

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 the budgets for the Year 2015, 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, David Hamm, Jerome Prince, Daniel Dernulc, Christine Cid, and Eldon Strong, County Councilpersons, together with Ray Szarmach, County Council Attorney. Councilwoman Elsie Franklin was absent.

OPEN: County Council Recommendations, Discussions, and Actions

Bilski said that this is the first run for the 2015 budgets.

Dante spoke about some "big ticket" items that occurred last year, that are no longer in the budget. He spoke about actual occurrences that are in the 16-line statement.

He said that there is a cash and revenue that's going to decline by almost \$3 million dollars. You have the loss in the transfer of \$2.1 million dollars in the 501/566, last year we received \$2 million dollars, plus in 501/566 we do not have that one-shot infusion.

Cid asked what are those?

Dante said those are from the surplus tax-sale close-out, after 3 years funds that sit in the dormant, and after 3 years, you have to clean them out. Dante said what happens is when we build them into the budget, the budget and 16-line statement looks for it every single year. Dante said we have cleaned them out, there is nothing that brings forward, and we don't have \$2 million dollars that usually sits in that account.

He said there was an adjustment in Auto/Excise, even though auto sales are up, there was an adjustment last year. The State indicated to him, and the Auditor's Office, that they gave too much to the County, and several units, the prior year, and they had to make an adjustment, and we loss \$900,000 dollars from the first half of this year on Auto Excess, because of an adjustment factor.

Dante said there was a loss of miscellaneous revenues, the Work Release is no longer there. They used to generate, over an 18-month period, which we are working with, we are not working with a 12-month period, the loss in Work Release, miscellaneous revenue is \$240,000 dollars.

There were some savings that came across, but on the budget side. Dante said when he came across any savings, he built it into the Sheriff/Jail budget. He said there were some savings from that transfer, and he built it into the Jail/Sheriff budget.

He said the issue of not putting some Capital in the General Fund, you have Election's Voting Machines. He said when we roll back, like we intend to do shortly, Election machines are rolled back with it. Then Election Machines had a Line 2, from the prior year, factor in it, which no longer is there. It has to come out, so when you roll back, you have to roll back on the 16-line statement, without the \$1.39 for voting machines. It basically has to come out. That has to come out of the roll-back. That's why you shouldn't put Capital "stuff", that has multiple year life span, that can't be encumbered, or spent in a given year, or two. That's why it's really "nasty" to put it in there. Dante said this shouldn't be in your roll-back for 2015.

Dante said he discussed this issue with the Finance Committee over a month ago, but there was an unfunded amount that was put in the budget. The Council/Commissioners'/Auditor placed it in Insurance. You have a \$3.1 million dollar insurance, unfunded appropriation sitting in your line 1, for next year, and your line 2, which is this year. You have a total of (2) \$3.1 million dollars, unfunded liabilities from the State, that are placed in your budget. That is one of the prime reasons why you are in the negative.

Dante said basically the Council, last year, for this year, passed a general fund budget. It came back at approved \$12.6, and we accepted it. The County Commissioners/Auditor/Council said put it in Insurance. Dante said you can still manipulate it and change it, if you wish because it hasn't been spent yet, but it's in that statement saying, "I've got a \$6 million dollars hole".

Dante said RDA is going to go up, it's coming out of the tax credit for the \$300 dollar tax credit, it's either coming out of our 196 budget, it appears the Department of Revenue is going to take that savings from the credit, and going to apply it and give it right to the RDA directly, without coming through our budgets. It's a "silent" maneuver that doesn't affect us. Our \$3.5 million dollars per year, that comes out of the Riverboat fund, statutorily stays, the extra that's coming out from the reductions of the credit, appears to be going directly to the RDA, from the Department of Revenue, so it doesn't look like we have to adjust our budgets.

A DLGF representative said that any future Bond Issues that the County Council adopts, recommends denial unless it's funded with an internal operating backing. Dante said any new Bond Issues, don't have to have an offset, and if he does make that recommendation, and the DLGF denies it, Dante said we should challenge it.

Dante said you have these negatives built in, the negatives really drive your bottom-line. When you roll-back, you pull in the negatives, your bottom-line drives down, and starts out with a negative of about \$7,000,030.00. You start out in the negative. He the difference between the \$7.5 that you had on your earlier sheet, and the \$7 million today, was the \$500,000 dollars that the Election mentioned yesterday, that she was going to contribute to the general fund, and that's why your deficit came down by \$500,000 dollars since yesterday, because of the Election reimbursement.

Dante said this statement is based upon this year's collections. When you brought everything back, it's 84.72%. That's pre-PTRC, that's this year's stuff, and that's your baseline. Your first motion is going to be, what factor do you want to use for the collections for the 2015. That's got to be your first motion, and that will swing you from the negative, to the positive, in a hurry.

Prince made a motion, seconded by Hamm to secure the Collection Rate at 95%, per the Auditor's conservative recommendation. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante said that's a million dollars, per percent. Dante said it conforms to the LSA numbers, and your \$10 million dollars is in. That \$10 million dollars now swings against the negative \$7 million dollars.

Dante said, the next factor is the voting machines. The voting machines are your line, when you roll back, they are in that line item. Dante explained that this comes from their budget, and we keep it in the general fund budget. There are years in which they don't have elections, in those years, instead of letting it go back into the general fund, we put it in a Capital line item, for their use, so they can maintain the machines. So it's locked in. In the years in which you don't have an election, their budget drops from \$3.6 to \$2.3.

He said the problem that's occurring right now that, Elections doesn't use that money. Before in the past, because our machines were old, and needed upgrading, they used to take that \$1.3, and spend it immediately.

Dante said if you don't spend it, and you don't encumber it, and you don't do a Line 2, the general fund "nabs" it. Dante suggested they remove the \$1,384,855 from your roll-back.

Dernulc said his biggest concern is will they have the money to pay for these machines, if we do that.

Dante said Michelle said she was going to spend part of it this year. When she comes up with the number on September 30th, this number is going to have to be adjusted by whatever that amount is, but right now, since she hasn't given me anything, Dante is saying take it out.

Dernulc said, just so the Council understands, we want to make sure that that's going to be used for those machines.

Dante said, so it's caught in her budget right now. We want to exclude that from the roll-back because she doesn't need the \$1,384,855 in her 2015 budget. It's in the 2015 budget.

Dante said before we go forward, the motion should be made to roll-back the appropriations, but we can bring this up later, after you roll-back.

Hamm made a motion, seconded by Cid to roll-back to 2014. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante said that will be the first element on the roll-back. There are certain funds that we can't rollback, but the general fund, that takes care of the tax-based funds.

He said when you rollback to 2014, this \$1,384,855 is in there, and it doesn't need to be in there.

Hamm made a motion, that \$1,384,855 be removed from the roll-back for 2100-44490. Prince seconded the motion.

Dernulc said again, make sure that we understand that that money will be used when it's encumbered, or whatever, for the machines.

Dante said \$1,384, that's in their current budget, we are not touching that. We are dealing in 2015.

The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante said that just added to your bottom-line, and reduced the negative by another \$1.3, on top of your 10% there, so these are positive motions.

Dante said there is a miscellaneous revenue that has to be dumped out from Fund 329, the Ineligible Deduction. He said that the Auditor is estimating that it's \$1 million dollars, and it has to be removed from

this fund, and placed in the general fund. Dante said, remember, this is temporary. The general fund will look for it each, and every year. Dante recommends that the Council takes half of that right now, and put it into the miscellaneous revenue, 8b-\$500,000. He said the risk is less.

Cid said she knows there is a change in the law, and maybe we don't need to act on this right away.

Bilski said we could always and re-visit this issue.

Dante said just remember that there is \$1 million dollars, someplace, in this system.

Dante explained that the next item is the "C of E". Those are the folks that come in here and get their AV adjusted after the tax rates have been certified. That produces a shortfall in collections, our collections were still based upon property tax, which was last year. The C of E from last year, not this year, so we've incurred well over \$2 million. He thinks the \$1.5 million on the C of E appeal, it's not for sure, it's not guaranteed, we've been successful on every one of these, the estimate is \$1.5, that will add to your bottom line.

Dernulc made a motion to add the Correction of Errors appeals at \$1.5 million dollars. Strong seconded the motion. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante said your typical Line 2 reduction from full-time payroll. He ran the estimates for the first 16 payrolls, and it looks like it's going to be conservatively \$500,000 or 600,000 a year, that you are going to get back in. This is going to be a Line 2 reduction, general fund, full-time payroll.

He said you are going to have other Line 2 reductions, one being the voting machines coming up as well. This is another "plus" to your bottom-line. This is a consistent number.

Dante said Attorney Szarmach will put this in the form of a Resolution.

Hamm made a motion, seconded by Prince to reduce Line 2 in general fund by \$600,000.

The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante explained that Line 1 is next year's budget, and Line 2 is this year's budget. There is a \$3.1 million dollars unfunded liability that is stuck in Insurance. Do you want to take some of that unfunded liability, and can the Commissioner's absorb some of that to help with the 2015 budget?

He said it's buried in your 16-line statement. He said it wants \$6.2 million dollars. He asked do you need the entire \$6.2. Dante said he believes Line 2 should be reduced by half of that amount, \$1.5, in Line 1. You should split the savings between the 2 line items.

Hamm made a motion to reduce Line 1 in the general fund, by \$1.55 million for Health Insurance. Cid seconded the motion. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Hamm made a motion, to reduce Line 2 in the general fund by \$1.55 million for Health Insurance. Cid seconded the motion. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Bilski explained to Peggy Katona, Auditor that there was a debate, regarding the Ineligible Deduction Fund 329, that we were under the assumption that the law has changed, and that the Cities and Towns would be getting that revenue back, effective sometime in 2015.

Peggy said she hasn't heard that at all. She heard it all goes to County General. She said she would make a call, and come back.

Dante said with the TAW, Line 2, we normally allow this for the Commissioners. This is a TAW line item, it's \$750,000. It is a line item that shouldn't have that appropriation. Dante suggested to either reduce that appropriation, or rebuild it back into the Commissioner's line items that they require. He said it's not an appropriate line item. There is \$750,000 dollars in a line item that it shouldn't be in.

Cid said, you have \$450,000 here.

Dante said you may want to rebuild the entire \$750,000 into a line item that the Commissioners can use at a later date, and time.

Dante said you can use, and reduce that \$750,000, and it helps your 2015, or you can let Larry reinvest in 44500.

Dernulc said in this case, if there is a motion made, it should be made to reduce the TAW by \$750,000, and put in into line item 44500? Dante answered, that's correct.

Dernulc made a motion to reduce the TAW, Line 1, \$750,000, and put into line item 44500-Construction & Reconstruction. Strong seconded the motion.

The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante explained that there is \$63,000 dollars from a carryover payroll line item in the Auditor's budget. He said there are no carryovers anymore. That's when they were laying folks off, and they had to have their approved benefits paid in the ensuing year. He said they created a "bucket" for it. Since we don't have the layoffs anymore, we have \$63,000 dollars that really not necessary, so that will go to the "plus" column, if you eliminate, or reduce that line item by \$63,000.

Hamm made a motion, seconded by Dernulc to reduce Line 1, Auditor's general fund by \$63,000. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante said we've gone though a lot of information, and now we are going to go to the minus side, department by department.

Dante said you rolled back property tax base, and the appropriations, levies, and collections percent to the original 2014 level, which we modified, except Supplemental Schools, Cum Cap, Cum Bridge, and Cum Drainage. Those were taken out of the mix. We never put those in the mix. They are always taken out.

Dante said we have to roll back the Income Tax funds, and Public Safety. It should be original 2014, plus the \$1.1 for the E911 bond payment. The E911 bond payment is going to increase to \$1.6 in 2016, and that's going to require reductions in the general fund in the ensuing years. (The Bond issues are not going to hit their maturity levels until 2016). Dante cautioned them to watch E911, it's going to rise in future years. You may be balanced for the first year, you won't be in subsequent years. It's going to go in the red.

Right now we are going back to 2014 on the Public Safety Funds. The Sheriff, Jail, Coroner are in there. The Commissioners is in there for one. Now you are adding on \$1.1 to that for the E911 Bond payment. Dante said in this equation, you are going to not only have to do that rollback, the rollback gives you your Sheriff, gives you your Jail, gives you your Coroner. We have \$1 million dollars for Commissioners, that has to come out, that's in there. If you go with the \$1.1 million, you would have to back out the Commissioners \$1 million dollars, then you will be balanced.

Cid made a motion, seconded by Hamm to roll back the Public Safety Fund to 2014 appropriations. Dante said, that gives you everyone that's in there right now, including the \$1 million dollars.

The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Cid made a motion to reduce the Commissioner's appropriation in the Public Safety Fund, by \$1 million dollars. Hamm seconded the motion.

The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Cid made a motion to increase for E911 in Commissioners' budget by \$1,101,768.00. Hamm seconded the motion. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante said you are completely balanced for 2015.

Dante said CEDIT was not in the property tax base, you are dealing with income tax based funds now. You are basically asking CEDIT to be approved at the annual revenue estimate of \$8.670. You have determine and take a look at the CEDIT, and go budget by budget, because if you are going to add in the commitments for the trains, if there is a commitment made, Dante cautioned them to be careful because you may over-commit this fund, so you may have to go department by department in fund 012, which is your CEDIT.

Cid said, we don't have to do this right now do we? , The South Shore money comes out of here also right?

Dante answered, yes. You have \$8,031,542 in one budget, the Lake County Commissioners, you have \$600,000 dollars in an operating balance, which is not dedicated. You never appropriated that. What you have in there permanently, of that \$8,031,542 is \$1,784,768 for PERF, and Group Insurance @ \$5,246,774, so you have \$7 million bucks, basically dedicated, so what you technically have dedicated in that fund is \$7 million bucks. If you throw in \$2 million bucks for the trains, you are at \$9 million. Something has to be re-worked out of this budget, it can't fit. Something has to go out of this budget. You may want to take this at another date, because it doesn't affect your bottom-line in the general fund, but you are overcommitted on an annual basis by at least \$300,000 or \$400,000 dollars.

Bilski asked, you want to see a \$300,000 or \$400,000 dollars reduction? We need to find, in CEDIT, \$400,000 dollars.

Dante said you are pushing a \$9 million dollars package in a \$8.6 million dollar revenue source, that's correct. The \$9 million dollars package being the PERF, the Group Insurance, and the \$2 million dollars for the trains.

Bilski asked do you feel comfortable reducing CEDIT by \$400,000?

Dante answered yes, but we have to determine a line item in there. We are going to have to take it from a line item.

Bilski said we can reduce the Group Insurance by \$400,000.

Cid said, it's not something that we have to do today.

Dante said no, it doesn't have to be done today because it's not affecting your bottom line.

Mike Brown, Recorder came to the Council to ask for clarification on a Recorder-related issue pertaining to his Enhanced Access Fund.

Dante recommended that the Council put some items in CEDIT, to get something on the books. He recommended they go with the current appropriation.

Hamm made a motion to approve the Income Tax based appropriation in CEDIT, Fund 012 equivalent to the annual revenue estimate of \$8,670,000.

Dante said, it will be a little bit more than that, with the CEDIT, with the RDA, we are going to send this in the red, and let the Commissioners deal with it.

Dante said it's going to be with the current PERF, and the current Insurance comes up to \$7,031,542. That will be the first motion, and if you want to add in this motion the \$2 million dollars for the South Shore, you can bundle that in, and make it \$9,031,542, and let the Commissioners and the Finance Committee deal with the difference. That's a total of \$9,031,542 for 3 line items, South Shore, Perf, and Group Insurance, and we can deal with the deficit at a later date.

Hamm made a motion to approve the Income Tax Based appropriations for the CEDIT fund 012 equivalent to the annual estimate of \$9,031,542. Prince seconded the motion. Dernulc, Cid, and Strong voted "No". Franklin was "absent". Motion carried 3-yes,3-no, 1-absent. Motion failed.

Strong said that his opposition to that whole statement is just this permanent funding source for the South Shore. Strong said he hated to see us make a decade long commitment for something that we don't know if it's going to be there. He said, that's his whole issue on this, he wants to make the budget work, he wants to see it happen, but he has an issue with making that long term permanent commitment.

Bilski said with the whole budget, there is not enough money in there even with that out, to cover the whole thing, so...

Strong said that's my issue with that particular part.

Bilski said if doesn't go, and this thing is a "flop", and the money is there, that's a good thing. The \$2 million dollars doesn't have to be spent...

Strong said he agrees, but it still commits that \$2 million dollars which we are not going to have the money.

Dante said that once you do this, group insurance has to come down. If you were to make that motion to approve this, somewhere between now, and the Second Reading, \$400,000 dollars is going to have to come out of this fund, and that was the agreement that he was trying to head to, and Dante thinks they can work on that.

Peggy came back to the Council to clarify some information about the Ineligible Deduction Fund 329 and said that the money is ours, and what happens, after 3 years, it does go back to the Cities and Towns. We only collect 3 years of it, which we can keep, anything after that is benefiting the Cities and Towns, they will get that money after that.

Peggy said that she is very comfortable, the money is coming in, at least \$1 million dollars, minimum.

Dernulc made a motion, seconded by Cid to increase Line 8a, in general fund 001 by \$500,000. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante explained that Drainage Levy is bringing everything back to the statutory minimum of \$300,000, at this point and time.

Strong made a motion, seconded by Cid to approve Drainage Fund 790 @ \$300,000. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Strong made a motion, seconded by Dernulc to approve Cum Bridge Fund 350 @ \$1,024,850. The majority voted "Yes". Hamm, "No". Franklin was "absent". Motion carried 5-yes, 1-no, 1-absent.

Cid made a motion to approve Cum Cap Fund 651 as follows:**\$1,043,261 – Data****\$603,723 for Sheriff****\$326,250 for Board of Commissioners****Bilski seconded the motion.**

Strong asked Dante why he said that Cum Cap didn't work out well, and asked why, Strong said, he thought it worked out fine.

Bilski said, not if Cum Cap didn't purchase what the intent was. What we thought Cum Cap was going to be purchased for certain things, but it ended up being spent on other items.

Dante said there was the intent to provide something for the Sheriff, it didn't work out that way.

Bilski said, in the form of vehicles, equipment, and it didn't end up going that way.

Dante said, so now we have some vehicle issues there.

Cid said that when we first moved over the Cum Cap to Commissioners, my intent and purpose of that procedure was to purchase in bulk, that was the original intent. To save some dollars, instead of each department having a vendor, and buying one buying a copier, and another department buying a copier, but to but 3 copiers, going through the Commissioners, we would get a better deal that way, that was the thought. Even still, we get a list from Dante of the request, and we make approvals, so with us approving that we want to spend this much on whatever it may be, for that department, that's what I feel is the decision we made. We give it all to the Commissioners, but we are the ones' who approve the funding, and the amount to appropriate. Cid said that's why I made my motion, and I stand behind my motion.

Bilski said that the helicopter payment is \$203,723, and asked Cid if she wanted to amend the motion, and put that amount in the Commissioner' budget?

Blanchard said the Commissioners actually own the equipment, the helicopter, and cars.

Cid said her motion stands.

The majority voted "Yes". Dernulc and Strong, "No". Franklin was "absent". Motion carried 4-yes, 2-no, 1-absent.

Cid made a motion to approve the Supplemental School Fund 556 per formula.

Dante said that would be \$3,906,183, and it changes from year to year, based upon population of students.

Dante said that's the unusual levy that only Lake County, and St. Joe County have in this State. Dante also said, it's required by law.

Prince seconded the motion.

The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Bilski wanted to know how the Council is going to address that previous issue that failed.

The Council decided to take a 5 minute recess.

Cid made a motion, seconded by Prince to take a 5 minute recess. The majority voted "Yes". Franklin was "absent". Motion to recess carried 6-yes, 1-absent.

Hamm made a motion, seconded by Prince to approve the Income Tax based appropriations in CREDIT fund 012 equivalent to the revenue estimate of \$7,031,542. The majority voted "Yes". Dernulc, "No", Franklin, "absent". Motion carried 5-yes, 1-no, 1-absent.

Dante said that the Bond Funds are as requested. Whatever doesn't get approved, in terms of an actual Bond Issue Sale, the State is going to have to remove it, so Dante recommended that they approve all of the Bond Funds 316-322, as requested. He said it has built in extra bond issues, but they are not sold, they are not executed, or the Council doesn't approve them, they go away. Dante said, there is a caveat, and a condition in there. He asked that they please stop dedicating these bond issues, with an existing operating balance, or a riverboat fund balance, without an appropriation, or without a permanent appropriation because it's really driving these funds, financially in the red.

Bilski said, so it's safe to say that Fund 196 is off limits right now. Bilski said Fund 196, from this point forward suggested, is off limits.

Dernulc asked, why is this a good thing again?

Dante said you are approving all bonds, as requested, you are covering all current amortization schedules that are currently approved, and you are leaving yourselves, in case there is a new one for a judgment, or

a Jail, or a new bond issue, you are leaving yourselves open to that bond issue, unless the paperwork isn't signed off, and sent downstate to DLGF by December.

Dante said again, please stop doing bond issues with backing, that doesn't exist.
Dante said the Bond Funds are 316, 317, 320, and 322. There are 4 of them.

Dernulc made the motion to approve Bond Funds for Funds 316-322, Hamm seconded the motion. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante said you've covered the Bond Funds, covered basically, some of the CEDIT, Public Safety, you got the Income Tax Funds, you've got the property tax based funds, you've got your Bridge Funds in here, now we have to go to the user fee funds.

Dante suggested they approve all User Fee Funds, as requested, except for Riverboat Fund 196, and the Probation Administration Funds 245, and 246.

Dante said Funds 196, 245, and 246 have to be zeroed out.

Hamm made a motion to approve all User Fee Funds, as requested, except for Fund 196, Fund 245, and Fund 246, and temporarily approve those funds at zero. Prince seconded the motion.

Cid asked does this include, as requested by all departments of user fee funds, any new positions, any pay increase...

Dante said not pay increases, in terms of full-time salaries, the pay increases will revert back to what you do in the general fund. So if there are huge pay increases into these user fee funds, they will be denied.

Cid asked but it does approve any new positions, that might be in there...

Dante said there are not many in there, there may be one. There are no crazy salary increases in there, so you are basically approving the user fee funds, as requested, essentially.

Bilski said we actually have created a new replacement position with Peggy's department.

Dante said, not yet. That's general fund.

The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante said this is a bond issue related thing, which is why we took it out. He said that Riverboat is at zero, right now. You did not revert back to 2014, it is zero. He said your commitments are at \$14,951,773. You are well over \$2 million dollars over committed on this fund. He said the 2 issues that sent it over the edge were, the Commissioner's Bond @ \$2,261,000, and Highway @ \$583,375. Those are the 2 bonds that we dedicated last year, out of Riverboat. They came in since last year, and took this fund down.

The Building Corporation, and the Paving. He said that's coming in, and the DLGF is making us abide by our Ordinance to pay for those bonds out of the Riverboat Fund, and it's taking our annual appropriation, which is historically \$12,600,000, and it's driven it almost up to around \$15 million dollars. Dante said, that's an overcommitted fund.

Bilski said we are looking for \$2 million dollars.

Cid asked can you bring this down, the Council's appropriations?

Dante said the Council's appropriation is \$3.5 for RDA, \$3.5 for your Cities, and Towns, your 25% for your Cities and Towns, and \$16,000 for our Grant Administrator.

Strong said he thought the RDA was coming off the top.

Dante said that's the extra that the State gave them, that's from the Credit.

Cid said \$3.5 the credit, plus the \$2 million for the South Shore.

Dante said, that's correct. The issue here is those bond issues just stay, we committed the Riverboat, without and appropriation, so you are okay this year, but next year, we are not going to make it. He said this year's problems with cash is because the receipts aren't coming in, and we don't get our reconciliation until about a week or two. It's a cash flow problem. We have this covered this year. We have these additions covered this year. We don't have them covered next year. They have to find a home.

Bilski said, in the tune of \$2 million dollars.

Dante said, right.

Bilski asked would we mid-year, in 2015, be advised at that point?

Dante said you've got to take one, or several of the other appropriations down by \$2 million dollars.

Bilski asked if we combine Phase II, Health & Hermits Lake, and find a new home for them, there's over \$2 million dollars right there.

Cid said no, in 2014 he is only committed to the Hermits Lake. Phase II isn't in there.

Dante said, yes, the Hermits Lake is in there, \$40,000 is committed out of there. There is \$1 million dollars for Health, we have to take that down, it's in the \$1,040,000. Dante said \$1 million has to come out of insurance, and/or Data Processing. Take the entire \$2 million out of Data Processing, you have to put \$2 million in Data Processing, in the general fund.

Bilski said he would entertain that suggestion, taking the \$2 million out of Data, and plug it into general fund.

Dante said, you may not want to act upon it today, but it has to be done at budget.

Hamm made a motion to move \$2 million dollars, out of Fund 196, Data Processing, and move that into the general fund. Strong seconded the motion. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Hamm made a motion, that Fund 196 be set at \$12,951,773. Strong seconded the motion. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante explained that the Probation Officers are in Fund 245, and 246. He said the cost to the general fund will be \$180,342. He said when you approve, it is to approve the salaries for the Indiana Judicial Conference Salary Schedule. Your cost to the general fund will be the \$180,342.

Dante said your motion will be to apply the Indiana Judicial Conference Schedule for the Probation Officers, and you take care of 245, 246, all the positions in the general fund, and the total bottom line cost to your general fund is \$180,342. Dante said, there are increases, you have no choice, it's mandated.

Dernulc made a motion, seconded by Cid to approve the Probation Officer's Salaries in Administrative Funds 245, and 246, and Supplemental Probation User Fees Fund 143, in the amount of \$180,342. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante said the Assessor wants to make her recommendations on the appropriations. The Assessor recommended the requested amount, which was \$2,559,485. The Assessor does not have to make any recommendations on the levy. You have currently sufficient levy to support the \$2,559,485, but not in the long run, if you stay at \$2,559. The issue is you are fine appropriation wise, you have the Assessor's recommendation to approve the request, however, the long term, a \$1.8 million dollar levy, over a \$2.5 appropriation might be a problem in 3 or 4 years.

Dante said you have 2 items coming in at the same time, you have appropriations, which can be sustained, and recommended by the Assessor, as submitted by the Assessors, in the long-term, you want to up the levy to get it closer to the appropriation, which is the second part of this.

Prince made a motion to approve the Assessor's recommendation "as submitted" to the Council on 8-4-14. Hamm seconded the motion. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante explained that when you rolled back, you didn't have the \$582,000, which was lodged in the Commissioner' budget, and for the salary increases for the Jail and Sheriff. That has to be moved over. The Jail Work Release is still stuck in Jail Work Release. The Website Maintenance supplementals, the PERF supplementals have not been moved over. Dante said the total cost to the general fund is \$262,991. All of your job changes that are not in the general fund, that you are now approving, and bringing back, and the administrator for the Juvenile, he is only funded for 4 months. By this action, you are funding him through April 1st, along with all of these Probation Officers, and all of the other changes that we've had in there is, with benefits, \$262,991. Dante cautioned to watch when you are bringing this back over, you are bringing an additional cost to the general fund. Those 5 Probation Officers weren't free.

Cid made a motion to approve the Carryover Salary changes, \$582,000 for the Sheriff, Merit, and CO's Jail/Jail Work Release position transfers. Prince seconded the motion. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Strong made a motion to approve the Website Maintenance Supplemental and 1.5% Perf Supplementals. Prince seconded the motion. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dante said now the issue is that Juvenile Court person. You only have him funded until April/2015. That's all you approved so far, on that fund.

Hamm said that Judge Stefaniak stated that he was going to figure out a way to take care of it. Dante said he is covered the first 4 months, there is nothing more.

Dante said what I heard in the Committee meeting was, he is going to re-position his request, and go to the Mandate asking for a couple of new positions, and full-year funding for this gentleman.

Dernulc mentioned, that he also said, that he would take care of that in his own budget.

Bilski said they had a Committee meeting with Juvenile, and Public Defenders'. There was an increase in there, and we were going to look into the Public Defender positions, this goes back to our Mandate, with Webber, total cost was around \$160,000, to approve everything that we had.

Bilski said we had the Public Defenders that were at \$28,500, and there were 3 positions that needed to be increased. This is per Judge Stefaniak' request. The Public Defender' positions are contract positions. Bilski said there was an issue that was a concern, Public Defender wide, pertaining to FICA, PERF contributions on Part-time positions. Bilski said his position is going to be that I think that in this case, we are doing some research on the \$28,500, whether or not we can reduce that. He said on top of the \$28,500, we are spending a few more thousand dollars for Fica and Perf. It's closer to \$6,000. Bilski said after Attorney Szarmach researches this, one of the motions coming up in budget cycles very well could be to reduce it by whatever that exact number is. We shouldn't be paying that. Bilski said he thinks we need to clean that up.

Attorney Szarmach said the 3 new Public Defenders are required by a recent Supreme Court Decision that categorizes what type offense, etc, you must give a Public Defender. Bilski said he will wait. He said in talking with Dante, without the Fica & Perf, need to approve \$160,500 in Judge Stefaniak' budget.

Dernulc made a motion, seconded by Cid to approve \$120,000 to Jail Maintenance & Service for additional medical/contractual, per 2-6-14 Budget Committee. Cid seconded the motion. The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Dernulc made a motion to transfer \$80,000 from 010-3100-43630 to 010-0500-43145 for Legal Advisors. Cid seconded the motion.

Dernulc explained that this money was misplaced in 010-3100-43630 in 2014.

The majority voted "Yes". Franklin was "absent". Motion carried 6-yes, 1-absent.

Cid made a motion for approval of addition Correctional Officers to satisfy the DOJ Agreement @ 65.

Dante said you've approved 54 of them. Dante said this is just for a reminder for himself, that somebody is asking for 11 more. There is no action needed.

NO ACTION TAKEN.

Hamm made a motion, seconded by Bilski to approve \$2 million dollars in CEDIT Fund 012 for RDA/Southshore. The majority voted "Yes". Cid, and Strong voted "No". Franklin was "absent". Motion carried 4-yes, 2-no, 1-absent.

Strong made a motion, seconded by Prince to approve \$313,136 in CEDIT Fund 012 for Trustee agreement approve 7-8-14. The majority voted "Yes". Cid and Franklin were "absent". Motion carried 5-yes, 2-absent.

Dante explained that this is just a reminder to package the Courts Mandate actions, instead of piece milling them in, including the Juvenile, including the additional Criminal. Dante suggest to look at them comprehensively, and bring them forward as a group. It's a reminder, kind of packaging deal. It ties in with the Juvenile, the Administrator over there, it ties in with the Criminal Court, which is left unfinished, with the 5, they are still coming for more, I understand, Civil is coming...

Prince made a motion that we do all of these all at once, bundle them. Dernulc seconded the motion.

Hamm made a motion, seconded by Prince to approve \$100,000 general fund for 0500-41235/Merit Retirement. The majority voted "Yes". Franklin & Cid were "absent". Motion carried 5-yes, 2-absent.

Prince made a motion to approve \$63,053 for the Agreement with the (3) Mental Health Centers in the general fund, line item 2900-43973/Mental Health Centers. Strong seconded the motion. The majority voted "Yes". Franklin & Cid were "absent". Motion carried 5-yes, 2-"absent".

Hamm made a motion, seconded by Prince to approve Longevity, "as requested". The majority voted "Yes". Franklin & Cid, "absent". Motion carried 5-yes, 2-absent.

Prince made a motion to approve the Assessor's Certification, "as requested" @ \$3,000. Strong seconded the motion. The majority voted "Yes". Franklin & Cid, "absent". Motion carried 5-yes, 2-absent.

Dernulc made a motion, seconded by Prince to approve the Perf Supplement @ 3%, salary cost is \$3,194. The majority voted "Yes". Franklin & Cid, "absent". Motion carried 5-yes, 2-absent.

Hamm made a motion, seconded by Prince to approve the Coroner, 300 Series in General Fund, "as requested". (Total cost is \$17,861). The majority voted "Yes". Cid & Franklin were "absent". Motion carried 5-yes, 2-absent.

Dante said there was a discussion about who is tracking the part-time payroll. Bilski said this is an important issue. Tracking the minimum standard, so if someone works 40 hours one week, and 30 hours the next, who is going to be there to control it to keep them down to the 30 hours. The suggestion was to centralize this, and give the tracking to Data.

Dante said he heard that there will be more shifting from CASA to the general fund, it's coming. He said the 706 fund is getting more out of that business, and getting pushed into the general fund, you should have it by next week.

Dante said the Recorder's Perpetuation Fund, Attorney Szarmach has to have an Ordinance. That written affidavit/sworn statement has to be converted into an Ordinance.

Dernulc made a motion, seconded by Prince to cancel the Budget Workshop Meeting scheduled for 9-5-14 @ 8:30am. The majority voted "Yes". Franklin and Cid, "absent". Motion carried 5-yes, 2-absent.

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

