bartholomew County