



GOSHEN COMMON COUNCIL

Minutes of the Jan. 18, 2022 Regular Meeting

Convened in the Council Chambers, Police & Court Building, 111 East Jefferson Street, Goshen, Indiana

Mayor Jeremy Stutsman called the meeting to order at 6 p.m. and led the Pledge of Allegiance

Mayor Stutsman asked the Clerk-Treasurer to conduct the roll call.

Present: Megan Eichom (District 4) Julia King (At-Large) Doug Nisley (District 2)
 Gilberto Pérez Jr. (District 5) Donald Riegsecker (District 1) Matt Schrock (District 3)
 Council President Brett Weddell (At-Large)

Absent: Youth Advisor Adrian Mora (Non-voting) (arrived late)

Mayor Stutsman asked the Council's wishes regarding the minutes of the City Council's meeting of Jan. 4, 2022. Councilors Eichorn/King moved to approve the minutes of the Jan. 4, 2022 meeting as submitted. The motion to approve the minutes passed 7-0.

Mayor Stutsman presented the agenda of the Jan. 24, 2022 meeting with one addition, designated as agenda item #1: Resolution 2022-02: Opposing Legislation Regarding the Reduction of Business Personal Taxes Without Adequate Replacement of Revenue. Councilors Nisley/Pérez moved to approve the amended meeting agenda. Motion passed 7-0.

Privilege of the Floor:

At 6:02 p.m., Mayor Stutsman invited public comments on matters not on the agenda.

Robert Roeder of Goshen offered comments on the importance of the nation's founding principles and warned of divisions caused by an overemphasis on race as well as socialist ideology. He said he hoped Council members were still living in the afterglow of Martin Luther King Jr. holiday on Jan. 17. In King's honor, Roeder said he wanted to read an excerpt of King's 1963 "I Have a Dream" speech and to read some reflections in an article by Monsignor Charles Pope in the *National Catholic Register*. Roeder read from King's speech as follows:

"When the architects of our republic wrote the magnificent words of the Constitution and the Declaration of Independence, they were signing a promissory note to which every American was to fall heir. This note was a promise that all men — yes, Black men as well as white men — would be guaranteed the unalienable rights of life, liberty and the pursuit of happiness. It is obvious today that America has defaulted on this promissory note insofar as her citizens of color are concerned. Instead of honoring this sacred obligation, America has given the colored people a bad check, a check which has come back marked insufficient funds. But we refuse to believe that the bank of justice is bankrupt. We refuse to believe that there are insufficient funds in the great vaults of opportunity of this nation. And so we've come to cash this check, a check that will give us upon demand the riches of freedom and the security of justice. We have also come to his hallowed spot to remind America of the fierce urgency of now."

Roeder went on to quote Monsignor Pope, who wrote about King's speech, *"Note that Rev. King spoke of this land as a "great republic" and of our founding documents as "magnificent words" of "promise." He called the Lincoln Memorial a "hallowed spot." There were none of the current notions of America as existentially racist and fundamentally and irredeemably flawed.*



"The very Declaration of Independence, so maligned now by so many, was not wrong in its words, but in its deployment. The Declaration is glorious and a point of (civil) hope. Its words were a catalyst for America to be what she had always (and will always) aspire to be: a land of equal justice, freedom and opportunity under the law. Today, I fear, we are dangerously far from the colorblind, character-based meritocracy King dreamed of. Increasingly, color is all that matters. If you are person of color, you are oppressed. If you are white, you are privileged. And this means war. The class struggle of the Marxists becomes the race struggle of America. We are better than this, and I am convinced Rev. King knew that and built on that. Our Declaration of Independence and Constitution provided the very basis whereby we were spurred to end slavery, banish segregation and abolish the Jim Crow laws that marginalized African Americans and others. It's true that we have further progress to make, but abandoning our principles is no way to get there. The principle that "all men are created equal" remains true, even though we have not always honored it."

Informed by **Councilor Nisley** that the three minutes members of the public are allowed to speak had elapsed, **Roeder** read some verses from "America The Beautiful" and concluded by saying, "God Bless America!"

After good-natured comments about wearing a T-shirt promoting Cycle Works, which is owned by Councilor Schrock, **Glenn Null of Goshen** said he appreciated the City's snow removal services. He said the work didn't go perfectly, but staff did a good job. He expressed the hope their services wouldn't be needed again until next December. Null said the bottom line was that City employees did OK. Null said he has friends from Georgia who wished their community had a quarter of the City of Goshen's snow-removal equipment.

There were no further public comments, either from those in the council chamber or via Zoom, so the Mayor closed Privilege of the Floor at 6:08 p.m.

1) Resolution 2022-02: Opposing Legislation Regarding the Reduction of Business Personal Property Tax without Adequate Replacement of Revenue

Mayor Stutsman called for the introduction of Resolution 2022-02, which was added to the agenda (**EXHIBIT #1**). Council President Brett Weddell asked the Clerk-Treasurer to read Resolution 2022-02 by title only, which was done. **Weddell/Eichorn** moved for passage of Resolution 2022-02.

Background: Resolution 2022-02 described the impact to the City of Goshen of a proposal before the Indiana General Assembly and established the Common Council's position on that legislation. The state House and Senate are considering changes to the depreciation floor and other aspects of Indiana's business personal property tax.

The resolution stated: the personal property tax is a relied upon method for funding local government; for taxing units not at the caps, a reduction in the tax base could result in property owners paying more in residential property taxes; for those communities at the caps, any phase out of the business personal property tax means a loss in revenue for local units of government; Business Personal Property Tax distributions to local units of government exceed \$1 billion; the Tax Foundation 2022 State Business Tax Climate Index lists Indiana as number one ranking for property tax; and Indiana consistently ranks in the top states with an attractive business tax climate, yet a community's quality of life is an increasingly greater influencer of business relocation and growth decisions.

As for the potential impact of the personal property tax elimination, Resolution 2022-02 stated that: the City of Goshen would lose an estimated \$2,943,805.00 in tax revenues (17% of its tax base) and significantly reducing the business personal property tax would have a dramatic impact on the City of Goshen's ability to repay tax increment financing bonds because a significant portion of the revenue backing the bonds comes from personal property taxes."

Resolution 2022-02 resolved that the Common Council "opposes all legislation that contemplates eliminating any portion of the business personal property tax without full and permanent replacement guaranteed by the state."



Further, it stated that "any contemplated revenue replacement must be a source of revenue that continues to grow over time, just as a property tax base would, in order to allow growing communities to meet the demand for services."

Mayor Stutsman thanked Councilors for adding Resolution 2022-02 to the agenda. He said the Indiana General Assembly's proposal to change the business personal property tax was discussed this morning by the executive committee of Accelerate Indiana Municipalities (AIM) and has also been a subject of discussion since last fall.

Mayor Stutsman provided information to Councilors from a PowerPoint slide presentation, "City of Goshen, Indiana Illustrative Impact of Personal Property Elimination, November 10, 2021 by Baker Tilly Municipal Advisors" (**EXHIBIT #2**, which was distributed at the meeting. The Mayor said Baker Tilly concluded that eliminating the personal property tax would have a negative financial impact on the City of Goshen.

Mayor Stutsman said AIM leaders was encouraging City Councils to pass resolutions opposing changes in the business personal property tax, without adequate replacement state revenue, before February to bolster its efforts. The Mayor said the resolution does not state that the business personal property tax is either good or bad, nor that it should be kept or eliminated. Instead, he said the resolution focuses on the funding that cities receive from the tax and that if it is eliminated, the General Assembly should provide adequate replacement revenue.

Referring to the Baker Tilly report, **Mayor Stutsman** said that if the business personal property tax was eliminated, in 2023, the estimated revenue loss to the City of Goshen would be about \$3 million, or 17% of the City's tax base. He said these revenues go into the General Fund. The Mayor said the City's two largest departments, Police and Fire, make up 61% of the General Fund. So, the Mayor said a 17% revenue loss would likely prompt drastic budget cuts.

Mayor Stutsman said other Northern Indiana mayors oppose changes in the business personal property tax without replacement revenue. He said that when the General Assembly eliminated property tax caps, lawmakers promised replacement revenue for cities like Goshen that lost revenue, but that never was provided. **Mayor Stutsman** said the City of Goshen loses about \$2.6 million in revenue every year because of the tax caps. Although the City has adjusted to that loss, the Mayor said losing another \$3 million a year would be very difficult.

Mayor Stutsman said he brought Resolution 2022-02 to the Council for discussion and in hopes of its passage. He said he contacted three Councilors before the meeting and informed them he would be proposing the resolution. The Mayor offered to answer any questions.

Councilor Eichorn thanked the Mayor for the report from Baker Tilly about the potential revenue loss from the elimination of the business personal property tax. She asked if the potential impact on schools was known and whether schools would need to seek replacement funding through more referendums. **Mayor Stutsman** said he knows there will be an impact, but didn't know the extent of the losses. He said the overall statewide reduction of revenue if the tax was eliminated would be about \$1 billion, with the majority of revenue losses to townships, cities and counties.

Councilor Eichorn asked if state lawmakers were proposing the elimination of the business personal property tax without replacement revenue or with revenue replacement. **Mayor Stutsman** said there are many proposals and approaches being considered by the House and Senate and the Governor's Office ranging from removal of the tax with no replacement to the tax's removal with replacement revenue. **Mayor Stutsman** said it's hoped that local resolutions, such as Resolution 2022-02 will have impact on the General Assembly. He said local communities are not asking for extra taxes but just that the General Assembly not eliminate the tax without replacement revenue. He added that some communities would face an even larger revenue loss than Goshen.

Councilor Eichorn asked about the primary motivation by those who want to eliminate the business personal property tax. **Mayor Stutsman** said that wasn't clear.



Mayor Stutsman said Indiana already is ranked as one of the most business-friendly states and one with low property taxes. He also said that although the Indiana Chamber of Commerce was supporting the elimination of the business personal property tax, it wasn't actively pushing it. He added that **Goshen Chamber of Commerce President & CEO Nick Kieffer** might be able to clarify the state Chamber's position.

Kieffer said the state Chamber was supporting the elimination of the tax. **Council President Weddell** said it was his understanding that the Indiana Chamber wants to make Indiana even more business friendly and that the business personal property tax is one of last roadblocks to bringing new companies and businesses to the state. He said of Indiana's surrounding states, only Kentucky also has this tax. Council President Weddell also said the Indiana House is pushing for elimination of the tax, but the Senate has reservations.

Councilors King and Weddell asked about the impact of the elimination of the tax on bonds. **Mayor Stutsman** and **Deputy Mayor Mark Brinson** said they didn't believe there would be much of an impact because most current bonds are not backed by personal business taxes. Brinson added that this could be done, but hasn't in the City of Goshen.

Councilor Pérez commented on the various proposals being discussed by the House and Senate.

Mayor Stutsman made additional comments about Baker Tilly's analysis of the projected revenue loss to the City.

(NOTE: At 6:19 p.m., Youth Adviser Adrian Mora arrived.)

In response to questions from **Councilor Riegsecker**, **Mayor Stutsman** provided further information about the financial impact of a 17% revenue loss on the Police and Fire Departments. The Mayor said the City expects to receive tax receipts of \$23 million, so eliminating the business personal property tax would drop that to \$20 million. He said property taxes make up the lion's share of the City's General Fund and will bring in about \$14 million in 2022. He said the City also receives excise taxes, alcohol beverage and cigarette taxes and local income taxes. Mayor Stutsman said it costs the City about \$14.7 million to pay for Police and Fire services, so one could say that the equivalent of all of the city's property taxes pay for Police and Fire services. The Mayor said the balance of all other taxes received pays for all other City services.

Mayor Stutsman said the Council is scheduled to meet again on Feb. 7, which would be before the Indiana Senate is expected to vote on the tax proposal, but after the House will have already voted. **Councilor Pérez** said it appeared that the House was scheduled to vote on Jan. 25. **Councilor King** said it would be a powerful message if the Council passed this resolution.

Mayor Stutsman said that if the Council was not comfortable voting on Resolution 2022-02 tonight, he could bring it back for consideration on Feb. 7.

Council President Weddell said that as a small business owner, he would love to see the tax eliminated but as a City Council member and understanding budgets, it is important to acknowledge that one cannot just pull 17% from the City's budget without some impact. He said it would be a different situation if there were not property tax cuts and the City was flush with money and wasting money. Council Weddell said some may contend that is the case, but there should be some explanation as to what the City should do if the business personal property tax is eliminated.

Councilor Eichorn said it was irresponsible for state lawmakers to consider eliminating the tax without consideration of some replacement revenue.

Councilor King said her husband is also small business owner and they have discussed the proposal and he isn't looking for this tax relief because if it hurts the City, it won't be helping his business.

Mayor Stutsman said he has spoken to several small business owners in the City as well as some large business owners and they all favor eliminating the tax. However, the Mayor said business owners also want to live in a community with good roads and other City services for their employees.



Councilor Riegsecker said he believed Resolution 2022-02 was written OK. Riegsecker said he wants to help businesses as well and to attract new businesses by eliminating personal property taxes if there is a permanent replacement of revenue guaranteed by the state. He said he would be hesitant to support the proposal without that provision. **Councilor Nisley and Mayor Stutsman** agreed with Councilor Riegsecker.

Asked by **Councilor Pérez** what he wanted the Council to do, Mayor Stutsman said he would like the Council to act tonight to either approve or table Resolution 2022-02.

At 6:25 p.m., Mayor Stutsman invited public comment on Resolution 2022-02.

Goshen Chamber of Commerce President & CEO Nick Kieffer said he believes the Indiana Chamber of Commerce is supporting a gradual phase-out of the tax over seven to 10 years. He said state Chamber leaders believe that if the tax is eliminated, companies will invest in more and newer equipment and that will bring more money into communities. Kieffer said that response was given by Chamber leaders when he asked how communities could maintain a good quality of place if tax revenue was eliminated.

Former Council member Jim McKee asked if the tax would be eliminated over 10 years. He said doing so over that period of time would not be too bad.

Councilor Schrock asked if the current proposal would result in an immediate loss of \$3 million in personal business property tax revenue in a year to the City of Goshen. **Mayor Stutsman** said the state Chamber favors a gradual elimination of the tax, but it isn't known what state lawmakers will do. The Mayor and Councilors commented on the impact of an immediate vs. gradual loss of revenue to the City budget.

Councilor Schrock asked if Councilors were being asked to support the tax elimination without knowing if it will be phased in or not. **Mayor Stutsman** said he believes the City Council should request replacement funding from the state, whether that is for a sudden or gradual loss of tax revenue.

Glenn Null of Goshen criticized state lawmakers for taking action without considering the impact on local communities. Null said that if the City cannot afford to fix its roads, business would not want to use local roads. Null said politicians, from library boards to the White House, cannot be trusted. Null said state lawmakers like to take action and force communities to deal with the impact, and this leads to mistrust. Null said the City should stand up for its position.

Pamela Weishaupt of Goshen said business investments in new equipment won't serve her well if she needs a police officer or other city services. She said she doesn't care about business investments in new equipment and agreed with Glenn Null about the need for good roads. Weishaupt asked Councilors to support Resolution 2022-02 and to call on state lawmakers to provide replacement revenue.

There were no further public comments, so Mayor Stutsman closed the public comment period at 6:32 p.m.

There were also no further comments from the Council and Councilors affirmed they were ready to vote.

On a roll vote, councilors approved Resolution 2022-02 by a 7-0 vote, with all members voting "yes." Youth Advisor Adrian Mora also voted "yes." Mayor Stutsman thanked Councilors for their support.

2) Ordinance 5113 (1st/2nd Reading): City of Goshen Cemetery Fees

Mayor Stutsman called for the introduction of Ordinance 5113 on First Reading. **Council President Weddell** asked the Clerk-Treasurer to read Ordinance 5113 by title only, which was done.



Weddell/Pérez moved for passage of Ordinance 5113 on First Reading.

(Note: At 6:34 p.m., and after the introduction of Ordinance 5113, Council President Weddell stated that he had to leave for a family obligation, leaving six voting members of the Council. Council President Weddell apologized for leaving early and said that he supported the three remaining items on the agenda.)

Background: The Board of Cemetery Trustees asked the Common Council to add a new fee for burial services scheduled on a City-observed holiday with that fee to be the same as the fee for burial services scheduled on Saturday afternoon. In addition, the Board requested a new, reduced fee for the burial of cremated remains of more than one person with the remains of another person. This new fee would not apply to scattering. The normal burial fee would be charged for the first person, and one-half the normal fee would be charged for burial of the cremated remains of each additional person.

Due to the nature of the revisions to incorporate these requested new fees, the City Legal Department prepared a new Ordinance 5113 with a consolidated fee schedule attached to the Council packet as Exhibit A. Ordinance 5113 would repeal and replace Ordinance 4915, as amended by Ordinance 5018. The cemetery fees as previously adopted by Ordinance 4915, as amended by Ordinance 5018, increase each year on January 1 through 2025. There are no changes to these fees, but the Legal Department removed the fees for years 2017 through 2021 from the Exhibit.

Language for the new fee for interment, entombment, inurnment or scattering services scheduled on a City-observed holiday was added as the last three sentences under the heading DAYS AND TIMES OF SERVICES on page 4. Additionally, the phrase "and a City observed holiday" has been added in nine places in Exhibit A following the phrase "Saturday 12 p.m. and after, but before 3 p.m." A new paragraph with the heading BURIAL OF CREMATED REMAINS WITH ANOTHER was added on page 5 for the new, reduced fee for the burial of cremated remains of more than one person with the remains of another person.

City of Goshen Director of Cemeteries Burton Matteson said Ordinance 5113 was proposed by the Cemetery Board and would make changes to two fees. On City holidays, the burial or entombment fee would be the same as that charged on a Saturday afternoon, which is the City's highest rate. In addition, there would be a lower fee to bury two sets of cremated remains.

Mayor Stutsman noted that two Cemetery Board members, **Colin Yoder** and **Jim McKee**, were present.

Mayor Stutsman invited questions or comments from the Council and the public, but no one asked to speak about the fee changes in Ordinance 5113. Councilors indicated they were ready to vote.

On a voice vote, councilors approved Ordinance 5113 on First Reading by a 6-0 vote, with all members present voting "yes." Youth Adviser Mora also voted "yes."

Councilors gave Mayor Stutsman unanimous consent to proceed to the Second Reading of Ordinance 5113.

Mayor Stutsman called for the introduction of Ordinance 5113 on Second Reading. **Councilor Nisley** asked the Clerk-Treasurer to read Ordinance 5113 by title only, which was done.

Nisley/Riegsecker moved for passage of Ordinance 5113 on Second Reading.

There were no further questions or comments from the public or the Council, and Councilors affirmed to Mayor Stutsman that they were ready to vote. On a voice vote, councilors approved Ordinance 5113 on Second and Final Reading by a 6-0 vote, with all members present voting "yes."



3) Ordinance 5114 (1st/2nd Reading): An Ordinance to Establish Rules and Regulations for Cemetery Properties in the City of Goshen, Indiana

Mayor Stutsman called for the introduction of Ordinance 5114 on First Reading. **Councilor Nisley** asked the Clerk-Treasurer to read Ordinance 5114 by title only, which was done.

Nisley/Pérez moved for passage of Ordinance 5114 on First Reading.

Background: Ordinance 5114 would clarify cemetery hours of operation and explicitly prohibit the possession and use of alcohol on City of Goshen cemetery property.

It would specify that no person shall enter or remain in or on any cemetery property after cemetery properties are closed to the public. Cemetery properties are open to the public from dawn until dusk of the same day or until the conclusion of a City of Goshen Cemetery Department approved event, if later. Cemetery Properties would be considered closed to the public at all other times. The prohibition against entering or remaining in or on any cemetery property when cemetery properties are closed to the public would not apply to city streets, highways, bicycle and pedestrian paths, or similar trails traversing cemetery properties. Normal travel on city streets, highways, bicycle and pedestrian paths, or similar trails through Cemetery Property, without the intent to visit or remain on cemetery property, at any time cemetery properties are closed to the public would not be a violation.

Ordinance 5114 also would specify that no person shall possess or consume any alcoholic beverage in or on any cemetery property in the City of Goshen. An alcoholic beverage is defined in the ordinance as a liquid or solid that is or contains one-half percent (0.5%) or more alcohol by volume; is fit for human consumption; and is reasonably likely, or intended, to be used as a beverage.

The City of Goshen would be empowered to enforce violations of the ordinance pursuant to Indiana Code §34-28-5, as amended from time to time, and the City of Goshen Ordinance Violations Bureau. And the ordinance shall be in full force and effect from and after its passage, approval and adoption.

City of Goshen Director of Cemeteries Burton Matteson said that in recent months there has been an increase in activity after dark in the cemeteries, including the consumption of alcoholic beverages. He said neighbors asked the City to do something about it. Matteson said he discussed the matter with Police Chief José Miller and later learned that the City didn't have any ordinances against the use of alcoholic beverages in the cemeteries or prohibiting people from being in the cemeteries after dusk and before dawn, so a new ordinance was requested.

Mayor Stutsman said some of the late night activities in cemeteries has been accompanied by large gatherings, the playing of loud music and the launching of fireworks. He said Ordinance 5114 will allow the Police Department to address the situation and regulate activity in the cemeteries.

Councilor King asked if the City had a broad ordinance against the use of alcoholic beverages on City property. Mayor Stutsman said the City has an ordinance banning alcoholic beverages in City parks, but otherwise doesn't have such a prohibition.

Councilor Riegsecker asked if there were ever any cemetery rules and regulations or whether this proposal was the only one for cemetery properties. **Matteson** said the City has a list of regulations approved by the Cemetery Board, but most of them are not enforced by Police. He said he enforces most of those himself. **Mayor Stutsman** added that the Council would need to approve Ordinance 5114 for the Police Department to enforce these prohibitions.

Councilor Eichorn asked if the people holding cemetery parties are cleaning up after themselves. **Matteson** said those staying late are not doing so. Cemetery staff, he said, are having to clean more messes.

Councilor Schrock asked if there were more problems in in some cemeteries than others. Matteson said the worst problems are at the Violett and West Goshen cemeteries.



Councilor King asked if it would still be possible to be in the cemetery after hours on some occasions. **City Attorney Bodie Stegelmann** said that could be allowed. Stegelmann said the ordinance would not apply to city streets, highways, bicycle and pedestrian paths, or similar trails traversing cemetery properties.

Councilor Eichorn said she may know people who have visited the cemetery after hours. She asked if people would be allowed to visit cemeteries late if they didn't drink alcoholic beverages or play loud music. **Matteson** said post-dusk visits would not be allowed.

Mayor Stutsman said the City recognizes that families want to grieve, but the goal of Ordinance 5114 is to stop problem activity in the cemeteries. He added: "Most of the negative activity we're seeing tends to be gang related. So, we're attempting to get at that. We're not trying to shut families down that just want to be there with their loved ones. But a majority of families don't come out during the dark hours."

Councilor Riegsecker said he understood that people would still be able to gather, and even play music, in cemeteries, but could not do so after hours and drink alcoholic beverages.

At 6:45 p.m., Mayor Stutsman opened a period of public comment on Ordinance 5114.

Tom Rose of Goshen said he has lived for 20 years in the Larimer Village neighborhood and has noticed an increase in problematic activity over the past three years. Rose said that after the burials of young men, their mourners have visited the West Goshen cemetery at all hours and have played loud music and flashed lights. He said in one case, gun shots were fired near his home. Rose said police officers have responded to the cemetery, but the problems have continued. Rose added: "Our concern is the activity there after dark. During the day, hey, have all kinds of celebrations you want."

Jonathan Wieand of Goshen, who also lives in the Larimer Village neighborhood, said he supports Ordinance 5114. He said that those who live adjacent to cemetery are being affected by the problem behavior.

Glenn Null of Goshen said that last spring he and wife began walking through the West Goshen cemetery for exercise. He said there is a lot of day-time activity that is suspicious. Null said Goshen has nice cemeteries with old grave markers that he doesn't want to see damaged. Null said he knows police are stretched thin, but he recommended that officers pass through often and that the City consider installing cameras to monitor and stop suspicious activity. He also said suspicious activity should be reported to police.

As no one else asked to speak, Mayor Stutsman closed the period of public comment at 6:52 p.m.

Councilor Pérez asked Matteson how the City planned to communicate Ordinance 5114 to families. He asked if there was a plan to educate the community about the time and alcoholic prohibitions. Matteson said he some local funeral directors have said they are willing to mention the new rules to families. He said the city also will post some signs and may issue a news release.

Mayor Stutsman added: "We don't want to get in the way of families doing what they need to do, but we need to cut down on the activities that are happening as far as the negative side of things."

Councilor Pérez thanked residents for attending the council meeting and expressing their concerns. He said he was sorry they have had to endure problems at the cemeteries and expressed the hope that Ordinance 5114 along with public education and help from the Police Department will eliminate the problems and keep the community safe.



There were no further questions or comments from the Council. Councilors indicated they were ready to vote. **On a voice vote, councilors approved Ordinance 5114 on First Reading by a 6-0 vote, with all members present voting “yes.” Youth Adviser Mora also voted “yes.”**

Councilors gave Mayor Stutsman unanimous consent to proceed to the Second Reading of Ordinance 5114. Mayor Stutsman called for the introduction of Ordinance 5114 on Second Reading. Councilor Nisley asked the Clerk-Treasurer to read Ordinance 5114 by title only, which was done.

Nisley/Pérez moved for passage of Ordinance 5114 on Second Reading.

There were no further questions or comments from the public or the Council, and Councilors affirmed to Mayor Stutsman that they were ready to vote. On a voice vote, councilors approved Ordinance 5114 on Second and Final Reading by a 6-0 vote, with all members present voting “yes.”

4. Resolution 2022-01: Service Delivery Agreement between County of Elkhart and Goshen Police Department for 2022 Elkhart County Drug-Free Community Funds

Mayor Stutsman called for the introduction of Resolution 2022-01. Councilor Nisley asked the Clerk-Treasurer to read Resolution 2022-01 by title only, which was done.

Nisley/Schrock moved for passage of Resolution 2022-01.

Background: Resolution 2022-01 would approve the terms and conditions of the Service Delivery Agreement between the County of Elkhart and Goshen Police Department for the 2022 Elkhart County Drug-Free Community Funds, a copy of which is attached to and made a part of the resolution. The Police Department applied for and was awarded \$36,900 in grant funds for the purchase of two K9s, K9 vests and equipment for a department vehicle.

Mayor Stutsman provided further information on the request and stated that the Police Department has already identified the two officers who will be assigned the K9s.

Police Chief José Miller said one of the dogs will be assigned to a handler whose current K9 is retiring. He said that it will be a “single-purpose dog which will be for drug use only.” Miller said the second dog will allow the department to have a dog per shift and it will be a “dual purpose dog.” He added that vests will be purchased for the two dogs and funds also will be used to equip a third police car.

Youth Adviser Mora asked if the grant would cover all of the Police Department’s costs for the dogs. Chief Miller said the grant would cover all the up-front costs as well as some training. However, he said the Police Department will pay salary and overtime costs for additional required “maintenance training.” Mayor Stutsman added that the dogs and their handlers are rarely separated; they pretty much live together.

Mayor Stutsman invited comment from the public, but no one asked to speak. There were no further questions or comments from the Council and Councilors affirmed they were ready to vote.

On a voice vote, councilors approved Resolution 2022-01 by a 6-0 vote, with all members present voting “yes.” Youth Adviser Mora also voted “yes.”

Elected Official Reports:

Councilor King said Downtown Goshen, Inc. will be hosting an educational panel discussion via Zoom, on Jan. 25, on the benefits and barriers of adding more upper-story residential units downtown.

Councilor Megan Eichorn said the City Community Relations Commission is working on a proposal to sponsor an essay contest for students on the Commission’s principles. It will be open to students in grades 7-12.



Youth Adviser Mora added that it will be open to all Goshen students, including those attending private schools. **Councilor Schrock** said he wanted to remind the public that there will be another opportunity to comment on the proposal to relocate Interfaith Hospitality Network's homeless shelter to the Merit Learning Center site. He said the City Board of Zoning Appeals will consider it at 4 p.m. on Jan. 25 in the City Courtroom/Council Chamber.

Mayor Stutsman said a news release was issued about a warming shelter being available and there was some confusion about Interfaith Hospitality possibly hosting one. The Mayor said Interfaith isn't sponsoring a low-barrier warming shelter.

Council Schrock thanked all City staff responsible for the Jan. 14 work session on the City's proposed Flood Resilience Plan. He said the session was very informative. **Mayor Stutsman** thanked Schrock for his comment and said that City staff worked hard to prepare for the session. He said next steps are already being discussed.

Mayor Stutsman said he plans to introduce an ordinance on the redistricting of City Council districts. He said it would guide the process and limit the influence of politics. The Mayor said he and **City Attorney Bodie Stegelmann** and **Deputy Mayor Mark Brinson** have been drafting the ordinance and he hopes to bring it to the next Council meeting for discussion. Mayor Stutsman added that **Youth Adviser Mora** will start working next week as an intern in the Mayor's office.

Councilor Riegsecker said he will miss the Feb. 7 Council meeting because he will be on vacation with his two sons. He apologized for missing the meeting and said he will try not to miss any others. **Councilors** responded with humorous comments.

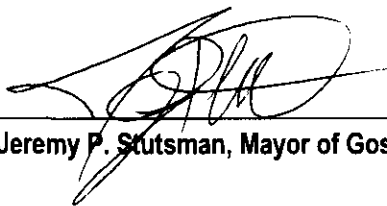
Adjournment:

Councilors Nisley/King moved to adjourn the meeting. Passed 6-0. Mayor Stutsman adjourned the meeting at 7:03 p.m.

EXHIBIT #1: Resolution 2022-02: Opposing Legislation Regarding the Reduction of Business Personal Property Tax without Adequate Replacement of Revenue (added to the agenda)

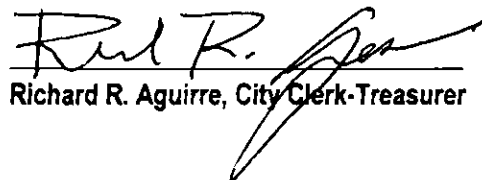
EXHIBIT #2: City of Goshen, Indiana Illustrative Impact of Personal Property Elimination, November 10, 2021 by Baker Tilly Municipal Advisors (PowerPoint slide presentation distributed at the meeting)

APPROVED:



Jeremy P. Stutsman, Mayor of Goshen

ATTEST:



Richard R. Aguirre, City Clerk-Treasurer

**Goshen Common Council
Resolution 2022-02**

**Opposing Legislation Regarding the Reduction
of Business Personal Property Tax
without Adequate Replacement of Revenue**

WHEREAS the Indiana legislature proposed changes to the depreciation floor and other aspects of Indiana's business personal property tax as a priority in their 2022 legislative agenda;

WHEREAS, the Goshen Common Council opposes all legislation that contemplates eliminating any portion of the personal property tax without permanent, FULL replacement of tax revenue guaranteed by the state;

WHEREAS, any contemplated revenue replacement must be a source of revenue that continues to grow over time, just as a property tax base would, in order to allow growing communities to meet the demand for services;

WHEREAS, a permanent state tax credit applied to ALL proposed business personal property tax reductions, holidays, phase-outs, etc., could eliminate unnecessary burden on local government in order to continue building healthy Indiana communities;

WHEREAS, the personal property tax is a relied upon method for funding local government;

WHEREAS, for taxing units not at the caps, a reduction in the tax base could result in property owners paying more in residential property taxes;

WHEREAS, for those communities at the caps, any phase out of the business personal property tax means a loss in revenue for local units of government;

WHEREAS, Business Personal Property Tax distributions to local units of government exceed \$1 Billion;

WHEREAS, the City of Goshen in Elkhart County would lose an estimated \$2,943,805.00 in tax revenues (17% of our tax base), as explained in further detail in the *Illustrative Impact of Personal Property Elimination, November 10, 2021*, prepared by Baker Tilly and attached hereto;

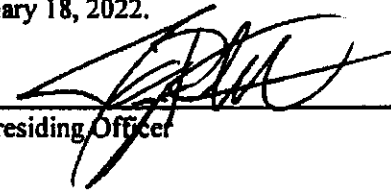
WHEREAS, significantly reducing the business personal property tax will have a dramatic impact on the City of Goshen's ability to repay tax increment financing bonds because a significant portion of the revenue backing the bonds comes from personal property taxes;

WHEREAS, The Tax Foundation 2022 State Business Tax Climate Index lists Indiana as number one ranking for property tax; and

WHEREAS, Indiana consistently ranks in the top states with an attractive business tax climate, yet a community's quality of life is an increasingly greater influencer of business relocation and growth decisions.

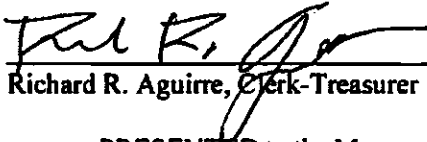
NOW, THEREFORE, BE IT RESOLVED by the Goshen Common Council that it opposes all legislation that contemplates eliminating any portion of the business personal property tax without full and permanent replacement guaranteed by the state.

PASSED by the Goshen Common Council on January 18, 2022.



Presiding Officer

ATTEST:



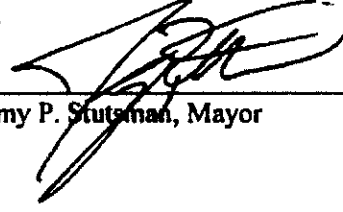
Richard R. Aguirre, Clerk-Treasurer

PRESENTED to the Mayor of the City of Goshen on January 18, 2022, at the hour of 6:32
p.m.



Richard R. Aguirre, Clerk-Treasurer

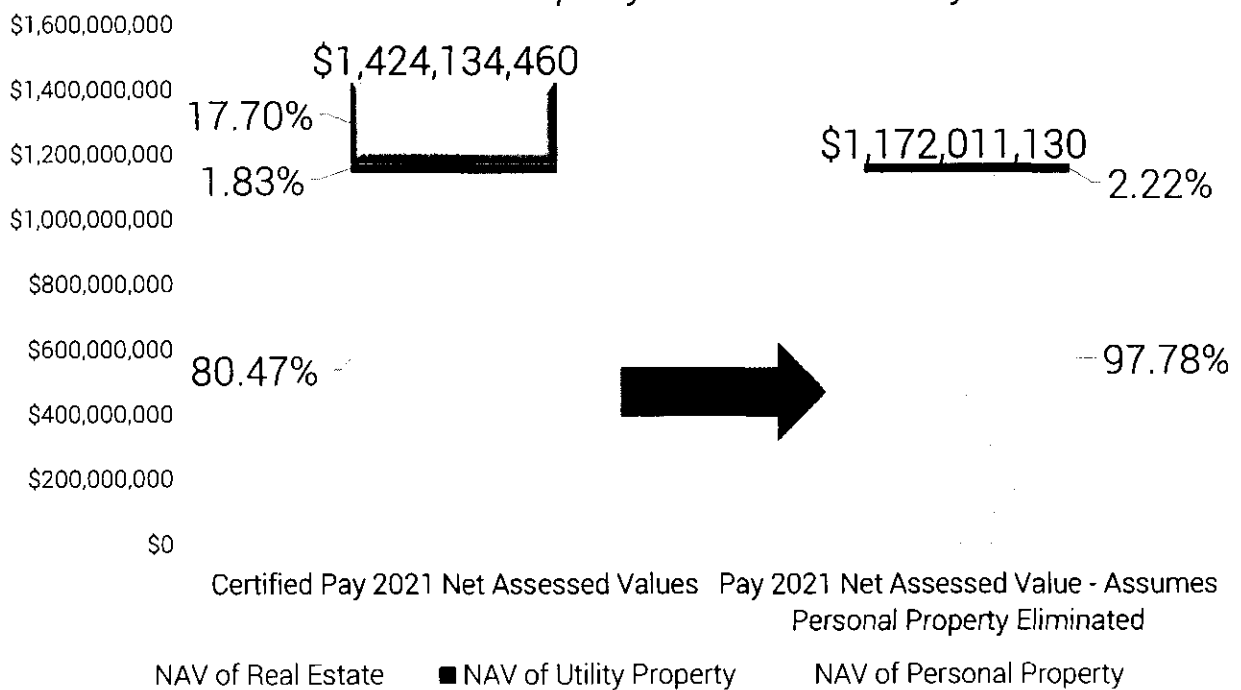
APPROVED and ADOPTED on January ____, 2022.



Jeremy P. Stutsman, Mayor

Summary of Illustrative Change in Net Assessed Value

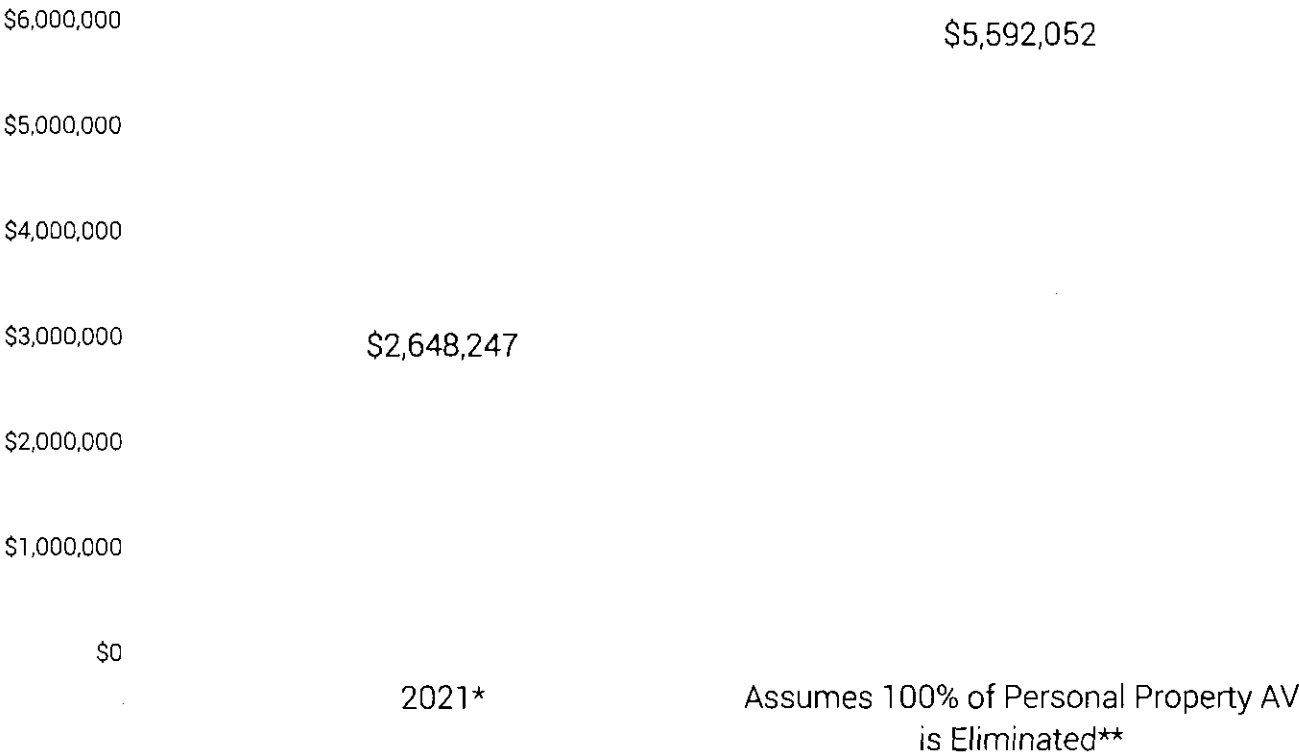
Assumes 100% Personal Property Elimination – City of Goshen



Note: Based on the 2021 Elkhart County Abstract.

Summary of Illustrative Circuit Breaker Impact

City of Goshen



* Per the Department of Local Government Finance.
 ** Based on information provided by Policy Analytics, LLC.

Illustrative Taxpayer Impact

Goshen Civil City Concord School Taxing District



		Current - Tax Year 2021		Assumes 100% of Personal Property AV is Eliminated	
		Tax Rate (1): \$3.7676		Illustrative Tax Rate (2): \$4.3423	
Gross Assessed Value of Property	Net Assessed Value	Illustrative Annual Property Taxes	Illustrative Annual Property Taxes	Illustrative Annual Property Taxes	Illustrative Annual Impact
<u>Residential Property</u>					
\$100,000	\$32,750 (3)	\$1,122.88	\$1,122.88		\$0.00
121,100 (4)	46,465 (3)	1,385.34	1,385.34		0.00
150,000	65,250 (3)	1,744.82	1,744.82		0.00
<u>1 Acre of Ag. Land (5)</u>					
\$1,290	\$1,290	\$30.64	\$30.64		\$0.00
<u>Commercial Property (6)</u>					
\$100,000	\$100,000	\$3,375.20	\$3,375.20		\$0.00

- (1) Represents the certified pay 2021 tax rate for the Goshen Civil City Concord School taxing district
- (2) Based on the certified pay 2021 tax rate for the Goshen Civil City Concord School taxing district after the impact of removing 100% of Personal Property from the assessed value
- (3) Includes standard deduction at the lesser of \$45,000 or 60% of home value, the 35% supplemental homestead deduction and the \$3,000 mortgage deduction. Includes the impact of the 5.3678% pay 2021 LIT PTRC. Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 1% of gross assessed value for a residential parcel, is applied.
- (4) Represents the Median Home value for Goshen Civil City, per the 2015-2019 American Community Survey 5-Year estimates of the U.S. Census Bureau
- (5) One acre of agricultural land represents the 2021 pay 2022 assessment of \$1,290 and no deductions or exemptions. Includes the impact of the 5.3678% pay 2021 LIT PTRC. Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 2% of gross assessed value for an agricultural parcel, is applied
- (6) Assumes no deductions or exemptions. Includes the impact of the 5.3678% pay 2021 LIT PTRC. Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 3% of gross assessed value for a commercial parcel, is applied

Illustrative Taxpayer Impact

Goshen City-Harrison Township Taxing District



		Current - Tax Year 2021		Assumes 100% of Personal Property AV is Eliminated	
		Tax Rate (1): \$3.0473		Illustrative Tax Rate (2): \$3.5253	
Gross Assessed Value of Property	Net Assessed Value	Illustrative Annual Property Taxes	Illustrative Annual Property Taxes	Illustrative Annual Property Taxes	Illustrative Annual Impact
<u>Residential Property</u>					
\$100,000	\$32,750 (3)	\$945.79	\$1,025.45	\$1,025.45	\$79.66
121,100 (4)	46,465 (3)	1,247.10	1,247.10	1,247.10	0.00
150,000	65,250 (3)	1,550.70	1,550.70	1,550.70	0.00
<u>1 Acre of Ag. Land (5)</u>					
\$1,290	\$1,290	\$26.80	\$26.80	\$26.80	\$0.00
<u>Commercial Property (6)</u>					
\$100,000	\$100,000	\$2,887.90	\$3,077.70	\$3,077.70	\$189.80

- (1) Represents the certified pay 2021 tax rate for the Goshen City-Harrison Township taxing district.
- (2) Based on the certified pay 2021 tax rate for the Goshen City-Harrison Township taxing district after the impact of removing 100% of Personal Property from the assessed value
- (3) Includes standard deduction at the lesser of \$45,000 or 60% of home value, the 35% supplemental homestead deduction and the \$3,000 mortgage deduction. Includes the impact of the 5.3678% pay 2021 LIT PTRC. Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 1% of gross assessed value for a residential parcel, is applied.
- (4) Represents the Median Home value for Goshen Civil City, per the 2015-2019 American Community Survey 5-Year estimates of the U.S. Census Bureau
- (5) One acre of agricultural land represents the 2021 pay 2022 assessment of \$1,290 and no deductions or exemptions. Includes the impact of the 5.3678% pay 2021 LIT PTRC. Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 2% of gross assessed value for an agricultural parcel, is applied.
- (6) Assumes no deductions or exemptions. Includes the impact of the 5.3678% pay 2021 LIT PTRC. Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 3% of gross assessed value for a commercial parcel, is applied

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