

**LAPORTE COUNTY
COUNTY COUNCIL MEETING
November 24, 2008**

The LaPorte County Council met in regular session the 24th day of November, 2008, in the assembly room of the LaPorte County Government Complex. The meeting was called to order by President Mark Yagelski at 6:30 p.m.

Those present stood and recited the Pledge of Allegiance. All members were present as follows: Mark Ludlow, John Jones, Earl Cunningham, Mark Yagelski, Jerry Cooley, Terry Garner and Rich Mrozinski. Also present were Council Attorney Don Baugher, Auditor Teresa Shuter and Chief Deputy Auditor, Rita Layton.

ADOPTION OF AGENDA: Mr. Jones made a motion to amend the agenda in order to address a request from the Reassessment Budget for 2009. Mr. Ludlow seconded. The motion carried by voice vote 7 – 0.

REASSESSMENT BUDGET:

Judy Anderson, Chief Deputy Assessor, requested approval of \$58,931.16 in the 2009 budget in order to pay the Nexus Group. Ms. Anderson stated that the Nexus contract period is from April 2008 to March, 2009; the amount of the contract is \$219,000.00 and the request is for additional work performed by Nexus due to the reassessment order.

Mr. Garner asked Ms. Anderson why she is here to present this request. Ms. Anderson responded that Assessor Carol McDaniel is on vacation. Mr. Garner asked, “Again?” Mr. Garner then made a motion to deny this request. Mr. Ludlow seconded. Roll call was taken.

Mrs. Shuter:	Councilman Cooley:	Aye
	Councilman Cunningham:	Aye
	Councilman Garner:	Aye
	Councilman Jones:	Nay
	Councilman Ludlow:	Aye
	Councilman Mrozinski:	Nay
	Councilman Yagelski:	Nay

The motion to **deny** this request carried 4 – 3.

Mr. Yagelski commented that with the vote, the contract is being violated. Mr. Baugher stated that if the Commissioners signed a contract where there is no money appropriated then the validity of the contract is severely in question. Mr. Baugher will ask County Attorney Szilagyi about the contract tomorrow.

Mr. Garner stated that this about the third of fourth time that Assessor McDaniel hasn't been here to come before the Council; she sends her Deputy and she needs to come before the Council herself.

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ADOPTION OF 2009 BUDGETS:

Mr. Jones then made an amendment to the agenda to include action on the Budget Adoption for 2009 in order to complete the process. Mr. Ludlow seconded. The motion carried 7 – 0 by voice vote.

Mr. Jones made a motion to adopt the budgets for 2009 as amended. Mr. Ludlow seconded. The motion carried by voice vote 7 – 0.

SECOND READINGS:

Mrs. Shuter read by title only, “The Ordinance for Appropriations and Tax Rates,” and “LaPorte County, Indiana, LaPorte County Council, Ordinance No. 2008-06, LaPorte County Employee Salary Ordinance for Calendar Year 2009.”

Mr. Jones made a motion to approve the ordinances on second reading by title only. Mr. Ludlow seconded. The motion carried by voice vote 7 – 0.

AUDITOR’S LETTER OF CONCERN:

Mrs. Shuter, for the record, read a letter she prepared since she is leaving office at the end of the year and there are items that the Council needs to be aware of.

Mrs. Shuter read, “In a normal tax year, by statute, the Assessor rolls figures to the Auditor on July 1st; the Auditor would then in turn by September 1st certify assessed values to the Department of Local Government Finance. By February 15th the Department of Local Government Finance would certify a Budget Order, levy and rates for each fund for each unit of government. As Auditor, I would advertise these rates, shut down the tax system, prepare an abstract, run tax duplicates and enter tax rates in the tax system; and then the Treasurer would generate tax bills and mail those. After the Treasurer has collected the funds, Settlement to all units of government would be made on or before June 30th for the Spring Settlement and December 31st in the fall. Obviously, none of these things have happened and you should keep in mind that a lot of the information I am giving you is for the tax year 08 pay 09.”

“The challenges that we have had preparing the budgets for the State and the County Council are as follows: there is absolutely no way to project assessed values. On the Form 4-B’s for the State, eighteen (18) months projection on revenue cannot be anticipated with any degree of certainty, revenues such as FIT, CVET and PTRC are based on rates and we have no rates for 08 pay 09, 07 pay 08 or 06 pay 07. With no abstract prepared for 08 pay 09 there is no June Settlement so, likewise, on the Form 4-B it can’t be determined with any degree of certainty what the revenue will be for the December Settlement.”

“Absent approved tax levies and budgets for 06 pay 07 and 07 pay 08 also poses a problem in calculating a maximum levy for 08 pay 09. We are going to pay interest on all of the Corrections of Errors that have been approved by the Trustees or the Assessor’s Office because we don’t have rates to correct these errors and send refunds; some of these are pretty substantial. There is also no way to guarantee revenue coming in for 2009 because I don’t know if bills will go out for 08 pay 09 in 2009; my guess is that they will not.”

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“We have just been informed by the Assessor’s Office that the figures for 06 pay 07 assessed values, based on the reassessment that is getting approval right now through the DLGF, that they intend to roll us values that do not include 115’s PTABOA rulings, final determinations, or 133’s Certificate of Errors. That would mean that the Auditor’s Office is going to have to go through the entire roll book process again which means they are going to have to evaluate parcel by parcel nearly 70,000 parcels of real estate to insure that values for 06/07 get re-billed on the reconciliation bill properly. That was never part of our plan and that is all dependent on if the reassessment gets approved by the DLGF. Preliminary tests on units 11, 13 and 14, Coolspring, Cool Michigan City and Cool Michigan City Sanitary, show that 50% of the values coming over to the Auditor’s Office from the Assessor’s Office are inaccurate.”

“Budget form totals for Line 1 of the Form 4-B will need to be changed after this hearing to reflect the approved salary changes as the current forms computed a 5% increase and all of the totals will have to be changed. Since there were no raises I don’t think that’s going to be as much a problem as we were anticipating; that’s through an extract from LLOW, put that information into Waggoner, Irwin, Scheele include longevity and new pay grids and then import it back into IKON and the LLOW Financial System. All of the budget forms are going to have to be changed and new rates calculated for each fund for the proposed rates which will have to be advertised based the information that you did tonight at the final budget hearings.”

“Remedies that I have tried to put in place are as follows: the Form 3 advertisement’s levies were each estimated high as we discussed earlier this evening, the assessed values were estimated at four (4) billion and they are likely to come in at closer to five (5) billion, no PTRC was included in the advertisement, License Excise, FIT and CVET for 08 pay 09 are shown on the Form 2 revenue as anticipated for 2009 although I can’t say with any certainty that it will be, on the Form 4-B I have also built in \$9 million operating cash to try to keep LaPorte County at the maximum levy but I would realistically expect to see more around \$4 to \$5 million if we are really lucky. Absent a June settlement for 08 pay 09 I have estimated revenues for December settlement based on 07 pay 08 revenue; you should all have a copy of this.”

“Also, something that the new auditor may be facing is a second installment provisional bill for 07 pay 08. We have already had two discussions with the City of LaPorte; I believe Mayor Chrobak is here tonight and with Don Baugher, DLGF and the State Auditor’s Office, the City is in trouble and they are requesting that we send out a second provisional bill for 07 pay 08 so we have conferenced with all the State agencies involved in this process and it is a realistic possibility that you could be facing that “down the road” early on next year as well.”

Mr. Mrozinski made a motion to close the public hearing on the 2009 budgets and Mr. Cooley seconded. The motion carried by voice vote 7 – 0.

Mr. Yagelski reopened the regular meeting. Roll call was taken.

Mrs. Shuter:	Councilman Cooley:	Present
	Councilman Cunningham:	Present
	Councilman Garner:	Present
	Councilman Jones:	Present
	Councilman Ludlow:	Present

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Councilman Mrozinski:	Present
Councilman Yagelski:	Present

Mrs. Shuter, "You have a quorum, sir."

AGENDA: Mr. Ludlow made a motion to move the City of LaPorte to the first item on the agenda regarding the Local Option Income Tax (LOIT). Mr. Jones seconded. The motion carried by voice vote 7 – 0.

Mr. Yagelski commented that under Department Heads, Terry Beckinger would be eliminated for tonight from the agenda. Mr. Yagelski asked if there were any Department Heads who wished to speak. There were none.

MINUTES: Mr. Ludlow made a motion to adopt as presented the minutes of the Budget Hearing held on August 21, 2008, the Budget Hearing held on August 22, 2008, the Workshop held on September 15, 2008, the Regular Meeting held on September 15, 2008, the Special Meeting held on October 6, 2008, the Budget Public Hearing held on October 27, 2008, the Joint Workshop held on October 27, 2008, the Regular Council Meeting held on October 27, 2008 and the Executive Session held on November 5, 2008. Mr. Mrozinski seconded. The motion carried by voice vote 7 – 0.

PUBLIC COMMENTS:

Dennis Metheny asked if the public would be able to comment on LOIT; he was advised that they would be. Mr. Metheny then thanked the Board Members going out, Mr. Ludlow, Mr. Jones and Mr. Cooley for all they have done and, even though he didn't always agree with them, he wished them a good retirement.

Sierra Sue Jesch, spoke against LOIT. She commented that her landlord will pass on the cost; people who rent can't afford to own homes and this would take more pay away from them. She urged looking at a way to cut budgets.

Mike Kobos commented that everyone is taking cuts; how do people on a fixed income make it. He stated that we cannot afford another tax. He urged that we all start working in harmony; differences are healthy as long as they don't become dividers. Mr. Kobos stated that the Council should let the "new" faces make the decision.

Dennis Metheny, speaking as Coolspring Township Trustee, stated that he has people coming in that can't pay their bills now and can't take another tax. Mr. Metheny also commented that TIF hurts the tax base since money generated doesn't go to the taxing entity.

Tom Hanafee, veteran firefighter, asked the Council to study and consider LOIT. Mr. Hanafee has been down-state and he commented that the legislators knew that the tax caps would inhibit the ability of the primary function of government and he doesn't disagree. Mr. Hanafee commented that the legislators intended to diversify income and how taxes are raised; the purpose of the income tax is for people who have the ability to pay so that the City and County can provide the essential function of government at every level from federal on down to public safety.

Doug Bernacchi, City of LaPorte Fire Department, stated that he is in favor of LOIT in order for the City to provide the basic services they do now.

Michigan City Mayor, Chuck Oberlie, commented that these are difficult economic times and we face significant challenges; HB 1001 was created by our own legislators. Mayor Oberlie stated that the Legislative Services Agency has projected that Michigan City will lose \$3.5 million in property tax and this is after four (4) fire officers have been eliminated along with passing the dispatch unit to the County. Mayor Oberlie commented that a later date for a hearing to see what the legislators do makes some sense but we have an opportunity, and almost an obligation, at this point to see how we re-invent government; we need to look at how we can share services and streamline what we have. Mayor Oberlie suggested that we begin a process with an open dialogue that may go on for several months that looks at not just revenue enhancements but what we can do to change the way we provide the services we rely on.

Rob Beckman, County Prosecutor, referred to TIF Districts, tax exempt properties and proposed road projects to be addressed later on the agenda. Mr. Beckman stated that if taxes are raised now on top of the depressed economy, where is it going to end; he commented that this is not an issue that should be “rammed through” with three (3) Council Members who are now considered “lame ducks.” Mr. Beckman stated that the Council has a tough decision to make but the people cannot afford another tax.

Commissioner Barb Huston stated that no one in the room wants an increase in their taxes but it is something that is needed because of the police and fire protection and EMS. She stated that if the Council does pass the LOIT, the tax freeze levy cannot be rescinded; we already have CAGIT and CEDIT at .95%. Mrs. Huston stated the CEDIT cannot be rescinded because Mayor Morris (City of LaPorte) bonded against it. Mrs. Huston provided examples of what it would cost for the different options based upon a salary of \$50,000.00. Mrs. Huston commented that the additional tax would be an awful lot for the people. Mrs. Huston commented that there are fine people in this room, firefighters, EMS and police, and she know the bind that they are in through no fault of our own; she would have to see the figures and these are almost staggering to the people of LaPorte County.

William Ott, City of LaPorte Fire Department, commented that he is sure that Mrs. Huston’s figures are correct, and he won’t argue with those, but he is sure that the Council is aware that to get to .25% for C, Public Safety, you have to pass A or B. Mr. Ott stated that the public safety funds could be used throughout the County.

Mayor Chroback, City of LaPorte, thanked the Council for moving this matter up on the agenda; she also appreciates the Council working with the City. Mayor Chroback stated that she really doesn’t want to be here tonight and it is really difficult but as Chief Executive Officer of the City, she has no choice. Mayor Chroback commented that local government operates on property taxes and there are big changes in store for all governmental bodies; HB 1001 passed last session puts caps on property taxes in 2009 and 2010 which affects all governments. Mayor Chroback has reviewed the Cender Report prepared at the Council’s request and she is using those numbers for comparison; in 2009 the City stands to lose \$300,000.00 which jumps up to \$1.2 million in 2010. Mayor Chroback referred to the early 1970’s when the tax levies were frozen; the City of LaPorte was very frugal, they had very little debt and the tax rate was very

low. Since the State froze the tax levies, the City of LaPorte has been in “Catch 22” ever since then.

Mayor Chrobak stated that police and fire have a large presence here this evening and she hopes that this doesn't offend the Council; they are very passionate about this since it is their livelihood; HB 1001 affects everyone and there were no tools at the time this bill was passed to make up the loss of revenue. Mayor Chrobak stated that the only avenue available at this time is the adoption of LOIT which, unfortunately, can only be passed by the County Council; LOIT would generate approximately \$750,000.00 for the City of LaPorte for public safety only at .25%. Mayor Chrobak commented that .25% is all you can ask for and the other half of that goes directly to property tax relief; \$750,000.00 will not make up for the shortfall that the City will experience.

Mayor Chrobak reported that the City will be using its CEDIT money as it is a capital fund for the City used for capital projects or economic development. On a personal note, Mayor Chrobak stated that it is very unfair that the legislators passed this bill at the Governor's request and they receive all of the kudos for the tax breaks and we are left with nothing other than to not be able to govern our cities. Mayor Chrobak commented, by the legislators own admission, that most of the legislators did not know the affect that HB 1001 was going to have on cities and towns, counties and libraries; she feels that this is suffocation of local government.

A hand-out was distributed by Mayor Chrobak to the Council comparing the 2008 and 2009 budgets; if the City doesn't get any relief, after police and fire, they will be looking at the Civic Auditorium and Parks & Recreation for cuts. Mayor Chrobak stated that she is only here to ask for consideration to set a public hearing on LOIT so that people in the County can come forward and address this matter so that everyone can be more educated on what the Local Option Income Tax will be.

Rob Sabie, City of LaPorte Fire Chief, commented that this isn't something he wants to do and he doesn't envy the Council's job whatsoever but the fire department does provide a very important service to the City and the tax will help maintain the service. Fire Chief Sabie commented that the insurance rates on homes and businesses are based off of fire service in the community; if personnel are lost or stations shut down, that will raise the insurance rates. Chief Sabie stated that you will pay one way or another; more examples were provided regarding the impact on the community if manpower and the budget are cut. Chief Sabie stated that this tax can be repealed if the State decides to fix this situation; he asked for the Council's help and consideration.

Terry Scherer, City of LaPorte Police Chief, encouraged the Council to consider LOIT. Chief Scherer stated that he didn't think he would ever be in this situation where he would be worried not only for his officers but also for the safety of the public. Chief Scherer commented that he can't find anywhere where cuts can be made without compromising the quality of service that has been given to the public; they are now working under a hiring freeze and have unfilled police officers and dispatchers because of that freeze. Chief Scherer reported that the calls for service are up this year and he invited the Council to ask questions and visit the Police Department as they have nothing to hide. Chief Scherer stated that people want economic development and he wants it also, people want jobs and he wants it also but if public safety isn't sound, he doesn't believe that businesses will come here and stay here if they have to worry about profit losses and

crime. Chief Scherer realizes that this is a tough decision but he asked the Council to look hard and work together to get out of this financial mess.

Eric Jedrysek, with the Firefighters Union, referred to the options available and HB 1001; he believes that what they were trying to do is a positive thing by trying to take the full responsibility off of property owners and spreading it out amongst those can afford it that are working. Mr. Jedrysek commented that someone retired would see savings in property taxes and not be burdened with the income tax; as he learns more this is a positive thing but it should have been enacted at the State level and the burden should not have been put upon the Council. Mr. Jedrysek stated that as of right now, this is the only viable and positive option for the City of LaPorte, the County and Michigan City to maintain the level of public safety that they deserve.

A citizen by the name of John (last name undecipherable) commented that he doesn't want to see the way the fire department and police department take care of us leave in any way; he believes that the burden should be put upon all of the people of the County instead of just the homeowners.

A citizen who didn't state his name commented that his job is not on the line but he does have six (6) kids that live in the City of LaPorte; what price do you put on their lives. He stated that people get laid-off, these are hard times and when you are laid-off and not working you are not getting taxed.

Scott Aftowski, LaPorte Police Department, commented that the more he listens, safety concerns are the biggest issue; people are losing jobs, people are not able to pay their electric bills and will start using candles which will present a fire danger. Mr. Aftowski stated that people are stealing and they are getting desperate. He doesn't want to go to somebody's house and say that they lost a loved one because we didn't have the proper fire safety; the biggest thing that we have to look at is that we don't want to lose lives.

Mike Kobos stated that he respects these men and he doesn't envy them as most of them are holding two (2) jobs. Mr. Kobos commented that the County has a volunteer fire department and the volunteers do a lot of work; we don't even know what raise we are talking about. Mr. Kobos asked why not simply table "this baby" until January, 2009.

Mr. Yagelski announced that public comments were closed.

Mr. Jones stated that he appreciates both sides of the argument regarding LOIT and he agrees with the firefighter who talked about Option B and Option C; Option B being dollar for dollar property tax relief and Option C being .25% of public safety relief. Mr. Jones also agrees with the statement that the income tax doesn't tax those that are out of work and that has been one of the arguments; he prefers a sales tax but that wasn't an option given to the Council but it would force discretionary spending and it isn't tax on food or a wheel tax.

Mr. Jones commented that this is a tough decision and difficult to understand for most people; the deadline has been pushed back more than once and the Council was told they must make a decision by December 31st of this year and now it is scheduled for June of 2009. Mr. Jones thinks that everyone wants to take a harder look at doing things better without raising taxes.

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Mr. Jones stated that the Council has met with both Mayors and they have seen their numbers; both Mayors admitted that they can manage in 2009 but 2010 will be critical. Mr. Jones commented that he does believe that the legislature will be working hard beginning in January and he thinks that the Council will need to see what the legislature does during the session which has to be concluded by April 30th of 2009.

Mr. Jones commented that as a Council they cannot ignore this very important issue; this issue deserves full consideration. At the same time, Mr. Jones thinks that the cities, and especially all of the people here from public safety from the City of LaPorte, deserve not to “die on the vine” without other options and other areas to cut within the City budgets; he knows that both Mayors have been working hard and have cut their budgets and he thinks that more cuts will be made in areas away from public safety.

Mr. Jones will continue to stand on a platform, even though he is leaving, that cuts, if they are made, not be made in the public safety sector; even though this is a great Council that he respects, he doesn't think they have “work-shopped” this issue enough to date. Mr. Jones stated that the resolution could be heard on first reading tonight but, as several people from the public have said and he doesn't want to “skate” the issue, it will be dealt with by the “new” Council whether we like it or not and they will hear it on second reading anyway. Mr. Jones suggested pushing this issue back a little bit by setting a public hearing, perhaps in January, followed by some workshops perhaps in February, March and April, and schedule a May second reading and either adoption or defeat of this proposal after hearing and seeing what the legislature may do during their session.

Mr. Jones further stated that this matter could be tabled tonight but he doesn't think there is a big difference between hearing it on first reading and pushing back a public hearing; tabling essentially does the same thing.

Mr. Cunningham commented that the basic issue is the difference between needs and wants; everyone agrees that safety is the No. 1 concern. As Mr. Cunningham looks at the sheet, and Mayor Chroback has indicated if LOIT is passed there would be a \$750,000.00 increase for the City of LaPorte, he sees a Park and Recreation Department for \$803,000.00 which exceeds that. Mr. Cunningham stated that anyone that has children loves the Park and Recreation Department but it is not a necessity; he grew up in a small community, Hanna, and they played ball almost every day and they never had a Park Department.

Mr. Cunningham stated that the simplified thing in his mind is that there is no necessity to cut any firemen or any policeman or sacrifice any safety of the City of LaPorte; if the Park and Recreation Department is closed for a year or two, there would be a lot more irate people than the firemen and the policemen since you have all of these parents that would have to take care of their children during the day who will put some pressure on the legislature. Mr. Cunningham commented that we all have wants and that is why the economy is in the trouble it is now; tough times require you to fulfill your needs. Mr. Cunningham agrees that public safety is a need, and he agrees 100% with Mr. Jones that not one fireman or policeman should be cut; if the City of LaPorte is truly in dire emergency, nobody is going to die because the Park Department is closed for a year.

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Mr. Cunningham commented that this is what he thinks would happen; if you close the Park Department, the neighbors around the park will go out and mow the lawns themselves and the kids can still play baseball and nobody gets laid-off. Mr. Cunningham further stated that he doesn't want to close the Park Department, but he would certainly rather close the Park Department than lay-off policemen and firemen and risk lives.

Mr. Mrozinski stated that he isn't happy with the legislature; they did not give the cities the tools to bail themselves out but put it on the County and it is a tough spot the Council is in. Mr. Mrozinski commented that the Council doesn't have a tough job, it is the policemen and firemen that have their lives on the line every day; he agrees with Mr. Cunningham that the policemen and firemen are the last people that should be cut. Mr. Mrozinski stated that the Council really hasn't had enough time to look over the budgets but they have talked to the Mayors and the legislators; he believes that the legislators are going to have to do something different and revisit the issues and come up with a better plan to bailout the cities.

Mr. Mrozinski agrees with Mr. Jones that the Council has not "work-shopped" this matter enough and the Council needs to sit down with the cities with the budgets in-hand and see what can be done besides having the police and fire departments taking a "hit." Mr. Mrozinski stated that the County has a situation that has been battered around for a couple of years which is paying rent for the County Extension Office; he commented that the Council is sick and tired of that, too, because there isn't enough money to build a new building. Mr. Mrozinski doesn't know how these things come to him, maybe in a dream, but something that might be considered by Mayor Chrobak is that the depot next door to the Complex might be a good place to put the Extension Office; the County needs a building and the City needs money. Mr. Mrozinski stated that getting rid of policemen and firemen to him is not an option; he is willing to give it as much time and effort as it takes.

Mr. Garner commented that he is in his second term and he represents portions of LaPorte and LaPorte County which means that he represents every one of you "out there." Mr. Garner has had more people here tonight than he has had people express the opposite so this matter has his vote either way whenever it comes up; that is what he is elected to do is to represent those in attendance and those in his area along with the rest of the County. Mr. Garner stated that this is a dire situation that state officials have put us into; hopefully everything they are proposing works out the way it is supposed to and nobody will really lose anything by this. Mr. Garner commented that everyone is forgetting that we haven't seen the actual numbers; when they come in just maybe it will save people money. Mr. Garner reiterated that, "You do have my vote either way whether it is now or in January." Mr. Garner further commented that he is not worried about if he is elected the next time as he has to represent the people now.

Mr. Cooley commented that he made the statement a few months ago at a Council meeting that he has always supported the police, fire and ambulance because he thinks it is dear to the heart; he wants to be able to get on the telephone, call 911 and they will send somebody to his house. Mr. Cooley stated that we just went through an election and he listens on the radio how our legislators are doing a great job; in this County there are two (2) Senators who represent us and one voted for it and one voted against it and they both got elected. Mr. Cooley commented that there are three (3) State Representatives and two (2) of them voted for 1001 and one (1) didn't and they got re-elected; even the Governor got re-elected and many of those in attendance supported those legislators.

Mr. Cooley stated that the last five (5) or six (6) years when the Council went through budgets they tried to make a freeze on hiring because after the budget is passed the Council is “stuck” with it for a year; he commented that the time has come and if people aren’t happy with what the legislators are doing, they need to tell them. Mr. Cooley stated that the mandate is to “cut”; he knows what his vote is going to be and that will be “no” if it comes up in December. Mr. Cooley further commented that he doesn’t see any of the legislators here tonight; in the early 90’s Mr. Cooley got stuck in a position to pass a County Option Tax since there were potholes all over the County. Mr. Cooley commented that the legislators mandated cuts and the cuts needs to be made to stick with the mandates.

Mr. Yagelski stated that he went to Indianapolis and listened to the 1001 bill but never got an answer; the DLGF was there, Cheryl Musgrave, and she would not answer any of the questions not only from our Council but also Porter, Lake and St. Joe counties. Mr. Yagelski commented that more meetings was mentioned; the Council ran their budget hearings in August as is always done, which is no disrespect to the cities, but those budgets were given to the Council at a later period of time because, and it wasn’t because the legislators changed it, it was because the DLGF, Cheryl Musgrave, changed the date.

Mr. Yagelski commented that he doesn’t care how many more meetings the Council had, and he displayed the thick Michigan City budget, nobody can do what is being required of the Council; he doesn’t know who thought it could be done or thought it was the easy way of handling it, but even if it was, the Council should have been given at least one power to say, “I’m not happy with your budget, take it back” but the Council doesn’t have that authority. Mr. Yagelski stated that the only authority the Council has is to look at the budgets; he stated that the Council really doesn’t want to micromanage all of the entities but, unfortunately, the Council has zero authority; he feels that the Council has a great responsibility and he recommended that two (2) public meetings be set in December.

Mr. Yagelski further stated that the issue should not be “skirted.” Mr. Yagelski commented that he has talked to his representatives and there is no one spearheading changing this; they are thinking about budgets for the next two (2) years and if anyone thinks they are going to worry about us right now, it is a surprise to him. Mr. Yagelski commended the officers and the public for their support; whether the Council is happy with it or not, they need to do their jobs.

Mr. Cunningham expressed his appreciation to the crowd for their attention and outstanding behavior.

Mr. Garner made a motion for 1st reading on the property tax relief and public safety ordinances by title only. Mr. Cunningham seconded. The motion carried by voice vote 6 – 1 with Mr. Cooley voting, “Nay.” Mrs. Shuter read, “LaPorte County Council, Ordinance Imposing a County Adjusted Gross Income Tax to Provide Property Tax Relief” and “LaPorte County Council Ordinance Imposing an Additional Rate of the County Adjusted Gross Income Tax to Fund Public Safety Costs.”

The Council set Monday, December 8th at 5:00 p.m. and Monday, December 29th at 5:00 p.m. for public meetings regarding LOIT.

NEXUS UPDATE:

Frank Kelly, Nexus Group, reported that the 2006 re-trending process is nearly complete; the ratio study, an integral part of the reassessment, was sent to the DLGF approximately six (6) weeks ago. Mr. Kelly distributed a hand-out to the Council. Mr. Kelly commented that in the interim they have reviewed close to 70,000 parcels in the County database to make sure that they are pricing accurately and are updated accurately to comply with the DLGF's order; as a result of the review process, Nexus found some errors in the pricing, corrections have been made and as a result some changes have been made on the ratio study which has been resubmitted to the Department of Local Government Finance (DLGF) with workbook values last week.

Mr. Yagelski asked that Mr. Kelly explain why the workbook wasn't submitted initially. Mr. Kelly responded that in 2006 workbook values were not required as part of what was submitted; for 2008 assessments they are required as part of the submission along with other information that has been submitted to the DLGF. Mr. Kelly explained that the original charge was to submit the ratio study. Mr. Kelly stated that the DLGF order was quite specific on how things could change and what could not be changed; the interim time period was used to go back through several thousand parcels on which certain types of changes had been made that the DLGF indicated they didn't want those types of changes made; those were extracted back out of the parcels and set back to the 2005 assessment methodology.

Mr. Kelly stated that they initiated the process by virtually starting from "scratch" in the County as far as going back through all of the sales and sales databases and as a result of that, somewhere around 1,000 additional valid sales were found that Nexus didn't have access to previously. Mr. Kelly reported that the County back in 2005 was keeping multiple sales databases at multiple locations with the various townships and some of the sales information was "lost" or misplaced in the process. Mr. Kelly stated that they have augmented the database with appraisals that people have submitted to the Assessor's Office as valid; it has been a from "scratch" operation to try to get this information as accurate as possible. Mr. Kelly commented with all of that said, gross assessed values in the County have changed by less than 1/10 of 1% overall.

Mr. Kelly referred to the regulatory commission and reported that NIPSCO is under appeal, since it has increased substantially, but NIPSCO is not in a TIF District so that assessed value, if it is collected upon, will impact tax rates in that tax district in Michigan City. Mr. Kelly stated that the Blue Chip Casino assessment, on the other hand, resulted in a decrease of approximately \$75 million; however that facility is in a TIF District so, as the Council has heard here tonight, assessments in a TIF District, whether they increase or decrease, is a moot point and doesn't affect other taxpayers that are outside the TIF District in Michigan City.

Mr. Ludlow asked Mr. Kelly to expound on 1/10 of 1%. Mr. Kelly responded that based upon an estimate requested by the DLGF on how assessed values had changed regarding the re-trending process, on a net basis County-wide there was no change but on an individual basis there were increases and decreases.

Mr. Ludlow asked if the work performed by Crowe-Chizek for operations has been satisfactory. Mr. Kelly commented that Crowe-Chizek is not Nexus' contractors but the County's contractors;

he reported that they have met with them several times and provided them with all of the information to make sure that Nexus' work complies with the DLGF's order.

Mr. Yagelski mentioned that Mike Slater, Crowe-Chizek, referred to the same problem as Mr. Kelly; the workbooks were never required prior to this and everything up to this point is current; they are working on our numbers and the Council will have a report by the end of this week from Crowe-Chizek.

Mr. Kelly commented that if there is any "light at the end of the tunnel" and pending DLGF approval, the 07 assessed values should be turned around in a couple of months; the pressure will then be on the Auditor's Office.

Mr. Baugher asked Mr. Kelly for a reasonable estimate when the reassessment will be completed. Mr. Kelly answered that from Nexus' perspective, pending any changes from the DLGF, the reassessment process could be complete and approval received by mid-December which would be followed by final checks in the Assessor's Office before rolling 06 pay 07 values to the Auditor which would then allow 2007 CAMA to be opened. Mr. Kelly commented that 07 shouldn't be substantially different which would allow for a short turn-around.

Mr. Baugher stated that it is his opinion that this may not happen and the Department of Local Government Finance has strongly suggested that a second provisional bill not be sent out until the reassessment is complete; of course, this is causing a lot of problems for local government. Mr. Baugher asked directly when this process is going to be completed; he thought he heard Mr. Kelly say that reassessment should be completed by mid-December. Mr. Kelly responded "yes" as far as getting the values to the Auditor's Office but then the Auditor has numerous functions which could be a three-month process. Mr. Baugher commented that due to the reassessment, the Treasurer isn't going to be in a position to issue interim bills until the first quarter of 2009. Mr. Kelly referred to a reconciliation bill followed by a provisional bill if approved by the DLGF.

Mrs. Shuter would like an answer from Mr. Kelly or Judy Anderson, regarding a call she received regarding numbers coming to the Auditor's Office that were not going to include PTABOA determinations and 133 changes. Mrs. Shuter commented that the plan was that the deductions are in place so once the new assessed values rolled to the Auditor's Office, they could be reconciled immediately. Mrs. Shuter asked if the ratio study was submitted out of CAMA; she was told that the CAMA data was not going to be loaded into Proval and rolled to the MVP system. Mrs. Shuter asked if the values were going to be 100% accurate when rolled to the Auditor's Office. Ms. Anderson responded that the values are as accurate as they can be. Mr. Kelly stated that his belief is that most, but probably not all, of those values are in place. Mrs. Shuter stated that in either case, the Auditor's Office is going to have to go back through parcel by parcel 70,000 parcels to make sure that the assessed values are correct when we re-bill and send a reconciliation statement out for 06 pay 07; this process will take a least two (2) months of time just so it is understood that none of this can happen real soon.

Mr. Yagelski asked about the reassessment date. Mr. Kelly responded that the statutory date for the re-trending order was the end of November; he stated that the input took awhile and it is not a speedy process. Mr. Kelly believes the values to be as accurate as possible. Mr. Yagelski commented that Crowe-Chizek will provide its report by e-mail.

Mike Kobos, citizen, commented that the Assessor should do the assessing but she hired Nexus without putting it out for bids as per newspaper reports; he can't understand the delay since we have always been punctual. Mr. Kobos commented that we have a "ghost" Assessor.

TRANSFER/EMS: Mr. Cunningham made a motion to approve the transfer of \$1,000.00 from Educational Inst. Training (100-30027-000-140) to a new line item, Medical Exams (100-30110-000-140). Mr. Ludlow seconded. The motion carried 7 – 0 by voice vote.

TRANSFER/HEALTH DEPARTMENT: Mr. Ludlow made a motion to approve the transfer in the Health Fund of \$432.00 from Printing (219-30005-000-219) to Security System (219-41015-000-219) and to approve the transfer in the Bio-Terrorism Fund of \$255.00 from Claims (293-20200-000-293) to Retirement (293-11017-000-293). Mr. Garner seconded. The motion carried 7 – 0 by voice vote.

Paul Trost, Director, extended his appreciation on behalf of the Health Department to Mr. Jones, Mr. Cooley and Mr. Ludlow for their years of service on the Council.

ADDITIONAL APPROPRIATION/REASSESSMENT FUND: The Assessor requested funds for moving the office which were advertised in the Reassessment Fund and the Win Tax Fund. Mr. Garner asked who moved the office. Ms. Anderson responded that it was Haviland Callan. Mr. Garner commented that Maintenance or the Highway could have moved the office. Mrs. Shuter reported that the Council should have correspondence from Tim Rushenberg at the DLGF regarding expenditures from the Reassessment Fund; if approved this should come from Win Tax as it is not allowed under state statute from the Reassessment Fund. Mr. Cunningham made a motion to approve \$3,331.26 from the Win Tax Fund and Mr. Jones seconded. The motion carried by voice vote 4 – 3 with Mr. Yagelski, Mr. Garner and Mr. Ludlow voting, "Nay."

ADDITIONAL APPROPRIATION/CLERK: Mr. Ludlow made a motion to approve \$20,066.00 for Bookkeepers and \$9,221.00 for Clerks in the County General Fund, Clerk's Budget, as advertised. Mr. Garner seconded. The motion carried by voice vote 7 – 0.

ADDITIONAL APPROPRIATIONS/COMMISSIONERS:

COPY MACHINE SUPPLIES:

\$2,030.00 was requested for Copy Machine Supplies in the County General Fund, Commissioners' Budget. Mr. Yagelski stated that he has asked for six (6) years for agreements for copy machines but everyone is buying different ones so the Council took this out of the budgets for 2009. Mike Bohacek commented that this is an agenda item for the Commissioners. Darlene Hale, IT Director, reported that the Commissioners buy copy paper for all departments in Michigan City and LaPorte.

Mr. Cunningham made a motion to approve \$2,030.00 as requested and Mr. Mrozinski seconded. The motion carried by voice vote 5 – 2 with Mr. Ludlow and Mr. Garner voting, "Nay."

FIREFIGHTER TOWER:

The next item addressed was the request for \$20,000.00 from the Win Tax Fund towards a Firefighter Tower. Mr. Yagelski commented that anyone can use this fire tower.

Dennis Metheny commented that he had talked to the Fire Chief of Michigan City and they didn't have the funds to put the hydrant in; Mr. Metheny informed the Fire Chief that as a safety factor he would be more than happy as Coolspring Township Trustee to write an additional appropriation next year to put the fire hydrant in since the township would need it too.

Mr. Ludlow asked if there would be a charge per hour for training or would it just be a matter of scheduling. Mr. Jones commented that a grant was received successfully for all of Homeland Security District One which is Lake, Porter, LaPorte, Newton and Jasper; Michigan City Fire Department's application was the best and they had a location so they received the grant in the amount of a little over \$100,000.00. Mr. Jones reported that a second wave of money is coming to make this a state-of-the-art facility and it is already underway with some donated labor from the Ironworkers; the \$20,000.00 will go towards a match that has to be made with the grant.

Rob Beckman, Prosecutor, asked why Michigan City needs \$20,000.00 from County Government; he assumes that they had the match before they got the grant and he assumes that they weren't counting on County Government. Mr. Beckman commented that he has a little bit of knowledge about the finances of Michigan City from a few years back and he believes that they have sufficient revenue; he referred to firemen possibly losing their jobs under the theory that we don't have enough tax revenue.

Mr. Jones commented that Michigan City did have a match; he is just explaining what the money is going toward. Mr. Beckman asked what the \$20,000.00 is for then. Mr. Jones referred to the way the meeting was being conducted from the floor and asked if it was going to continue.

Mr. Cunningham stated that when the City of Michigan City approached the Council for \$20,000.00 it was a one-time cooperative fee rather than charge fees; volunteer fire departments can use the facility and it was in the spirit of cooperation that everyone in the entire County could use this facility at no charge.

Mr. Garner commented that Noble Township has their own and paid for their own and they also let the southern part or any part of the County use it if they wished to do so.

Mr. Baugher stated, like anything else that government does, it either has to be within the authority of the governmental unit; there has to be some contract and he assumes there will be a contract between the County and the City as to the use. Mr. Baugher commented that this appropriation has to be supported by an inter-local agreement that defines the purpose and uses for the money; he doesn't know if the contract exists or not but that would answer most of the questions.

Mr. Bohacek stated that we are not engaging in contracts until we can fund them, as per Mr. Baugher's direction, so they are here for the funding before the contract can be executed. Mr. Baugher commented that if the Council is going to approve it, it should be made subject to an appropriate inter-local agreement.

Mr. Cunningham made a motion to approve \$20,000.00 pending a contract. Mr. Jones seconded. Roll call was taken.

Mrs. Shuter:	Councilman Cooley:	Aye
	Councilman Cunningham:	Aye
	Councilman Garner:	Nay
	Councilman Jones:	Aye
	Councilman Ludlow:	Aye
	Councilman Mrozinski:	Aye
	Councilman Yagelski:	Aye

Motion carried 6 – 1.

Mr. Garner commented that as a former firefighter and volunteer firefighter for thirty (30) years, it has been slapped in their faces so they built their own and found a way to do it; they are still paying for it.

2-1-1 SERVICE:

Mr. Bohacek introduced Bill Hanna, Executive Director, United Way of LaPorte County. Mr. Bohacek asked that the request for \$150,000.00 be reduced to \$100,000.00. Mr. Bohacek commented that they had a power point presentation but since the meeting is going long he doesn't think the Council will want to watch a 15-minute power point; he explained that 2-1-1 is informational referral services which means that there are information points where someone can call, get information and also be referred for various public services, health and safety services and basically a "one stop shop." Mr. Bohacek provided a few examples of how the service could be used.

Mr. Ludlow asked if the contract was being downgraded from a three-year contract to a two-year contract. Mr. Bohacek responded that he is downgrading it from a three-year contract at \$60,000.00 a year to a four-year contract at \$25,000.00 per year; the provider was going to be United Way of St. Joe County, which was going to be the call center, but the call center has been changed to Northwestern Indiana Community Action in Crown Point who currently handles Porter, Lake, Jasper and Pulaski.

Mr. Ludlow asked Mr. Hanna if he seeks out the appropriate people and the appropriate information or is the County responsible for getting that to him. Mr. Hanna responded that building the database is one thing that will have to be done in addition to this and for that he will seek funding from the Lilly Foundation; the other thing that needs to be done is to market 2-1-1 and develop an education and awareness campaign to the public. Mr. Hanna is going to appeal for \$20,000.00 to \$25,000.00 from Lilly; he stated that Lilly wants to see that United Way has partners in this who are willing to fund this service, make it happen and sustain it over the long term.

Mr. Bohacek commented that the money that Mr. Hanna is able to get from the Lilly Foundation to market the service can be purely used for the marketing of 2-1-1; the agency who is going to administer this project is also going to build the database for us so that is all inclusive. Mr. Bohacek stated that public assistance is needed to get 2-1-1 going but the long term funding

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source is in the way of grant money and specific organizations; approval would give four (4) years to get the program moving along. Mr. Bohacek stated that if the Center in Lake County is closed, the calls roll to another Center that is open 24 hours a day or if the Center is overwhelmed, they transfer calls to Centers that aren't in order to get the appropriate services no matter where they are handled.

Mr. Baugher asked who the contract would be with. Mr. Bohacek responded that it would be between Northwestern Indiana Community Action and LaPorte County. Mr. Baugher asked if the contract would be to provide specific services. Mr. Bohacek replied that it would provide specific 2-1-1 services and it will be spelled out in a contract or an MOU (Memorandum of Understanding).

Mr. Cunningham, in looking at the map, commented on counties who provide this service. Mr. Bohacek responded that we are the largest county by population in the State of Indiana that does not currently have 2-1-1; he stated that Mr. Cunningham is correct that in the northwest corridor only LaPorte, Fulton and Kosciusko do not have it.

Mr. Bohacek commented that Mr. Jones had said that there is a service that has a call out to First Responders, etc. Mr. Jones provided a detailed explanation regarding mass notification systems which are reverse 911's; he stated that 2-1-1 is a far better system and is an invaluable tool in his mind; changes are always up-to-date because they always call us.

Mr. Hanna stated that people who need help in human services in our County have a difficult time navigating the system and they don't know who to call or they have a need at 6:00 p.m., call the office and get the message regarding the normal business hours; 2-1-1 provides a comprehensive network.

Mr. Ludlow made a motion to approve \$100,000.00 pending a contract. Mr. Jones seconded. The motion carried 7 – 0 by voice vote.

BARKER WOODS:

Mr. Bohacek commented that about two (2) years ago he had asked for a quarter of a million dollars for Barker Woods Enrichment Center; he reported that after the first of this year they will be able to take kids ages 7 through 12, which was a gap in services, and they are able to participate in a 20th Century Grant which is a mechanism that funds Safe Harbors. Mr. Bohacek reported that now parents will be able to bring their kids with special needs, either through parent transport or hopefully through the Michigan City Area Schools transportation network, into Barker Woods at the same rate on a monthly basis of \$5.00 per month. Mr. Bohacek commented that these kids can get into the appropriate situation and the appropriate setting; he further stated that through the generosity of the Council and the County this service can be provided.

UPDATE ON 900 MEGAHERTZ SYSTEM:

Mr. Bohacek also referred to \$600,000.00 toward the 900 megahertz umbrella; some changes have been made in the program and some of that money will be coming back before the end of the year since some other solutions were found to assist LaPorte County and also LaPorte City in providing a service to their emergency units and provide funding for about three (3) years. Mr. Bohacek commented that after that the technology will probably change. Mr. Bohacek reported

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that Michigan City will go forward with the 900 megahertz system and the County will provide the modems for them already purchased by the grant.

ADDITIONAL APPROPRIATION/COUNTY DRUG FREE COMMUNITY:

Jeane Bock, Coordinator, and Joe Bunch, Vice President of the Board of Directors of the LaPorte County Drug Free Partnership, were in attendance regarding the request for \$181,708.00 from the County Drug Free Community Fund. Mr. Ludlow made a motion to approve this request as presented and Mr. Garner seconded. The motion carried by voice vote 7 – 0.

ADDITIONAL APPROPRIATION/GIS:

BEACON WEBSITE:

Mr. Yagelski stated that this request in the amount of \$57,580.00 for the Beacon website was tabled at the meeting on October 27th. Mr. Ludlow made a motion to take this request off of the table and Mr. Jones seconded. The motion carried by voice vote 7 – 0.

Melissa Mischke, GIS Coordinator, stated that when she came before the Council last month, they had tried to pay this website bill from the Reassessment Fund and were told this was not an allowable expense from the Reassessment Fund; she did some additional research, and the Council should have received an e-mail with the determination from the State Board of Accounts, that the website was being used by the Assessor's Office and by the guidelines of the Indiana Code that would be an allowable expense. Ms. Mischke commented that there is a letter attached from Carol McDaniel's office stating how they are using the website to support functions in their office.

Mr. Jones made a motion to approve this request for \$57,580.00 from the Cumulative Capital Development (CCD) Fund and Mr. Garner seconded. The motion carried by voice vote 7 – 0.

EXTRA HIRE:

Mr. Jones made a motion to approve \$1,105.00 as advertised in the County General Fund, GIS Budget, for Extra Hire/Part-time/Seasonal. Mr. Garner seconded. The motion carried 7 – 0 by voice vote.

ADDITIONAL APPROPRIATIONS/HIGHWAY:

CEDIT:

Rick McVay, Highway Engineer, reported that \$1,750,000.00 is the bi-annual request for the CEDIT draw. Mr. Ludlow made a motion to approve this request as presented and Mr. Garner seconded. The motion carried by voice vote 7 – 0.

Mr. McVay explained that the request for \$61,060.00 to be appropriated in the CEDIT Fund is the match from Michigan City on the Pahs Road Project paid back to the County. Mr. Ludlow made a motion to appropriate this amount into the Claims (20200) line item as requested and Mr. Garner seconded. The motion carried 7 – 0 by voice vote.

CUMULATIVE BRIDGE FUND:

Mr. Ludlow made a motion to approve \$5,000.00 as requested in the Cumulative Bridge Fund for Small Structure Inspection. Mr. Garner seconded. The motion carried 7 – 0 by voice vote.

JOHNSON ROAD PROJECT:

Mr. Yagelski commented that \$355,000.00 was advertised in the Major Moves Fund and the River Boat Admissions Tax Fund. Mr. Ludlow asked how much money is in River Boat Admissions and when is the next draw. Mrs. Shuter responded that the next draw should be in January; she reported that there is \$5.2 million in River Boat.

Mr. Yagelski asked what this money is for. Mr. McVay answered that is for improving the intersections on Johnson Road; one intersection is at Johnson and Pahs Road and the other intersection is at Johnson Road and 450 North. Mr. McVay explained that this request is for the preliminary engineering; he commented that they anticipate at Johnson and Pahs possibly raising the grade on Johnson Road and maybe doing some turn lanes and some things to improve the safety of the crossing.

Mr. Garner stated that the Council already went through this about two (2) years ago and had the public here. Mr. McVay commented that that project was for the entire stretch of road and about 75% of that road has been taken care of with local funds.

Mr. Mrozinski asked if there are a lot of accidents. Mr. McVay responded especially at Pahs and Johnson.

Mr. Yagelski stated that he is truly, one more time, disappointed in the nature of this request as he remembers specifically asking again, at the beginning of this year, for projects from the Commissioners because we are going to run out of the money granted to N-IRPC. Mr. Yagelski asked why we are paying for this. Mr. McVay responded that the federal funding is still there but this would be to get the project off of the ground since the design has to be paid for from local funds. Mr. Yagelski commented that this is not the agreement; this project was being taken in steps. Mr. Yagelski stated that this project will be just like the 400 project and that is not the way it was designed. Mr. McVay relayed what the original scope of the project was.

Mr. Yagelski commented that we didn't follow through the steps again and now we are back-tracking; he stated that we have money coming through from the Federal Government through N-IRPC and that is why we belong to N-IRPC. Mr. Yagelski commented that he cannot support this at all. Mr. McVay stated that he doesn't understand the confusion. Mr. Yagelski replied that it is called "hop scotching" and the steps aren't being followed.

Mr. Garner made a motion to table this request and Mr. Ludlow seconded. The motion carried by voice vote 5 – 2 with Mr. Mrozinski and Mr. Cunningham voting, "Nay."

Mr. Mrozinski asked about statistics to backup the number of accidents. Mr. McVay responded that he could bring these back to the Council; he gets his reports from the Sheriff's Department.

ADDITIONAL APPROPRIATION/PLAN COMMISSION: Mr. Ludlow made a motion to take the request for \$207,757.00 from the Win Tax Fund or the Contractor Registration Fee Fund off of the table. Mr. Cunningham seconded. The motion carried 7 – 0 by voice vote.

Ray Hamilton, Building Commissioner, and Darlene Hale, IT Director, were present to address this request. Mr. Hamilton stated that they were in attendance last month with proposals from IKON but they had other people in mind and they contacted another firm; the IKON bid was

approximately \$225,000.00 plus \$14,000.00 in travel expenses. Mr. Hamilton referred to information from Blue Prince, who has sold their program to Elkhart County, Porter County and Highland, Indiana. Mr. Hamilton reported that they talked to the people from Highland and they are very impressed even though their program is only four (4) months old. Mr. Hamilton stated that Blue Prince is approximately \$100,000.00 less than what IKON had quoted so they are recommending that we change from IKON. Ms. Hale commented that they would need \$119,000.00.

Mr. Yagelski had talked to Ms. Hale prior to last month's meeting but it was too late to distribute the information to the rest of the Council. Mr. Ludlow asked if we are comparing "apples to apples." Ms. Hale responded that there is a little bit of difference since with IKON we would actually be buying their solution; there is still a maintenance cost every year that averages out to be the same. Ms. Hale commented that with Blue Prince it is actually their application but this company does provide everything that IKON would.

Mr. Ludlow asked, "In two (2) or three (3) years they aren't going to triple the price?" Ms. Hale responded that Blue Prince actually is a partner with Manatron who does the assessing software; they are fully integrated with Manatron and have been around ten (10) years with over 300,000 users. Ms. Hale reported that they are also fully integrated with ESRI which is our G.I.S. software; this will also give the County the ability to bring the Health Department sewage permits onboard so that all of the data will be available in place. Ms. Hale stated that there will be a citizen portal for contractors so that the average person can go on-line and request permits and the contractors will be notified via text message or whatever.

Ms. Hale commented that after we pay maintenance, which the average cost is the same, we would still get ten (10) years of maintenance for the same price we would be paying IKON upfront and paying maintenance on top of it. Mr. Ludlow asked if this is an annual cost. Ms. Hale responded that the annual cost is \$8,500.00 which includes all upgrades to the software.

Mr. Garner, in reference to Elkhart County, stated that they have been the premier county in the State for the last ten (10) years. Mr. Hamilton commented that they have not contacted anybody from Elkhart County. Mr. Hamilton stated that the first contact was a telephone conference call with Blue Prince and then they came in last Friday and presented the program. Mr. Hamilton reported that Blue Prince brought the Building Commissioner from Porter County with them and then Mr. Hamilton personally called a gentleman in Highland, Indiana. Mr. Garner commented that he is talking about Elkhart County and if they are having no problems then he doesn't see a problem.

Mr. Hamilton stated that IKON was basically starting from nothing and building a program for us. Mr. Hamilton commented that these people are a little bit farther advanced as they have created a program and we would be using their program; those he has talked to have both highly recommended this program. Ms. Hale commented that she talked with Joel from Elkhart County and they are looking at purchasing this application. Mr. Garner stated that he would feel more confident if Elkhart County had purchased it. Mr. Hamilton commented that Blue Prince was spending the day in Elkhart County and then they stopped by here so he presumed that Elkhart County had it but maybe they were just setting their program up.

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Mr. Mrozinski doesn't know how long IKON has been working on the program but it seems like a really long time. Mr. Mrozinski asked about all of the money the County has given them already for whatever they have done; he asked if we have anything to show for it. Mrs. Shuter responded that the money was for a study. Mr. Mrozinski asked with all of the people in our IT Department, for what we want do we need to hire a contractor and isn't this something we could do in-house. Ms. Hale responded that we don't write our own applications as we don't have the time but IT supports various applications.

Mr. Garner commented that IKON started in more than one office in the County so he is assuming that they understand all of our systems. Ms. Hale stated that IKON started out in the Auditor's Office with the Real Estate Department and transferred all of the property record cards to digital format; they have also automated the tax exemptions and the budget process. Regarding the budget process, the import did not work last year but hopefully it will this year.

Mr. Garner, not being comfortable at this time, made a motion to table this request and Mr. Cunningham seconded. The motion carried 7 – 0 by voice vote.

Mr. Hamilton asked what Mr. Garner is looking for. Mr. Garner answered that he would like something from Elkhart County; \$100,000.00 difference is a lot of money.

Mrs. Shuter added to Ms. Hale's comments regarding the import that didn't work during the budget process last year; it was on LLOW's end and not on IKON's end. Ms. Shuter commented that this was changed and the money the Council approved earlier this year was to create that input.

ADDITIONAL APPROPRIATION/PLANNER: Mitch Bishop, County Planner, requested \$247,920.00 from the Win Tax Fund for a County-wide Zoning Ordinance. Mr. Bishop reported that the County has teamed up with the City of LaPorte and the City of Michigan City who will share the cost of the project. Mr. Bishop stated that the County-wide Comprehensive Plan was adopted in April.

Mr. Mrozinski made a motion to approve the request for \$247,920.00 as advertised in the Win Tax Fund and Mr. Jones seconded.

Mr. Ludlow referred to \$247,920.00 requested and the cities' portion of \$102,000.00 as discussed. Mr. Bishop commented that the original agreement was that the cost would be split three (3) ways. Mr. Bishop reported that there was a Steering Committee and the City of LaPorte cannot pay one-third (1/3) of the cost; that is why application for a grant was made. Mr. Bishop stated that he will be going in front of the Wanatah Plan Commission next month since they are interested in adopting the Comprehensive Plan. Mr. Ludlow understands what Mr. Bishop is saying but the contract is for \$247,920.00; it seems that Mr. Bishop is asking for all of the money up front and then be reimbursed when the cities give us their share and the reimbursement will be put back into the Win Tax Fund.

Mr. Jones commented that it is his thought that they will wait for the grant to see what it pays and then the shares will be reflected by that. Mr. Bishop agreed. Mr. Ludlow commented that this money is being appropriated in 2008 and won't be spent until 2009 so it will have to be encumbered. Mrs. Shuter responded that it can be encumbered as long as there is a contract. Mr.

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Ludlow commented that Mr. Bishop will need to work with the Auditor's Office to make sure all of the County "t's and i's" are crossed; the County is putting up all of the money upfront and hopefully we will get some reimbursement.

Mr. Cunningham asked if the City of LaPorte's financial problem is due to the situation right now or do they disagree with who was hired. Mr. Bishop responded that out of the RFP's (Request for Proposals) there were five (5) proposals received and the selection committee comprised of the Commissioners, Mayors and Planners selected LSL Planning out of Indianapolis. Mr. Mrozinski commented that he was in on the meeting and they did go through a lengthy process and Mr. Cunningham "hit it" right on the head; the bottom-line is that LaPorte doesn't have any money and that is why they are going out for more grants and with Wanatah tied in, that is a good thing. Mr. Mrozinski stated that if we wait for the City of LaPorte to get the money, it will never get done. Mr. Bishop commented that Mayor Chroback did mention a Community Development Block Grant.

Mr. Jones stated that getting the money upfront will get the project moving and LaPorte will find some money to put towards the project above the grant. Mr. Mrozinski asked how long ago it was that LSL was decided upon. Mr. Bishop responded that it was September; the project is an 18-month project. Mrs. Shuter reported that after this appropriation, there will only be about \$100,000.00 left in the Win Tax Fund. **The motion to approve \$247,920.00 as requested carried by voice vote 7 – 0.**

ADDITIONAL APPROPRIATION/TRANSFER – PROSECUTING ATTORNEY:

Mr. Ludlow made a motion to approve the appropriation in the County User Fee Fund of \$110,117.50 and the transfers as presented to the Pre-Trial Diversion & Deferral Fund, the Adult Protective Services Fund and the Victim Advocate Grant Fund. Mr. Beckman commented that this is not General Fund money but Infraction Deferral Pre-Trial Diversion money generated in his office and earned by his people. Mr. Jones seconded the motion. The motion to approve carried by voice vote 7 – 0.

ADDITIONAL APPROPRIATION/SHERIFF: Sheriff Mollenhauer explained that the request for \$4,500.00 from the County General Fund, Corporal, is to pay Fred Marvel for his sick days as per the County Policy. Mr. Cunningham made a motion to approve this request as presented and Mr. Ludlow seconded. The motion carried 7 – 0 by voice vote.

Addressed next was the request for \$306,000.00 from the Emergency Reserve Fund for Pension Benefits. Mr. Ludlow made a motion to approve this request as advertised and Mr. Garner seconded. The motion carried 7 – 0 by voice vote.

OLD BUSINESS:

AFFORDABLE HOUSING FUND:

Mr. Ludlow introduced the Habitat for Humanity Construction Manager, Sue Downs, and the incoming President of Habitat for Humanity, Geoff Weliver. Mr. Ludlow stated that the first reading on the Affordable Housing Ordinance was held at the last meeting; Mr. Baugher has looked at the ordinance again and made the necessary changes. Mr. Ludlow commented that the fees are set by the way the law is written. Mr. Ludlow reported that Habitat for Humanity homeowners paid \$18,000.00 in property taxes last year.

Mr. Ludlow requested that this ordinance be approved on second reading tonight and then they will work with the Commissioners to set up the committee to assess the funds and, hopefully, by the later next year whoever will qualify under this will have County funds generated to help with the building of homes.

Mr. Cunningham referred to a letter from County Attorney Szilagyi regarding not-for-profits. Mr. Baugher commented that they are not the same thing; there had been an issue raised about taking tax dollars and giving them to not-for-profit organizations. Mr. Baugher stated that this is a specific process allowed by state statute under specific authority; there is a state statute that allows creation of a Board and a state statute that allows imposition of the fees. Mr. Baugher further stated that the state statute requires that a committee be put together under ordinance and the Commissioners have passed that ordinance.

Mr. Ludlow pointed out that the fees being collected are no different than the fees the Sheriff charges for copies of accidents or the fees that the Recorder charges for recording documents that go into non-reverting accounts. Mr. Ludlow commented that these fees would be collected, then given to the authority of the Board and then the Board decides where the fees are used; the way the ordinance is written it is for non-profits with low income housing.

Mr. Yagelski asked about yearly fees to be collected. Mr. Ludlow responded that it seemed that a couple of years ago when he and Recorder Barbara Dean were first talking about it, they were looking at maybe \$20,000.00 but that was when lots of mortgages were being recorded. Mr. Ludlow commented that the fees would be based upon the number of documents recorded.

Matt Garritano, citizen, presented factual numbers from the Recorder's Office if this had been done this year. Mr. Garritano reported that 65,331 single pages had been recorded and 16,386 documents for a total of \$89,910.00 in fees if this fee had been done this year which is a total amount and an additional tax. Mr. Ludlow responded that this is not a tax but a service fee that the state legislature put in; County Government is going the way of fees for service and if homes are built and property taxes are paid, we are coming out ahead.

Mr. Jones made a motion to hear the ordinance on second reading by title only. Mr. Garner seconded. Mrs. Shuter read, "LaPorte County, Indiana, Ordinance No. 2008-07, Ordinance for the LaPorte County Council to Provide Funding for Affordable Housing Funding." Mr. Ludlow and Mr. Cunningham abstained from any voting.

Mr. Jones asked if these were new fees. Mr. Ludlow responded that they are new fees and if you go to the Recorder's Office you will have the fees that the Recorder's Office charges along with these fees charged on top of that. Mr. Baugher commented that the fees and the documents that they apply to are all set by state statute; there is no local discretion. Mrs. Shuter stated that two (2) funds will need to be established because it seems that one is for LaPorte County and one is to remit money to the State of Indiana.

Mr. Ludlow reported that the fee is \$2.50 for the first page and \$1.00 for every page after that. Mr. Ludlow further commented that the State has an Affordable Housing Fund that local agencies can get grants from; by setting this up it should put us in an excellent position to draw from the State; 40% of the fees go to the State fund and 60% stays here.

Mr. Ludlow commented that as far as they can tell, no other county in the State is doing this and we are inventing the wheel; there are four (4) other cities who have this ordinance but they have no funding mechanism. Mr. Ludlow stated that what Habitat for Humanity is looking at, and this isn't strictly for Habitat for Humanity, is that they need to find a long-term funding source that will help build more homes.

Dennis Metheny, as an elected official, has a problem with this since we have been talking about how we don't have money to function government and now we are talking about charging another "tax." Mr. Metheny stated that the turnover rate for housing for the last twenty (20) years is about every five (5) years; what will this generate with the turnover. Mr. Metheny believes that an enormous amount will be generated. If you want to generate some tax, Mr. Metheny suggested getting the legislators to tax the not-for-profits; everyone want to be a not-for-profit and pretty soon nobody will be paying taxes. Mr. Metheny commented that this is ridiculous to do this to the people and is a hidden tax.

Mr. Cooley stated that he would like to find out what the revenue will be. Mr. Ludlow commented that if the Council wants to table this ordinance, he will work with the Recorder's Office to get the exact numbers.

Mr. Cunningham asked how much money Habitat has received from the State so far. Mr. Ludlow responded that he can't answer that; they get money all of the time but it is usually funneled through the cities since they get Block Grant development money.

Mr. Cunningham commented that we could be sending the State \$36,000.00 every year and it seems, with volunteer labor, we could build a house. Mr. Cunningham asked what it costs Habitat for Humanity to build a house. Mr. Ludlow answered around \$55,000.00; he agrees with Mr. Cunningham but the point is, "Where do you get the \$36,000.00?" Mr. Ludlow commented that they "hit up" all of the grants and all of the foundations; they would like to have a budget that they know they can operate off of.

Mr. Garner made a motion to table this matter on second reading until the December meeting and Mr. Jones seconded. The motion carried by voice vote 7 – 0.

Mr. Jones asked Mr. Ludlow to see what the burden will be on the Recorder's Office and is there a software program or a website. Mr. Jones commented on what Mr. Garritano added up from the Recorder's Office and the formula he used. Mr. Garritano stated that every document on the paper he gave the Council are documents that can be recorded,

Mr. Cunningham commented that it is ironic that not one county has adopted this yet.

NEW BUSINESS:

REGIONAL SEWER BOARD APPOINTMENT:

Mr. Mrozinski asked if the Auditor's Office had received a resignation letter yet. Mrs. Shuter responded that we had not. Mr. Mrozinski commented that the appointee's term runs out at the end of the year anyway. It was decided to address this appointment in January.

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JOINT RESOLUTION/NOT-FOR-PROFIT ORGANIZATIONS:

Mr. Yagelski stated that this resolution will be addressed at a later date.

COMMENTS BY THE COUNCIL:

TERRY GARNER:

Mr. Garner reported that the place Purdue Extension is renting from right now wants to know if we are going to pay them rent or are they moving out. Mr. Garner's personal recommendation would be to fund the rent for the year; there has been no guidance from the Commissioners either. Mr. Garner doesn't want to make Mr. Sell come back asking for rent; he would like to see a dollar amount set.

MARK LUDLOW:

Mr. Ludlow commented that we have one more meeting but he thanked the voters of LaPorte County for the last eight (8) years; it has been a highlight and a pleasure of his life to serve them and he plans to stay in LaPorte County and continue to be somewhat involved but just not to have to campaign to do it. Mr. Ludlow stated that he hopes that they are all happy or at least semi-satisfied with the service that they have received.

JOHN JONES:

Mr. Jones commented that he doesn't have a prepared statement but he would also thank the supporters of his 8-year tenure; he thanked Mr. Ludlow and Mr. Cooley for all of their service and advice. Mr. Jones then wished the new guys, Matt Bernacchi and Scott Ford are in attendance, good luck; these are turbulent times but he is sure they will do a great job. Thank you.

JERRY COOLEY:

Mr. Cooley thanked the Council for seven (7) years and the public; he appreciates it.

EARL CUNNINGHAM:

Mr. Cunningham, on behalf of the Council, and in the two (2) years he has spent, thanked Teresa and Rita.

MARK YAGELSKI:

Mr. Yagelski commented that he appreciates the guidance from the senior Council Members; once election was over with there was no partisan issue that came up in working as a Council together and this is a strong, good Council. Mr. Yagelski expressed his appreciation for all of the efforts there have been regarding economic development and projects that have come through; he realizes that a lot of bickering goes on in some of the City Councils and he recommended that they listen to the County Council Meetings because of the really good working relationship.

Mr. Yagelski presented a gift to the out-going Council Members, Mr. Cooley, Mr. Jones, and Mr. Ludlow. Mr. Yagelski commented that it has been a great pleasure to work with each of them.

ADJOURNMENT: There being no further business, Mr. Ludlow made a motion to adjourn at 10:22 p.m. and Mr. Mrozinski seconded. The motion carried by voice vote 7 – 0.