

MINUTES
LA PORTE COUNTY COUNCIL 2025 BUDGET PUBLIC HEARING
October 17th, 2024

The La Porte County Council Budget Hearings Continuation was held on October 17th, 2024 at 5:00 p.m. (central time) in the Assembly Room of the La Porte County Government Complex, 809 State Street, La Porte, IN 46350.

CALL TO ORDER

The meeting was called to order by Council President Randy Novak.

ATTENDANCE

Councilman Cunningham, Councilman Yagelski, Councilman Rosenbaum, Councilman Novak, Councilman Koronka, and Councilman Mollenhauer were all physically present for the meeting, while Councilman Kiel appeared electronically via Zoom.

BUDGET DISCUSSION

1. CNAV

Chief Deputy Auditor Rhonda Graves explained that the amount of CNAV for 2025 was just over \$7 billion. However, the county was advised by SEH to use an amount that was adjusted to be 4% greater than that of the year prior. This allowed the county to ensure that it did not overstate the CNAV. When entering the CNAV for the levy funds, the county entered an amount equal to 85% of the estimated amount, except for the funds that were rate based. For these, 100% of the estimated CNAV amount was used. She clarified that the primary purpose of the meeting was to address any public comments about the budget, or any of the Council's questions around the budgeting process.

Mr. Kiel questioned if the expenses were being overestimated now so the budget could be advertised, at what point would the numbers be corrected to what the Council truly anticipated the expenses were. Ms. Graves explained that most of the expenses, except for the General Fund and one fund that would need additional appropriation in the future, were relatively accurate. The DLGF's 1782 Notice would fix any overestimations, cut back on the levy, and inform the county the most that it was approved for, with the Council to shift things around that they felt would be best for the budget.

2. Levy

Ms. Graves noted that the levy for 2025 was \$47,757,952, which she added that La Porte County would not receive the entirety of once the DLGF made its adjustments. The Property Tax Cap was estimated at \$6,650,000, which would remain a true value and would not be certified until spring. Mr. Koronka asked Ms. Graves if the county's levy should match the numbers of the Department of Local Government Finance form, which Ms. Graves responded that it should match, because the DLGF wanted the county to report this amount to allow for full availability. She clarified that La Porte County would not receive levy from the \$2.4 Developmental Disabilities Adjustment, to which Mr. Kiel added that this was because the Developmental Disabilities Adjustment was outside of the maximum 4% increase to the levy, and the county would need to choose to do something with it to allow for its collection. Mr. Koronka reported that the total levy would land in the range of \$45,335,000, which Ms. Graves responded that the General Fund would reflect about \$2,000,000 less than this forecast, however the entirety of the levies might be different once the 1782 Notice came in.

Mr. Kiel explained that some of the levy-controlled funds had the county spending more money than the revenues being brought into them, and when cash ran out in these funds, the levy would need to be increased to cover these costs, or the costs would need to be shifted out elsewhere. He warned that somewhere down the line, levy revenue which was being directed into the General Fund would need to be shifted over to accounts that were affected, including but not limited to 2015 Reassessment Highway [sic], to ensure that everything was balanced, which could cause issues in 2025. He noted that to sustainably resolve the issue, a new source of revenue would be needed to offset it, or move those expenses into a new source of revenue.

3. Circuit Breakers

Ms. Graves informed the room that if the levy brought in \$42,392,256, the Circuit Breaker would lower this number by about \$5,000,000.

4. Budget vs. Revenue

Ms. Graves noted that the approximate revenue listed on the 4B Forms was \$54,865,000, however the budget estimate was \$56,392,223, which was not sustainable, because it was budgeted \$2,000,000 over. This budget could technically be kept because line 18 was positive, so the DLGF would not cut this budget based off the information reported.

5. Form 4B

Ms. Graves reported that Financial Institution Tax was estimated by the DLGF to be much higher than what the county would actually be receiving, noting specifically that

the DLGF's estimate was about \$174,000, however realistically, the county would receive \$77,000 this November and \$77,000 next May.

Regarding Estimated Miscellaneous Revenues, Mr. Kiel noted that the Council would need to keep track of the Interest Revenue category, as the Federal Reserve was lowering interest rates, which could result in the projected numbers actually being lower than what was currently being reported. He also warned that departments with revenue streams, including but not limited to the Juvenile Services Center and EMS, would need to be regularly observed to track whether or not they were meeting their projected revenues for 2025, as this could result in a shortfall in the budget if they were not bringing in the forecasted funds.

Mr. Cunningham requested that the Auditor's Office provide a tally of all of the "new money" additional appropriations that the Council had approved prior to the October 28th, 2024 Regular Council Meeting. After discussion was had, Ms. Graves reported that she could provide these numbers, however it would take some time to calculate them. Mr. Novak concurred with Mr. Kiel's suggestion to track income-providing departments' revenues, noting that he would like to see dynamic reporting that would provide both these departments' spending and returned revenues to the General Fund. Ms. Graves responded that it would be easier to reach out to these departments directly, as they kept track of their own income, which typically spanned across many different funds. Auditor Tim Stabosz informed Mr. Novak that if we wanted to meet with the income-providing departments, he could coordinate a meeting with them to discuss a reporting plan for their revenues.

- i. Motion to authorize the Council President or any other interested Council members to meet with the Auditor and any income-producing departments to establish a reporting plan made by Mr. Cunningham and seconded by Mr. Koronka.
- ii. All members voted in favor.

PUBLIC HEARING

There were no public comments.

ADJOURNMENT

- i. Motion to recess made by Mr. Koronka and seconded by Mr. Rosenbaum.
- ii. All members voted in favor.

Examined & Approved by the La Porte County Council this 25th day of November, 2024.



Council President Randy Novak




Councilman Justin Kiel



Council Vice President Adam Koronka



Councilman Mike Mollenhauer



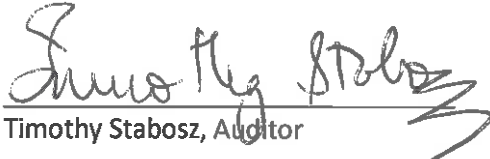
Councilman Cunningham



Councilman Mike Rosenbaum



Councilman Mark Yagelski

ATTEST: 

Timothy Stabosz, Auditor