

EST 1864

# Meeting of the Greenwood Common Council MINUTES

**Date:** April 21, 2025

Time: 7:00 pm

**Place:** Council Chambers

**Greenwood City Center** 

300 S. Madison Greenwood, Indiana

- **I.** Call Meeting to Order President Campbell called the meeting to order at 7:00 pm in person and online via Zoom.
  - A. Pledge of Allegiance
  - **B. Prayer:** Mr. David Joyner, 4<sup>th</sup> grade teacher at Suburban Christian School
  - C. Roll Call: Roll Call of the Common Council was taken.

Council Members Present: Mike Campbell ("Mr. Campbell"), Linda Gibson ("Ms. Gibson"), Ezra Hill ("Mr. Hill"), David Hopper ("Mr. Hopper"), Erin Kasch ("Ms. Kasch"), David Lekse ("Mr. Lekse"), Teri Manship ("Ms. Manship"), Steve Moan ("Mr. Moan")
Mr. Mike Williams-absent

City Officials Present: Mark Myers ("Mayor Myers"), Greg Wright ("Mr. Wright") Controller, Jeannine Myers ("Ms. Myers") Clerk, Sam Hodson ("Mr. Hodson") Corporation Counsel

### II. Approval of Minutes

A. Minutes from the regular meeting April 7, 2025

Motion to approve regular meeting minutes from April 7, 2025 by Lekse, seconded by Kasch Votes: Ayes-Campbell, Gibson, Hill, Hopper, Kasch, Lekse, Manship, Moan Motion Passes 8-0

## III. Reports

- A. Corporation Counsel
- **B.** Controller

Mr. Wright, giving an update on SB1 now that it has passed and been signed. Link to presentation. The bill went through the House Ways & Means Committee and was amended, passed the House Senate vote, without any changes made to it, and the governor signed it on April 15, 2025. The items that actually made it into the bill are phasing out the homestead deduction and the supplemental deductions. That's a five-year phase out, and once we get to the end of 2031 those will be gone and the new deductions will be two thirds for 1% properties and one third for 2% properties with no deductions on commercial properties. It does change the exemption levels for business personal property. The original version eliminated business personal property tax, this changes the exemption level from \$80,000 to 2 million, and then exempts all new business personal property from being taxed at all.

So, both of these two things will cause the assessed value to go down which will cause tax rates to go up. When tax rates go up it will cause circuit breaker tax cap losses to go up. In place of these revenues, it does create a new local income tax system. That will begin in 2027 at the maximum rate of 2.9%. There is a municipal rate that this body will be asked to adopt and that is up to 1.2%. Currently in 2025 the city is receiving just over 15.5 million dollars in income taxes. So, we would need to replace that plus any losses on the property tax side with the new income tax rate. Depending on what the county decides to adopt, chances are the local income tax rate is going to go up in Johnson County. There is also a new tax bill credit, \$300.00 or 10% of your final bill, which ever is less. That will begin starting in 2026. We have not received any guidance from the state or county as to what this impact might look like. There were changes to the deduction for over-65, disabled and disabled veteran, the deductions are going away, but they are changing them into bill credits. You may recall in the last several years we have done a few one or two-year bonds that have funded fire trucks, road projects, trucks and police cars, those will not be allowed any more. Our options will be to issue a long-term bond, 5 years or more which means paying more interest or not doing some of those things we previously did with those bonds. You will recall the last couple of years we did a three-year growth money appeal, however the option for that goes away. This new bill requires an additional stand alone meeting with nothing on the agenda but the budget. So that leaves us to expect tax rates to go up, because all these changes are going to lower the assessed values. There will be fewer options for those tax back bonds, because once the tax rates hit that \$3 per \$100 of assessed value, there is no new revenue to be created, you will just be taking from one of the other funds. Should the council determine they want to adopt a local income tax, it has to be readopted every year. Just a couple of more extra layer of bureaucracy added to us. Then question comes down to does it lower property taxes? So, people may see their property taxes go down, probably not as much as they think it will just be based on credit and new deductions. It creates a benefit for purchase of new business personal property, it will not be taxed at all. The biggest negative impact is those in the lower value properties that get pushed up to the tax caps. Essential the bill is designed to push tax burdens from property taxes to income taxes. Income tax is volatile and quickly responds to the economic shifts, property tax is inherently stable and ensures continuity of services in economic uncertainty.

Updates to HB 1461, the road funding bill. It has gone to the governor, but not yet been signed. We are working with legal to get clarification regarding some of the language tied to municipal wheel taxes. So, we are asking for later tonight on the agenda to table Ordinance No. 25-09 until after the governor signs and we can clarify all of the impacts for the council's consideration. Thank you.

- C. Committee & Board Reports
- IV. Public Comments
- V. Ordinances and Resolutions
  - A. Notice of Intent to Consider
  - **B.** First Reading

ORDINANCE NO. 25-12 AN ORDINANCE PROVIDING FOR ADDITIONAL APPROPRIATIONS FROM THE GENERAL FUND TO INFORMATION TECHNOLOGY BUDGET CLASSIFICATIONS 429 (\$65,000) AND 439 (\$35,000) (Sponsored by Moan) \*Public Hearing, Request for suspension of the rules through 2<sup>nd</sup> reading

#### Mr. Campbell opened Public Hearing

Jeff Wikle, 1428 Winding Circle Trail, Greenwood. Good evening council, there is a request for an additional \$100,000 of funding tonight to replace all the network switches. They could very well benefit from a refresh but the network is not the cause of all the outages you have experienced in the last 8 months and certainly not in the last couple of weeks. I was the network and systems administrator for city, before the mayor decided that the IT department was doing a terrible job and should be outsourced. I managed this system, these networks and these servers for 25 years. During that entire time there was never the extensive outages that you've seen in the last eight months since EXOS, your IT provider, took over. Never. Note the latest outages caused by every server being down all at once, the only way this can happen is because of some sort of cyber breach that hasn't been disclosed, or by all the servers being offline at once. There is fault tolerance built in to the server setup which allows for a certain amount of hardware failure before systems begin to go offline, and these servers are only 4 years old. So, the issue is probably not hardware failure, therefore it is a failure by EXOS to properly manage them. Your IT budget has gone from \$727,000.00 in 2022 when it was managed in-house to 1 million in 2024, when the last third of the year was managed by EXOS, to 1.4 million in 2025. You are now nearly paying double what you previously paid for IT services. With this additional \$100,000 being proposed you will be paying double. After that huge increase, the city employees and citizens are getting much worse service. I'm not here to argue whether IT should have been outsourced, clearly the mayor has already made his mind up. It is coming up on budget time, and EXOS contract will be up for renewal very soon. I would ask as a Greenwood tax payor, as Greg said we are looking at more tax hikes, that you should rethink who should be providing your IT services, because EXOS has clearly failed miserably. They were terrible as a consultant when I worked here, and they are terrible now. The difference is they are extracting a whole lot more money from the city while still continuing to fail. As of 5 minutes ago, the sanitation payment portal has been down for nearly two weeks, which means citizens can't check their balance or pay their bills online. The payment portal is on the same server as the sanitation billing which is likely that no billing has happened either, I don't know for sure. Also, the private Wi-Fi password hasn't been changed since I left, I'm on it right now because it auto-connected. So, if that is still the same, what else is insecure, and what else haven't they done. I could go on, but my time is limited. Suffice to say that if you hand EXOS another \$100,000 tonight to fix the network the way they fixed your servers, I believe the city will be to doing its books on paper. Please table this appropriation until August when EXOS can be replaced with a competent IT. Thank you.

Rob Kolb, 35 Kathy's Dr., Whiteland. I was the former IT director here for the City of Greenwood and a city employee for 24 years. Just wanted to give you a little background on how we delt with EXOS. They came to us in 2022 or they were kind of forced on us by the mayor in 2022, they helped us with our Microsoft exchange update to 365, which ended up being a very painful process if any of you remember that. We had very slow email and horrible, horrible communication with EXOS, formally Sondhi Solutions at that time. Moving forward, at the end of 2023, I tried to steer away and go with another managed service provider. Initially, the mayor and deputy mayor were on board with this decision. The mayor was going to have a conversation with EXOS to tell them that we were through, and we were switching. I already had a contract ready with another service provider, and had everything ready to go, and last minute I was told by the deputy mayor that we were going to stay with EXOS. We were told that we had to make it work. So, I said fine, we'll make it work. It was bad then and then we got outsourced in August of last year, and I didn't agree with that either. It's been a total disaster. I hope all of you reach out to other city employees, and ask them what their experiences have been for the last 8 months, and I guarantee you it hasn't been good. It's been a total disaster by EXOS. Hopefully you won't approve their contract for next year when it comes up here soon. Thank you.

Randy Goodin, 1157 Central Park Blvd. South, Greenwood. I don't know EXOS, so I can't speak about the company, but I know this industry, I've been it for nearly 30 years. I don't know how many switches, is what I heard in here. Switches is something that we don't often use anymore, and when I hear technology like that, I'm wondering what else they are trying to bury, and verbiage that they are trying to confuse people with. I don't know if this has been put out for bid, and not sure how many things you are talking about, but if it's three, four or five things, I think you are being raked over the coals here with your funding. I ask that you be better stewards with that and put it on a public page or vet it, by having someone else come in and say "yes" this will fix the problem. I did not realize until today the portal had been down two weeks. I work in healthcare, and if I have a clinic down for two weeks, it would be out of business. Just asking again if we can be better stewards with this. Thank you.

#### Mr. Campbell closed Public Hearing

Ms. Kasch, asked if anyone was here from EXOS to talk about this.

Mr. Moan, while there are some strong points brought up, I am not in any way qualified to talk about switches, technology pass me a long time ago. This is presented as a problem we've had for some time and there has been times I've come here and not been able to log in to meetings. Sometimes my fault, sometime it's the network. This is an ordinance that appears to be wanting fast tracked, and I would love some more clarification. I know there are issues, because I have experienced them to a limited degree. The reason this ordinance was put forward was because we had systems down, and not able to get them back up. I would love to hear if the \$100,000 is going to be the fix.

Ms. Kasch, I agree with you Mr. Moan, it has been an ongoing issue, Mr. Hill and I were speaking before the meeting about this, before we looked at the agenda. I like to dig a little deeper with more questions.

Mr. Lekse, this feels like, somebody's crisis that has become our problem. I'd like to know how the crisis developed. We are being asked to fast track the solution and I don't know if we really have a choice to say. We are being told this is how you fix things, and we are not the experts, it's unfortunate.

Mayor Myers, obviously I have very limited knowledge of IT, and I'll be first to admit. What I can tell you is that we have had problems for years. We hired EXOS to come and take over. They have been trying to fix problems, and as you move one step forward, you go two steps back. They have been trying to fix past problems, what those are I can't tell you, because I am not an expert on the matter. What I can tell you is I know the EXOS company, I am the one that signed the contract with them, and I do believe in what they have to offer. When they tell me we need to buy new equipment, because our equipment is either outdated or no longer serviceable, out of warranty, not supported by the manufacture, I have to believe what they are telling me. So that is why I have come to you tonight for this request. There is new equipment that needs to be purchased to update all of our equipment, what that is, I don't know. We are still lacking, we are still recovering from the past and we will be for a while, until we can get it completely updated. That's the best answer I can give.

Mr. Campbell, can someone explain the urgency for the request for suspension of the rules.

Mayor Myers, to get the equipment right away. As Jeff said, the sanitation building is down, the city webpage is down because it's Windows 2000 and it is not supported, it's 25 years old. It should have been replaced years ago. I didn't know about is until a week ago, that it was that old. There is equipment that we need to purchase to get everything back up and online

Motion to pass first reading Ord. No. 25-12 by Moan, seconded by Manship

Votes: Ayes – Campbell, Gibson, Hill, Hopper, Kasch, Lekse

Nays - Manship, Moan

**Motion Passes: 6-2** 

Ms. Gibson, I feel torn, since we do not have anyone to give any expertise, it hard to know. It's not that I don't trust anyone, it's just we are spending money, and I feel like we need to move forward so we can be productive. We are impacting peoples to be able to pay their bills, and employees to do their work.

Mr. Hill, I would like to know what the plan is to fix it the issues.

Mayor Myers, I can address that real quick, I was not aware that this was up for first reading suspension, and it's my fault for not asking them to be here tonight. What I can tell you is that we need to get the systems back online so we can do the billing we need to do, I believe timekeeping has something to do with it as well. These things need to be fixed immediately and really can't wait two more weeks.

Ms. Gibson, how many of us are available to come to a meeting tomorrow?

Mr. Moan, my problem is I don't know, and this is not to offend anybody, because our city leaders are being told these things. When the call came out to sponsor this, I'm the first one to say we need to make sure our systems are working. I said yes, I will sponsor this ordinance because I believe that technology is important, but I am not hearing the explanation that this will fix it. We are being told it will fix it, and we are also being told by folks that have done it for a while that it's not fixing it. Again, my intent is not to offend, but I would love to hear both sides on this. I'm the first to say I love the technology, but I don't know how it works, or how to fix it. I think fast tracking it, even if it means a 48-hour notice and another meeting in two days to get somebody here to say, here's what we think it is, and I would be satisfied with that to hear both sides. I can't in good conscious spend a \$100,000 of our tax payer money on something that is one-sided and we don't have the explanation from the other side, other then the mayor saying they told me that. That's where I stand with my reasoning.

Mr. Campbell, we have a motion for suspension, and we need a second. Then we can discuss whether or not to suspend it.

Ms. Gibson, I second it.

Mr. Campbell, now we can vote not to suspend the rules, and then to decide what we are going to do at the point. I understand all the questions, but just following the procedure.

Ms. Kasch, I have a question, can we add something to this that if we pass it tonight through second reading, that there is some sort of audit done to ensure that it is done appropriately through IT.

Mr. Lekse, I should add, on the topic of how urgent this is, I've seen the chatter on the Next-Door app that people that were calling in and paying their utilities over the phone and are getting fee notice that they haven't. The public is starting to get really impacted. It's like you got a repair done on your home and the guy is standing there telling you \$3,000 to fix your furnace, and it's zero degrees outside, what choice do we have. Mr. Moan talked about there could be two sides to this story. So, if we get the other side in here and we hear that this is not the solution, what are we going to do then, implement plan B which might take 3 months.

Mr. Campbell, from what I saw earlier, a quorum is willing to come in for a special meeting. The earliest we can do that is Wednesday or Thursday, I would prefer Thursday. If that is something you're willing to do, we can vote down the suspension, and I'll work to try and schedule a meeting for Thursday evening. Would 6:00pm work?

Motion to suspend the rules though second reading by Lekse, seconded by Gibson Votes: Nays – Gibson, Hill, Hopper, Kasch, Lekse, Manship, Moan, Campbell Motion Fails: 0-8

A special meeting will be held Thursday, April 24, 2025 at 6:00 pm for the second reading of Ord. No 25-12.

# C. Second Reading

ORDINANCE NO. 25-09 AN ORDINANCE IMPOSING A MUNICIPAL WHEEL TAX AND MOTOR VEHICLE LICENSE EXCISE TAX AND CREATING THE CITY OF GREENWOOD WHEEL TAX FUND AND THE CITY OF GREENWOOD MOTOR VEHICLE LICENSE EXCISE SUR TAX FUND (Sponsored by all council members)

Mr. Hodson, the controller has asked that we table this so there can be an economic analysis done before it's considered.

Mr. Campbell, the proper term is postponed. There are two ways to postpone, one is to postpone with a date and one's an indefinite postponement.

#### VI. New Business - Introductions of New Ordinances and Resolutions

#### VII. <u>Miscellaneous Business</u>

**A. Public Comments** 

# B. Council

Public Hearing: Nachi Technology, Inc. Termination of Tax Abatement Resolutions 13-26; 13-27; 21-16; and 23-16 (Amended by Res. 24-15)

Mr. Robert Komasara and Ms. Alexis Sowder, director of client services, I just want to point out from a technical standpoint we are talking about Nachi Technology. Everything you've read in the local journals as it relates to the consolidation to this line is Nachi Technology Inc.

There are resolutions listed on the agenda associated with Nachi Tool. Over the years we have brought project before the council in a way that we have applied and the way that we continue to keep property tax abatements in compliance. We've got a technology packet and a tool packet. So, Resolution No. 13-27 and 23-16 which was amended most recently here at the end of 2024, are all Nachi Tool America, solely Nachi Tool. I just wanted to bring that you your attention, tool has its own entity in terms of jobs and investments that occurred and they are surpassing expectations. Mr. Robert Komasara, is the past president of Nachi Technology Inc and is still heavily involved in these operations, and is here to answer any question you all might have.

Mr. Campbell, it is the Nachi Technology that is closing shop and moving. Mr. Komasara, yes that is correct.

Mr. Hopper, refresh my memory, it's Nachi Technology that makes the ball bearings, is that what that was for? Mr. Komasara, yes that is correct. So fresh my memory again, Alexis, 13-27 and 23-16 what were those for? Ms. Sowder, those were going back to 2013, and I think there is only one year left of benefit there so that actually a personal and real estate property abatement associated with Tool. So early 2023 we came back and amended for the investment amount in 2024 just as it relates to machinery and equipment to build out the service line. Thank you.

Motion to terminate Tax Abatement Res. No. 13-26 and 21-16 for Nachi Technology Inc. by Lekse, seconded by Hopper

Votes: Ayes – Hopper, Kasch, Lekse, Manship, Moan, Campbell, Gibson, Hill Motion Passes: 8-0

Note: Res. No. 13-27 and 23-16 are Nachi Tool.

A. Corporation Council	
B. Controller	
C. Mayor	
VIII. Adjournment: 7:44 pm	
President	Clerk

C. Other Miscellaneous