

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 Budgets for Year 2014, 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 Ted Bilski, President, Jerome A. Prince, David Hamm, Elsie Franklin, Daniel Dernulc, and Christine Cid, County Councilpersons, together with Ray Szarmach, County Council Attorney. Councilman Eldon Strong was absent.

OPEN: Public Comments, Council Discussions and Actions.

Bilski asked for a moment of silence in observance of 9-11. He shared an E-mail from United States Army Major General George Munsker, Jr., who wrote a remembrance of what transpired 12 years ago on this date, and Bilski said it brought back memories for him. Bilski also spoke of some of the things that have been accomplished since that day. He said, we have seen the demise of the master-mind, in the elimination of Osama Bin Laden. We stood our ground, and now a museum is close to being opened in the "footprint" of where the towers once stood. Bilski said he believes that is a great accomplishment, for we, as a nation, and what we have been able to accomplish up to this point. Bilski said he is very proud of the men and women who have served since that date.

Dante went through the sheet with notes, and corrections, and the FYI's and explained that when he gives estimates, based upon your prior actions, those are on spreadsheets. He also said that what happens is that after he make recommendations, and the Council take the actions, he starts putting them into the gateway. Once he begins to put them into the gateway, he finds out that certain corrections have to be made to some actions taken.

He also said that they are going to have to reduce one action that they took last week, and increase another, the bottom-line doesn't change, it may mix and match between funds. He said \$320,000 dollars got lodged in the Jail, which was the Public Safety, but should it should have been in the CEDIT.

Dante said on the \$1.390 for the hardware for the Elections, that's going to be carried over next year, and how that fundamentally transacts with the regular operating budget, Ajaz and the Auditor's Office was reminded once again to start spreading the original \$1.3 million. We gave her \$1.3, carried that over from this year, to next year for hardware, the original \$1.3 that was already there for this year' temporary was supposed to be moved out. It has to migrate up to the 1, 2, and 300 series, he reminded Ajaz to call them once again to filter that original \$1.390 that's lodged into equipment, prior to the new transfer over, she has to push that up into the 1,2 and 300 series.

Dernulc asked, that's going to be pushed into 2014 now?

Dante answered, yes, and her budget is going to look really weird. It's going to go from \$2.3, which is her normal budget, and look like \$3.6 million. He said when you move the "other equipment" between years, it made that \$1.390, up to \$7.80. There is \$1.390 too much in Capital, she has to move that up to the 1,2, and 300 Series for the elections next year. No bottom line changes there, it's just a mechanical redistribution of the original \$1.390 on equipment, and we are rebuilding her operating budget by \$1.390 as well, no net effect on the bottom line because you're cutting your Line 2 this year. For some or other it's not filtering down to the departments, just FYI.

Dante said that he is going to ask for action on an item that was approved. He said they approved \$147,404 for Probation Officers Mandates, and placed it in the Public Safety Fund. Dante is asking the Council to remove that because it's going to look odd to have some salaries all over the place, in Public Safety, and it should really be in the general fund because it's really an improper place for a Public Safety distribution of salaries to be there. Dante said this will reduce your deficit in Public Safety by \$147,000, and is going to increase your deficit in the general fund by \$147,000.

**Hamm made a motion, seconded by Prince to remove the additional Probation Officers Mandate of \$147,404.00 from Public Safety, and place into General Fund 001. All voted "Yes", except Strong, "absent". Motion carried 6-yes, 1-absent.**

**Hamm made a motion, seconded by Cid to reduce Line 2 from Commissioner's Budget, 001-2900-41250 by \$166,494.00.**

Dante said this has no net effect on the bottom line because he is coming back for an additional appropriation, which you will see on the agenda in October, so it's a wash.

**All voted "Yes", except Strong, "absent". Motion carried 6-yes, 1-absent.**

**Hamm made a motion, seconded by Prince that the 30 additional Correctional Officers, which were approved earlier for \$7,133,794, reduced to \$4,957,319.00.**

Dante explained that it will be 65 Correctional Officers that you passed, going to 30, which are the original.

**All voted "Yes", except Strong, "absent". Motion carried 6-yes, 1-absent.**

Dante said that the \$320,000 that's lodged in the Jail budget, that shouldn't have been there, has to go someplace, and it's insurance, and that's in CEDIT. The \$320,000 has to migrate over into CEDIT.

**Hamm made a motion, seconded by Prince that the amount that was in general fund, remove the \$320,580.00 as it was explained that it is in DOJ/Jail Allowance( for Public Defenders, and Commissioner/Council Attorneys), that number be changed from \$4,926,194.00 to \$5,246,779.00 in Fund 012 – CEDIT FUND.**

Dante said it needs a home, and Insurance is not a home for it in the Jail budget.

**All voted "Yes", except Strong, "absent". Motion carried 6-yes, 1-absent.**

**Hamm made a motion, seconded by Prince that the Cum Bridge Fund @ \$2 million dollars be moved from CEDIT, to the Borrowing Fund.**

Cid asked, in this year's Borrowing Fund?

Dante answered, yes it will be in Fund 313, or Fund 314, whatever has the appropriate cash balance in there.

**All voted "Yes", except Strong, "absent". Motion carried 6-yes, 1-absent.**

**Hamm made a motion, seconded by Prince that the Cum Drain be moved from the CEDIT fund, to the Borrowing Fund.**

**All voted "Yes", except Strong, "absent". Motion carried 6-yes, 1-absent.**

**Hamm made a motion that Merit Retirement in the amount of \$1,154,275.00 be paid for out of Public Safety.  
Motion Withdrawn.**

**Hamm made a motion, seconded by Cid that Criminal Courts, 13 Probation Officers & Benefits, in the amount of \$737,768.00 be removed from Public Safety.**

**All voted "Yes", except Dernulc, "No". Strong was "absent". Motion carried 5-yes, 1-no, 1-absent.**

**Hamm made a motion, seconded by Prince that the (3) Merit Officers positions be moved back into Fund 289, out of the General Fund, 001.**

Cid said the fund was short this year, and she doesn't understand how these positions can be funded next year.

Bilski said this will take Fund 332 down to zero expenditures, it's everything out of Fund 332 at this point. He said we have 10 Officers moved out of...

Cid said so you are telling me that funds that are in 289 are going to be offset by Fund 332?

Bilski said, could be.

Hamm said we are taking them off of Public Safety.

**All voted "Yes", except Dernulc, "No". Strong was "absent". Motion carried 5-yes, 1-no, 1-absent.**

**Hamm made a motion, seconded by Prince to transfer (2) Merit Officers from Public Safety back into Fund 290. All voted "Yes", except Dernulc, "No". Strong was "absent". Motion carried 5-yes, 1-no, 1-absent.**

Dante said that should bring you to a balance in CEDIT by \$2 million dollars, and for Public Safety, that should bring you into balance, almost right on the "money".

Prince made a motion, seconded by Dernulc to recess for about 15 minutes. All voted "Yes", except Strong, "absent". Motion carried 6-yes, 1-absent.

After the recess, Dante explained that the 2 Income Tax Funds, one comes out to balance at \$8,439,666, (Public Safety Income Tax). This balances to the revenue.

He said the CEDIT Income Tax Fund, where we put everything into the Commissioners is now at \$6,246,774, based upon the actions of this Council a few minutes ago, you are in the plus somewhere in the area of about \$2.1. You are balanced in those funds right now.

Dante said the 3<sup>rd</sup> component in deficit was the (2) Public Safety', and then there's your General Fund. Your General Fund is \$5,590,781. Dante said he already anticipated the \$147,000 moving over, so he didn't have to reprint. He said that is your number on the General Fund @ \$5,590,781.00. and it will increase if we keep adding onto our additional appropriation, that number will increase, and based on testimony that I was presented with yesterday, I had to add on another \$500,000 dollars for Sheriff and Jail, so that number is moving. It was \$5 million yesterday, it's now \$5,590,000. You have more additional appropriations coming on, and whatever you put on this year comes out next year in the bottom-line.

Prince said he anticipates a couple of add-ons, and asked Dante if he would rather deal with them now, or deal with them at the end?

Dante said you can add on, you can subtract, but you will be adding on and subtracting from the \$5,590,000.

Prince said, for instance the Assessor' Office, St. John, Level II Pay. Now most of the Assessor's are insuring that their part-timers are qualified also, in order to complete their work. According to our Ordinance, it doesn't stipulate that only full-times get the Level II. That's an expense. The one' that Prince is talking about aren't major expenses, but they are small, which is why he asked if you want to deal with it now.

Prince said, they need additional money for Travel.

Hobart Township is down (2) employees. She needs an employee, so those are the types of expenses that Prince is speaking of. He anticipates at least one other employee, and those other 2 items that he mentioned.

Bilski said it is appropriate to go ahead and put those in, and then we will have to cut down from wherever it is.

Prince said he will save it for the next workshop, but he wanted to mention it today.

Dernulc said we are not going to have any more appropriations, moving forward.

Dante said correct, if you do appropriate, it will hit 2 things, it's going to hit your Line 3 for more, and the the Public Safety is going to go from \$6, to \$7, to \$8, to \$9, it's going to double up on you.

Dante said, if you are going to shut down additional appropriations, he has \$612,000 dollars built in for additional appropriations for October, November, and December if you are going to shut it down, so there is \$612,000 dollars right there, that's in your Line 3 of your financial statement.

**Prince made a motion, seconded by Hamm to capture the \$612,000 dollars to shut down additional appropriations. (Line 3).**

Dante said it's \$112,000 for the Coroner, \$500,000 for the Clerk, Sheriff/Jail, a combination of all above.

Cid said, so you want to reduce those now, you want to eliminate those?

Dante answered, eliminate them, which means no more additional appropriations in the general fund till the end of the year.

Cid asked, you are talking this year, we put \$155,000 for the Coroner, for next year, that affects that, that comes out as well?

Dante answered, no, we are talking this year.

Cid said when somebody works, we've got to pay them, so where is that money going to come from if we say we are at zero now? Where do we get the funds? There will have to be a reduction in somebody else' budget, or if they don't have it in theirs' to transfer, then we have to pay...

Bilski said additional appropriations, she should have enough money in her budget..

Cid interjected, she doesn't.

Bilski asked, she can't get to the end of the year with the Pathologists?

Cid said, she has been short since January 1<sup>st</sup>.

Bilski asked how much does she need to get to the end of the year?

Bilski asked why don't we take that portion out, and move it back to, he said he isn't opposed to taking it out, and putting it back up for question, to move it back to this year's Borrowing Committee, addressing it to this Borrowing Committee.

Prince said it would be the only other option.

Bilski said we are talking approximately \$112,000.

Franklin said this is an important office, and we've never funded it in the way that it needed to be funded, so she is for whatever they need to do to make it whole.

Cid said I think we need to start looking at what we've approved already is absolutely necessary, and what is extra.

Dante explained that you are getting "backdoored", by a languishing AV, and increasing tax rate. There are 2 principle factors with that. People are bonding out, losing AV, or they are increasing their tax rate, in certain communities. You have to be aware of that.

Bilski said that's where that 1% in 2015 will put that buffer zone, that we are counting on that to save us in 2015, so it's a moot point, there is nothing we can do to stop that, right now for 2014, that's going to be our recourse for 2015, that's the purpose for the 1% PTRC.

Dante said you here me quite frequently going nuts about the additional appropriations, mid-year, after we have signed off on the budget, just keep on coming, and when it comes to him, he has to go to another department, and "sack" that department, or I have to go and "sack" cash, and he has been "sacking" cash in the general fund, and sacrificing, and 196, to the point where we couldn't make payments to the Cities and Towns, so your cash position is definitely weakened by the additional appropriations that you make from January on. Those are just killing us.

Bilski said, so we make a commitment to that, we know we don't have room in 2014 for additional appropriations, so we move on. We have to stay focused on what are we prepared to cut today.

Dante said the 3<sup>rd</sup> component here that's coming up, Park's revenue took a hit. When Park's revenue takes a hit, it's levy goes up, and it wants \$400,000 dollars more, so is Parks a priority, and I think we discussed that last year. He asked is Parks a priority, and if it's not a priority then, something has to happen over there.

Now, after we get done with that, we have to acknowledge the additional that you brought on, and they are the Liability Insurance, is an add-on, at \$1,000,000. The \$1,784,768 for the PERF contributions, the \$1,169,650 for the 312 Loan Repayment, the \$582,167 for the Contractual Obligations, the Health Insurance for Parks. It's not general fund, but it goes to your bottom-line. The Reassessment Levy, not in your general fund, but in your maximum levy, that adds to it. The Salary Mandates at \$160,363, the Probation Officers add to it.

Cid asked if the amount includes the 65 Correctional Officers?

Dante answered, yes.

Cid said, so that amount should be decreased.

Bilski said Cid is right, you need to back out that figure, we have 30 additional employees in there.

**Prince rescinded his motion, and Hamm rescinded his second.**

**Hamm made a motion, seconded by Franklin that the 1.5% PERF in the amount of \$1,784,768, be moved in the CREDIT fund.**

Dante said that's in the Commissioner's budget.

**All voted "Yes", except Cid, and Strong, "absent". Motion carried 5-yes, 2-absent.**

**Cid made a motion, seconded by Hamm to reduce Jail Overtime, in general fund – 001, by \$300,000. All voted "Yes", except Strong, "absent". Motion carried 6-yes, 1-absent.**

**Dernulc made a motion, seconded by Prince to cancel the Budget Workshop meeting scheduled for September 12, 2013. All voted "Yes", except Strong, "absent". Motion carried 6-yes, 1-absent.**

The next Budget Workshop will be held on Monday, September 16, 2013, at 10:00 A.M.

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.

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President, Lake County Council

ATTEST:

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Peggy Holinga Katona,  
Lake County Auditor