

MINUTES OF THE
SPECIAL MEETING
OF THE
ST. JOSEPH COUNTY COUNCIL
September 23, 2014

The special meeting of the St. Joseph County Council was called to order at 6:00 p.m., on September 23, 2014, by the President, Rafael Morton, in the Council Meeting Room, fourth floor, County-City Building, South Bend, Indiana.

Members in attendance were:

Mr. Mark Catanzarite
Mr. James O'Brien
Mr. Michael J. Hamann
Mr. Daniel G. Herbster
Mrs. Diana Hess
Mr. Robert J. McCahill
Mr. Rafael Morton
Mr. Corey D. Noland
Mr. Mark Root

Present from the Auditor's office was Mr. Peter H. Mullen, Auditor and Ms. Teresa Shuter, Chief Deputy Auditor. Council staff present was Mr. Michael Trippel, Council Attorney and Ms. Jennifer M. Prawat, Executive Secretary.

Petitions and Communications:

Mr. Morton: Pursuant to I.C. 6-1.1-17-3.5; (09), the St. Joseph County Council shall review any proposed or estimated tax rate or tax levy or proposed budget filed by a civil taxing unit with the county fiscal body under this section; and issue a nonbinding recommendation to a civil taxing unit regarding the civil taxing unit's proposed or estimated tax rate or tax levy or proposed budget.

Non Binding Recommendation Vote

Townships

Centre Township	Liberty Township	Penn Township	Harris Township
Clay Township	Lincoln Township	Portage Township	
German Township	Madison Township	Union Township	
Greene Township	Olive Township	Warren Township	

Cities/Towns

South Bend Civil City	Lakeville Civil City	Osceola Civil City
Mishawaka Civil City	New Carlisle Civil City	Roseland Civil City
Indian Village Civil City	North Liberty Civil City	Walkerton Civil City

School Corporations

John Glen School Corp.	Mishawaka School Corp.
Penn-Harris-Madison School Corp.	South Bend Community School Corp.

Libraries

Mishawaka Public Library
New Carlisle Public Library
St. Joseph County Public Library
Walkerton Library

Mr. Deniston, the approach I took on these this year was the same as last year. Looking at maximum levy estimations and making recommendations from the Council based on units advertised levy's and bringing them back to the estimated maximum levy. The thing that makes that so important is because I am sure you are all aware of the circuit breaker situation in St. Joseph County, this sheet shows the circuit breaker in this area that current year circuit breaker is on the bottom. The one thing that is really beyond the scope of these is the debt that is not excluded from circuit breaker, that the DLGF normally reviews that makes a huge difference after the debt is reviewed, normally those levy's go down. We just don't have that kind of information to make an estimate. So 2015 post Council numbers are still going to be a little bit scary on those. These are all based on the districts that effect each one of the units so it's fairly accurate. County wide average of all the budget increases was thirteen point four four percent. The County average total proposed levy increases was twenty seven point five four percent this year.

Mr. Catanzarite, Mr. Deniston, on the left, the County average total proposed levy increase, that was proposed by

Mr. Deniston, yes, that's an average of all of the units averages, it's an average of each one of the units increase.

Mr. Catanzarite, so it's budget increase percentage is what we are recommending?

Mr. Deniston, no, that is what they are publishing. The only time I recommend that the Council would recommend a reduction would be is if there is not enough funding after reducing the levy's to the maximum, the estimated maximum then the Council would recommend a budget reduction, so it's not any kind of a recommendation based

on a percentage, it's just based on funding and that's the approach that the DLGF takes in proving budgets, they look at funding rather than percentage increases.

Mr. Hamann, were there any budgets that were out of whack?

Mr. Deniston, that is hard to say, there were some that were a larger increase than normal.

Mr. Hamann, is there anyone that we have to make adjustment to.

Mr. Deniston, the thing that you have to understand about the way this works is, the increased in the proposed levy's is based on all of the levy's that are advertised in that Clay Township district. It could be a school or something else, it's not necessarily just one unit. Because they all affect, everybody's got a piece of the pie anymore. So that's the reason to get things back under control with the maximum levy's, there's quite a lot of increase even after the Council's recommendation back to the estimated maximum levy's. I have to think that a couple of things can happen and A unit could have been under their maximum levy last year or for pay 2014 and going back to their maximum levy for pay 2015. That could cause that kind of a jump or a new debt that's going on.

Mr. O'Brien, I have two questions, first it looks like we are assuming a fifteen percent reduction in assessed value.

Mr. Deniston, there again, a lot of these units attended the DLGF budget workshop and that's kind of a default number they used. It's just typical to use a reduction and the reason that is showing in there is basically is because the rate increases are directly in relationship to the assess valuation, if anything doesn't really mean anything on this chart, it would be the rate. The rate doesn't mean anything because it can be so far out of whack until you know the actual assessed valuation.

Mr. O'Brien, so if it turns out the assessed valuation is flat, then that means the rate is actually going to be lower.

Mr. Deniston, right.

Mr. O'Brien, second question, Harris Township it looks like there is no levy for the general township, could that be right?

Mr. Deniston, yes, I think Harris had some cash in, I think they didn't have something in their poor relief or their township assistance and they shifted that around.

Mr. Root, Harris has actually taken them completely off property tax rolls.

Mr. Deniston, if a unit doesn't use, have any property tax levy's, it doesn't just zero them out, it actually puts them in a different calculation. There actually calculated on the budget as a percentage to the total of all budgets and that percentage is just, the percentage was so small it was way different percentage than if they would have had just a thousand dollar levy compared to everybody. But that's the law, if a unit, it doesn't just wipe them off the county option spread but it puts them at a different calculations, based on budgets in relation to everybody's budgets.

Mr. Root, three biggies, South Bend, Mishawaka and the County are all showing smaller proposed budgets than the year prior. Is there a reason for that? It's a shift of like a LOIT and COIT and...

Ms. Shuter, right, we reduced ours by about five and a half million over what was approved for 2014 because of the circuit breaker cuts. We are still calculated to reach our maximum levy though.

A motion was made by Mr. Hamann and was seconded by Mr. Noland to approve the above non binding reviews. The motion was passed by a voice vote of 9;0. No negatives were heard.

Mr. Morton asked if there were any questions.

As moved and seconded, to pass the Non Binding Recommendations by a vote; 9-0.

Motion to adjourn was heard at 6:30 p.m.

Auditor, St. Joseph County

President, St. Joseph County Council