

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 2016 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 Ted Bilski, President, David Hamm, Jamal Washington, 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

Judge Schneider wanted to address the Council, and emphasize the additional appropriation that was requested, which was the part-time, which also, is a \$24,000 dollars increase. She explained that there are 7 Judges in their Division, and that's less than \$3,500 per Judge, for the whole year.

She said they need that to assist personnel. Judge Schneider explained that they have floating secretaries that have worked out well, but there are occasions, with the length of service of their employees, with so much vacation time, they still find themselves to be short-staffed.

She said the Judges get Law Clerks, at no cost, from the University, and they are given Course credit, but when they come upon a new Law Clerk, who maybe has graduated and is waiting to take the Bar, they like to give them a little compensation over the Summer, so they can continue to assist us, with our Legal research.

Bilski asked Judge Schneider, how much are you asking for, with regard to the Part-Time?

Judge Schneider answered, \$24,000.

Dante said, line item, 41190, that's your Part-time. Going from \$60,000 to \$84,000 would do it.

Cid said, her only concern is, that she doesn't know if we are in a position right now, to be adding anything to the general fund.

Judge Schneider said they understand, but wanted to emphasize that, that was the only additional that they requested.

Bilski said they have to make some reductions and transfer some things back, and if they have enough, by actions taken today, we will definitely take it into consideration.

Juvenile Detention was present.

Dante said there were 2 sets of changes, and he has them both in. He has everything in that they requested.

Bilski said that what we've done is no bottom-line difference to the general fund, we've allowed them to re-group, and move things around. Bilski said it's basically an internal reorganization, and we've allowed them to move some things around, positions, and take monies, and move some positions for better pay, which ended up being a raise for Detention Officers.

Bilski said no actions are required for Juvenile Detention.

Bob Nickovich from Parks Department was present to answer any questions.

Auditor John Petalas was present regarding 2 positions.

Bilski said Mr. Petalas was previously asked to go back to his funds, and do it "in-house".

Mr. Petalas said the total package, which includes the jobs, Perf, Workman's Comp, FICA, Insurance, all comes out to \$102,934. He said he is asking for a possible appropriation of \$2,934.00. He said he came up with \$100,000, and he isn't sure that he may need the \$2,934, but worst-case scenario, that's what he is asking for.

Petalas said he has never had a re-organization. He explained that in 2014, before he became Auditor, it was decided to take an employee, and put him in, to work with Dante. He said the previous Auditor asked him would that be a problem, and Petalas said no, as long as that position was replaced. He said he never asked for a re-organization when he took office in January.

Dernulc said he understands, because Petalas is getting the money from his budget, and there is no extra that we will have to appropriate?

Petalas answered, exactly.

Dernulc reiterated what Cid said, which was that we are in no position to add any more...

Strong asked, no impact on the general fund, right?

Ajaz answered, none.

Petalas said, the only thing he was going to asked, like he said, was maybe about \$3,000, but he thinks that even with that, they may be able to absorb because the insurance amount that they calculated, was a little high.

Cid said this is the first time that she has seen any of this, as Chair of the Auditor's Committee. She said she still doesn't think we need to be adding these new positions. We are not in a position right now.

Petalas said, I am not asking you for any money out of the general fund, then Petalas said, "I would imagine that this is also going to hold true for every department, including the Sheriff"?

Cid answered, that's right, I'm pretty consistent in the way I take action here, and that's right, there was a Judge here recently, who wanted a Bailiff. Cid said, we are not balanced yet, we still have some things to do.

Petalas said again, I am not asking for any money out of the general fund, this money is coming out of my own funds, it's there whether I use it to pay salaries, or pay something else, it's there.

Petalas said, we've run all these numbers past Ajaz, and Dante. We even checked with the County Assessor, Jerome Prince because one of the funds that I'm in charge of is the reassessment fund. There is a small portion of money there, \$45,000 dollars, that he says he doesn't need. He was willing to sign off on it.

Dante explained that that is the second batch of parenthesis on his Considerations, and it's more involved because it is more involved than it appears.

Washington commented that he is not saying that he is against it, but right now, when you talk about net neutral, when you are adding to employees, that also adds to liability of insurance, meaning if "x,y, and z", gets sick, there is a cost associated. He said, there is a cost. We are not talking about moving supplies to something else, that's a fixed cost, we are talking about moving from one source to an invariable source, because when you're talking about insurance, that's an unknown variable, it could come up to \$100,000, or \$400,000, we don't know.

Strong said, when you said net neutral, my understanding was that you were going to cover that insurance too, right?

Washington said, I'm talking about the risk, not that. We are talking about that risk, and as we are trying to "clean up the budget", there are other departments right now, and I would rather balance the budget, and make sure that every department is 100%, I think we are putting the "cart in front of the horse". Right now I think that we need to make sure that all departments are funded.

Bilski said all departments are funded, based on the budgets that we've agreed to, and we've agreed to stay within their working budget limits. Bilski said as to the actual percentage of risks increasing, there is a potential risk there, but that's also the risk that you have everyday. Bilski said, if that's the case where we are going to constantly consider about the risk factor, then we need to change our healthcare program completely, reduce the healthcare coverage that we have to our employees, and sub-contract that out to a third party, and take away the healthcare that we are providing. If we are worried about that percentage of risks, then we should get out of that business completely.

Washington said if you put one more person, you increase the risks. I'm not saying that position is not needed, but the fact remains, if you add another person, that risks of them getting sick, or hurt increases.

To save money for the insurance, Washington said, that could be an option to see how we could save money by outsourcing it.

Washington said, my stand right now, is, we "open up the flood gates", if we do this right now, everyone is going to want to get another position. He said, you are saying that every department is funded but, it is not, and until we are 100% funded, in every one, I think we are going to have an issue.

Cid said there has been 45 or more requests for new positions...

Petalas said, this is the first time in 10 years since I've been a County Official, that I've ever come before any of you for a job, or any type of an increase in my budget, I very rarely appear here for a transfer of

funds. I am asking you this, because there is a need in the Auditor's Office. They handle the finances of every single department in this county, and all 3 buildings. They took a big "dump" in 2008, when they had to give up a lot of positions, along with the Treasurer's Office.

Cid interjected by saying, "and you have still been running efficiently".

Petalas said I've gone through hoops through this, since September, I've bent over backwards to acquiesce to whatever you guys want. Petalas said, either vote for it, or vote against it.

Strong said, the key to me, is the fact that you are funding this yourself, there is going to be no impact on the general fund, now, or in the future, and you are not going to come back next year...

Petalas said, we are going to revise the entire general fund, to accommodate that, in the future, as well.

Dernulc said, if it's in your budget, and you live with it, we understand, the risk is there. This started as you were asking for an appropriation for more money, with the end result being, you found it in your budget..

Petalas said, with the cooperation of the Commissioners, they've also cooperated.

Dernulc said, because I would not have voted for this, Strong said, I wouldn't have either, had it impacted the general fund.

Petalas asked the Council if they had any questions regarding Lake County Solid Waste?

Dante said he just received the revised 16-line statement. It will be on your agenda for Thursday. It looks good.

**Bilski made a motion, seconded by Dernulc to reduce Other Professional Services/43190 in Auditor's, Department 0200, Reassessment Fund 337, by \$45,000.**

**The majority voted "Yes". Washington and Cid, "No". Franklin was "absent". Motion to approve carried 4-yes, 2-no, 1-absent.**

**Bilski made a motion, seconded by Dernulc to approve position "Exemption Clerk" #16390 in Auditor, Department 0200, Reassessment Fund 337 @ \$25,000.00.**

**The majority voted "Yes". Washington and Cid, "No". Franklin was "absent". Motion to approve carried 4-yes, 2-no, 1-absent.**

**Bilski made a motion, seconded by Dernulc to reduce Part-Time #41190 in Auditor, Department 0200, General Fund 001, by \$20,000, and reduce "Advertising" #43320 in Commissioners, Department 2900, General Fund 001 by \$30,000.**

Dernulc asked, on the advertising, is that from the savings that you received from the Niemeyer Bill?

Mr. Petalas answered, yes. Petalas then said, I don't think it was the Niemeyer Bill, it was a new law that was passed where we don't have to advertise the claims.

Strong said, "I want to talk about the Niemeyer Bill". He said that he sent all of the Council members the cost of what we spent for advertising last week.

Bilski said he thinks at mid-year, we will be able to look at a reduction in those line items, but he would not want to reduce them too much coming into 2016. He agrees that there will be a reduction.

Strong said he doesn't want to reduce too much either, but, Strong said, I can't help but think we should get a better reduction out of here. Strong asked, \$150,000? \$200,000 tops?

Petalas said the only reason we don't know is because they passed a (inaudible) down version of the Niemeyer Bill, where they've eliminated either the key numbers, or the addresses that have to be put into the legal notice. Petalas said, we don't know what that's going to change.

Strong said, one time, one time, just one time. It's been done already, it doesn't have to be put in again, all we have to do is advertise in the newspaper, where it can be found, and then we can put it on the county web site. That's the Bill. We don't have to advertise where the.... (talking at the same time, inaudible).

Petalas said, we don't want to pay out anymore than we have to, he thinks it is a waste of time having to advertise twice like we do.

Bilski asked, Petalas, when do you anticipate having to advertise again?

Petalas said, we are looking at a Commissioner's Sale, probably sometime in March, so it will be Spring before ....

Bilski said, sometime by late May.

Blanchard said those advertising costs are not taken from the general fund. He said that the Commissioner's Office, and the Auditor's Office, working together, discovered that we no longer had to advertise claims in both newspapers, which costs between \$1,000, and \$1,500 dollars a month, for each newspaper.

Strong said I am talking about tax sale.

Bilski said, that's the answer to where this \$30,000 dollars comes from. It is an actual savings that his Office wouldn't have alerted the Commissioners, who actually pay the bill, out of monies in the Commissioner's budget. We'd still be advertising.

Strong asked, the money that's in that Fund, and if you get the full amount that you're asking for, it can't go anywhere without action coming through this Council first, right? You just can't take it out, and use somewhere else, the Council has to appropriate it, right?

Bilski clarified, the tax sale advertising money, you're talking about?

Strong said, yes.

Petalas said, the tax sale money, from the Commissioners Tax Sales, first we wait until the redemption period is over, so that all of the redemptions can be paid out of there, then according to the County Council Ordinance, there is a certain portion that goes out into 4 different Departments, in the form of Incentive Funds. The rest of the money then, goes back to the Units of Government. There are incentive funds for the Auditor, Treasurer, Commissioner, and the Recorder. The amount that can be taken out of each Fund, is established by Ordinance, it's capped.

**Hamm, Dernulc, and Bilski voted "Yes". Washington, Cid, and Strong voted "No". Motion Failed**

Strong asked if they could sit down with the Auditor, and get some more information, and re-address this, in a couple of days at one of our budget workshops?

Bilski said it was a two-part motion, one was to reduce Part-Time, and one was to reduce advertising in the Commissioner's Department 2900.

Petalas said, the calculation that we made was that, in the 2016 Commissioner's budget, the estimated cost savings to the Commissioners' budget will be \$50,000 to \$60,000 dollars.

**Bilski made a motion, seconded by Strong to reduce Part-time/41190, in the Auditor's, department 0200, general fund, 001 by \$20,000.**

**The majority voted "Yes". Cid, "No". Motion to approve carried 5-yes, 1-no, 1-absent.**

Strong asked, can the advertising be reduced by more?

Bilski said, "I can't answer that".

Petalas said we are estimating the cost savings at \$50,000 to \$60,000.

Blanchard said, it can be reduced by more. The appropriation for advertising around \$150,000, is not in general fund, it's in tax sale fund. This is the general fund to pay the regular advertising costs for your executive session, or regular meetings.

**Bilski made a motion, seconded by Dernulc to reduce "Advertising" #43320 in Commissioners' budget, Department 2900, general fund 001 by \$30,000**

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

**Bilski made a motion, seconded by Dernulc to approve Exemption Clerk #16390 in Auditor, Department 0200, General Fund 001 @ \$25,000.**

Strong said he thought there was going to be nothing here affecting the general fund.

Cid said, this is from the actions we just took reducing the Part-Time, and the Advertising. It's revenue neutral.

Bilski said, we've already made the motions to reduce them, now we are approving the position.

Dernulc said, I just wanted to make sure.

**The majority voted "Yes". Washington and Cid, "No". Franklin was "absent". Motion to approve carried 4-yes, 2-no, 1-absent.**

Dante said that it is very important that if there is any potential litigation out there, if they didn't object, their case is going to be weakened, so there were no objections, as usual.

Dante explained that you must go through at least 2 objections before you are successful in any financial litigation against the County, so that's important. Dante said again, there were no objections.

He said that he just found out that with regard to the Public Safety revenue estimate. He received the revenue estimate, in August, and the number showed a substantial increase, and that increase was supposed to have been to your financial statement, put you in healthy surpluses on CEDIT, and Public Safety. He said late Friday, there was a notice that says that not the CEDIT, but the Public Safety Income Tax is going to go down by 1.6%. Dante said it's 1.6% off of the entire projection amount, his initial reaction was, "no big deal", "we are way ahead of the game", 1.6% off of the big increase that Dante received in August, no big deal. Dante then said, it's 1.6% off of this year's, your Fund just went into the "red".

There is nothing you can do about it, let it go into the red. It went from the "black" figure of \$50,000, and it went into a "red" figure of over \$300,000 dollars, overnight. Dante said, there is nothing you can do about it. It's the Sheriff and Jail in there, we just have to hope that somebody turns back in some money from this year's budget. It's not a deal breaker, it's \$300,000 dollars of a \$9 million dollar budget. It just goes to show you how "volatile" this statement is, and how "volatile" the actions of the State are. They gave me an estimate that's \$500,000 or \$600,000 more, and 2 months later they give me an estimate that's \$500,000 or \$600,000 dollars less, and CEDIT is up. CEDIT is way up. Public Safety is down.

Dante said, so it's bad news, but it's nothing you can do at this point in time. Dante said he believes that we are going to have savings from this year's budget, everybody doesn't use all of their budget amounts, but your positive just went into a negative.

Dante said he also has bundled in there, the collaboration between the Criminal Court, and Lake County Division I, on a Bailiff. Dante said there was some collaboration there, so now we are going to go back into budget items again.

**Hamm made a motion, seconded by Washington to remove 1 Bailiff #14401, in Lake County Division I, Department 4030, general fund 001 @ \$24,001.00.**

Dernulc asked, with the elimination of the 1 Bailiff, is there going to be enough to pay for 2 Bailiffs?

Hamm said, I have some other actions to take.

Cid said that she would definitely vote to eliminate a position, because it's creating a new position.

Bilski asked, if I am taking one out of Judge Schiralli's Court, and moving it into the other Court, how is that the creation of a new position?

Cid said because you are creating 1.... You are only eliminating 1, and you are creating 2.

Bilski said, but the action on the table right now, is to eliminate 1, and transfer it to the other, so that's not 2 positions, that position already exists in our budget.

Cid said that the 3<sup>rd</sup> motion is going to be to create 2 new bailiffs.

Bilski said, no.....

Hamm said my motion is to eliminate a Bailiff from a Court.

Cid said, I will support eliminating a Bailiff.

Washington said so we are eliminating a Bailiff from 1 department right? Where are we getting the money for the other Bailiff?

Hamm said, I will bring that up.

**The majority voted "Yes". Franklin was "absent". Motion to eliminate the Bailiff carried 6-yes, 1-absent.**

**Hamm made a motion, seconded by Strong to reduce Part-Time, 41190 in Criminal Court, Department 4000, in the general fund 001, by \$20,000.**

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

**Hamm made a motion, seconded by Washington to approve (2) new Bailiffs, #14401, in Criminal Court, Department 4000, in the general fund 001 @ \$32,069.**

Hamm said that last week, even though it's a different fund, we actually save \$50,000 dollars, from the Sheriff's, by moving it from \$100,000 to \$150,000. I've made up \$20,000 dollars, by Criminal Court agreeing to reduce their part-time by \$20,000, so between the \$50,000 we took from the Sheriff, the \$20,000 we took from part-time, in the Criminal Court, and the Bailiff out of Judge Schiralli's Court, we actually have more than enough money.

Bilski said, there is 1 position, that already existed that was simply transferred from 1 Courtroom, there will be 1 new position, that will add to the risk factor...

Strong asked again, that \$50,000 dollars, from the Sheriff, where is it coming from?

Hamm said, I made a motion last week from \$100,000 to 150,000 we don't have to use that. Hamm said, I will go with the \$20,000 that we just reduced, and the Bailiff to assist me.

Dernulc said it's just 1 Bailiff right now.

Washington said, we reduced 1 Bailiff, so that's 1, then the next was to reduce the part-time. He said he thinks we got thrown off with the \$50,000, so take that out of the equation. If you look at this, is this net neutral, because it sounds like it is?

Hamm said, no, not quite.

Cid said we don't have any insurance.

Washington asked, so the insurance is not factored in? That's like \$20,000 per person?

Bilski said it's like \$50,000, that's where the fifty grand came in.

Strong said, make it net neutral, and I'm with you. So where do we find it?

Dante said, because we moved so fast on that motion on the Merit Retirement, obviously you were going down the path of the Courts. That Merit Retirement reduction shifted to the 287 Fund, was for the general fund, as a whole.

Dante said we have been all over this net neutral, and to satisfy the net neutral, the Merit Retirement is a range. They give me a range it's anywhere between \$3.5M, and a minimum to \$3.7 at a maximum. Dante said he is towards the maximum range right now, in the mix. If you want it reduced, and be a little bit less contribution, oriented to the Merit Retirement, you can hit the Merit Retirement by another \$50,000 dollars, so your motion here would be to reduce Sheriff's Merit Retirement line by another \$50,000 dollars, putting it towards the lower/middle part of the contributions scheme. They give you a range, they never give you an exact amount. Sometimes we're at the lower end, sometimes we are in the middle.

Washington asked Strong, how do you feel if we did 1 Bailiff, how do you feel about that?

Cid said \$24,000 plus \$20,000 will not support a \$32,000 plus...

Strong said right now I hate to even mess with retirement.

Dante said they give you a range, and they let you make that choice. We always go to the middle part of that range. We always give them more than the minimum, always.

Strong asked how much more than the minimum?

Dante said usually \$50,000 to \$100,000 dollars, usually. You are at \$3.6M, and now we are almost at \$3.7M, so you are \$100,000 dollars to the positive.

Strong said, we gave them \$100,000 dollars more than the minimum.

Dante said not the maximum though, so you bounce around on the range.

Hamm asked Dante, are you comfortable with my Court Security?

Dante said, any collaboration with the Courts, he is comfortable.

Hamm said I also got \$20,000 with the part-time. Am I net neutral, no I'm not exactly.

Dernulc asked, why don't we reduce the Merit Retirement by \$50,000?

Dante said, it's your decision.

Bilski said that there is already a motion, and a second on the floor, and we will have to withdraw that.

**Dernulc withdrew his second. Hamm withdrew his motion.**

Washington said at a previous meeting there was discussion about doing a collaboration with all of the Bailiffs, making a "Pool", so with that being said, is that something we can re-visit, and if we hire the 2, to be in this "Pool". That way, all of the Courts will come back and try to get 2 Bailiffs, because they will say you gave it to them.

Hamm said it's a little different, what I'm trying to do is even out, and make the 4 Criminal Courts... We have Civil Court, and we have Family Court, or Traffic Court, so I think that there are 2 different things. We are talking about a traffic court, a civil court, and a criminal court. Right now, I have the opportunity to move 1 Bailiff to another court, and then the other thing is I reduced part-time money, so if we are not going to act on the 2 Bailiffs.....

Washington said Attorney Szarmach made a point, as we are looking at cost reductions, we don't to get caught in situations, we're talking about lawsuits. If somebody acts up in court, it could happen, so we need people over there. Washington said even if it weren't net neutral, for \$10,000 dollars, I would still vote "Yes" for it. We are talking about security, the Judges, and their lives being at stake.

Washington said I was going to make a motion, because the Merit Retirement, for Economic Development, I was going to look for the \$100,000 dollars, to fund that, so that's why I was going to make a motion to reduce that \$100,000 dollars, but my position is that money was going to go towards Economic Development to keep them running.

Dernulc said, they are supposed to be funded by Grants, and so on.

Bilski said you need about \$40,000 dollars. He said there is a shortfall regarding the request for the Bailiff of approximately \$50,000, that's where we stand right now.

Washington asked, at this point, what if we make the motion for 1, then come back and look and get the money, and make another motion so we can have the 2.

Hamm said before I do that, I've already reduced part-time by \$20,000 dollars, which I don't want to do.

Bilski said you will have to go back, and re-appropriate that. If you are going to go for a \$50,000 dollar request, in Merit Retirement, then make the motion, and see what happens.

**Hamm made a motion, seconded by Washington to reduce Merit Retirement by \$40,000.**  
(Sheriff, Department 0500, line item 41235)

Hamm explained that the \$40,000 dollars, along with the \$20,000 dollars from part-time, will make enough to fund the other Bailiff.

Strong asked, including insurance? Hamm said, yes.

**The majority voted "Yes". Cid voted "No". Franklin was "absent". Motion carried 5-yes, 1-no, 1-absent.**

Bilski said so that's the 2 positions now funded. So you need to approve the 2 Bailiff positions out of 14401, and the 4000 general fund.

**Hamm made a motion, seconded by Washington to approve the (2) Bailiff positions, #14401, in Criminal Court, Department 4000, general fund 001 @ \$32,069.**

Dante said, you are close enough to balance. It's very close.

**The majority voted "Yes". Cid voted "No". Franklin was "absent". Motion carried 5-yes, 1-no, 1-absent.**

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

**Bilski made a motion to Create a New Public Safety Bond Redemption Offset Fund.**

Bilski said the purpose for this Bond Redemption Offset Fund is because, existing right now is a Public Safety Bond Fund, which needs to be moved and paid for by Public Safety instead of tax based. So by the suggestion of our Financial Advisor, is to create the fund, and call the fund Public Safety Bond Redemption Offset Fund. That would be paid for out of Public Safety. Bilski said the total amount will be approximately \$1,659,918, which is the Bond payment, that's currently put on tax-based right now, property tax base. The creation of this new fund will end up being financed through the Public Safety money. Bilski said we are just going to create the fund today. We won't be able to move this money until after the 1<sup>st</sup> of the year.

Dante said next year's Bond payment is \$1,659,918.00, is the exact motion you made, put it into the tax-based, and now you are going to revert it back into a Public Safety Fund.

Cid said we are just creating the Fund.

Bilski said, right now, today we have to create the Fund. The payment is going to be due January 1<sup>st</sup>. The Fund needs to be created today, for 2016. After the first of the year, the money will have to be advertised, and basically closing out the existing Bond Fund that we created a couple of weeks ago. We will zero that Fund out, and the money will be moved into the newly created Public Safety Bond Redemption Offset Fund.

Strong asked, can we reverse what we did?

Dante said, then you create \$1,659 hole in your Public Safety Fund.

Bilski said the Bond right now, goes to all property tax payers now. When it's moved into Public Safety, it's a funding mechanism for it, except it's going to be coming out of the percentage, our portion of it, about \$500,000 of that, will come out of our Public Safety, and then each Community out of their percentage will pay for that Bond.

Bilski said again, right now, the money is in a property-tax based fund, so each taxing unit is paying a percentage out of their property tax, where we're saying we need to pull that back out, and be funded in Public Safety, and each Unit pays their share of that, we will be on the "hook" for \$500,000 dollars.

Strong said it's supposed to come out of the Public Safety Fund.

Bilski said, correct. We moved it to property-tax, and then sharing that costs with all units of government, through property tax, as opposed to sharing it with all the Units, through Public Safety Funds.

Dernulc asked, will that undo what we did a few weeks ago?

Bilski answered, yes. The money is going to be in Public Safety, and we will be on the "hook" for \$500,000.

**Bilski clarified his motion to Create, in the Auditor's Department 0200, a new fund titled Public Safety Bond Redemption Offset Fund for E911 Bonds. Washington seconded the motion.**

Dernulc said, my question comes down to, we had this set up for, it did work, so we are actually going back to what we did, but we're having a separate fund, where all of the monies are deposited in there...

Strong said, "I don't understand why we are creating this second fund, why don't we just go back, I don't get it".

Washington asked Dante, before we made this motion, where was the money at?

Dante said the money currently today, is in Public Safety...

Washington said, not currently today, but where was it before we made that motion?

Dante said you placed the \$1,659,918 into a tax-based Bond Fund.

Cid and Strong said we've got to undo that. It has to be funded out of Public Safety.

Washington suggested they undo what they did, then make a different motion to allocate this, but right now shouldn't we make a motion to undo what we did?

Bilski said, it wasn't advertised, so if you undo where it is, it's just out there. The purpose of this means that we have to create this new fund, and Attorney Szarmach is going to speak with Attorney Dull, and the Commissioners to make sure that this meets all of the requirements.

Cid said she just spoke to Attorney Dull, and he feels that this money has to be put in there now, not just creating the fund, and then moving it in January.

Bilski said, all we are asking for today, by the advice of our financial folks, and legal team, we are not putting any money in there, my motion is to create the Fund.

Strong asked again, why do we have to create another fund?

Attorney Szarmach said your fund is going to go into the "red", almost \$2M dollars.

Strong asked, if we are creating a new fund, why do we go into the red that way?

Attorney Szarmach said, before you made your motion, three or four weeks ago, the Bond payment was going to be paid from Public Safety. The Inter-local Agreement allows you to pay it from Public Safety, it allows you to pay it from general fund, if you want. He said he understands that it was going to be paid from Lake County' share of Public Safety Tax,

Strong said that's going to help cover everybody else, right, that puts us in the "red".

Attorney Szarmach said, right, that's the issue. Now what Council did a couple of weeks ago, when they changed that, the cost of the Bond payments now was the responsibility of the general fund, tax-based money, and everybody is going to contribute. What we would like to do is establish this Fund to be paid by Public Safety Tax, and each, on a pro-rated basis, each of the Municipalities would contribute to make up the \$1.6M, and our cut is \$500,000.

Strong asked is this going to be an increase to them?

Attorney Szarmach said in what way? It's money that their taxpayers are going to have to pay from Public Safety Tax, the tax bill.

Strong asked, are they going to have to pay more than they pay now?

Attorney Szarmach said, out of their Public Safety, yes, they are going to pay money out of their Public Safety, before they didn't.

Strong asked, are they going to pay more than what they are currently paying, before we did...

Bilski asked are you talking about citizens, or units of government?

Strong answered, units of government.

Bilski said Units of Government will draw, minus their portion of the Bond payment, otherwise County is on the "hook" for \$1.659. Right now it would go into the Auditor's Department. The Auditor gets all of the money, and the Auditor is going to hold out for that Bond, a half million for us. He said it's not County E-911, it's everyone in the Inter local Agreement's E-911, and that's how it's to be funded out of E911, to build all this, is where the Bond was.

Strong said instead of us being on the "hook" for it now, we are just saying they are going to have to pay us later on, by doing this other fund?

Bilski said, correct. This \$1.6M will be paid out if this, if in fact my motion carries. Ray will draft the Ordinance for that, explaining the mechanism, and basically, all of the money goes to the Auditor's Department for Public Safety, and within that mechanism, it will take that \$1.659 bond payment, and divide it between all 16 units of taxing, our percentage of that is a half a million dollars, if we don't take that action, our percentage will be \$1.659M.

Strong asked, won't we get that \$1.1M back, down the road from those other units of government?

Bilski said, right now, no. Right now, it left Public Safety, and each unit of government.... The percentage is still the same.

Cid said, that was the Agreement, that's why I didn't vote, because I thought everybody should share in that ...(inaudible, everyone talking).

Cid said I was told that the only way you get the Cities and Towns on board, was for the County to pay that, so now it seems, and I don't know how we do this. We change the Agreements of the Contract, without their knowledge.

Attorney Szarmach said, the Interlocal said you can pay....

Washington asked, did we have second reading on this first action, because I thought it was just one, so did it pass on Second...?

Dante said, it's not officially passed.

Washington said, so when that comes up, we can just vote it down, and go back to where it was, right?

Dante said you would have to take it out.

Washington said, I understand, You're talking about a different issue, you are talking about putting this in the red, right? What I'm talking about, is, if that action fails, it just puts it back where it was, I just don't want to overthink this action, right?

Bilski asked, why do you want it back to where it was. The way it was structured before, was wrong, so the Interlocal Agreement says that it can be paid for out of the Public Safety Tax. If, in fact, we put it all back on us, then we're on the "hook" for \$1.659 million dollars, where the Interlocal Agreement says that that's a cost that can be shared. So if you want to absorb the cost to give the break...

Strong interjected, I thought that was the Agreement.

Bilski said, no. It says it can be paid out of Public Safety, and we said leave Public Safety the way it is, and let's just pay it out of property tax base, let's just move it over, and everybody pays it out of property tax, leaves a percentage of what they are drawing right now, the equal amount of dollars... It would seem like the easy way to do it, then we find out in all of the other discussions, that no, that's not what they wanted, they wanted it to be paid out of Public Safety only, so I don't think we move it back to Public Safety, and put \$1.6M on us, we do it the way it's intended to be done. We pay our half a million, which is the "lion's portion" of all of this, and every other Community shares within that cost.

Strong said, so at the end of the day, the other 15 Units will have to pay the additional \$600...

Bilski said, we're going to take \$500,000 dollars off of them, which is going to leave about \$1.1M, divided between the other ones.

Hamm said, I think we're getting ahead of ourselves. Bilski is asking for a motion to create the fund. In the meantime, once we do that then Attorneys' Szarmach, and Dull, Larry, and Dante can get together before we move any money. Bilski is asking to create a fund, that's all, we're not moving any money. Bilski said the purpose of creating that fund would be, yes, to insure that our budget, is not solely, "on the hook" for the \$1.6M Bond payment. We agreed, per the Inter local Agreement to pay our fair share, so to what Cid said, if you didn't want to be on the "hook", if you felt that the County, which I feel the same way, I would hope that everyone of us felt the same way, that it's a shared cost for this Center. If that were the case, then you should have supported our actions the first time because we took, what was solely going to be on us, and put it in property tax, not to affect the draw, that they were having out of Public Safety, but the Interlocal Agreement says, that no, what we want you to do is to pay for that out of Public Safety, so therefore, it has to come out of Public Safety.

Strong said, Attorney Dull said, concessions were made, in the early on negotiations by having the Communities sign on, and I think that was part of the negotiations that this is the way it would be.

Attorney Szarmach said, not that I'm aware of. When they signed the Inter-local Agreement, as it is today, that's what they finally agreed on, and basically, they left it where they could pay this cost with property tax, general fund money, or Public Safety money, either/or.

Strong said he is afraid if we support the creation of the fund, it's going to give the appearance, I'm going to support, of impacting the other communities with more money than we agreed to, that's my concern.

Strong said it's going to cost them more, somewhere along the line, we're going to pay less.

Bilski said their draw on Public Safety, as opposed to their draw on property tax, someone is going to pay for that, whether it's in the form of property tax, or the form of Public Safety, so, yes, their Public Safety anticipated draw would be reduced by their fair share of this, but it will come off of what we were going to draw on property taxes

Bilski said, I'm not asking for the movement, or anything because this is a "baby step" to get this in front of the Commissioners, Attorney's Bennett, and Dull, who are working on this to make sure it works out right.

Strong said I don't want to give the impression, if I were to support this, Strong said, I support this, because I do want to create the fund, I get that, but I don't want to give the indication that I would be in support of the next step because I just think that this was the deal that we made.

Strong said, I think we have time to investigate that, with all due respect, I am going to rely on our Attorney.

Attorney Szarmach said, I think that's a good term, if we are going to investigate at all, taking the course that John Dull suggested, we should do this. We have several days to determine whether or not we still...

Strong asked why do we have to do it today, why can't we wait several days?

Attorney Szarmach said, he believes, having it there gives the impression that we are serious about doing this, and we will see how far it goes. He said, just remember that you are not going to appropriate any money into this until after the 1<sup>st</sup> of the year.

Bilski asked is everybody of the agreement that, do we want to absorb 1.659M in our budget, and pay for everything 100% ourselves, or are we under the agreement that we want to share the cost between all units that we pay our half, and they pay their fair share, to cover the bonds for the 911, that's not our 911, it's everyone's 911?

Strong said, "I'm not disagreeing with you at all. I just thought that was the deal".

Cid said, "it was the deal". Cid also said to Bilski, and you argued with that for not taking and using any of the Public Safety money for the Cities and Towns, and now you want to do it with....

Bilski said, what I said was that I see no difference, and I was quoted in the newspapers of saying, "whether I pay it out of my left pocket, or right pocket". I said that whether you put it on property tax, and you leave the Public Safety draw the way it is, or you put it 100% on Public Safety. Bilski said, I thought the latter because not everyone under Public Safety, or everybody has access to....

Strong interjected by saying, at the end of the day, if it goes through, not just what you're talking today, but the end result of the whole thing, Strong asked, is it going to cost St. John more?

Bilski said they will pay \$100,000 dollars now, and they are going to... the same way it's written now, their cost is going to be \$100,000, it will be \$100,000 the first of the year.

Attorney Szarmach said their share doesn't change, it's what "pocket" they are paying out of. It's either going to be tax revenue,....(inaudible, everyone talking).

Bilski said I will withdraw my motion, because if we don't want to pursue... I'm fine with it staying in property taxes.

Strong said, "I voted against that". "I'm not fine with that".

Bilski said "I am, it exists right now". I will withdraw that. If we move it into Public Safety, the end result, we are still going to pay \$500,000 dollars, no matter what. St. John is going to pay, Dernulc said \$100,000, they are still going to pay \$100,000. Instead of it coming out of their property tax, it's going to come out of their draw on Public Safety.

Strong said, I thought it was going to increase their taxes.

Bilski said, no it's not.

Dernulc said, and that's the question I had. He said, we are creating a Fund, and I just want to make sure that it's not going to go from \$100,000 to 150,000.

Cid said you are asking them to pay more from their Public Safety Tax.

Bilski asked Dante, if any action taken right now, will the individual unit of government...we are on the "hook" for \$500,000 dollars, under the existing funding formula, for the Bonds?

Dante said it's about \$587,000 dollars.

Bilski asked, so our percentage will stay the same, regardless of whether we create this fund or not, we will still pay \$587,000?

Dante answered, no, if you take "no action", the taxpayers are paying it all right now.

Bilski said, well, we would go up to \$1.659? Dante said, and the taxpayers will pay for it all, if it stays in fund 320 right now.

Bilski asked, will the percentage increase for any of the other 15 units?

Dante said, you are going to take away the remaining \$1.1M, on the percentage of their public safety, away from them, and put them in this new fund.

Bilski said, the way it's diverted right now, that \$1.1M is being paid through property taxes, through every taxing unit out there?

Cid said, only because of the recent action we took, prior to that, they were not.

Dante said, right now, everyone is paying, you are paying for the entire thing, right now, today, out of Public Safety, 100%.

Bilski said, but the action taken previously...

Dante said, the intent of today, is to pay our fair share of \$587,000, and then everyone else contributes to \$1.1M from the Public Safety.

Bilski said, and the action that's on the books, effective January 1<sup>st</sup>, 2016 does that. The action we took 3 weeks ago, moving that in the Property Tax.

Dante said you are on the property tax, right now, for the entire amount.

Bilski said, effective January 1, 2016. Dante said, absolutely.

Strong said, but we didn't support that anyway.

Dante said, yes you did, you voted it in.

Strong said, well I didn't. The majority did.

Bilski said, the majority did, and that leaves a shared cost for all taxpayers throughout Lake County for \$1.659, on the bond. That percentage that they are paying on the \$1.659, effective 1-1-16, is that percentage going to change by going to Public Safety, or is it still the same percentage?

Dante said no, it's going to be different because property tax percentages are different than income tax percentages. They are totally two different "animals". So you are right, Cedar Lake might be paying 2%, and then Public Safety may have to contribute 4%, Dante said, I don't know. I haven't looked at that. There are 2 different vehicles, they are 2 totally different vehicles. Property tax, and who pays what, and Public Safety, and who pays what.

Strong said let's take away the action we did 2 or 3 weeks ago. Let's go back to the way we had it before, and if we did this action today, what would be the difference, the units of government going to pay more?

Dante said, if you undo the action that you took, you are going to take it off of property tax, and it's going to fly right back to your public safety, and put that hole of \$300,000 to \$2M dollars.

Strong asked on us?

Dante said, yes. You are going to revert to a \$2M dollar deficit.

Cid said we took this out so we could add more into the public safety, now we are in this situation...

Dante said, and public safety is 100% Sheriff and Jail. (every body talking at same time).

Washington said he only heard one solution, he is not hearing anyone else suggesting any other solutions, this is something that we can't walk away from the "table" today, not accomplishing this today, it has to happen, or it's going to cost us millions of dollars.

Washington asked Strong and Dernulc, is there anything that you have thought of as a solution? Something needs to happen today to put us in compliance.

Strong said, if we don't get a second reading, on what we did 3 weeks ago, it's going to fade away anyway, right?

Bilski said I am not going to support a motion to take it out, and put the responsibility on us, 100%, "that I refuse to do".

Washington asked, if we move back, that \$1.6M is going to put us in the "red", \$1.6M, is that correct?

Dante said, in addition to the \$300,000. That's absolutely correct.

Washington said that's going to change us to being unbalanced, so Washington said he believes that is a creative way to fix that, maybe that's not the solution, but we need to find out the solution so we can be balanced, and it's fair across the board. Washington said I don't want to absorb the whole cost either.

Bilski said to Strong, so you want us to absorb the whole \$1.6M?

Strong said, what I want is to get Attorney Dull in here, and have some additional discussion about this, because this was all thrown at me today, and I'm supposed to make this decision, and I'm not ready, and if I have to make a quick one, I will probably say "no".

**Bilski withdrew his motion. Washington withdrew his second.**

Cid said, creating a fund, is still not placing that money in there, we are still not paying for the Bond out of Public Safety, as the Agreement states we should be, so it's just creating the fund, it's not solving the situation.

Hamm said, but it's a movement in the right direction.

**Cid made a motion to remove \$1,659,918.00 from Fund 320, Department 2901, line item,44500, to Public Safety Fund 010, Department 2901, line item 44500.**

Cid said, I'm reversing what we did last week. (Actions previously taken on 9-3-15)

Dante said, that's what you need to do, if you're going down this path.

**Strong seconded the motion.**

Bilski explained that what Cid wants to do is increase the County's obligation to \$2M dollars out of Public Safety.

Dante said, if you don't do this, this \$1.6M is going on the property taxes, it's going down state. It's going to go on Thursday.

Washington asked Dante, if this motion passes right now, that will put us in the "red" \$2M dollars?

Dante said, you will start undoing what you did, it will then revert to \$2M, that's correct.

Remember, what I said earlier, there were no objections, this is very important to this process, there were no objections. Litigation will be hard to find, if somebody wanted to do this, they had to object. They have a right to object, they did not object.

Strong said for the most part, there were no objections, but "I don't think people really knew what was going on either".

Dante said, that's the legal process they have to go through.

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

Strong commented, "I'm still willing to discuss this other avenue", I just need more information, I can't be expected to take some information, and take a vote.

Bilski said, we're in the "red", \$2M in Public Safety, so now we've got to cut \$2M dollars,

Strong said, we took it back off property tax, that's what we did, yes I agree.

Bilski said, asked so what should we do, cut \$2M out of the Sheriff's budget? Is that a motion?

Bilski said we now have to reduce Public Safety by \$2M dollars, are there any suggestions on reductions?

Bilski said we will need to have a motion, we need some form of reduction of \$2M dollars, or we reduce the entire Public Safety budget, an amalgamated group, by a percentage equal to \$2M dollars.

Cid said, maybe the Finance Committee should meet to find some cuts.

Bilski said we will reconvene tomorrow 10-6-14 @ 4:00 P.M.

We have to cut \$2M dollars out of the budget.

Washington asked Dante, are there other avenues of cutting to get to that \$1.6M, or are you stumped?

Dante said this is late in the "game". I can go across the board cuts, and do things like that, I can always come up with avenues, but it's going to be across the board "ugliness".

Bilski said we need \$2M dollars, that can be out of Public Safety.

Washington said from my understanding Dante, you are saying that there is no other way that we could save any kind of money, so with that being said, if we take out that lawsuit, how much do we stand to lose, and then we balance the two, because if not, then, we are just going to take a "hit", right?

Cid asked what percent would each department have to cut to come up with \$1.659?

Dante said, you can't take any of the Courts, because they will sue you, you can't take any of the Jail, you can't take any of the Sheriff, you can't take Juvenile.

Cid said, I mean overall.

Dante said you will have to hit the administrative offices by probably by 10%.

Bilski said, we are limited to what we pay out of Public Safety, so you can't cut out of Recorder, Auditor, down the line, because they that can't be (inaudible) with Public Safety dollars. We have to make the cuts in Public Safety, the "lion's portion" is Jail and Sheriff.

Dante said you can cut in the general fund, stuff out of Public Safety, sure. He said you can reduce Public Safety by having reduction in the general fund expenditures, like cut the general fund by \$2M dollars, and then shift Merit Retirement over.

You can cut Merit Retirement, push it over to the general fund, through various cuts in the general fund.

Bilski said we have to make a decision, from this Council, are we all going to share in the cost, or is the County going to "eat" the cost?

Bilski said right now, we are over \$2M dollars over, in Public Safety. Bilski said, this is unfair for them to, all of a sudden, come to us, and throw this back on us, and make these cuts, but what Dante suggested is to reduce Public Safety today by \$2M dollars, and increase general fund by \$2M dollars, and we look for cuts in the general fund. It's something that's going to have to happen, down the line. It doesn't have to happen today, but one of the solutions is to reduce Public Safety by \$2M, move it all over to general fund by \$2M dollars, and then we have to methodically go through and find \$2M dollars in reductions, therefore; if your interpretation is that we should pay for the entire \$1.659M, that's how we're going to do it. It's the only way we can do it.

Councilwoman Cid asked what's the percentage for each department, and Dante' response was around 5%.

Washington asked Bilski, so you're suggesting that we do a "blanket" \$2M dollars decrease in Public Safety?

Bilski said, it doesn't have to be done today, but we will need to reconvene tomorrow evening at 4:00pm to discuss this issue. If we don't come to an agreement tomorrow, we will have to reconvene on 10-7-15.

Attorney Szarmach said, with regards to cuts, this has to do with any cuts you make, most of your cuts are going to come from the "A" building.

Dante said he did mention last year that this fund was overcommitted, so I went on record. This fund has always been a "hot button" issue.

Bilski said we've used it to cover as much cost as we can with it, and that also led me to go with the property tax, to kind of allow those communities to draw what they needed out of Public Safety. Bilski said it's always been unfair, this entire thing has been unfair, the fact that we have to add 90 people on our insurance, is unfair, but we're "stuck", when you talk about net neutral. You are right, there is a fraction, that we took on all the healthcare risks for all of the employees on here, granted, I think that's going to be on our fair share, that is on us, so now we're paying a half a million dollars, plus, \$587,000 of Public Safety money towards the Bond, to put this thing together, we are also taking on the responsibility of every employee in there, by putting them on our health care, which if they had a catastrophic injury, it's not a cost absorbed by all of the taxing units, it's solely us.

Bilski said that's why I felt property tax, put it on there, keeps everybody' cut, we're still getting "zinged" the hardest than anyone with no benefits. Not one benefit the County gets by these folks coming here. All it did was take away from us, and that's my opinion. Bilski said, I am prepared to leave it the way it is, I don't think we're going to get any help downstate, I think we're going to lose that money.

Tim Brown, from Economic Development was present.

Washington said when we eliminated Fund 686, we left money in Fund 686 to finish paying off bills correct?

Dante answered, correct.

Washington said it was roughly \$150,000?

Dante said general fund picked up about \$180,000, plus \$25,000, plus \$25,000, just an additional appropriation, so about \$200,000 dollars, in the general fund.

Washington said initially we said that we wanted to self-sustain right? We said we wanted it to be only HUD funds right?

Dante said, right.

Washington said it wasn't on HUD funds this year because it wasn't possible. He said in speaking with Mr. Brown, and what he presented to the Community Development Board, we had, since then trimmed it quite a bit. Nobody got raises, and we also cut off some expenditures in that budget.

He asked Mr. Brown to explain the \$30,000 dollars in Supplies.

Bilski said there is a request for \$55,350 for Supplies & Services.

Mr. Brown asked is that all of the 200 line items?

Dante said, that's what you submitted. Based on your submissions, that's how it was.

Mr. Brown said "I don't have the green bar".

Bilski said this is for 2015 appropriation, so in Fund 170 you have Supplies, Other Services & Charges of \$49,000, is what you're budgeted for, and I don't have.....

Bilski said, Supplies & Services, Dante said, another \$8,500, that's \$55,000. He said it's going to be all 200 and 300 series.

Cid asked, so does Services include their Legal Services?

Mr. Brown answered, yes, and there is Consulting Services in there too.

Cid asked, why is that going up?

Mr. Brown said it's compared to what it was in previous budgets, he said last year it was cut drastically, and we are coming from multiple sources. We are claiming some out of the general fund, and some out of the Federal funds. We take our current legal bill, and divided it amongst what is Fund 170, and what is the general fund, currently.

He said he is going to consolidate it under one. He said they have consulting services that they have been asked to do from the Redevelopment Commission because they want to create additional TIF districts, around US 2, and around I-65 area, to generate more industrial development. He said he need Consulting revenues to be able to pay for the studies that are required in order to be able to credit the TIF revenue district.

Strong asked, what fund did we do away with? Washington said, Fund 686.

Strong said, the agreement was, from that point on, you must take care of yourself, and there was no additional revenue. That was the deal, now you're coming back and saying we gotta have a new deal.

Strong asked, what happened to the old deal?

Mr. Brown said he was not part of any of the discussions.

Strong said, it doesn't matter.

Mr. Brown explained that by the Federal regulations, we have both HUD, all HUD dollars are from 2 different sources, it's HOME, which is a home buyer's program, and you have Community Block Grant. By the Federal regulations, you can only use 20% for administration, out of the HOME fund, and 10% out of the CDBG. That total is \$350,680 dollars. That's exactly what I submitted for the use of funds for the Federal portion of the dollars. You can't operate a department of 6 people for \$350,000, primarily because your health benefits are \$2,500 per person, and that's the biggest part that's hurting.

Strong said, after we have been discussing what cuts we are going to have to make, coming up here and saying you want to do this now, I don't think this is going to work at all.

You have to live within your own means, within that fund, period.

Washington said I understand exactly what you said, but since we've been here today, we've had an appropriation for Petalas, he didn't live within his funds, he had a way of finding \$50,000, that we could have used, then we did the Bailiff, so what I'm talking about, and we deal with this all the time. The Judge said earlier that she needs the appropriation for Part-Time, \$25,000. So we're looking for money for her. I understand that. When these departments were created, the Clerk department, the Auditor, everybody was created, they had their set funds. Things change, so what I'm saying is...

Strong interjected, you want to hire a Deputy Director?

Washington said, he already had a Deputy Director, it was already in his fund, so what I'm asking is... just with the thing that just passed, the deal was we are going to put it into a separate fund. So we changed it, deals change everyday, but we've got to do what's best for the County. The services that this department provides is huge, especially for South County. They do a lot of work in South county, but I think this Department is well needed.

Mr. Brown said, the Department is actually 3 departments. You have the Redevelopment Commission, you have the Economic Development Commission, and you have the current department, so there are 3 entities operation there. We just did a transfer of land of the Shelby Fire Department for the Redevelopment Commission. Mr. Brown said he can't use Federal Funds to fund that portion of his budget. He has to have general fund to pay his Attorneys, his staff, and his Commission. He said that just did \$600,000 dollars in equipment for a Company called EPI, that are hiring 60 new employees. They are going to generate hundreds of thousands of dollars in income taxes. He can't use Federal funds. He said there are a lot more than just those 2 examples.

Dernulc asked, is this money revenue neutral, or are you asking for more from the general fund, right?

Mr. Brown said, this will be for more from the general fund.

Dernulc said we did it for John Petalas, he didn't ask for more out of the general fund, he didn't. He asked for more, and he found it in his budget, and he talked to Jerome, and that's how he got it. That's the difference that I see.

Cid asked Dante for some explanations, with regard to Mr. Brown' budget.

Washington asked, if this department were eliminated, what would be the ramifications from that?

Mr. Brown said you would have to find someone to maintain all of the Federal requirements over the next 5 years.

Washington said we would be out of compliance for millions of dollars, if we shut down this department right now.

Bilski said it wouldn't fully be shut down, but the Economic Board actually suggested privatize the work through a Company, but Bilski couldn't remember the name of the Company. I believe it was called the Alliance. Their thought was to have it all sub-contracted through them because we understand the importance of it, but we also have to understand where we are fiscally, and what we need.

Washington said what ever decision that was made on Community Development, before I got there, was a bad decision.

Cid said I don't know what the Commissioner' input is on this, but I don't think we should be funding salaries out of the general fund, and I voted to not create new positions here, now we are being asked to create a new position.

Bilski said, the Board of Commissioners, said that they would fund these extra costs out of their budget, now all of a sudden, that's not happening, and they are coming back to the general fund.

Washington said that right now, we are in the negative to the tune of \$2M.

**Washington made a motion, seconded by Hamm for reconsideration on reverting the funds back.**

Attorney Szarmach asked, is this on the 911 motion?

Washington said, yes.

Bilski said to Attorney Szarmach, a motion was made by Councilwoman Cid to reduce by \$1.659 dollars

Attorney Szarmach asked, her original motion?

Bilski said, her original motion, and it passed 4yes, 2-no, 1-absent.

Councilman Washington now wants to reconsider that vote.

Attorney Szarmach said, you can do that.

Bilski asked how many votes do we need to reconsider?

Attorney Szarmach answered, 4 votes.

**Motions were withdrawn.**

Washington said that we keep talking about what we want to do for the County, and we keep talking about we want to be self-sustaining. This is a Department that provides services to our county, this is the department that actually goes out there and does community development work, this is the department that helps creates jobs in our communities, and we can not find \$100,000 dollars for this department, when there is an issue. Washington said, he can't understand, when we can find money to hire a position in

somebody's department because we need help with this, this is the department that helps our county, and we are going to sit here and make reasons, Washington said, I don't understand it. He said, if you want to close this department down, go ahead and close it down, and see what happens, down the "pipe", when we lose millions of dollars, because we will be out of compliance. This is a huge issue. It helps the south county, more than anything because it's mostly unincorporated.

Strong said I can't fall back on an Agreement that was made back in February, where they said, it wasn't going to happen anymore.

Washington said, throughout the course of the year, something always comes up to where we have to make changes. We do this all the time, and now, all of a sudden, we are going to "stick to our guns", and say it's not part of the Plan?

We do it all the time, we add new line items, that was never into the topic of discussion. We added it because we think it's needed. Your appropriations, that was never part of the Plan, but we do it.

Washington asked, why can't we fix this, \$100,000 dollars?

Cid said if they need something to help them out, a little bit, and the Commissioners agree to it, because they are under the Commissioners, but the only thing I won't approve is a new position in the general fund. There is a request for a new position, (1) Deputy Director. Cid said, I am not going to approve it. I am not going to approve any salaries in the general fund. I will approve their operation costs, if the Commissioners agree to it, and find some money, I will agree to that.

Washington asked Mr. Brown, can you change that? Go in there, and find that money, and take that out of there, and put it in that HUD fund, put supplies wherever you have to in there. Don't put any position in that general fund.

Mr. Brown said, there are things that can be done to do that.

Washington asked Mr. Brown to come back tomorrow, and have no positions in the general fund, none.

Bilski said, until we figure out a way to reduce this, my personal opinion, until I figure out a reduction of \$2M dollars, out of the general fund, I can't vote for any appropriations, at this point. If that means reducing everybody's pay in the building... We will eliminate the opportunity for the mid-term pay raise we talked about. That's definitely off the table as well.

Attorney Szarmach said, when you are thinking about, the next couple of days, about the E911 Bond, and Public Safety, I'd like you to narrow your issues. What's the big picture? The big picture is, do you want the Bond costs shared among all municipalities, or the taxpayers. That's number one, or do you want County general fund, or whatever, the general fund, or the Public Safety Tax to shoulder the whole thing? He said then, when you move on to the next issue would be, how do you want it shared.

Dernulc said he, what he is looking at, is and he asked Nicole, and John Dull for the Inter-local Agreement. He said he is going to base his opinion on what was promised.

Attorney Szarmach said he just asked Nicole to give him an Opinion that when the 15 municipalities signed on the current Agreement, was there anything in the Agreement, or was there some understanding that the Bonds would be paid on the County tax draw, or the County Public Safety. What, if anything was the Agreement? Attorney Szarmach said, he reads that as saying, it could be paid by either source, and it would be up to the County Council to decide what source it's paying from.

Attorney Szarmach said....

Bilski said, I was happy with the way it was, out of property tax.

Strong said, I wasn't happy with that.

Bilski said I preferred it to be that way. I did not want it paid out of Public Safety. I would prefer it to stay exactly the way we had the motions we made, I like it paid out of property taxes.

Strong said "I beg to differ, you were, I wasn't.

Bilski said so now they want us to go back and pay for it out of property taxes, and I never wanted to be on the "hook" for the total Bond payment, the \$1.6M, I was never under the opinion to do that.

Washington said, that's the last thing I wanted to do.

Bilski said not now, it's in the Public Safety budget.

Attorney Szarmach asked, is there some consensus that it should be shared?

Strong said, my thought is, the understanding was this is the way it was supposed to be.

Cid interjected, in order to get those Cities and Towns aboard, this was the way that it was. That's the argument that was made.

Strong said, that was the intent.

Cid said, now we are changing.

Bilski said, I have a different opinion of that, I did not see it that way. I thought we were absorbing all the costs for the employees, and we are.

Strong said, real simple, Nicole, John Dull, and the 3 Commissioners should be able to tell us yes, or no.

Bilski said, if the Bond has to be paid solely by...

Attorney Szarmach said, I was not involved in the negotiations, with the Interlocal Agreement. It was basically Nicole, and the other Municipalities.

Strong said the Commissioners were involved. Commissioner Allen was involved.

Bilski said I was never under the impression that we would have to pay for \$1.6M dollars out of our... I never was in agreement with that. I agreed that we had to pass the Bond, and the Bond was "X" amount, but I thought it would be a shared.

Strong said it was \$1.64M, and if we did it through property tax, that would take \$1.1M off our backs, right? So we have to find \$1.1M dollars.

Bilski said it took \$1.6M off our backs, and there was almost \$400,000 dollars, you are a couple hundred thousand over, in Public Safety right now, so it's been moved out of property tax, put back in, it's pretty close to \$2M dollars.

Attorney Szarmach said, I think what you did today, is you created the last element of John Dull's lawsuit, 100% of the money is coming out of the County' Public Safety, which now means that he can file against the 2 renegades.

Bilski said now what we need to do is reduce, so we can be balanced. That's what I'm concerned about. We need to reduce \$2M dollars out of whether it's Merit Retirement, or whatever ...

Strong said, I disagree.

Bilski said we've got to move something over to general fund.

Strong said, again, I think we need to check with Nicole and John Dull, and see what the intent was on the negotiation to get these other communities signed on board. That's what's going to matter to me, Strong said.

Attorney Szarmach said, and assuming that you are correct with your intent, in this, and what you did today is that it now allows us to sue the other 2 communities.

Strong said, that's not up to me. I won't sue anybody.

Attorney Szarmach said, they will be sued, based on what you did today, you gave John Dull what he needed for the lawsuit.

Attorney Szarmach said John Dull' argument is, I have these elements for the lawsuit.

Strong said, the actions we did today, my intent was not for John Dull to sue. That's not my belief, why I did that.

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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John Petalas,  
Lake County Auditor

