

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 Year 2013 Budgets, 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.

And now in obedience to such call, come Jerome Prince, President, Michael Repay, Elsie Franklin, Daniel Dernulc, Christine Cid, Ted Bilski, and Rick Niemeyer County Councilpersons, together with Ray Szarmach, County Council Attorney.

OPEN: Public Comments, Council Discussion and Actions

President Prince said that at the last meeting, a budget committee was appointed to come up with solutions to address the \$4.1 million deficit. He said the Committee has met, and during this meeting you will hear a series of recommendations to address the \$4.1 million deficit.

Repay said he would like to review the meeting with the Township Assessors, and make a recommendation.

Repay made a motion, seconded by Franklin to adopt the recommendations for Fund 337, the Reassessment 2015 Fund.

Repay said these are recommendations that were made by the Committee. Repay said there were a couple of issues, and one was the request for \$1 million dollars in the Other Professional Services line item, which County Assessor Hank Adams advised them that a residual payment was due one of the Contractors.

Repay said they felt there was a need to budget for that amount, when they are not sure what that amount is actually. That was a reduction of \$1 million dollars out of the County Assessor' to make it \$288,000.

Repay said the money was basically divided up among the 5 evenly, and then allowed for Data Processing to receive their full required amount of Services and Charges because of the contractual obligation that we have there.

He said we've given the 5 Township Assessors enough money to get things rolling to do things such as trending, and making sure that they are entering all the data in, that needs to be entered for reassessment, and yet, we are still leaving some leeway for future Council actions to correct, or augment their budgets based on their production, or lack of.

Repay said that leaves about \$700,000 dollars in Fund 337 for future concerns, including the possibility that we have a bill coming from one of our Contractors that we need to pay for.

Bilski wanted to mention that Julie didn't submit her request under the right fund. She submitted it under Fund 237, and not Fund 337.

Repay said that we will deal with that. Dernulc asked Dante if he was made aware of it, and Dante answered, yes.

Niemeyer said that our Attorney said that he thought it was okay to go into this Reassessment Fund, without the approval of the County Assessor. Niemeyer also said, there seems to be conflicting views between lawyers on whether the County Assessor is supposed to control this for a certain time, or if we can start by Council action going into this new reassessment money, that is supposed to start in 2014.

Prince said he has conferred with the Council Attorney, and he is confident with his advice. Prince said the only question was if the County Assessor had the sole authority to dictate the reassessment, and it's clear that, from our Attorney' perspective that he doesn't. It's a recommendation, and this Council has the final authority in determining on whether we accept, or reject the recommendation.

Mr. Adams said that he has another opinion from the County Attorney.

He said that he didn't know where Attorney Szarmach got the correction that was made in the last meeting, where he said that Mr. Adams was incorrect if he didn't hire an expert, he still had to get permission from the DLGF, Mr. Adams said that was not incorrect, it is correct. He has it here from another Attorney.

He said the old reassessment is over. In the next couple of days, everything will be sent to the Auditor, to go downstate. That's the next step, and then getting the tax bills out, so that's done. The old reassessment is done. Mr. Adams said the new reassessment doesn't start until July 1, 2014, and on July 1, 2013, the County Assessor has to have a Plan to do the reassessment. I can't understand why you're doing reassessment money, there is no Plan to do the reassessment.

Mr. Adams said nothing is starting, and you are draining that Fund, as you've done for the last 3 or 4 years, and then you don't have enough money to do the Reassessment. As of January 1, 2013, the County Assessor is responsible, the Township Assessor' have been wiped off of that, only the County Assessor is left on there.

Prince said to Mr. Adams that you are re-stating everything that you said previously, and also said that you are introducing information that is not relevant to the reassessment request. Prince said to Mr. Adams, you are the only one who wanted to go into a Contract, these County Assessors don't want to go into a Contract.

Prince said we disagree, and we are doing so under the guidance of our Attorney. We have 5 Assessors here, who would completely contradict everything that you just said, as it relates to reassessment not starting out. It's a cyclical reassessment, and there are certain components, as they have articulated numerous times, there are certain components of it that go along with the reassessment.

Niemeyer said if we have a difference in thought, could we get direction from the State, that they agree with us, that that money can be used now, the way we're using it. Is that something we could look at getting, and we will all be confident that this is right?

Prince answered that he, as well as any Councilmember can seek out any information that you want.

Prince suggested that if the maker of the motion wants it to be brought to a vote, then that's certainly fine, but here is one other caveat that we certainly could consider today, you keep suggesting that the County Attorney has some other information. We haven't heard anything from him on it, so perhaps if he would submit something that suggest that.

Dante said that DLGF will reject the request if there is any inappropriateness here, so they will reject it, and the money will revert back to the fund. So we will be starting from square one next January, or February.

Niemeyer asked why couldn't we get an answer to that before we do it?

Dante said I think we did already. The safeguard is DLGF, they will knock it down.

Attorney Szarmach said it's not unusual for Attorney' to have conflicting opinions. He said, but it is unusual for John Dull and I to disagree on something. The law is what it is. We usually don't disagree, and I usually get something from him in an opinion form, and even in an e-mail form on an issue like this, and I've received nothing from him. If he has something, then I certainly would want to look at it. Attorney Szarmach said that he thinks that Attorney Dull' opinion may be "bootstrapping" several sections, so he definitely would look at it.

Dernulc asked if they could table this?

Prince said there is actually a motion, and a second on this.

Kristie Dressel, Center Township Assessor said that she spoke with Attorney John Dull in June of 2012, telling him that she wanted to do her own trending, in-house. She said that he looked it up and told her that it's okay, and for her to submit a letter to Mr. Adams and to his office, which I did, I have a copy, that that's what I wanted to do. Attorney Dull informed me, at that time that he looked it up, and got back to me that I could. I did phone ahead of time and ask him.

Attorney Szarmach said that this opinion is concern to your right that you may hire a Contractor, which I agree with, that you may hire a Contractor. Either way, but I don't see anything in here about not being able to appropriate this money for 2013.

Mr. Adams said that on the other one, it says that the County Assessor, under the actual Indiana Code, the very last part, what they do is, there are 2 sections of it. One is effective 1-1-13, and the other one is **until**

1-1-13. What they did on the old one, they had County Assessor and Township Assessor were equally in there. On the one that starts January 1st, 2013, that's in Section 17A, and it reads: "A decision by a County Assessor to not employ a professional appraiser as a technical advisor in a reassessment under Section 4.2 of this Chapter is subject to approval by the local department."

It says in the other one in that "they may employ professional appraisers in all Townships of the County"

Mr. Adams said in all Townships of the County, they may, or may not. The DLGF has to approve it either way you want to go, but it gives authority to the County Assessor.

Attorney Szarmach said the Council can either vote today, or try to get DLGF to provide you with an interpretation, if they will give you one.

Attorney Szarmach said he thinks that Dante said the bottom line here, if they(DLGF) don't like how you did it, they are not going to approve it.

Repay wanted to reiterate what our Financial Advisor indicated which is, if DLGF doesn't see fit to appropriate this money, just as they do with any of our budget submissions, they will make it down to zero. Repay said we obviously have a lot of things to deal with, and I'd like to ask for a vote.

All voted "Yes". Motion carried 7-0.

Repay said that the Council members, which consisted of himself, Prince, Niemeyer, and Dante Rondelli, as well as some advisors from the Auditor's Office got together and came up with 5 or 6 recommendations for the Council to act on.

Repay said that they are going to take individual steps on each one, the individual pieces of them are intended as a group. He said the first group of proposals results in approximately \$8.5 million dollars to cover the deficit of \$4.1, as well as \$2.4 in estimated C of E's. That's basically a cushion, as Dante described it.

He said the second part of these recommendations is to establish procedures, and policies for individual Office Holders, and individual Elected Officials, of Department Heads that require borrowing in order to fill gaps in their budgets.

Dante said they are part of a group, but some go from a major global kind of strategic planning, kind of deal, kind of to the "nuts and bolts", and we are really starting with the "nuts and bolts". Dante said your "nuts and bolts" are really your rigid \$4.1 million dollars deficit. We're trying to segway between the two elements. The \$4.1 million, and the initial considerations this big "blob" out there called \$14, \$15, \$16, it depends on who you ask, \$17 million dollars worth of additional, so what we're trying to do is to logically approach both facets in a comprehensive plan way.

Dante said, we're not saying that all of these have to be approved, we're just saying, they're out there for consideration.

Prince said the first point of this presentation is what we're going to address today. We're going to address the initial \$4.1 million.

Repay, said, for me, at least, I don't think I could "stomach" making the cuts that are called for in 1, if we don't have any sort of resolution in the following items, 2,3,and 4. Some of these issues are big things, and in order to prevent this from taking place in the future, or in order to create a better climate for what we need to do here in County Government, we need to make these adjustments and I include items of legislative agenda, as well as planning, and discussion and investigation of other cuts, and sources of revenue.

Niemeyer said as part of that Committee, these are ideas, in which we sat there for a long time, and came up with for discussion purposes, at this point. He said he didn't want anyone to think that any one of them are recommending any of these, at this point, Niemeyer said, I'm not, these are point for reference, for discussion today by this full Council, and decide, we all know that we have to cut somewhere to balance. This isn't something that's in concrete, but it's something we've got to look at, we've got to do something to get this budget back in line.

Bilski asked Dante if the reductions that we are seeing on the levy, that bottom dollar, is that per year, for one year, or ...

Dante answered we recommend these displacements to a borrowing committee, because it's complicated, there are permanent reductions, they are not coming back.

Bilski said, so it's a permanent reduction for the first year.

Dante said, and if you take a look at the Parks, it might be just the first year of a cascading effect, so there's going to be tough decisions in here, there's no question about it. Dante said, what makes it even more difficult, any one of these items by themselves is not going to hold. They are conjoined.

Niemeyer asked what happens to the levy?

Dante said you are creating objectives, they are moving out of the deficit. These levies in these funds are not coming back. They're permanent, unless there is a revenue replacement someday, miraculously. They are permanent.

Repay made a motion, seconded by Bilski to displace Cum Bridge levy for the 2013 budget of \$2 million dollars.

Cid said that she just received this memo yesterday, and I haven't had a chance to digest this, or speak to some of the departments that this is going to affect.

Prince said that they are going to go through each one of these as a separate motion. These are recommendations that came out of the Committee, and as the letter suggested, the Auditor, as well as Dante was present.

Cid said I am also a member of this Council, and I think that the information should have been shared with me a few days ago, at least and explained to me prior to last night.

Prince said the memo was sent out yesterday, and the meeting of the Committee was actually Thursday, but in any event, everything that you want to know will be explained today.

Dante said this will require the support of the Commissioners. The levy is driven and approved, and authorized through the rate. The Commissioners have sole authority over the rate on Cum Bridge. So if they don't take down the rate, by resolution to zero, we will be forced to have a levy of \$2 million dollars, so the deficit will come back.

Dante said that Blanchard knows about that, and he made sure that this doesn't conflict with their borrowing plan. They must approve a zero tax rate, and we have to make sure it doesn't conflict with the borrowing plan, if it does then it's \$2 million bucks.

Niemeyer said he would like to hear something from the Commissioners, that they are in collaboration with this move.

Repay said they've indicated that they are waiting for us, and if we indicate that we are waiting for them, then we are going to keep on waiting and waiting....

Niemeyer said if we don't have cooperation here on this, we are okaying the borrowing today to borrow money to fund these levies, how are we going to fund them?
We're okay to borrow because we are taking the levies away, and this money away, and we are going to be doing a different route of funding them correct?

Dante said that number 2 is to establish for them a borrowing policy.

Niemeyer asked what we're doing is going into borrowing today?

Dante said you're going to have to authorize it for number 2.

Niemeyer said I understand the meeting we had the other day, but I always thought the Commissioners were going to be more of a part of this dialogue.

Prince said the Commissioners wanted a recommendation of how much to borrow. That's what they are waiting for, the recommendation. It's clear that there is going to need to be some degree of borrowing.

Repay asked what was the clarity to you when you sat in the Commissioner' meeting?

Niemeyer said the clarity to me was that they took no action because the County Council would recommend to them about the borrowing.

Dante said the borrowing takes like 90 days, so the action on the borrowing plan has to start very soon, like this week. So whatever we come up with, as soon as we close the door and get rid of the \$4.1 million dollars I will have to go help out the borrowing committee. Even if we go to bond, It will be close, and I have to get it to them firsthand, on December 31, 2012, the DLGF guy, whatever vehicle we are going to pay this back with, it's close.

Prince said there are a number of suggestions, and they don't get any easier than the first one. Prince asked if we aren't going to accept any of this, then what is the plan, and does anyone have a plan outside of what the Committee recommended. If not, then Prince suggested that they take care of business and put it to a vote, and move on to eliminate a deficit that exist.

Cid said there have been other suggestions made.

All voted "Yes". Motion carried 7-0.

Repay made a motion, seconded by Bilski to displace the levy of \$2.1 million dollars for the Liability Insurance.

Prince asked Dante, with regard to this liability insurance, is this actually possible, since this is an ongoing expense?

Dante said having built this thing from day one, he is conflicted about this whole thing, but since we are in the borrowing/bonding mode, and that's essentially what we do with some of our judgments here, and that's what we've been doing with this fund too, as well.

He said what you're doing is how you make it official, is that if you cut the funding off to the fund that pays for the liability issues, of which many are bonded, step it up, and just bond the whole thing out. We are indeed going to the maximum here, what I'm saying is that your liability insurance will no longer be, we will no longer have a plan. It will be called the borrowing/bonding plan, and how you pay for your insurance, unless it conflicts with Blanchard's plan over there, the liability. Unless it conflicts with the borrowing plan over there, on this \$2 million bucks, you are allowing to exist on itself for a short period of time. I think we're down to our last \$2 or 3 million bucks in that fund, and we're going to say, all future expenditures regarding liability insurance are going to be bonded, for example, attorney's fees, indemnity, and other fees as well, and you're going to bond. You're borrowing anyway, you just may as well make it official.

Franklin asked if Dante could explain some of the things that fall under the liability insurance, other than the attorneys?

Blanchard said it should be able to carry some of the expenses, smaller items, with cash that's in the fund right now, temporarily. It's kind of a (inaudible) of being self-insured, but then again, if there is borrowing plan, and it's done, like it's laid out here in its entirety. Blanchard said he is comfortable with it. He said none of this can be easy for you, or anyone who is associated with any of these funds, but again, if there is a plan, and it's followed like it's laid out, then everything should be okay, including the liability fund.

Blanchard said this is in your budget, your department, 3700, in the line item, Liability Insurance, \$2.1 million dollars. Blanchard said he believes it was used earlier this year, to help with some of the cost of Criminal Justice.

All voted "Yes". Motion carried 7-0.

Dante said that's going to be budget 3700, line item 43420, in the amount of \$2,125,000.00.

Repay made a motion, seconded by Cid to displace the Drainage levy by \$1.6 million dollars.

Niemeyer commented that he has been a big part of this for about 20 years, We've worked very hard to get this levy in place, and the good it's done in this County, with flooding problems, and both of the basins, it's been tremendous. It's been tremendous. I'm just very hesitant to take this levy away because it's a part of the levy that's doing what it's supposed to do, and it's divided equally in both basins, 44% in one, and 56% in the other, depending on the land mass. It's kind of controlled by an advisory board, and I know the money is still hopefully going to be there, but we've worked too hard to get this levy in place.

Repay said I would like to refer to our first action. I didn't state it, but I've been out, a particular Bridge in my district, that the Cum Bridge Levy doesn't even touch. I mean it doesn't even amount to the amount that we need in order to get that Bridge fixed. So to displace that \$2 million dollars, is like a punch in my own gut, but the idea behind these actions today is that everybody leaves here feeling like a little bit like they got "kicked" a little bit, and unfortunately I think that's the way we're going to have to leave here because that's the position we're in. I understand your concern, as well as the Surveyor's concern, but I have concerns as well. We're just "scratching the surface" right now, and we're going to get down to some serious stuff. I understand your plight, but everyone's going to have plight on this, everybody's going to be hurting by the end of the day, if we do everything that's recommended.

Franklin said in all fairness we asked the departments to cut, cut. I see that the Surveyor did so. He reduced his budget by 10%, from what he previously submitted, so the Drainage is part of his responsibilities, and now we want to reduce it even further out of his department, from what he has already cut? Is that what we're doing?

Repay said it's project oriented. For purposes of discussion we had in the Committee, this was levy, not levy like keep the water back, but taxing levy issues. These aren't operations issues, these are capital improvements, which like I said it really hurts, especially when you talk about bridges that are really in dis-repair. I know that there are ditches and things like that that are in dis-repair that are needed too.

The goal of this action is to do, is that these projects on an individual basis, rather than having a "pot" of \$1.6 million on an individual basis, they are referred to a borrowing committee that has a policy, and we will set out an ordinance the way that they are supposed to enact that first bond, and they will have to make tough choices too. It's like we are throwing them all into a group where they are going to have to fight over these monies, which is unfortunate, but that's the situation we're in. But it doesn't have to do with operations.

George Van Til said, the law doesn't allow you to cut it out. The Ernie Niemeyer Law, which says, you can cut, but you can't cut it out. You need to check that law. He said it was created for Lake County for our unique problems, and you can only cut it so much, out of this particular fund.

He said, for the most part, you are not talking capital improvements, you're talking maintenance. What these Commissioners have done, over the years is created a fund that, in many cases keeps us ahead of the game. If you, in any way jeopardize this, or lower this, what happens is, all that money, I think like \$14 million dollars in the last 15 years, that is jeopardized because we're not talking about projects for capital

improvements, as it was suggested. We're talking about, for the most part, about maintenance, and if you don't maintain a drain, if you don't maintain that bank, it will start to degrade.

He said we have had 252 projects in my time here, and you will find that numerous ones are the same place. We did the same thing. For instance, the Cady Marsh Ditch, it is a low, incredibly important drain, with bad soil. He said that 3 times he has done this in 20 years. We have to do that again, if we don't we are jeopardizing many people. What we have prevented, you don't read it in the headlines of the papers, it didn't flood in a certain place today, or yesterday, but it's news and we know it is. But, for those projects to not be able to count on this, we are jeopardizing, first of all we're jeopardizing tens of millions of dollars in property, and we have saved an incredible amount, many tens of millions of dollars, over here, with this \$14 million dollars, plus another million and a half that other communities, and entities, and private ownerships gave us. So first of all, as I indicated the first piece is to indicate that we don't need \$1.6 million, in the next year or two, actually we need \$9.8 million dollars, so if you cut \$1.6, well first of all, you can't. But if you cut it down to it's minimum, which is significant, then it will jeopardize all of that maintenance that we've done, and in the end, it will cost every taxpayer in this room, and around the County, it will cost more money, so that's not a good thing to do. We indicated here, the \$9 million, we really need, and the rest of it talks about what we've done in the past. It's critically important that we continue to maintain this. I've used the Cady Ditch as an example. You can use Turkey Creek in Merrillville, you can go on and on, Plum Creek, Beaver Dam Ditch. We have 600 miles of County drains that you and I, and the Commissioners are responsible for, and it that's not maintained, sometimes, when it doesn't rain, we forget what happens when it does. Mr. Van Til said I guarantee you, if we cut back on this, and you say we can go to borrowing, and we can do all of that, but the problem is often times we have multi-year projects, that's the only way we can get them done. We can't do a multi-year project, knowing that we can borrow for one year. There are all sorts of difficulties with it, so number one, I'm saying to you is first, you can't cut it all the way, I don't know what it is, a half a million, or whatever you can only cut it down to, and secondly, it's really not good for the taxpayers, it will ultimately end up costing them a lot more money, because like a bridge, on a ditch, if you ignore it, the more you ignore it, the more money it will cost to fix it, and the more potential you have for flooding.

Bilski said that he agrees with a lot of what the Surveyor said, but he realizes that adjustments will have to be made, and adjustments could be made on the Second Reading. This is just a starting point right now.

Bilski said as for projects, and long-term projects, we can make them 10-year projects, we can make them 100-year projects, we can do it in Phase I and do as many as we can if we have to.

Mr. Van Til said if you are bound and determined to change this, you can only do it to the level that the State Law allows you to do it, and it's a specific amount in the State Law, in the Ernie Niemeyer Fund that it's the law that you can do it, and you are not recognizing that in your motion.

All voted "Yes", except Dernulc, and Niemeyer, "No". Motion carried 5-yes, 2-no

Repay made a motion, seconded by Cid to reduce the Park Levy by \$1 million dollars.

Bilski recognized Mr. Klein and Mr. Nickovich from the Parks. Bilski said that the Parks has reduced over \$1 million dollars in the last year. He said looking at this reduction is similar to what Mr. Van Til has said, this could very possibly, put them out of business, which scared me. There are quality of life issues here, there is drop in assessed values, by the Parks going away. It could be cataclysmic to what we see with the reduction of this.

Mr. Nickovich said that he can appreciate the dilemma that the entire county faces, not only county government, but local units, as well.

Mr. Nickovich said that part of your charge is to come up with additional sources of revenue. He said he thinks they are one of the few agencies that has the capability of generating revenue, and we've shown the ability to increase revenues in the past, with the cooperation of mother nature. He said their facilities are all weather dependent, but it seems counter productive on one hand, the charge is to find new revenues in order to off-set deficits that are on hand, and at the same time, come in and place this level of reduction on our ability to generate the very revenue that you're seeking. The cuts that we've experienced to date, and you're talking in excess of 20% of our full-time staff, probably 50% of our part-time staff, yet we've been able to keep most of the operations fairly transparent and open to the public.

A levy reduction, and I'm getting back to the issue of having to spend money that's not yet earned, in the form of levy in order to generate miscellaneous revenues to that operating fund, I'm afraid that we're "running out of rabbits to pull out of our hats". I don't know how that's going to be done.

Mr. Kline asked what was the thought process by the Committee of the million dollar reduction in their levy, this is all news to us. We weren't asked to participate in the discussion, you didn't care about closing down an operation or the entire operation, and he just wanted to know what the thought process was, why the Parks Department was selected as the organization to sustain almost a 30% cut in it's levy?

Repay said, you can see by the previous action, it wasn't one where we said "let's get the Parks", it was one where we said let's get to a number where we can reduce our deficit, so when we looked at any levies, which included advice from our Financial Advisor, to get at our deficit, and that was the goal. It wasn't a eliminate, if you see, Cum Bridge, Drainage, Liability Insurance are all zeroed out, essentially.

Mr. Kline said, those in fairness, in listening to what you're saying, are project oriented, they are capital oriented, and they can be replaced by loans that you are borrowing. You are talking about closing down Parks, and laying people off, because this is all operational dollars you're talking about. That's an entirely different discussion.

Bilski said, I agree with that, and I would say that the only end would be on land purchases, those types of capital expenditures that would come out of there, I think we have...

Mr. Klein interjected there's \$270,000.

Bilski said, right, so that would still leave \$700,000 plus dollars out of your operational budget. That was my complaint with the whole thing, which does shut down, now you'd just have to decide what stays open, and I'm not prepared to do that right now.

Niemeyer said the discussion in the Committee meeting was, on this particular item was that, and there was some push back from all Committee members of, is this is something we can do now? Is it something that can be planned down the line that would be looked at more specifically, as time goes because we know we are going to have a problem in 2014,2015, 2016. Niemeyer said, so I guess that's how it got initiated. It got put on this list by the Budget Committee members, but, in the room,there was a lot of "push back" from everyone there in this particular one a lot, because we seen what was going to happen, as a solution. I think it's pretty tough just to take, on this particular one, to say \$1 million dollars is coming out of your operations, your argument is you have over \$700,000 dollars of this for operational money. That's a big item.

Mr. Klein said when you have a \$3.7 million dollar levy, to fund your operations, in part, and it's only 35 or 40% of our operations, we have continually attempted to bring our levy down to give money back to the Council. We have always worked, in the spirit of cooperation using that word, or collaborated with the Council, in order to do that, this is just a flat out, right out of the box, "let's cut a million dollars out of your levy", you're cutting almost 30% of an operation, I mean a whole operation. What other organization can sustain that?

Bilski said Mr. Klein put it very well when he talked about the land acquisitions being about \$200,000 to \$250,000 dollars, so I mean, if that's what if they were targeted, and had to cut their fair share, why wouldn't we be looking at that portion of the levy instead of their operational expenses, as the other capital projects that they're looking at, because then if that was the case, then they can come back and borrow, to make that purchase necessary, but leave the rest of it alone, that's what my concern is. I don't understand why we're moving in that direction.

Repay said I think that we have number 1, then 2,3,4, and if you'd look, as we go down to 3 and 4, we have lost the ability to simply look at capital improvements, and as you see, in the further recommendations of the Committee, they are even hit harder, and hit individuals that we'd rather not hit, but if you want to say the first three were easy, and this one starts to get harder, well the next one is even harder, and the one after that gets even more hard. I don't think we have enough capital improvement levy, to just do capital improvement levy, and I think that, because I think that Dante would have enumerated those levies if they were available to do that.

Bilski said if you look at capital improvement level, across the board, then went with a flat percentage increase to make up operational expenses to make up that difference, as opposed to one department, in particular, the Parks having to eat the whole cost, that's would have been an easier "pill to swallow" for me at least.

Repay said he will refer to what Prince said at the beginning of the meeting, which is this is what we came up with, and every point, we're going to take the vote on.

Bilski said, so if we're looking at across the board on capital expenditures, and if we're looking at the levy on that, and then if we had a percentage of what we need to, we can't stop operations in departments, so if we were coming up, and I would feel more confident if I had to go back to the Directors of the Parks, and say here is a percentage of reductions that I'm looking for, I know that they would have a hard time finding it, but it seems to me to give them that opportunity first, as opposed to just saying 30% of your operational expenses are gone.

Mr. Nickovich said we all have decisions to make, it's all about public policy. I read the papers just as much as everybody else. You've got to ask what type of quality of life are we offering our residents here in the County. Are we willing to get youngsters off the streets, and get them into quality, positive, leisure time experience, provide them, sometimes their first job, providing them the skills, lifetime type skills through

employment, maintaining some of these facilities, or are we just going to shut this all down, and direct everything to criminal justice? I mean no offense to those who are in Criminal Justice, but this 4 point plan that has been presented, I don't think anybody in here has had even had a "blink" at what it contained, or some of the issues that were about it. And I think we would have all been a little more prepared, had we had a little bit of that insight. You are speaking up here now, and it's all code, for the most part, until first on the agenda, \$2 million dollar cut, \$2.1 million dollar cut.

Prince said this wasn't an attempt to blindsides anyone. This process has been going on since the beginning of August, and no disrespect to what you're saying. This is all a part of the process, today, this is a budget workshop. There have been really interesting suggestions, to say the least, on the table. This is not a final reading, so at the very minimum, what I've concluded is, this is certainly starting to spur the type of conversations that we've been asking for, and now I'm hearing suggestions of other ways, even coming from you guys of where you can make some reductions, so at the very minimum, that will happen, but there is a motion on the floor, and it comes from a Committee that was formulated to do so. It's not easy to make the cuts, or to even suggest the cuts that we are, but that's what the Committee came up with.

Franklin said I understand the plight with the Parks. My area was hit last year when we made the reductions within that budget, where we had to lay off staff, and cut back on services. Franklin said, I really would not want to see that take place again, and I know if we go to cutting, and I should be upset, because I have a feeling that my area would be one of the first ones that get hit, but unfortunately, we have a brand new facility out there, and we are still paying for the facility. I just don't want to see the Parks Department in a position where they would end up having to close down that particular facility because of any actions that we take. She said those young people in my area, that have been able to be employed during the summer month, bank on that. When that happened to them last year, because of the cuts, we were left without any jobs.

Franklin said I hope that whatever we do here, as it relates to the levy, as it relates to the Parks, that it's something that would keep them whole.

Niemeyer commented that we said today, there is a \$4.1 million dollar shortfall, and so far, and I know Dante wants to make sure we have enough, and that we're covered. So far, in 3 actions, we've done \$5.7 million dollars, so how far are we going to continue to go, when we have a point here when we've done enough, or are we going to go further, I guess that's my question? Should we look at all of them first, then prioritize them until we get to the \$4 or \$5 million dollars where we need to be? I'm not comfortable in cutting \$8 or \$9 million. I know that was the figure we talked about in the Committee meeting, trying to get some comfort level, but..

Dante said some of it is going to fall by the wayside, because of push back. He said we have built in something when the C of E's are going to get rejected. They are going to get rejected by that Board. They are going to be very antagonistic to me when I sit down there. We're going to have to plead with the Director to give us our \$2.4, which is, by the way, one year anyway. It's one year, so that \$2.4 is coming back next year. So what I'm saying is, you have to do what was suggested here because of the fall out, and the other implication, so I have a good running start with this. So stay with the agenda, this thing is well thought out, it's logical, it's well thought out, and with the Parks, it wasn't happenstance, it's 24 years of experience that indeed suggested some of these things to the Council on that day, last Thursday.

Niemeyer said we also have on the agenda here, for long-term, Legislative Agenda, and stuff we're looking at doing. We're not sure if some of these things might get through, then something will happen differently for next year, so I don't want to sit here and do some really drastic stuff until we've got an aggressive agenda here.

Dante said it's all laid out there, and you can always come back.

Bilski said I think Niemeyer said just about what I wanted to say, and to Council lady Franklin, Bellaboo, which is in your district, is certainly something that each and every one of us, it's early childhood development, it's had a huge success rate. It's growing in popularity, children throughout Lake County, and we've had some out of state visits, so it encompasses the entire County.

Mr. Klein said you didn't even touch on that. The fact that the biggest Convention and Visitor's Bureau in Lake County is the Lake County Parks. The fact of the matter is that Bellaboo brings in almost a quarter of a million people a year, a vast majority of them are county residents, but a significant number are from other counties, which all add to the economic development of the County.

We brought in over 4 million people to the waterpark, that same park that everybody said, would never work. But now we are being punished for the success of those things, and you take a million dollars away from one of your biggest economic engines of the County, just not County Government, but as a county in general. I'm not going to give you the statistics, go get the statistics from somebody else that maybe you will believe more, but the fact of the matter is that we've contributed significant, a significant benefit to the county, not necessarily in our \$3.7, or \$3.8 million dollar levy, which is nickels on property tax payers bill,

but the fact that we generate all this additional income. And that's not the other million people that visit on an annual basis, the balance of our Parks.

Repay said he just wanted to point out Niemeyer's point, and we talked about this, the committee about what level, or what amount do you feel comfortable with, and it's only \$4.1, plus \$2.4 in C of E's, but what we haven't considered, we still haven't considered, in this deficit that we're seeking, that we're going through all of this trouble to reduce, we still have yet to touch the additional expenditures that we are going to need to spend for the Jail. So when you talk about do you need \$8.5? No. We need like \$13, but with this action, we're going to arrive at \$8.5, if we stick to the agenda.

Cid said the Jail is not the \$8.6 you see here, it's actually \$2.something, but I am going to rescind my second. I feel that on these last 3 items, we need to sit with those Committees, we need to sit with those Department Heads, and I'm not sure what number 3 is even. There is no dollar figure there, or on #4, and I'm not sure what departments, when you're talking amalgamated groups, are we talking just a few, or are we talking all county departments, anyway, I rescind my second.

Cid rescinded her second.

Motion failed for lack of a second.

Merrilee Frey, Coroner was present to present her budget. She said they have a lot of work to do, specifically in identifying unclaimed bodies, and also getting a proper burial for some of the individuals She said that's her ultimate priority as she has taken office.

She is requesting 2 Death Investigators, and 1 full-time Photographer.

Dernulc asked if these are additional people on your budget, or do you have any positions that are vacant.

Ms. Frey said she has one position that is vacant, it's a Death Investigator who has been on sick leave for over a year. Ms. Frey said it's not vacant. It won't be vacant until December.

Dernulc asked is the other one an additional person on your budget?

Ms. Frey answered, yes.

Bilski made a motion, seconded by Franklin to approve the appropriation in the amount of \$15,000 dollars for IV-D Court, Department 3950, line item 43995 – Other Services and Charge, in the general fund.

Cid said I have a concern, I know the need, I don't know how much you've spent to date, I mean, this past year. I understand the reimbursement. I feel like we're going to be opening up Pandora's box here because we are talking about some serious cuts, and we keep adding to our debt. I know the need, and I feel a little bit concerned.

Cid also said, sometimes I think maybe, you know, we are asking our employees to cut, we're cutting our employees, we're talking about lay offs possibly, but we never ask the vendors, or attorneys to cut back their fee. We never do, we've been at \$90 an hour for I don't know how long, it's always the employees, and it's never our vendors, the one's that we contract with, and we never go there, we never go there.

Bilski said it's \$15,000 dollars, we are reimbursed \$10,000. There are 3 entities that receive revenues back throughout the course of this deal, and it's a considerable amount of money that comes back to those entities, general fund being one of them, but we also has to stay focused on what a Public Defender does, and what he does is, he helps keep people out of jail, and as we are faced with the problems with our jail, overcrowded, all the other issues the Sheriff was here to speak on today, as well, and that's a key component, so that \$5,000 dollars, not only do we see revenue back to the general fund, from that investment, but you'll also see, hopefully see a decrease in who ends up in the jail across the street.

Repay said, the reason for my vote of "no" on this particular endeavor is because it's on that list. We stopped at \$4.1 million for a reason. We were going to tackle the \$4.1, and then we were going to address that list, and if we address this issue now, then I don't know what's going to happen once we get that list. I think we should address that list as a unit, as a group, and decide what's going where, and that was, I think, something that we were going to... my preference would be to deal with that all in one group, and prioritize it, and if we all of a sudden take off Juvenile Court, which I agree and don't disagree at all with any of your calculations, or anything like that, or it's importance, if it's not on the list, then we go to consider the list, we have one less thing to prioritize away some of these other ones that are not so important. That's kind of my reason for voting "no".

All voted "Yes", except Repay, Dernulc, and Cid, "No". Motion carried 4-yes, 3-no.

Cindy, from Juvenile Court said that they are trying to eliminate their furlough, and they are still short \$51,500. They are sensitive to what's on our plates. One suggestion was to look and find the money anywhere else. She said they found some places to look at to eliminate the furlough.

Judge Bonaventura said in 2009 they had 40 Probation Officers, today they have 28 Probation Officers, so we've lost 16 employees, either because we didn't rehire people, or because they were people she had to cut. So over the last three years, we've cut our staff like 16. This year she had 2 Probation Officers leave, one, she didn't fill that position, which resulted in a total of \$81,950, when you include the benefits, so we didn't fill that position. So we are asking that we be allowed to reduce our furlough amount by that amount, which leaves us about \$51,000 dollars. We've had a second Probation Officer leave, in which you were kind enough to let us hire somebody to replace that person, but because the new person doesn't have the tenure, and the education, mainly, the Masters Degree, their salary will be \$12,000 dollars less, than the person leaving the position would have. We are asking to take that \$12,000 dollars, and then going into our Service & Maintenance, at the 2012 level, we are prepared to reduce it by an additional \$40,000, which we were going to use it for something else, but to reduce Service & Maintenance by another \$40,000 dollars, on top of the \$12,000, that gives us, Bilski said that makes it net neutral.

Judge Bonaventura said because the furlough, we are minus basically 2 people because people have to take off. With the case loads that have gone up from 69 to 96 per Probation Officer, it would really be helpful to have these people back at work full-time, instead of having to take off to make up furlough days.

Judge Bonaventura said I am asking you to allow us to use that money to bring them back.

Bilski said I am prepared to make that motion, being this would be net neutral. We just need to make sure that Dante has the employee line item number.

Dante said, as long as it's net neutral, it's covered in the prior actions, the bottom-line is net neutral.

Attorney Szarmach said you want a motion to re-arrange the line.

Dante said we've been re-arranging lines from day one, along as there is no net increase.

There being no further business to come before the Council, it was moved and seconded that the Council does now adjourn, to meet again as required by law.

President, Lake County Council

ATTEST:

Peggy Holinga Katona,
Lake County Auditor