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FOR IMMEDIATE RELEASE:

Open Statement from Goshen City Leaders Calling on Representative Joanna King and Senator Blake Doriot to Fix Harmful Legislation

The City of Goshen is facing a looming financial crisis as a result of Senate Enrolled Act 1. By 2028, the City of Goshen's revenues are projected to be reduced by 38%. This devastating loss will severely limit our ability to fund essential city services that residents rely on every day, from public safety to infrastructure maintenance to quality of life initiatives.

When the state legislators passed the SEA 1 at 2:00 a.m. last April, they did so without knowing the full ramifications of their votes. In fact, the earliest realistic numbers may not be available until July 2026. As a local government, we must pass next year's budget by the end of October, which means we will do so without knowing the full impact of this poorly developed and researched legislation.

Problems with SEA 1

- It does not fix rising assessments: Tax bills will likely still go up because of increased assessments, which are set by the Elkhart County Assessor's Office and NOT by local Goshen City government.
- It will lead to new fees and/or loss of services: Residents may see higher service charges by libraries, counties, and cities that cancel out any "savings." Even worse, emergency response times may increase or road repairs may be delayed because of lack of funding.
- It shifts costs unfairly: Homeowners, not businesses, will carry more of the tax burden. The new formula benefits businesses and larger homes, while modest and lower cost homes pay a higher percentage of the tax burden.

To be clear, the problems with SEA 1 are not partisan and we as Goshen City officials endorse the call for an <u>Urgent Fix to SEA1</u> issued by Elkhart County Commissioners, Elkhart County Councilors, and the Mayors of Elkhart, Goshen, and Nappanee on September 4, 2025. As elected officials from both parties, we are united in our opposition to SEA 1 and call for you as state lawmakers to:

- Fix flaws in SEA 1 before 2028: The next legislative session begins in Indianapolis in January 2026. We call on you to insist that substantive fixes for SEA 1 become the top legislative item in the new year.
- Provide stability, transparency, and reliable data: No local entity can budget without
 accurate data about revenue. We call on you to study the issues and know the ramifications
 before you vote for any bill that changes funding for cities, counties, schools, and libraries.
- Partner with local elected officials to protect homeowners and essential services: We
 call on you to talk to and work with all Elkhart County elected officials to develop equitable
 funding solutions. We need to be part of the solution.

The bottom line is that Goshen families were promised tax relief. Instead, SEA 1 risks fewer services, higher fees, and a heavier load on homeowners. Our state legislators want to take credit by claiming property tax relief while at the same time deflecting blame for the ramifications to locally elected Council members. Despite claims made by these state legislators, both Republican and Democratic cities alike in Elkhart County have demonstrated fiscal responsibility while balancing public safety and quality of place. The undersigned Goshen City Common Council members want a fair, stable solution to the problems created by SEA 1, and we, as members of the Goshen City Common Council, ask for the fixes to come in the January 2026 legislative session. We cannot afford to wait until the next regular budget cycle to solve this looming crisis.

Respectfully signed by the Goshen Common Council:

- 1. Councilor Don Riegsecker, District 1
- 2. Councilor Doug Nisley, District 2
- 3. Councilor Matt Schrock, District 3
- 4. Councilor Megan Peel, District 4
- 5. Councilor Phil Lederach, District 5
- 6. Council President Brett Weddell, At-Large
- 7. Councilor Linda Gerber, At-Large
- 8. Youth Advisor Abril Reyes

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