

**RESOLUTION 22-18****RESOLUTION PROPOSING AN ORDINANCE MODIFYING  
LOCAL INCOME TAX ALLOCATIONS IN MONROE COUNTY AND  
CASTING 56.66 VOTES IN FAVOR OF THE ORDINANCE**

- Re: Adjusting the Allocations between the Public Safety Answering Point (PSAP)  
and General Public Safety Purposes Tax Rates  
Without Changing Other Allocations or the Total Expenditure Tax Rate**

- WHEREAS, the Monroe County ("County") Local Income Tax Council previously imposed a County Option Income Tax in the County (under Indiana Code 6-3.5) which, pursuant to Indiana Code 6-3.6, was transformed into a Local Income Tax; and
- WHEREAS, pursuant to Indiana Code § 6-3.6-3-1, having previously adopted the County Option Income Tax in the County under Indiana Code 6-3.5-6, the County Local Income Tax Council continues to serve as the adopting body for the Local Income Tax and with the same membership; and
- WHEREAS, Indiana Code 6-3.6 permits Local Income Taxes to be imposed for various specified purposes, including one for public safety ("Public Safety Income Tax") and, pursuant to Indiana Code §6-3.6-6-8, a portion of the Public Safety Income Tax may be used to fund a public safety answering point ("PSAP") and the remainder may be used for other public safety (General Public Safety) purposes as defined in Indiana Code §6-3.6-2-14; and
- WHEREAS, pursuant to Indiana Code § 6-3.6-11-4, the tax revenues for PSAP shall be allocated and distributed to the PSAP before allocation and distribution to any taxing units; and
- WHEREAS, in September 2016, after notice and a hearing and in support of public safety for all county residents, the Monroe County Local Income Tax Council adopted an ordinance that increased the local income tax expenditure rate by twenty five hundredths percent (0.25%) ("2016 Increased Expenditure Rate") from nine thousand four hundred eighty two ten-thousandths percent (0.9482%) ("Previous Expenditure Rate") to one and one thousand nine hundred eighty two ten-thousandths percent (1.1982%) pursuant to Indiana Code § 6-3.6-6-2; and
- WHEREAS, upon adoption of that ordinance, the total Local Income Tax Rate rose to one and three hundred forty five thousandths percent (1.345%), with the 2016 Increased Expenditure Rate allocated to and used for public safety purposes pursuant to Indiana Code § 6-3.6-6-8 ("Public Safety Income Tax"), and the Previous Expenditure Rate remaining allocated to Certified Shares pursuant to Indiana Code § 6-3.6-6-10; and
- WHEREAS, on May 4, 2022, after notice and a hearing, the Monroe County Local Income Tax Council adopted an ordinance that imposed an Economic Development Income Tax ("EDIT") at a rate of sixty-nine hundredths percent (0.69%) pursuant to Indiana Code § 6-3.6-6-4, which increased the total Local Income Tax Rate from one and three hundred forty five thousandths percent (1.345%) to two and thirty-five thousandths percent (2.035%), to take effect October 1, 2022; and
- WHEREAS, the Public Safety Income Tax generated by the Expenditure Rate is composed of two allocations, one of which directs tax revenues to PSAP and the other of which directs tax revenues to General Public Safety purposes; and
- WHEREAS, along with authorizing the 2016 Increased Expenditure rate, the September 2016 ordinance also divided this rate and associated revenue between these two purposes for the fiscal year 2017, and, these rates were subsequently modified by the County Local Income Tax Council for fiscal year 2018, 2019, 2020, 2021, and 2022 with the adoption of ordinances in October 2017, October 2018, September 2019, October 2020, and October 2021; and

WHEREAS, the allocations made by ordinance in September 2016, as modified by the ordinances in October 2017, October 2018, September 2019, October 2020, October 2021, and May 2022 are depicted in the following table and, pursuant to Indiana Code § 6-3.6-6-4, continue in effect until rescinded or modified:

Local Income Tax Type		Existing Rate	
<b>Property Tax Relief Rate (Indiana Code 6-3.6-5)</b>		0.0518%	
<b>Total Expenditure Rate (Indiana Code 6-3.6-6)</b>		1.8882%	
<i>Components of Total Expenditure Rate</i>	Public Safety		0.1693%
	Public Safety Answering Point		0.0807%
	Economic Development		0.69%
	Certified Shares		0.9482%
<b>Special Purpose Rate (Juvenile Local Income Tax) (Indiana Code 6-3.6-5)</b>		0.095%	
<b>Total:</b>		2.035%	

WHEREAS, in 2018, with enactment of P.L. 184-2018, a Correctional Facility Rate as set forth in IC § 6-3.6-6-2.7, was added as another component of the Total Expenditure Rate, but is not included in the above table because the Monroe County Council, as fiscal body for Monroe County, serves as the adopting body per IC § 6-3.6-3-1 and, it should be noted, has not adopted this rate; and

WHEREAS, Indiana Code § 6-3.6-6-8(c) requires the Monroe County Local Income Tax Council to review, but not necessarily fund, timely applications submitted for a distribution of Public Safety Income Tax revenues from fire departments, volunteer fire departments, and emergency medical services providers that: (1) provide fire protection or emergency medical services within Monroe County and (2) are operated by or serve a political subdivision that is not otherwise entitled to a distribution of Public Safety Income Tax (“Qualifying Service Providers”); and

WHEREAS, pursuant to Indiana Code § 6-3.6-6-8(c), any specified amounts of Public Safety Income Tax revenues directed by resolution of the Monroe County Local Income Tax Council to the aforementioned Qualifying Service Providers shall be distributed before the remainder of public safety revenue is directed by certified distribution to the jurisdictions represented on the Monroe County Local Income Tax Council; and

WHEREAS, in June, July, and August of this year, representatives from the members of the County Local Income Tax Council convened as the Public Safety Local Income Tax (PS LIT) Committee (of the County Local Income Tax Council) to review PS LIT expenditures and estimated revenues, review any applications for funding by Qualifying Service Providers under the above statutory provision, and consider recommendations from the Dispatch Policy Board regarding the 2023 Budget for Unified Central Dispatch (which is primarily funded by the local PSAP); and

WHEREAS, one application for funding was submitted from Qualifying Service Providers under IC 6-3.6-6-8(c), which did not receive a recommendation for funding from the PS LIT Committee and was not funded by the Monroe County Local Income Tax Council; and

WHEREAS, at its meeting on August 9, 2022, the PS LIT Committee made the following recommendations to the County Local Income Tax Council regarding PS LIT rates and revenues in 2023: 1) accept the recommendation of the Dispatch Policy Board regarding the PSAP allocation for the operation of the Unified Central Dispatch; and, 2) acknowledge the allocation of the remaining tax rate and revenues by operation of law in accordance with the aforementioned statute; and

WHEREAS, the Bloomington Common Council is a member of the County Local Income Tax Council, was represented on the PS LIT Committee, and is adopting this resolution in order to propose to the other members of the County Local Income Tax Council the following ordinance that reflects the recommendations of the PS LIT

Committee and, in so doing, also to cast its fifty-six and sixty-six hundredths (56.66) votes as a member of the Monroe County Local Income Tax Council in favor of this proposed ordinance; and

WHEREAS, pursuant to Indiana Code § 6-3.6-3-10, which only permits a local income tax council to adopt one ordinance adopting, increasing, decreasing, or rescinding a tax per year, and Indiana Code § 6-3.6-3-4, which limits changing a tax rate to once per year, the Monroe County Local Income Tax Council is not adopting, increasing, decreasing, or rescinding a tax, nor is it changing a tax rate, but it is modifying the allocation of a previously imposed Public Safety Tax (at an unchanging percentage of twenty-five hundredths percent (0.25%)) between general public safety and the PSAP; and

WHEREAS, pursuant to Indiana Code § 6-3.6-3-7, before a member of the Monroe County Local Income Tax Council may propose an ordinance or vote on a proposed ordinance, the member must hold a public hearing on the proposed ordinance and: 1) provide notice to the public with the time and place where the public meeting will be held in accordance with Indiana Code 5-3-1 and include the proposed ordinance or resolution to propose an ordinance in that notice; and 2) provide a copy of that notice to all the taxing units in the county at least ten days in advance of the hearing; and

WHEREAS, the Bloomington Common Council has provided notice in accordance with Indiana Code 5-3-1 and Indiana Code § 6-3.6-3-7.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. A need now exists in Monroe County, Indiana, to modify the allocation of the previously imposed expenditure rate under Indiana Code 6-3.6-6. As a member of the Monroe County Local Income Tax Council, the Common Council of the City of Bloomington is adopting this resolution in order to propose the ordinance below to the other members of the Monroe County Local Income Tax Council.

**ORDINANCE OF THE MONROE COUNTY LOCAL INCOME  
TAX COUNCIL MODIFYING LOCAL INCOME TAX  
ALLOCATIONS IN MONROE COUNTY**

- Re: Adjusting the Allocations between the Public Safety Answering Point (PSAP)  
and General Public Safety Purpose Tax Rates without Changing Other Allocations  
or the Total Expenditure Tax Rate**

**BE IT ORDAINED BY THE LOCAL INCOME TAX COUNCIL OF MONROE  
COUNTY, INDIANA, THAT:**

1. A need now exists to modify the allocation of the portion of the Local Income Tax used for public safety purposes ("Public Safety Income Tax"). At present, the Public Safety Income Tax (0.25%) is divided between the Public Safety Answering Point (0.0807%) and General Public Safety (0.1693%).

2. For the avoidance of doubt, no change to the other existing tax rates is intended or authorized by this Ordinance. Those other existing tax rates include: (1) the special purpose tax rate imposed by the Monroe County Council under Indiana Code § 6-3.6-7-16 ("Juvenile Local Income Tax") (which is currently ninety five one thousandths percent [0.095%]); (2) the property tax rate under Indiana Code 6-3.6-5 ("Property Tax Relief Rate") (which is currently five hundred eighteen ten thousandths percent [0.0518%]); (3) the tax rate under Indiana Code § 6-3.6-6-10 (Certified Shares) (which is currently nine thousand four hundred and eighty two ten thousandths percent [0.9482%]); (4) the Economic Development Income Tax Rate ("EDIT") imposed under Indiana Code § 6-3.6-6-4 (which is currently sixty-nine hundredths percent [0.69%] as of October 1, 2022); and (5) the total tax rate under Indiana Code 6-3.6-6 ("Expenditure Tax Rate") (which is currently one and eighty-eight hundred and eighty-two ten thousandths percent [1.8882%]).

3. In order to support public safety for all county residents, the Monroe County Local Income Tax Council hereby reallocates the Public Safety Income Tax as follows: The Public Safety Answering Point Rate, which is directed to the public safety answering point, shall be decreased from 0.0807% to 0.0631% and the General Public Safety Rate, which shall be used for other public safety purposes under Indiana Code § 6-3.6-6-8, shall be increased from 0.1693% to 0.1869%. The total Public Safety Income Tax shall remain at 0.25% and the total Local Income Tax Rate shall remain at 2.035%.

4. As a result of the actions in this Ordinance, the Public Safety Income Tax will be divided as follows, beginning on January 1, 2023:

<b>Allocation Rate Category</b>	<b>Existing Rate</b>	<b>Proposed Rate</b>
Public Safety Rate (IC 6-3.6-6)	0.1693%	0.1869%
<b>Local Income Tax Type</b>	<b>Existing Rate</b>	<b>Proposed Rate</b>
Public Safety Answering Point Rate	0.0807%	0.0631%

Further, pursuant to Indiana Code § 6-3.6-6-8, the revenue associated with these rates shall be directed in the following manner. First, these revenues will be directed to the PSAP. Second, the remainder of these revenues shall be directed via the certified distribution to taxing units who are members of the Monroe County Local Income Tax Council as set forth under Indiana Code § 6-3.6-6-8(b).

5. For further avoidance of doubt, no other change in the ordinance adopted in September 2016 is intended or authorized. In that regard, the ordinance affirms and clarifies that, pursuant to Indiana Code § 6-3.6-6-4, the Monroe County Local Income Tax Council continues to retain the right to change the allocation of the existing taxes comprised within the expenditure rate on an annual basis. At this time in Monroe County, the components of the expenditure rate that may be affected by this allocation include the PSAP rate, Public Safety rate, Economic Development rate and Certified Shares rate. Any future change to the allocation of the applicable local income taxes mentioned above must be done via an ordinance of the Monroe County Local Income Tax Council in a manner and with an effective date as set forth Indiana Code § 6-3.6-3-3, as may be amended by the Indiana General Assembly from time to time. Currently, the effective date for an ordinance changing the allocation of the local income tax adopted after August 31<sup>st</sup> and before November 1<sup>st</sup> of the current year is January 1<sup>st</sup> of the following year.

6. This ordinance shall take effect upon passage and in accordance with Indiana Code 6-3.6-3.

7. The Monroe County Auditor shall, pursuant to Indiana Code § 6-3.6-3-5, record all votes taken on this ordinance and not more than ten (10) days after the vote, send a certified copy of the results to the commissioners of the department of state revenue and department of local government finance in an electronic format approved by the commissioner of the department of local government finance.

8. Any provision herein contained which is found by a court of competent jurisdiction to be unlawful or which by operation shall be inapplicable, shall be deemed omitted but the rest and remainder of this legislation, to the extent feasible, shall remain in full force and effect.

SECTION 2. BE IT FURTHER RESOLVED that by adopting this resolution, the City of Bloomington Common Council is casting all of its fifty-six and sixty-six hundredths (56.66) votes as a member of the Monroe County Local Income Tax Council in favor of the proposed ordinance.

SECTION 3. BE IT FURTHER RESOLVED that a public hearing was held on this resolution and the proposed ordinance at a Regular Session on Wednesday, October 19, 2022. Proper notice of the public hearing was provided in accordance with IC 5-3-1 and IC 6-3.6-3-7.

SECTION 4. This resolution shall be in full force and effect from and after its passage by the Common Council of the City of Bloomington and approval of the Mayor.

Duly adopted by the following vote of the members of said Common Council of the City of Bloomington, Monroe County, on this 19<sup>th</sup> day of October, 2022.

<u>Name</u>	<u>(circle one)</u>			<u>Signature</u>
Susan Sandberg, President	<u>Aye</u>	Nay	Abstain	<u>Susan Sandberg</u>
Sue Sgambelluri, Vice President	<u>Aye</u>	Nay	Abstain	<u>Sue Sgambelluri</u>
Dave Rollo, Parliamentarian	<u>Aye</u>	Nay	Abstain	<u>Dave Rollo</u>
Jim Sims	<u>Aye</u>	Nay	Abstain	<u>Jim Sims</u>
Matt Flaherty	<u>Aye</u>	Nay	Abstain	<u>Matt Flaherty</u>
Kate Rosenbarger	<u>Aye</u>	Nay	Abstain	<u>Kate Rosenbarger</u>
Isabel Piedmont-Smith	<u>Aye</u>	Nay	Abstain	<u>Isabel Piedmont-Smith</u>
Stephen Volan	<u>Aye</u>	Nay	Abstain	<u>Stephen Volan</u>
Ron Smith	<u>Aye</u>	Nay	Abstain	<u>Ron Smith</u>

ATTEST:

<u>Name/Office</u>	<u>Date</u>	<u>Signature</u>
NICOLE BOLDEN, CLERK, City of Bloomington	<u>10/19/2022</u>	<u>N Bolden</u>

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana upon this 20<sup>th</sup> day of October, 2022.

N Bolden  
NICOLE BOLDEN, Clerk  
City of Bloomington

SIGNED and APPROVED by me upon this 20<sup>th</sup> day of October, 2022.

John Hamilton  
JOHN HAMILTON, Mayor  
City of Bloomington

Attest: [Signature], Fiscal Officer

## SYNOPSIS

Resolution 22-18 proposes an ordinance to the Monroe County Local Income Tax Council that would modify the allocation of tax revenues between two components of the Local Income Tax Expenditure tax rate. This reallocation will affect the public safety answering point (PSAP) and general public safety (Public Safety) allocations authorized under Indiana Code § 6-3.6-6-8, without changing other components of the Expenditure Rate or the Expenditure Rate overall. With adoption of the ordinance, the allocation for the PSAP would decrease to 0.0631% (representing 25.259% of the total), and the allocation for Public Safety would increase to 0.1869% (representing 74.74% of the total). The reallocation follows the recommendation of the Public Safety Local Income Tax Committee of the County Local Income Tax Council and would go into effect on January 1, 2023.

Distributed to: Clerk, Controller, Council Attorney, Legal, Mayor, Monroe County Auditor, Monroe County Legal.