

**Gibson County Council
Regular Session Meeting
August 12, 2025**

The Gibson County Council met in regular session on August 12, 2025, at 9:00 a.m. at the Southwest Annex Meeting Room.

Council Members Present:

- Vice President Derek McGraw (Presiding)
- Jay Riley
- Craig Schafer
- Robert Schleter
- Michael Stilwell
- Hannah Whitehead
- Absent: President Jeremy Overton

Also present were:

- Auditor Mike Watkins
- 1st Deputy Auditor Kristy York,
- 2nd Deputy Auditor Logan Vickers
- 2nd Deputy Auditor Lynda Cumberland

Pledge of Allegiance-The meeting opened with the Pledge of Allegiance to the Flag.

Approval of Minutes - The Council approved the minutes from the July 8th regular and budget meetings, and the July 15th budget meeting, as written.

DEPARTMENT REPORTS

Sheriff Department - Sheriff Vanoven presented the staffing report. He noted efforts to realign the dispatching program to improve communication.

Health Department – Administrator Shade submitted the department’s monthly reports. There were no questions from the Council.

Key updates included:

- Extended Thursday hours to assist with back-to-school needs.
- Launch of a new suicide and overdose prevention initiative, with an open invitation for public participation.
- Ongoing trauma and first responder training in the community.
- Programs underway: Food is Medicine, Dining with Diabetes, and Matter of Balance.
- The department encouraged the public to follow their Facebook page for updates.

Highway Department – Engineer Holden reported:

- Chip and seal work is complete; paving is nearly finished.
- The department is returning to routine maintenance.
- An in-house bridge replacement is underway on the east side of the county.
- He is pursuing grant opportunities, including the Community Crossings Grant, though funding has been significantly reduced (with \$50 million redirected to Indianapolis).
- House Bill 1461 introduces major changes, including:
 - Communities with a wheel tax will now receive direct distributions based on lane mileage.

- Gibson County, with a PASER rating above 6, may qualify for a 60/40 MVH distribution split instead of 50/50.

EMS – AJ and Arica presented the EMS update to the Council. They confirmed that Medicare reimbursements have resumed normal processing following a temporary nationwide issue.

OLD BUSINESS

Jail Project – George Ballard, Owners’ Representative, informed the Council that Duke Energy has reimbursed the County \$18,852 through its energy efficiency program. Additionally, Three I Engineering has completed a full walkthrough of the old jail facilities to assess demolition strategies. Due to the complexity of the utility systems, a simple shutdown is not feasible. Three I Engineering will submit a formal agreement to the Commissioners outlining their proposed demolition services.

Wheel Tax –Attorney Spindler opened the public hearing regarding this wheel tax, but he invited County Engineer Holden to provide context.

Engineer Holden explained that a task force was established in 2023 to evaluate road funding. The task force, named FIRSST (Funding Indiana Roads for a Stronger, Safer Tomorrow), included members from the Senate, House, and lay representatives, including some commissioners. After extensive study of highway and infrastructure funding, the task force identified a \$2.4 billion shortfall, somewhat due to the rise of electric and fuel-efficient vehicles.

The task force concluded that existing funding mechanisms have not been effectively adopted or implemented. Many cities, towns, and counties have not maximized the potential of the wheel tax. Gibson County’s current wheel tax was adopted in 1983, with collections beginning in 1984, and has remained unchanged since.

The task force’s recommendations formed the basis for House Bill 1461, which aims to address funding gaps through new strategies. The bill encourages communities to utilize local road funding options optimally. If a county has a wheel/surtax in place, it becomes eligible for direct distributions of Community Crossings funds.

Counties with an average PASER rating above six and fewer than 15% of roads rated at one or two are allowed to adjust the MVH fund split from 50/50 to 60/40 between MVH 1176 and MVH Restricted 1173, providing greater spending flexibility. Gibson County currently meets these criteria with a PASER rating above six.

Another initiative in HB1461 will divert \$20 million annually for the next five years from Community Crossings funds to support high-risk railroad repairs. The state expects communities to identify additional revenue sources and maximize their wheel tax before receiving further assistance.

Gibson County currently imposes an excise surtax of 10%, with a minimum of \$7.50 for passenger cars, trucks under 11,000 pounds, and motorcycles. The wheel tax is set at \$5 across all six vehicle classes. Although the state amended the law in 2016 to allow counties to double these rates, Gibson County has not yet done so. The new maximum rates are \$50 for the excise surtax and \$80 for the wheel tax. Increasing these maximums could generate over \$1,000,000 in new revenue for the Motor Vehicle Highway (MVH) fund.

The County is also eligible for the maximum direct distribution under the Community Crossings program, currently valued at \$1.5 million. However, this amount will be reduced to \$1 million in October. The direct distribution is based on lane mileage, and Gibson County has substantial lane mileage. The final Council Meeting Minutes August 12, 2025

amount received will depend on how many other counties and communities enact a wheel tax, as distributions are proportional to lane mileage.

The Council may choose to implement a percentage-based tax rather than a flat rate. They are not required to adopt the maximum rates, but an ordinance must be passed by September 1, 2025, to begin collections in January 2026.

County Engineer Holden noted that Senate Bill 1 forecasts significant shortfalls in county government funding and thus the push to enact a new rate.

Attorney Spindler opened the floor for public comments.

- Commissioner Lewis stated that while the Commissioners do not wish to raise taxes, the state is effectively mandating it. He supports Engineer Holden's recommendation to adopt the maximum rates, believing it will be simpler and face less public opposition.
- Mark Fehrenbacher (Ft. Branch) stated that while the Commissioners do not wish to raise taxes, the state is effectively mandating it.

Mr. Fehrenbacher provided a breakdown of fuel taxes as of July 1:

- Indiana excise tax: \$0.36/gallon
 - Gasoline sales tax: \$0.175/gallon
 - Federal gas tax: \$0.184/gallon
 - Oil inspection fee: \$0.01/gallon
- Total: \$0.729/gallon

He noted Indiana receives 92.8% of its federal gas tax contributions back, which he considers a fair return.

He has reviewed the 2025 road budget, identifying three funding lines:

- 702 MVH
- 706 LRS
- 790 Cumulative Bridge

The Council clarified that EDIT funds also support road projects. MVH and LRS do not have property tax levies, but the Cumulative Bridge fund does. This fund maintains a cash balance due to federal bridge project reimbursements.

Mr. Fehrenbacher asked how roads are funded. The Council and Engineer Holden explained that funding comes from gas taxes, state allocations, and the wheel tax.

He presented his vehicle registration, noting that even without changes, he will pay \$3 more due to increased hybrid vehicle taxes. His total registration cost is \$139, including:

- \$21 excise tax
- \$7.50 wheel tax
- \$110.35 paid to the state

He asked whether the County receives the full wheel tax amount. Engineer Holden confirmed that the County receives all but \$0.15, which is retained by the Bureau of Motor Vehicles for administrative fees. The remaining funds are distributed among the County and its municipalities.

Mr. Fehrenbacher estimated that if the wheel tax is increased, his registration could rise by \$83. He also inquired whether Community Crossings funds are used for railroad crossing maintenance. Engineer Holden clarified that railroads maintain their crossings, but Community Crossings funds can be used for upgrades and maintenance of crossings and overpasses, which are typically not the railroad's responsibility.

He also asked whether townships are being asked to implement a wheel tax. Engineer Holden responded that while no new tax is being imposed, the state is encouraging townships to allocate any surplus funds toward road maintenance.

No additional public comments were made.

To pass the ordinance at this meeting, the Council must suspend the rules and vote immediately to meet the September 1 deadline.

Councilman Schleter wonders why the County would adopt at the maximum rate, if they are not obligated. Engineer Holden explained that this new tax rate will increase all city and town distributions, not just the counties.

Councilman Schleter asked which municipalities could adopt a wheel tax. Engineer Holden replied that only Princeton meets the population threshold to implement a municipal wheel tax, which would be in addition to the County's rate.

Citizen Debbie Walker asked whether Community Crossings grants would still be available next year and whether communities would need to apply. Engineer Holden confirmed that applications would still be required, but the state is encouraging local governments to generate their own funding.

Walker recommended maintaining the current wheel tax rate unless the state mandates an increase.

Engineer Holden expressed concern about how the County will offset future funding shortfalls. He noted that Community Crossings funding will be reduced to \$1 million in October and is expected to remain at that level in 2026. By 2027, the County will receive direct distributions based on lane mileage, but local governments must find new revenue sources as state support diminishes.

Commissioner Lewis warned that obtaining grants will become increasingly difficult.

Bobby Jo Seib asked how neighboring counties compare. Engineer Holden responded that 56 counties currently have a wheel tax, with some, like Montgomery County, adopting the maximum rates.

Larry Michel (Ft. Branch) expressed concern about the financial impact on taxpayers. He asked whether this would reduce pressure on property taxes or affect the safety tax. Engineer Holden stated that the changes would not impact property taxes or the public safety tax.

Councilman McGraw officially closed the public hearing.

Council Deliberation:

- Councilman Riley acknowledged that the tax increase may be necessary but expressed his preference not to raise the rate to the maximum at this time. He suggested that an increase might be more appropriate in 2026 or 2027 and would prefer to maintain the current rate for now.
- Councilman Schleter agreed that an increase could be considered but opposed implementing the maximum rate. He emphasized that there is sufficient time to evaluate and adjust the rate incrementally in the future.
- Councilman Stilwell voiced concern about the proposed increase, stating that it is too large to implement all at once. He believes the County's roads are in good condition and that a gradual increase would have been more appropriate.
- Council Member Whitehead also opposed raising the rate to the maximum.

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- Councilman McGraw asked if there was any interest in increasing the rate at all; noting that any change must be enacted at this meeting to take effect on January 1, 2026.
- Councilman Riley reiterated his position that the Council should wait until 2026 to consider an increase. He advocated for a year-by-year analysis of the rate and expressed concern about being pressured into a decision prematurely. The Council thanked Engineer Holden for his forward-thinking approach to the issue.

Action Taken: Councilman McGraw called for a motion to enact a rate increase. No motion was made, and the matter was considered closed.

Next Steps: The Council encouraged Engineer Holden to continue discussing this issue at future meetings to ensure ongoing evaluation and preparedness.

NEW BUSINESS

Additional Appropriation for Prosecutor's Office for Laserfiche Software Update — Prosecutor Cochren requested an additional appropriation of \$15,000 from the Prosecutor's Deferral User Fee Fund (2502) to support a Laserfiche software update. He emphasized that this request does not involve property tax funding. This item will be addressed during the additional appropriations portion of the meeting.

Additional Appropriations for Jail in Operations — Sheriff Vanoven requested advertisement for additional appropriations in several budget lines due to outstanding reimbursements from the State totaling \$363,000. If the County receives the deposit, some costs may be deferred to the County Correction Fund (4009). However, the timing of the reimbursement remains uncertain. The Sheriff noted that utilities are being paid for both the new and old jail facilities and provided an overview of the funding needs:

- Overtime (12303): \$155,000
- Utilities (35101): \$145,000
- Medical Contracts (36003): \$110,000
- Meals (34104): \$30,000
- Copier (43000): \$6,000

Action on these requests will be taken during the additional appropriations portion of the meeting.

Additional Appropriation for Capital Improvements at the Solid Waste District — Lee Binhack and Attorney McDonald presented a request for \$50,000 in additional appropriations to support capital improvements at the Johnson and Somerville dump sites. The Solid Waste District intends to purchase the property rather than continue leasing, as relocation costs are prohibitive. The District has sufficient cash reserves to support the request.

Councilman Stilwell motioned to approve the advertisement of this additional appropriation, seconded by Councilman Schleter. The vote was 6-0.

Additional Appropriation for Insurance Premiums at the Solid Waste District — Lee Binhack requested an additional appropriation of \$15,000 to address underinsurance issues and ensure adequate coverage. Councilman Schleter motioned to approve the advertisement of this additional appropriation, seconded by Councilman Stilwell. The vote was 6-0.

Amendment to TIF Annual Spending Plan — Attorney McDonald provided an informational only update regarding amendments to the TIF Annual Spending Plan. The changes include:

- Addition of a \$500,000 allocation for the Gibson County Animal Shelter
- Increased allocation for the Fort Branch Wastewater Plant

Discuss LIT usage for New Stretchers for EMS — Arica Cole, AJ Alldredge, & Dr. Gilbert presented a request for funding to replace aging EMS stretchers. The current equipment is outdated and incompatible
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with newer ambulance models. EMS requires four new stretchers at approximately \$30,000 each, totaling \$120,000. They hope to offset costs by trading in old equipment for a refund. This request will be addressed during the additional appropriations portion of the meeting.

EMA Request Payment for Siren Invoice — EMA Director McKinney requested \$9,000 to cover the cost of siren repairs. All sirens are now operational. Components from existing sirens will be salvaged for future maintenance. Action on this request will be taken during the additional appropriations portion of the meeting.

Transfer Requests

1000 General 380 Jail T#9	from	11300 Part-time	
	into	12303 Overtime	\$4,000.00
Dispatcher wages coverage			
2502 Prosecutor Deferral User Fee	from	35101 Utilities	
	into	22000 Supplies	\$2,000.00
1176 MVH 0530 Hwy Admin	from	11805 County Engineer/Hwy Superintendent	
	into	33003 Professional Services	\$1,882.87
Cover deficit for professional services prior to the hiring of Superintendent/Engineer			
1000 General 0302 EMA	from	11300 Part-Time	
	into	35000 Contract Services	\$7,768.00
1000 General 0301 EMS	from	42201 Durable Equipment	
	into	23001 Oxygen	\$2,500.00
1000 General 01 Clerk	from	26000 Office Supplies	
	into	44200 Computers & Equip	\$ 352.43

Re-termination of internet cabling/printer for marriage computers to take the line out of the red. Council Member Schleter made the motion to approve the transfers, seconded by Council Member Riley. The vote was 6-0.

Additional Appropriation Requests to Advertise

Fund 1000 General Fund -380 Jail	10000 Personal Services	\$ 155,000
	30000 Other Services/Charges	\$ 285,000
	40000 Capital Outlays	\$ 6,000

Councilman Stilwell made the motion to approve the additional appropriation advertisement, seconded by Councilman Schleter. The vote was 6-0.

Fund 1176 MVH	20000 Supplies	\$ 35,000
	30000 Other Services/Charges	\$ 72,600

Councilman Riley made the motion to approve the additional appropriation advertisement, seconded by Councilman Schleter. The vote was 6-0.

Fund 1191 Riverboat	40000 Capital Outlays	\$ 110,000
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Councilman Schleter made the motion to approve the additional appropriation advertisement, seconded by Councilman Riley. The vote was 6-0.

Fund 1222 Statewide 9-1-1	40000 Capital Outlays	\$ 70,000
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Councilman Stilwell made the motion to approve the additional appropriation advertisement, seconded by Councilman Schleter. The vote was 6-0.

Fund 2502 Prosecutor Deferral User Fee	30000 Other Services/Charges	\$ 15,000
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Councilman Riley made the motion to approve the additional appropriation advertisement, seconded by Councilman Schleter. The vote was 6-0.

Fund 4011 Sheriff Fleet Maintenance Fund	20000 Supplies	\$ 25,000
AA#7	30000 Vehicles Main/Repair	\$ 20,000
Fund 4011 Sheriff Fleet Maintenance Fund	20000 Supplies	\$ 40,000
AA#13	30000 Vehicles Main/Repair	\$ 20,000

Councilman Stilwell made the motion to approve the additional appropriation advertisement, seconded by Councilman Whitehead. The vote was 6-0.

Fund 1170 LIT Public Safety	30000 (Siren Repairs)	\$ 9,000
	40000 (Stretchers)	\$ 120,000

Councilman Riley made the motion to approve the additional appropriation advertisement, seconded by Councilman Whitehead. The vote was 6-0.

Public Comment - Patty Vanoven with Gibson County Chamber of Commerce told the audience that the Chamber still has envelopes for purchase for their fund raiser. The drawing will be held on September 1st. The Chamber will host a ribbon cutting on September 25th for the Isaiah project at the YMCA building.

Meeting Suspended to go into the 2026 Budget Meeting -Councilman McGraw suspended the meeting for a short break.

Meeting Reconvened to discuss the 2026 Budget

Councilman McGraw opened the discussion by confirming support for a \$1 per hour raise for all full-time employees, except those specifically noted. He directed attention to the sheriff and jail budgets, proposing the following reallocation to the 1170 LIT Public Safety Fund.

- Jail Meal line \$380,000
- Sheriff Overtime line \$350,000
- Sheriff County Police Pension line \$350,396

These changes will bring the line 18 operating balance on Form 4B to approximately \$2,900,000. The Council expressed concerns that this may be the last opportunity for such raises due to upcoming changes in funding and the property tax system.

The Commissioners will add an extra \$500 to their President's salary. No other raises will be applied.

Clarification was requested on Paralegal, Court Reporter, and Chief Court Reporter budget lines in the Court System. The Council has agreed to align the Court Reporter pay rate lines to that of the Paralegal lines and Chief Court Reporter lines will receive the \$1 per hour pay raise.

On the LIT Public Safety Fund, Councilman McGraw reviewed the current budget and revenues and expected revenues and proposed the following allocations:

- Sheriff Department Equipment \$350,000
- EMS Equipment \$500,000
- Sheriff Overtime \$350,000
- County Police Pension \$500,000
- Jail Meals \$380,000

In the EDIT Fund 1112, the Building Improvement/Land Acquisition line was amended to \$141,035 to recoup costs from the land purchase at the new EMS building.

An \$80,000 reduction from the General Fund in Animal Services was diverted to the EDIT Fund with Commissioners' approval.

1191 Riverboat Fund budget was set for 2026 to avoid additional appropriation requests next year.

Payroll differences were questioned across the three highway department funds. County Engineer Holden confirmed the County Engineer/Highway Superintendent will receive the \$1 per hour raise. He then explained that the other raises are based on a department-wide reorganization effective January 2026 involving new job titles and restructuring. The raises proposed were not based on hourly or percentage increases. Commissioner Lewis explained that if the reorganization is approved, the Council will provide the new rates. Councilman McGraw agreed that when the salary ordinance is presented, this will be discussed at that time. The requested amounts have been advertised.

The EMA inquired about her department's approval. Commissioners are considering moving the Director to a salaried position, which would eliminate overtime eligibility. The Council requested this change be finalized before salary approval.

Commissioners inquired about the Cumulative Building 1136 Fund and the significant cuts. The Council requested that Commissioners present project proposals through the additional appropriations process in 2026. As a result:

- County Building Construction line: Zeroed
- Camera/Security System line reduced to \$100,000

Next Steps

A revised budget report will be presented to Council for the review/reading on August 19, 2025.

Adjournment

The meeting adjourned at approximately 11:55 a.m.

Motion to adjourn by Councilman Stilwell, seconded by Councilman Schleiter.

Minutes from August 12th regular meeting and budget meeting

Jeremy Overton, President

Derek McGraw, Vice-President

Jay Riley, Council Member

Craig Schafer, Council Member

Robert Schleiter, Council Member

Michael Stilwell, Council Member

Hannah Whitehead, Council Member

Attest:

Michael A. Watkins, Gibson County Auditor

