

*LaPorte County Auditor
Joie Winski
555 Michigan Avenue, Suite 205
LaPorte, IN 46350-3490*

**MINUTES
LAPORTE COUNTY COUNCIL
PUBLIC HEARING ON 2015 BUDGET
SEPTEMBER 22, 2014 AT 6:00 P.M.**

(Please Turn Off All Cell Phones)

The Public Hearing on the 2015 Budget was held at 6:00 p.m. (CDT) in the Assembly Room #3 of the La Porte County Government Complex located at 809 State Street, La Porte, Indiana, 46350.

CALL TO ORDER

The Public Hearing on the 2015 Budget was called to order by La Porte County Council President Mark Yagelski at 6:00 p.m.

PLEDGE OF ALLEGIANCE

President Yagelski asked everyone to stand for the Pledge of Allegiance. Councilman Garner led the Pledge of Allegiance. Mr. Yagelski asked that everyone, except emergency personnel, please turn off their cell phones at this time.

ROLL CALL

Council Members present were Mrs. Sosinski, Mr. Bernacchi, Mr. Santana, Mr. Cunningham, Mr. Garner, Mr. Yagelski, and Mr. Mrozinski.

SOLID WASTE – MR. CLAY TURNER

Councilman Bernacchi tells the Council that a Solid Waste Meeting was recently held. The only increase in the Budget was the contract amount, and also included was a 5 percent increase for employee raises.

Mr. Clay Turner states they put \$1,500 in as that would cover the dollar range if the Council so chose to give a raise. Solid Waste stayed below the growth quotient factor for the State and wanted to remind Council Members they are fee-driven. An increase for Solid Waste employees will not affect the tax rate and it won't hurt the County's Budget.

Mr. Bernacchi explained to Mr. Turner if there were going to be increases in the 100 Accounts for raises; they would be across the board so that mostly likely the Council would just have to approve it. There could not be any type of change to the amount as they are under Contract.

Mr. Clay Turner wanted to remind the Council that this is the Public Hearing. He will be back on October 27 for the Adoption Hearing to hear the request from the County Council, but please feel free to ask any questions.

President Yagelski asks if there is any Public Comment at this time. Hearing and seeing none, Public Comment is closed.

Mr. Turner states he gave proof of publication and affidavit to the Auditor's Office, which was acknowledged by Auditor Winski. It was published on August 29 and September 5, 2014 in both the Herald Argus and News-Dispatch.

Mr. Turner states he also emailed each Council Member a copy of what was sent in Gateway.

Councilwoman Sosinski asks when that was sent, as she did not receive it.

Mr. Turner states he emailed and mailed a copy to Councilwoman Sosinski, so she should have received two copies of it.

Councilwoman Sosinski asks if it was just sent. She'll have to look for it.

Mr. Turner states no. It was sent a month ago at the same time it was file stamped with the Auditor's Office. He can provide Councilwoman Sosinski another copy of it.

Councilman Mrozinski states even though they are fee-based he wants Mr. Turner to realize that the County still treats Solid Waste as County employees. If the Council gives one faction of County employees a raise without anyone else receiving one, there could be problems.

Mr. Turner tells Councilman Mrozinski that he made this comment to his Board; he knows County employees receive step raises every three years, Solid Waste District employees do not. Every three years Solid Waste employees do not get that bump that other County employees do. It has never really been an issue before because prior to the last seven years raises were always regular with the County and the Solid Waste District. Mr. Turner states his Board has always stood by what the County Council decides, that's why they did not make a recommendation to the Council.

Councilman Bernacchi makes a Motion to approve the 200 and 300 accounts as presented. The only change is the contractual amount with Republic Services. The Motion was seconded by Councilman Garner. Motion passes 7-0.

Mr. Turner states the 400 Accounts were excluded.

Councilman Bernacchi amends his Motion to include the 400 Accounts. Motion passes 7-0.

President Yagelski thanks Mr. Turner.

NON-BINDING UNITS

All Non-Binding Units stayed at or below the state-mandated 2.7 growth quotient factor. Each Council Member was provided a copy of that packet, and acknowledged the Non-Binding Units did follow that

directive. Additionally, Auditor Winski sent a letter out to all Non-Binding Units asking them, on behalf of the County Council, to cut the Budgets because all County Department's did.

BOARDS AND COMMISSIONS

Councilman Mrozinski questions the payments made to Board Members on certain Boards. How much money would be saved if paying Board Members would be eliminated.

Councilman Cunningham states that Mr. Buell is in the audience and asks for verification that no one is paid on the Community Correction Advisory Board. Mr. Buell agrees.

Auditor Winski asks if she should research how much money could be saved for the County if Board Members were not paid. Members would like Auditor Winski to look into this.

BUDGET REVIEW – 100 ACCOUNTS

President Yagelski questions if Council Members want to leave the 100 Accounts separate or just do them all at one time?

Councilman Bernacchi wants to address the 100s as a whole and can't image giving Solid Waste a raise and no one else. Councilwoman Sosinski agrees, in that there are other Departments that are self-sufficient such as the Recorder's Office.

Councilman Cunningham states the Recorder is not self-sufficient any longer. The Council gave them some money next year.

Councilwoman Sosinski states she currently doesn't have salaries coming out.

Councilman Cunningham states she has been self-sufficient the last two years, but for 2015 the Council set aside monies.

Councilman Santana wants to mention to Councilwoman Sosinski that email was sent by Clay Turner on August 26, 2014.

The amount of monies the Council cut out of the Budget to date is approximately \$1,600,000. The County has to be balanced by the end of the year.

Councilwoman Sosinski has some dialogue on the 100 Accounts. In the past, with the financial difficulties, when the Council gave any type of raise it has been in the form of a bonus. However, there may be someone in an office who no longer has those step increases. The firm utilized at that time, highly suggested to stay on a percentage basis. Understandably someone who makes more gets more, but that also means someone who has been here for twenty years has gotten a larger raise than the person who has been here for two years. There would be a normal separation instead of a compression.

If it's a possibility, she would like to keep that in mind for the future. Since the County has been strapped for money over the years, she realizes that they have done what they could. She would like to encourage possibly a small increase amount for the entire group.

While he agrees with Councilwoman Sosinski's statement, Councilman Yagelski states the tough part is they have to balance this Budget this year and he doesn't see how they can do both.

Councilwoman Sosinski states she is not encouraging either way, for clarification if all seven of us decide that they are able to, it would be nice to stay at what was recommended eight years ago.

Councilman Mrozinski asks the Auditor what the General Fund Balance is and how many paydays before the end of the year.

Auditor Winski states the fund is currently sitting at -\$16.7 million and there are 7 more payrolls counting this week. You will have one draw in December of 2014 and May or June of 2015.

Councilman Mrozinski asks if there is a percentage estimate as to what may be collected in December.

Auditor Winski thought the collection was around 66% this last time.

Councilman Cunningham asks if the 'Financial Advisor' stated at a prior Meeting it was going to be 90%.

Auditor Winski pauses, and states she is giving facts. Keep in mind the County did have a second 12 pay 13 payment on August 25 that was due. We will really have two payments at the end of the year and doing both payments in one settlement. There will be no six-month extension on the November 12 deadline.

Auditor Winski and Mikey Mauer tried to work on an estimated amount, but because the 12 pay 13 second payment was commingled with the 13 pay 14 second payment, it was hard to determine.

Councilman Mrozinski states it is a good possibility the County will be \$24 million in the red, minus whatever monies are brought in. What else could the Council draw down from the try and balance?

Auditor Winski states maybe \$3 million or more, because CAGIT money will be used to pay portions of the payroll until the end of the year. In addition to CAGIT monies, Riverboat and Win-Tax Funds could be used. The CEDIT money will be going to the Highway; there is some FIT money that could be used. There is \$7 to \$8 million in the Emergency Reserve Fund. Auditor Winski states she hopes there will be at least \$10 million from taxes, but that can't be counted on.

Councilman Yagelski states that December 31, 2014 is the actual last date to change the Budget. There might be having a last minute Budget Hearing.

Councilman Mrozinski sees two things: if we drain all these other accounts so that we can balance the Budget, there would be no need to have a County Council Meeting for the next four months because there will not be any money to spend for anything. Additionally, layoffs have not been ruled out. The options are limited. Budget Hearings were pretty brutal and the Council cut everything they possibly could.

Councilman Cunningham states that Councilman Santana has some figures. On August 31, 2014 the County was \$14,169,000.00 in debt and today they are \$16,700,000.00 in debt so it has increased by \$2,600,000 in 22 days. It comes out to approximately \$118,000 a day.

Councilman Santana states it was a \$2.6 million increase and we have another eight days left of this month and then October, November and December. It could be approximately -\$22 million in the red.

Councilman Yagelski asks if anyone saw in their packets that Mike Schultz asked for an increase.

Auditor Winski states that is correct. There was a \$5,000 increase for himself and his Chief Deputy. By law he can take a stipend for the reassessment which we are now going through. She states the CAGIT is at \$4.1 million, we will use that until the end of the year for our payroll.

Councilman Mrozinski recommends that between now and the next Meeting that the Finance Committee meets with the Auditor to look at hard numbers, see what accounts money can be taken from, what we anticipate coming in, and what we are going to be able to do.

Councilman Yagelski would like to wait as long as we can until we get the tax draws. Councilwoman Sosinski agrees. If we can ride all the way until the end of December, we are able to make changes. She knows Mrs. Winski does not like that, but we will actually know what monies have come through the door.

Auditor Winski agrees with Councilwoman Sosinski that is a wise thing. Hopefully Settlement will be done quickly and by the end of November we will have an idea of where we are.

Councilman Yagelski would like to have a Motion for the 100 Accounts, because things can be changed until December 31, 2014.

Councilman Sosinski makes a Motion in regards to the 100 accounts that unless they are specifically addressed, they remain the same from last year. They may be addressed later in the year. The Motion is seconded by Councilman Garner and Councilman Santana. Motion passes 7-0.

Councilwoman Sosinski makes a Motion to accept this also as second reading (County, Solid Waste and Non-Binding Units) and seconded by Councilman Santana. Motion passes 7-0.

Auditor Winski states the Adoption Meeting will be held on October 27, 2014 at 6:00 p.m. The County Budget along with the Solid Waste District and all Non-Binding Units will be adopted.

Councilwoman Sosinski states the EMA position will be addressed tonight at the regular Council Meeting. Councilman Yagelski asks if Auditor Winski addressed the GIS employee with the Evaluation Committee.

Auditor Winski states she gave a letter to Council Members tonight asking what they would like to do.

Councilman Yagelski states just for the Council's purpose last year they hired a young man for the GIS Department. There has been nothing but compliments from all Departments. He appears to be doing a great job. He is the lowest paid position in the Auditor's Office, he's on a fast track, and the County does want to lose him.

Councilwoman Sosinski would like to run this evaluation by HR along with the other ones. Auditor Winski would also like the Draftsman evaluated. Councilwoman Sosinski will check on the Draftsman position as well, but believes this may have been evaluated a few years back.


ADJOURN

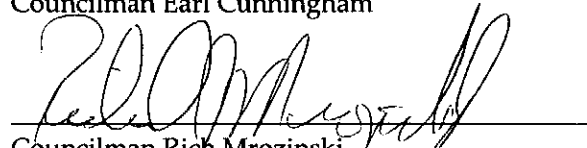
A Motion to adjourn the Public Hearing was made by Councilman Santana, seconded by Councilman Mrozinski at 6:35 p.m. Motion passes 7-0.

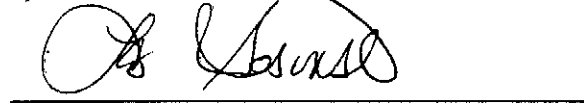
EXAMINED & APPROVED BY THE LA PORTE COUNTY COUNCIL this 27th day of October, 2014.

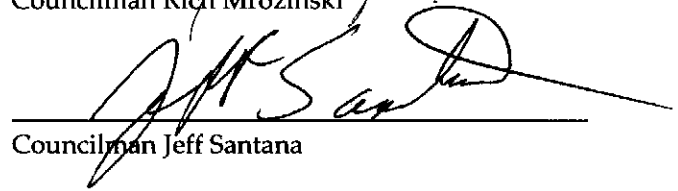

Councilman Matt Bernacchi


Councilman Earl Cunningham

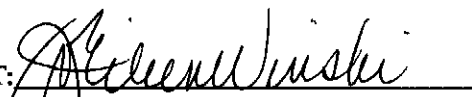

Councilman Terry Garner


Councilman Rich Mrozinski


Councilwoman Lois Sosinski


Councilman Jeff Santana


Councilman Mark Yagelski

ATTEST: 
Joe Winski, La Porte County Auditor