WHEREAS, in the opinion of the Lake County Auditor, the public interests required that the Lake County Council, should be called to meet in special session at this time, for the purpose of considering Budgets for Year 2027, a written notice was sent to each member of the Council, and proper advertisement made, and all other acts performed in accordance with the laws governing such matters.

And now in obedience to such call, come Presiding Chair Christine Cid, David Hamm, Ronald Brewer, Pete Lindemulder, Ted Bilski and Randy Niemeyer, County Councilpersons, together with Tom O'Donnell and Ray Szarmach, County Council Attorneys. Councilman Charlie Brown was absent.

Director of Finance, Scott Schmal, stated that the council's decisions have kept Lake County's finances stable over the past three years. He noted the county continues to build its reserve funds each year despite issues from Senate Bill 1 and the property tax replacement credit. Schmal mentioned that state lawmakers moved the tax cap expiration from 2027 to 2028, delaying possible revenue losses until 2029. He highlighted this helps cushion property tax cap losses for Lake County and other local taxing units, since the county uses its full one-percent allocation for tax relief.

Brewer made the motion, seconded by Hamm, to seed the 2027 budget from the 2026 original council approved budget for all levy funds and seed salaries for all funds at rate as of 6/30/2026. Majority voted yes. Brown was absent. Motion to seed the 2027 budget from the 2026 original council approved budget for all levy funds and seed salaries for all funds at rate as of 6/30/2026 carried 6-yes, 1-absent.

Hamm made the motion, seconded by Bilski, to seed the 2027 budget for all non-levy funds as requested by departments for 2027 excluding salaries and supplemental pay. Majority voted yes. Brown was absent. Motion to seed the 2027 budget for all non-levy funds as requested by departments for 2027 excluding salaries and supplemental pay carried 6-yes, 1-absent.

Bilski made the motion seconded by Hamm, to approve salary increases for all CBA or Employment Contract increases (note: sheriff, police, correctional officers and highway teamsters are in negotiations). Majority voted yes. Brown was absent. Motion to approve salary increases for all CBA or Employment Contract increases (note: sheriff, police, correctional officers and highway teamsters are in negotiations) carried 6-yes, 1-absent.

Lindemulder made the motion, seconded by Bilski, to approve mandated salary increases per Indiana supreme court (i.e. judges, prosecutor, deputy prosecutor, magistrates, sheriff, chief, public defender and asst. chief public defender and approve probation officers' salaries per Indiana judicial conference schedule in tax-based funds. Majority voted yes. Brown was absent. Motion to approve mandated salary increases per Indiana supreme court (i.e. judges, prosecutor, deputy prosecutor, magistrates, sheriff, chief, public defender and asst. chief public defender and approve probation officers' salaries per Indiana judicial conference schedule in tax-based funds carried 6-yes, 1-absent.

Niemeyer made the motion, seconded by Lindemulder, to approve requested amounts for 63730 Property Rental, 61250 Assessor Certification, 61229 Board Member Per Diem, 61210 Longevity, 61251 Assessor Per Diem, 61196 Election Day Workers. Majority voted yes. Brown was absent. Motion to approve requested amounts for 63730 Property Rental, 61250 Assessor Certification, 61229 Board Member Per Diem, 61210 Longevity, 61251 Assessor Per Diem, 61196 Election Day Workers carried 6-yes, 1-absent.

Schmal remarked that the motions 1-5 set the 2027 budget at the same level as the 2026 budget. He shared that the baseline only includes legally required increases and approved contract obligations, such as union agreements and state-mandated pay rates, and does not include general pay raises. Schmal stated that any further funding requests or changes will be handled separately moving forward.

Councilman Niemeyer asked Scott how the council will handle budget requests from outside entities that rely on non-levy revenue sources but still require council approval. Scott clarified that the initial workshop focuses on core Lake County government operations, and noted that outside units like fire districts, solid waste, and public libraries can be discussed now or at the upcoming first and second budget readings. Niemeyer commented that he wanted to ensure attending departments know their requests are being acknowledged and scheduled for consideration.

Councilman Bilski opened a discussion regarding a potential 3% across-the-board pay raise for county employees and asked for the financial impact.

Scott stated that total county payroll is about $100 million, so every 1% increase costs roughly $1 million before benefits. He explained that while the property tax levy growth quotient allows up to 6% in new revenue, competing costs-such as $3 million for bridges and $2 million for utilities-leave about $5 million available.

Councilman Bilski asked if the Council would support moving forward with a 4% raise instead. The raise would exclude employees who are in the midst of a reorg or under contract negotiations.

Councilman Brewer noted that some departments want to eliminate vacant positions to fund larger raises, and asked how those internal changes would factor into the overall number.

Councilman Niemeyer suggested reviewing previous mid-year pay changes and reorganization requests, such as the Assessor's proposal, to make sure rank-and-file employees are treated fairly alongside administrative staff before setting a final percentage.

Councilwoman Cid noted that several offices have submitted reorganization plans with pay increases well above 4%.

Scott recommended setting a standard across-the-board raise (excluding employees under collective bargaining agreements) and reviewing individual department reorganizations separately to avoid double-dipping.

Bilski made the motion, seconded by Brewer, to approve a 4% pay increase excluding those currently in Collective Bargaining Agreement negotiations and possible reorgs.

Councilman Niemeyer and Councilwoman Cid discussed how department size affects reorganizations, noting larger departments can eliminate long-standing vacant positions to fund raises, while smaller departments do not have that option.

Majority voted yes. Brown was absent. Motion to approve a 4% pay increase excluding those currently in Collective Bargaining Agreement negotiations and possible reorgs carried 6-yes, 1-absent.

Bilski made the motion, seconded by Hamm, to place any remaining balance in reserves. Majority voted yes. Brown was absent. Motion to place any remaining balance in reserves carried 6-yes, 1-absent.

Councilman Lindemulder requested that Scott email the council updated budget figures and details so members can review them before the First Reading on Tuesday.

There being no further business to come before the Council, it was moved and seconded that this Council does now adjourn, to meet again as required by law.

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President, Lake County Council

ATTEST:

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Peggy Holinga Katona,
Lake County Auditor