

**STATE OF THE COUNTY
REPORT BY THE
BOARD OF COMMISSIONERS
TO THE CITIZENS OF
LAKE COUNTY**

February 27, 2025

**Commissioner Kyle W. Allen, Sr. – 1st District
Commissioner Jerry Tippy – 2nd District
Commissioner Michael Repay – 3rd District**

INTRODUCTION

In accordance with IC 36-2-3.5-4(b)(1)(2) the Board of Commissioners as the Lake County Executive hereby submits its annual report addressing the state of Lake County's economy, the action program necessary to improve residents' welfare, the forecast of trends for county services, and program financing for all county level government entities.

STATE OF THE COUNTY

1. The primary factor affecting the State of the County is the 6.0% unemployment rate in Lake County as of December, 2024. This rate ranks Lake County number three among Indiana's 92 counties in joblessness behind Fayette County (6.1%) and Howard County (7.7%). This was up by 1.0% as compared to December, 2024.
2. This Lake County rate is 2.0% higher than the 4.0% not seasonally adjusted unemployment rate for the State of Indiana for December, 2024.
3. Lake County's unemployment rate is 1.9% higher than the national average of 4.1% in December, 2024.
4. Statistics by municipality were available for local unemployment rates: East Chicago (7.5%), Gary (9%), Hammond (6%), Hobart (4.8%) and Merrillville (6.4%) as of November, 2024.
5. Information Technology Improvement

Lake County Government has continued to improve its technological infrastructure, including, but not limited to the ability for certain employees to work remote, sometimes for long periods. To that end, the Lake County Data Department has continued to maximize the funds allocated by the Lake County Council and the Lake County Commissioners to provide better functionality, security and performance to all Lake County Government users.

6. GAAP (Generally Accepted Accounting Principles) Conversion

With the aid of Crowe LLP, Lake County began the required process of converting from cash accounting method to GAAP Accounting. In 2015, the Indiana General Assembly amended I.C. 5-11-1-4 to require counties with a population over 100,000 to convert from cash basis accounting to GAAP Accounting. Without converting to GAAP, a qualifying county would not be permitted to issue bonds. Lake County continues the final stages of completing the GAAP Conversion.

LAKE COUNTY CONVENTION AND EVENT CENTER

1. The Lake County Board of Commissioners took the first steps necessary to build and Lake County Convention and Event Center. In 2023, the Indiana General Assembly passed legislation that would offer Lake County a \$100,000,000.00 match over the course of twenty (20) years once the project is awarded by the Board. This could result in a \$200,000,000.00 invest in Lake County. The Board of Commissioners approved specifications to seek proposals for the construction of a Lake County Convention and Event Center in the summer

of 2024. Two proposals were received. One from the City of Gary and its partner, Hard Rock Casino and the other from the City of Hobart with its partner Garfield Public-Private. The Commissioners took the two proposals under advisement with a potential award in spring of 2025.

HEALTH FIRST INDIANA FUNDING

1. The Lake County Health Department has approved \$1.3 million in partnerships in 2024 to support a variety of core public health services, including chronic disease prevention, nutrition education, infant safe sleep, maternal and child health initiatives, tobacco prevention, and youth substance use prevention. The department has partnered with the Food Bank of NWI to enhance pantry packs focused on maternal and infant nutrition and other vital health issues. Additionally, an overhead food locker system will be installed to improve access to food and essential items, such as diapers and coats, after hours. In partnership with St. John Fire, Lake County has launched a mobile integrated health program that focuses on community risk reduction such as fall prevention and increasing access to care. Other partnerships include Purdue Extension, Mental Health America of NWI, VicTory4Kidz, Franciscan Health, Gary Harm Reduction, the Indiana School of Medicine, and Geminus. Furthermore, the Health Department is excited to introduce its new mobile health clinic, purchased for \$229,000, which will begin providing services throughout the community in early spring 2025 and this will transform our public health delivery for all of Lake County.

OPIOID STEERING COMMITTEE

1. As a part of various class action settlements with a number of pharmaceutical companies, Lake County is expected to receive a total of \$1,857,506.57 in unrestricted funds and \$5,963,312.91 in restricted funds over the course of eighteen (18) years. In 2024, the Board of Commissioners established the Lake County Opioid Steering Committee which includes professionals from the judiciary, law enforcement, medical doctors, substance abuse counselors and attorneys. The Steering Committee awarded a total of \$225,000.00 to 9 different qualifying non-profit organizations after requesting, reviewing and finding each entity's proposals would help abate the opioid crisis in Lake County.

ACTION PROGRAM TO IMPROVE LAKE COUNTY RESIDENTS' WELFARE

1. Calumet Township Septic Tank Elimination Project – Construction Project 1 (Calumet STEP CP1)

The Lake County Board of Commissioners has commissioned VS Engineering, Inc. for the design of a sanitary sewer system within the unincorporated area of Calumet Township in Lake County, Indiana. Wastewater is currently managed by individually owned septic systems, most of which were installed in the 1950's and are reaching the end of their useful life. The Project area covers approximately 900 acres of land.

Construction Project 1 (Calumet STEP CP1) includes the construction of approximately 55,000 linear feet of low-pressure sewer, approximately 30,000 linear feet of gravity sewer, approximately 11,000 linear feet of force main and a lift station. CP1 will decommission septic

systems and connect approximately 1,046 residents and businesses to the proposed sewer system. The Project will consist of a total of approximately 96,000 linear feet of sanitary sewer main with an approximate construction cost of \$85 - \$90 million.

2. Center Township Septic Tank Elimination Project

An interlocal agreement between Lake County, Indiana and the City of Crown Point was entered into back in 2023 whereby Lake County would commit to spending approximately \$25 million in ARP Funds in Center Township to improve the lives of the residents living in certain unincorporated area of Center Township by improving and rehabilitating the wastewater infrastructure servicing such residents to allow for a transition from septic to sewer connection into Crown Point's wastewater system. To this point, Lake County has completed or is in the process of completing 3 subdivisions, with another 2 to be completed by the end of 2025. It is anticipated that the last 2 subdivisions will be completed in 2026.

3. Tax Credits

In 2025 the County provided more than \$130 million in property tax credits. Every property taxpayer in Lake County received a 15% reduction off their tax bill.

**ACTION PROGRAM TO
IMPROVE LAKE COUNTY
RESIDENTS' WELFARE**

1. Continue to diversify into a commercial and/or industrial base that does not concentrate so heavily on industry.
2. In 2024, Lake County spent a total of \$11,212,474.00 on roads and bridges. Of this amount, \$2,363,738.00 was spent in and for bridge upkeep and \$8,848,736.00 was spent on paving, rights-of-way, road expansions, and road improvements. The \$8,848,736.00 for roads does not include labor or equipment.
3. Lake County continues to partner with the Gary Public Transportation Corp. and North Township dial-a-ride program by providing \$300,000.00 in total funding to these two organizations which greatly helps to provide public transportation throughout the County to citizens in North County. The Board also provided an additional \$84,150.00 to South Lake County Community Services for a total boost of \$384,150.00 to the three of the highest ridership community-based transit companies. Lake County also provides \$3.4 million to Edgewater Systems and Regional Mental Health Center. It is in the best interest of the County to supplement the care provided by Community Health Centers each year. The County has set aside over \$1.6 million.
4. This year Lake County will distribute over \$29,000,000.00 for Public Safety and \$25,000,000.00 of local income tax revenue for Economic Development to Civil Cities and Towns.
5. The Lake County Board of Commissioners continue to upgrade the residential housing stock by eliminating decrepit, unsafe and abandoned homes through unsafe building ordinance enforcement. Lake County government has played a major role in selling tax sale certificates

to private investors to develop and rehab primarily residential facilities that have been abandoned and fallen in disrepair. In addition, Lake County has worked in conjunction with the cities of Gary, Hammond and East Chicago to facilitate the transfer of tax sale certificates so that these units could take advantage of federal monies set aside for structure demolition.

FORECAST

TRENDS FOR COUNTY SERVICES

1. Over 80% of county level budget resources will continue to be expended for the jail, the Sheriff's Department, the Courts, the Clerk and the Prosecutor.
2. The Lake County Jail's daily average inmate population is 916.

REVIEW LAKE COUNTY GOVERNMENT PROGRAM FINANCING

1. Lake County will continue to implement cost reduction measures. To facilitate obtaining more vendors to respond to quotes or bid requests, the County implemented a program of identifying through its Lawson system the statutory basis for each purchase made. The goal is to utilize the information accumulated in all of 2018 and the first three quarters of 2019 to select the purchase technique that will allow the County to obtain a goal of reaching out or obtaining responses from at least 3 vendors for a majority of its public works construction and the acquisition of supplies, goods, machinery and equipment.
2. The continued use and allocation of a local income tax at 1% adopted by the Lake County Council to support the budget at the County level has made the Lake County budget less dependent upon property tax payments and delinquencies which has stabilized income and expense planning.
3. The Board of Commissioners developed and continues to update a manual on tax certificate bidding policies in order to ensure the bidding process is as transparent as it has ever been. The Commissioners are dedicated to making sure that those tax delinquent individuals and/or corporations who are ineligible to bid will continue to be precluded from purchasing tax certificates at the annual Commissioners' Tax Sale. The Commissioners' Office has worked and continues to work closely with the Lake County Auditor and Lake County Treasurer to fine tune the Tax Sale Manual.
4. The County is responsible for the care and maintenance of their physical structures. To make certain that building maintenance and repairs can be addressed timely, the County has implemented a facility review program and has scheduled facility upgrades in order of priority.

SUMMARY

County level services are affected by budget restrictions in relationship to the Lake County Jail. Operations have been modified and budgets reduced. One way to attack the problem in the jail is to develop an inmate handling and processing system in conjunction with the Courts which will reduce the jail population. The two factors contributing to the jail population are the number of inmates booked and their length of stay.