

Signature page continued:

Name                      Address                      Date  
7. AJAY GALLAGHER 8525 LAFESHORE DR. 9/25/10  
GARY, IN

Signature: Ajay Gallagher

8. JIM NOWACKI 4282 W 21<sup>st</sup> AVE GARY 9/25/10

Signature: Jim Nowacki

9. EUGENE SUTKO 253 N. HANCOCK ST GARY

Signature: Eugene Sutko 9/25/10

10. Janet Wagner 6100 Hemlock Ave Gary

Signature: Janet Wagner 9/25/10

11. NAT MCKNIGHT 5401 DUNES HWY GARY IN 9/25/10  
CHICAGO, ILLINOIS

Signature: Nat McKnight / CHICAGO, ILLINOIS

12. DOUG YOUNG 6201 E. 6th AVE, GARY 9/25/10

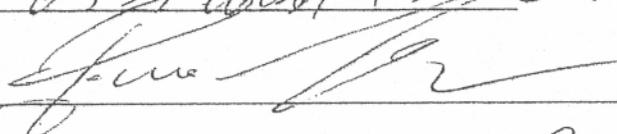
Signature: Doug Young

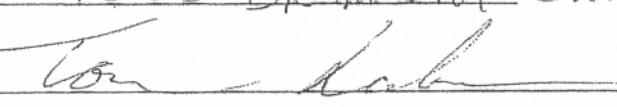
13. KRISTINE E. SAGE, 9410 E. 9th Ave. Gary 9/25/10

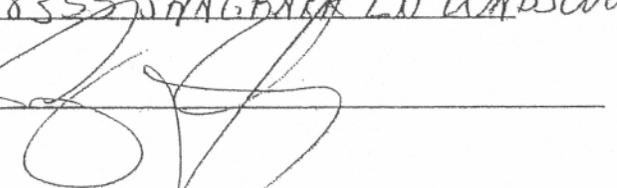
Signature: Kristine Sage

1. John Williams 4095 Georgia st.
2. Matt Tucker 2478 allen st
3. Amy K Rupp 2530 Frye St GAR
4. Matthew Wilson 2530 Frye St GARY
5. ~~Lance Fultz~~ 3351 ~~W~~ 25<sup>th</sup> Ave.
6. Vincent Russel 4349 Carolina
7. Frank Henry 3978 La
8. Char Nell 2264 Mississippi
9. Caem Kinney 2170 Harrison Gary
10. James Smith ~~memphis~~
11. Michael Lee 3742 MONROE
12. George Hood 750 E Ridge Rd Gary Ind
13. ~~John Hood~~ 750 E Ridge Rd Gary Ind
14. Frank Wing 2400 New Hampshire
15. Tamara Willsey 2400 New Hampshire
16. Jonathan Treto 2413 Allen St Gary
17. Nicolas Treto 2413 Allen St Gary

**Additional signatures:**

Name                      Address                      Date  
FRANCIS Lubin 6533 West 15<sup>th</sup> GARY IN  
Signature:  9/27/10

TOM LAKOSKE 4585 BROADWAY GARY 9/27/10  
Signature: 

ANDY YOUNG 38355 SHAGBARK LN WADSWORTH IL 9/27/10  
Signature: 

Signature: \_\_\_\_\_

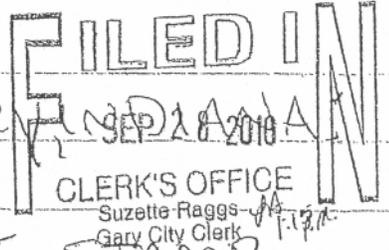
Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

SEPT 28, 2011

TO THE CLERK, CITY OF GARY



WOULD YOU TIME AND DATE STAMP  
THIS LETTER AND THE PETITION COPY OF  
THE ORIGINAL PETITION, WHICH IS PRE-  
SENTED FOR OBJECTION TO THE CITY  
OF GARY BUDGET 2011, FURTHER,  
WOULD YOU FORWARD A COPY OF  
THIS ORIGINAL, TO THE "PROGRAM  
OFFICERS" OF GARY INDIANA, TO  
CONFORM WITH DLGF FORM #3.

THANK YOU,

JIM NOWACKI

PO BOX 2571

GARY, INDIANA 46403

(708) 502-2339

Jimnowacki@yahoo.com

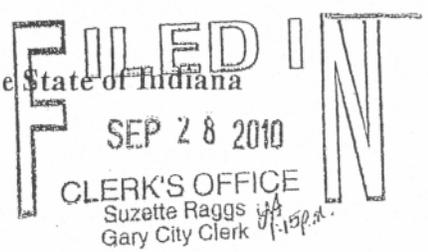
10. ~~10001~~ PRESCRIBED BY DEPARTMENT OF LOCAL GOVERNMENT FINANCE BUDGET FORM NO. 3 (REVISED 2005) APPROVED BY STATE BOARD OF ACCOUNTS Notice is hereby given the taxpayers of LAKE COUNTY, City, Town or Fire Protection District of CITY OF GARY, Indiana, that the County Council, Common/Town Council or Board of COMMON COUNCIL OF GARY, at CITY HALL COUNCIL CHAMBERS on September 21, 2010, at 6:00 p.m. will conduct a public hearing on the budget. Following this meeting, any ten or more taxpayers may object to a budget, tax rate, or tax levy by filing an objection petition with the proper officers of the political subdivision within seven days after the hearing. The object petition must identify the provisions of the budget, tax rate, or tax levy that taxpayers object to. If a petition is filed, the political subdivision shall adopt with its budget a finding concerning the objections filed and testimony presented. Following the aforementioned meeting, the fiscal body will meet at CITY HALL on October 5, 2010, at 6:00 P.M. to adopt the following budget.  
BUDGET ESTIMATE

NET ASSESSED VALUATION \$1,711,409,080 Complete details of budget estimates by fund and/or department may be seen at the County Auditor, City Controller, Clerk-Treasurer's Offices or Fire Protection District Offices.

1	2	3	4	5	Maximum Estimated Funds To Be Raised	Excessive Levy	Current Tax Levy	Fund Name	Budget			
					Estimate (including appeals and Appeals (included in levies exempt from Column 3) maximum levy limitations)							
					GENERAL FUND	\$54,593,384.00	\$54,213,161.00	\$2,000,00.00	PARKS FUND	\$1,435,297.00	\$1,402,537.00	
					MAJOR MOVES	\$500,000.00	\$0.00	LOCAL RD & STR	\$754,000.00	\$0.00	MOTOR VEH HWY	\$3,236,640.00
					\$0.00	CUM CAP IMP	\$488,675.00	\$0.00	CUM CAP DEV	\$710,000.00	\$274,056.00	FIRE PENSION
					\$5,216,809.00	\$1,115,729.00	POLICE PENSION	\$5,754,000.00	\$1,147,533.00	DEBT SERVICE	\$890,614.00	
					\$981,321.00	TOTAL	\$81,742,015	\$73,579,419	\$59,134,337	\$2,000.000	\$0	

The 2010 estimated maximum levy limitation for this unit is \$67,907,904 The Property Tax Replacement Credit used to reduce the rate for this unit is n/a Taxpayers appearing at the hearing shall have an opportunity to be heard. Pursuant to IC 6-1.1-17-13, after the levies have been determined, fixed by the appropriate governing body, and the tax rates published by the County Auditor, ten (10) or more taxpayers or one (1) taxpayer that owns properly that represents at least ten percent (10%) of the assessed valuation in the political subdivision may initiate an appeal from the county board of tax adjustment's action on a political subdivision's budget by filing a statement of their objections with the County Auditor. The statement must be filed not later than ten (10) days after the publication of the notice. Statement shall specifically identify the provisions of the budget and tax levy to which the taxpayers object. The County Auditor shall forward the statement, with the budget, to the Department of Local Government Finance.

Date August 28, 2010 M. CELITA GREEN ( City Controller) 524484 Pub: September 2 & 9, 2010  
Post-Tribune Subclassification: Legals 9/2/2010



## *Preamble:*

The City of Gary (hereafter known as the "City") has been facing extreme financial problems due to the fact that spending is greater than revenue received and there appears to be no immediate program to correct the financial ills of the City. To this end, the review and acceptance of a balanced budget is needed to prevent the City of Gary from financial disaster culminating in bankruptcy or placing the City in receivership. Public knowledge and awareness of City spending is imperative for protecting the rights of the taxpayers and citizens.

*Therefore*, we the Citizens and Resident Taxpayers of the City of Gary do hereby object to the proposed 2011 City Budget, specifically citing, but not limited to, the following concerns:

1. The City of Gary has failed to produce a balanced budget that would keep city expenditures in line with the actual revenues;
2. The budget process, as outlined by the Indiana Association of Cities and Towns (2011 City and Town Budget Bulletin), and based on Indiana statute, was not followed and did not give public taxpayers sufficient time to hear, review and discuss the 2011 Gary City Budget; as required by law;
3. The net amount of property tax levy on line 14 of Form 4-B, exceeds the maximum tax levy allowed by law and revenue figures published in Form 3 does not, in good faith, represent actual 2011 property tax revenue projections as predicted by the Lake County Treasurer; (The Budget calls for 100 percent of property taxes to be collected in order to fund the budget but historically the actual property tax collection is more like 70 percent or below, causing revenue projections to be grossly exaggerated. This miscalculation in revenue will cripple the fiscal future of the City and cause it to default and fall into bankruptcy before the end of the 2011 fiscal year.)
4. The City budget does not adequately cut City expenditures and reduce the number of City employees to balance the budget and allow the City to live within its means.

Therefore be it resolved that the following Taxpayers, Citizens and Residents of the City of Gary, do protest the adoption and passage of the 2011 City budget until such time as the administration and the Common Council provide remedy by producing a more responsible balanced budget for the forthcoming fiscal year; and

Be it resolved that public hearings be held to explain, discuss and inform the public on the status of the City budget prior to its passage; to which we attach our signatures as property owners and taxpayers of the City of Gary.

Name

Address

Date

1. Jay B. Morgan 3519 E 5th Pl 10-21-10
2. Ray J. Kallman 8500 Oak Ave 9/21/10
3. Don Kallman 8500 Oak Ave 9/21/10
4. Erin Miskap 615 S LAKE ST 9/21/10
5. Wynne 6001 Miller Ave 9/21/10
6. Ruby P. Shroeder 392 Knox 9/21/10
7. Jerry Payne 7225 Locust 9-21-10
8. Timothy R. Long 2219 Clive Ave 9-21-10
9. James R. Long 547 E. 47th Ave. 9/21/10
10. Darrell Thomas Jr 6523 Lake St. 9-21-10
11. Scott Goldberg 622 1/2 S LAKE ST 9-21-10
12. Bob Howard Jr. 619 S. Lake Street 9-21-10
13. Jaoumullah Khan 324 S. Hancock St. 9.21.10
14. JIM NOWACKI 148 HANCOCK 9/21/10  
PO BOX 257 GAR4 INDIANAPOLIS

Name

Address

Date

1. ~~Earl~~ ~~Manning~~ 728 NORTH LAKE ST 9/21/10
2. ~~Sammy~~ ~~Lee~~ 7019 Indian Boundary 9-21-10
3. ~~M~~ ~~A~~ ~~Yerman~~ 3495. LAKE ST. 9-21-10
4. ~~B~~ ~~ergette~~ ~~Porter~~ 9025 Juniper Ave. 9-21-10
5. ~~Ch~~ ~~ris~~ ~~Petersen~~ 452 Grant St. 9/21/10
6. ~~Robert~~ ~~Leonard~~ ~~AAH~~ P.O. Box 2425 <sup>GRAND</sup> <sub>46403</sub> 9/21/10
7. ~~Ann~~ ~~O'Callaghan~~ 8525 Lake Shore Dr. 9-21-10
8. ~~Jay~~ ~~Salas~~ " 9/21/10
9. ~~Justin~~ ~~Wang~~ ~~PO~~ ~~Box~~ 6100 Hemlock 9-21-10
10. ~~Natalie~~ ~~Ammons~~ 364 Van Buren 9-21-10
11. ~~Stev~~ ~~DARCENEUX~~ 585 ROOSEVELT ST. 9-21-10
12. ~~Richard~~ ~~Barnes~~ 739 N Montgomery St Sept 27, 2010
13. ~~Walter~~ ~~M~~ ~~Primmer~~ 6941 IRONWOOD AVE 9/21/10
14. \_\_\_\_\_

**FINDING OF THE COMMON COUNCIL OF THE CITY OF GARY, INDIANA  
REGARDING OBJECTION PETITIONS FILED IN CONNECTION WITH THE  
2011 BUDGET OF THE CITY OF GARY, INDIANA**

On September 28, 2010, two (2) objection petitions were filed in connection with the City of Gary, Indiana's 2011 budget. I.C. 6-1.1-17-5 (c) requires the Common Council of the City of Gary to adopt the budget with a finding concerning the objections in the petitions. Accordingly, the Gary Common Council finds as follows regarding those petitions:

**A. Twenty-One Count Petition**

1. **Counts One – Six; Count Eight:** The \$1.7 billion dollar figure utilized represents about 80% of the city's assessed value amount to allow for errors, omissions, appeals and non-payment of taxes, as well as the exclusion of properties now determined to be tax-exempt. The city's actual assessed value is \$2.1 billion dollars. According to the Lake County Auditor's Office, this number also excludes assessed values appealed by USX for 2002 and TIF assessments. Relating to **Count Five**, The City of Gary 2011 budget is funded not only by property tax revenue but also miscellaneous revenue from other sources such as casino revenues, excise taxes, revenues from FIT and CVET, license and permit fees and charges for services. Relating to **Count Six**, to increase the assessed value of the entire taxing unit, two TIF districts have already been dissolved and others are in the process of having their assessed value released.
2. **Count Seven:** Current year collections and collections of prior year delinquent property taxes are combined. Together, the collection rate habitually exceeds 70%. The 2011 budget is based upon an 84% tax collection rate.
3. **Count Nine:** The City of Gary sets its budget on 80% of its assessed value amount to allow for errors, omissions, appeals, non-payment of taxes as well as exclusions based upon information from the Lake County Auditor's Office.
4. **Count Ten:** The City of Gary must base its budget on information provided by the Lake County Auditor and the Department of Local Government Finance (DLGF), which is what it does. The City has neither the financial resources nor the expertise to independently review information from agencies charged with providing it.
5. **Count Eleven:** The City of Gary must base its budget on information provided by the Lake County Auditor and the DLGF, which is what it does. The City has neither the financial resources nor the expertise to independently review information from agencies charged with providing it.
6. **Count Twelve:** This is a county issue and cannot be addressed by the City of Gary.
7. **Count Thirteen:** This is a county issue and cannot be addressed by the City of Gary.
8. **Count Fourteen:** The Regional Development Authority (RDA) payment is made from casino funds, not property tax funds and will not be paid from the general fund. Provision has been made to make payments on the RDA commitment as well as meet the financial obligation relating to the recent Fifth Third loan.

9. **Count Fifteen:** There is neither revenue commingling nor commingled recording of debt with general fund revenues in that there is a separate listing for the general obligation debt on Form 22 and there is a separate fund and budget for the recording of transactions related to debt service.
10. **Count Sixteen:** The City of Gary made it clear from its initial petition to the Distressed Unit Appeals Board (DUAB) that it would take a period of four years to bring it into compliance with the tax caps, although relief could only be granted on a yearly basis. Even the fiscal monitor report, prepared by PFM, is based on this time frame. The proposed 2011 budget will be reviewed and scrutinized by the DUAB when the City applies for an appeal. The DLGF will make appropriate adjustments to the 2011 budget when Form 1782 is issued based upon the final distribution of property taxes for 2010. Even prior to the issuance of the 1782, however, the City takes the initiative to make reductions to bring its budget into compliance with final distribution numbers. The City uses its best estimate to allow for shortfalls. In fact, Form 3B which sets the rate is actually entitled "Budget Estimate Form."
11. **Count Seventeen:** The City of Gary made it clear from its initial petition to the DUAB that it would take a period of four years to bring it into compliance with the tax caps, although relief could only be granted on a yearly basis. Even the PFM report is based on this time frame. Thus, the 2011 budget is being submitted based upon the revenue to be generated in accordance with a four year plan for relief, 2011 being year three (3).
12. **Count Eighteen:** The PFM report has been used as a guide to implement many of the budget reductions made in 2010 and 2011. For the 2011 budget, an analysis was conducted to determine how best to implement the PFM recommendations. Some initiatives have worked well, while, certain adjustments had to be made to achieve optimum efficiency with other initiatives. Some initiatives will require a longer period of time to implement than suggested by PFM; other recommendations, after implementation, have not realized the anticipated savings. Nevertheless, although painful, the City has prepared a budget that reflects the PFM suggested levy for 2011. The budget will be initially approved or disapproved by the DUAB, and subsequently acted upon by the DLGF.
13. **Count Nineteen:** The City of Gary has acquired tax sale properties in the last two years on a limited basis and only for particular projects. These properties were transferred to the City at no cost. A land sale for city owned property is being planned for the month of December.
14. **Count Twenty:** The City of Gary's 2011 budget has been prepared in accordance with Indiana state law. The City of Gary does not handle the calculation of assessed values in any way and is therefore dependent upon other agencies to calculate those values and the State of Indiana to review those calculations. The 2011 budget is based upon assessed values provided by those presumably capable agencies.
15. **Count Twenty-one:** The City of Gary's 2011 budget funds departments that are authorized by either state law or ordinance and the budgets for these departments are being approved by the Council.

#### **B. Four Count Petition**

1. **Count One:** The City of Gary has made it clear from its initial petition to the DUAB that it would take a period of four years to bring it into compliance with the tax caps, although relief could only be granted on a

yearly basis. Even the PFM report is based on this time frame. Thus, the 2011 budget is being submitted based upon the revenue to be generated under that plan.

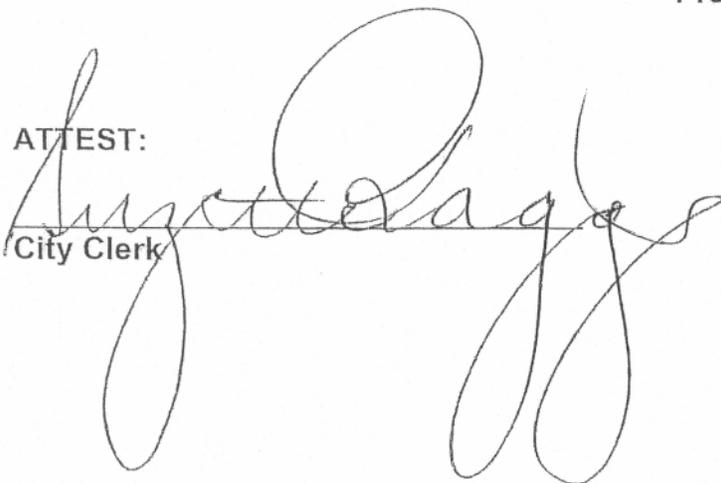
2. **Count Two:** The City of Gary followed the statutory requirements for notification, advertising, public hearing and adoptions, as outlined in DLGF publications, or as directed by DLGF staff.
3. **Count Three:** The City of Gary has made it clear from its initial petition to the DUAB that it would take a period of four years to bring it into compliance with the tax caps, although relief could only be granted on a yearly basis. Even the PFM report is based on this time frame. Thus, the 2011 budget is being submitted based upon the revenue to be generated under that plan.
4. **Count Four:** The City of Gary has made it clear from its initial petition to the DUAB that it would take a period of four years to bring it into compliance with the tax caps, although relief could only be granted on a yearly basis. Even the PFM report is based on this time frame. Thus, the 2011 budget is being submitted based upon the revenue to be generated under that plan.

**PASSED** and **ADOPTED** by the Common Council of the City of Gary, Indiana, this 19<sup>th</sup> day of October, 2010.



Presiding Officer

ATTEST:



City Clerk