

WHEREAS, in the opinion of the County Auditor, the public interests required that the Lake County Council, should be called to meet in special session at this time, for the purpose of considering Ordinances, a written notice was sent to each member of the Council, and proper advertisement made, and all other acts performed in accordance with the laws governing such matters.

Now in obedience to such call, come Will A. Smith, Jr., President, Donald Potrebic, Ron Tabaczynski, Elsie Franklin, Christine Cid, and Larry Blanchard, County Councilpersons, together with Ray Szarmach, County Council member. Councilman Thomas O'Donnell was absent.

The Matter of Ordinance to Apply Lake County's portion of the U.S. Steel Settlement as a credit Against Property Taxes Due.

Franklin made a motion, seconded by Cid to approve on First Reading. All voted "Yes", except O'Donnell, "absent". Motion to approve on First Reading carried 6-yes, 1-absent.

Franklin made a motion, seconded by Cid to Suspend Rules. All voted "Yes", except O'Donnell, "absent". Motion to Suspend Rules carried 6-yes, 1-absent.

Franklin made a motion, seconded by Franklin to approve on Second Reading. All voted "Yes", except O'Donnell, "absent". Motion to approve on Second Reading carried 6-yes, 1-absent.

**ORDINANCE NO. 1266E**

**ORDINANCE TO APPLY LAKE COUNTY'S PORTION OF THE U.S. STEEL SETTLEMENT AS A CREDIT AGAINST PROPERTY TAXES DUE**

**WHEREAS**, pursuant to I.C. 36-2-3.5-1, et. seq., the Lake County Council is the legislative and fiscal body of Lake County, Indiana; and

**WHEREAS**, pursuant to I.C. 36-2-3.5-5, the Lake County Council shall adopt ordinances and resolutions for County Government; and

**WHEREAS**, U.S. Steel Corporation has reached a settlement with various political subdivisions in Lake County, Indiana, regarding the payment of real estate and business personal property taxes due; and

**WHEREAS**, pursuant to I.C. 6-1.1-1, et. seq., the fiscal body of a political subdivision may adopt an ordinance before September 1, 2005, to direct the County Auditor to use the part of a settlement amount attributable to the political subdivision to apply as a credit against the subsequent years taxes for property taxes first due and payable in 2006; and

**WHEREAS**, the fiscal body of a political subdivision may adopt an ordinance before September 1, 2006, to direct the County Auditor to use the part of a settlement amount attributable to the political subdivision to apply as a credit against the subsequent years taxes for property taxes first due and payable in 2007; and

would encourage the other units of government to follow in a unanimous form, like this to apply the USX, money credit fashion. He said his recommendations to the other units of government for the sake of our system, the patron system is to apply this uniformly.

Arney Szarmach said that by statute, there has to be an ordinance enacted by the fiscal body of the political divisions, on or before September 1, 2006, for 2007, and September 1, 2005 for 2006, so if that's going to open, those other units need to move within the next couple of weeks.

He asked what is the amount for the County' portion would be approximately \$4.5 to \$5 million dollars. Approximately \$3 million for the County, and approximately \$2.2 million for the Welfare system, so right around \$5 million dollars for the both.

Prettyman, representing the MCC said that the only local entity not a part of this US Steel settlement is controlled by the Mayor, for example, Redevelopment, Gary Transportation, and the City of Gary.

He asked what would be the procedures for those agreements, should they refer their actions back? Arney Szarmach said it does not come here. It goes to the County Auditor. The actions of the fiscal bodies, their finance applying the settlement credit does not come to us, it goes to the County Auditor.

He said this body was instrumental in setting up this fund the amount is \$52,534,519.10 sitting in that fund, as of how structured, in part by the L.C. Council and Data Processing Unit. That is the base minimum as today.

Arney Szarmach said, in reference to the Calumet Township Trustee, by Statute, the County Council is the fiscal body for the Township Trustee and we would need some direction from the Township Trustee as to whether or not they want to use that as a credit, then we would do the same ordinance for their portion, as we did for us.

Arney Szarmach said, if there is already a resolution in effect to that, then fax it to him, and in one of our meetings, he will prepare that ordinance for their portion.

He said he wanted it to be made clear, in terms of information, that that is what has to happen. Their resolution, their board meeting, if they pass one, has to be forwarded to us and an ordinance will be done in their behalf.

Arney Szarmach said this covers everything in Lake County's portion of the settlement; however, it certainly would hurt to have a separate ordinance for the Trustee of Calumet Township, and Assessor.

He said that the County's portion of the credit without the PTRC, which brings it to \$52 million. Our portion of that \$52 million dollars was \$2.9 million dollars, and Welfare's portion is \$2.6 million dollars, for a total of \$5.5 million dollars. Dante said that's the total county portion of the original base-line \$44 million dollars, obviously we are approximately 10% of that remaining \$8 million dollars. He said the total credit will be approximately \$6.3 million dollars, when you take a look at the \$5.5 plus the 10% of the \$8 million dollars, so we are right in the area of \$6.3 million dollars.

Re Matter of Ordinance Authorizing the Lake County Treasurer to Borrow Money to Compensate Political Divisions in Lake County for Property Tax Reductions Resulting from the application of the Two Percent Property Credit Pursuant to I.C. 6-1.1-20.6, Et Seq.

Mark Pearman from Data said there has never been an issue from the technical standpoint of putting a tax bill out on the street with the 2% credit. He said it was done for 02 pay 03, and they will do it for this time. He doesn't understand where all of this "hubbub" came up about not being able to put a tax bill on the street. He said they could

on the priority. Smith said perhaps it's time for the other taxing units to have to "step up to the plate", and that's what this ordinance is all about.

voted "Yes", except Blanchard, "No". Motion to approve on First Reading carried 6-yes, 1-no.

Maczynski made a motion, seconded by Franklin to Suspend Rules. All voted "Yes". Motion to Suspend Rules carried 7-0.

Maczynski made a motion, seconded by Franklin to approve on Second Reading. All voted "Yes", except Blanchard, "No". Motion to approve on Second Reading carried 6-yes, 1-no.

**ORDINANCE NO. 1266F**

**ORDINANCE AUTHORIZING THE LAKE COUNTY TREASURER TO BORROW MONEY TO COMPENSATE POLITICAL SUBDIVISIONS IN LAKE COUNTY FOR PROPERTY TAX REDUCTIONS RESULTING FROM THE APPLICATION OF THE TWO PERCENT PROPERTY TAX CREDIT PURSUANT TO I.C. 6-1.1-20.6, ET. SEQ.**

**WHEREAS,** on June 28, 2005, the Lake County Council adopted the Ordinance Establishing a Credit for Excessive Residential Property Taxes Pursuant to I.C. 6-1.1-20.6, et.seq., For Real Estate Taxes Payable 2005, Ordinance No. 12641; and

**WHEREAS,** as a result of the Two Percent Real Estate Tax Credit, political subdivisions located within Lake County will receive a reduction of property taxes collected for tax due and payable in 2005; and

**WHEREAS,** pursuant to I.C. 6-1.1-20.6-9, the fiscal body of a county may adopt an ordinance to authorize a county fiscal officer to borrow money repayable over a term not to exceed five (5) years in an amount sufficient to compensate the political subdivision located in the county for the reduction of property tax collections in a calendar year that results from the application of the credit under I.C. 6-1.1-20.6, et. seq.; and

**WHEREAS,** pursuant to I.C. 6-1.1-20.6-9, the political subdivision that receives the distribution shall appropriate for each year in which the loan is to be repaid an amount sufficient to pay the part of the principal and interest on the loan attributable to the distribution received by the political subdivision and raise property tax revenues each year in which the loan is to be repaid in the amount necessary to meet the appropriation for payment; and

**WHEREAS,** pursuant to I.C. 6-1.1-20.6-9(d), the property tax imposed to raise money to repay the loan are subject to the levy limitations under I.C. 6-1.1-18.5 or I.C. 6-1.1-19; and

**WHEREAS,** pursuant to I.C. 6-1.1-20.6-9(e), the obligation to repay the loan is not a basis for a political subdivision to obtain an excess levy under 1. C. 6- 1. 1 18.5 or I.C. 6-1.1-19; and

**WHEREAS,** the Lake County Council is the fiscal and legislative body of Lake County, and desires to authorize the Lake County Treasurer to borrow money repayable over a term not to exceed five (5) years in an amount sufficient to compensate the political subdivisions located wholly or in part in the County for the reduction of property tax collections due and payable in 2005 that results from the application of the two percent credit authorized by Ordinance No. 12641.

- 5. That pursuant to I.C. 6-1.1-20.6-9(d) property taxes imposed to raise revenues to repay the loan are subject to the levy limitations under I.C. 6-1.1-18.5 or I.C. 6-1.1-19.
- 6. That pursuant to I.C. 6-1.1-20.6-9(e) the obligation to repay the loan is not a basis for a political subdivision to obtain an excess levy under I.C. 6-1.1-18.6 or I.C. 6-1.1-19 and a political subdivision may not increase its property tax levy to make up for the reduction of property tax collections resulting from the application of the two percent real estate tax credit.

SO ORDAINED THIS 23rd DAY OF August, 2005.

WILL A. SMITH, JR., President

ANDREW TABACZYNSKI  
CHRISTINE CID  
RONALD POTREBIC

THOMAS O'DONNELL  
ELSIE FRANKLIN

Members of the Lake County Council

...th said it has been a real chore. Our Finance Committee, consisting of Blanchard, Tabaczynski, along with ...te, Attorney Szarmach, and Mark Pearman along with his office, the Treasurer, and the Auditor, to continue to ... at the table, and to continue to work out something that has to be right for the majority of the citizens of Lake ...nty. He believes it's the right way to go, but it's something that he thinks the residential citizens of Lake County, ...omeowners will be happy about.

...te said the jurisdiction of the County is Lawson system, the sophisticated double entry accounting system. It is ...the Manatron system. He said that is a system of tax billing, assessed valuation type system, that is under the ...ain of the Treasurer, Auditor, and Assessor's. It is not under the jurisdiction of the County Council.

...re being no further business to come before the Council, it was moved and seconded that the Council does now ...urn to meet again.

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Lake County Council President

EST: