COUNTY BOARD WORKSHOP ON JAIL EXPANSION

DEKALB COUNTY GOVERNMENT

April 30, 2014

IN CONCLUSION

- REFERENDUM

THE PROBLEM

CRITICAL OPERATIONAL PROBLEMS

(Safety, Security, Efficiency, Liability)

- All housing intermittent; no direct, eyes-on staff surveillance.
- Insufficient Holding Cells.
- Insufficient Space; Suicidal, Detox, Drug Withdrawal.
- Insufficient Padded Cells/Restrain Violent Inmates.
- Poor Medical Exam Space.
- No Medical or Negative Air Flow Cells for contagious inmates.
- No Isolation cells.
- Scarce Property Storage; Using 3 different areas.
- Support space inadequate; laundry, booking, etc.
- Lack of Space For Technology Efficiency.
- Transport Ramifications.

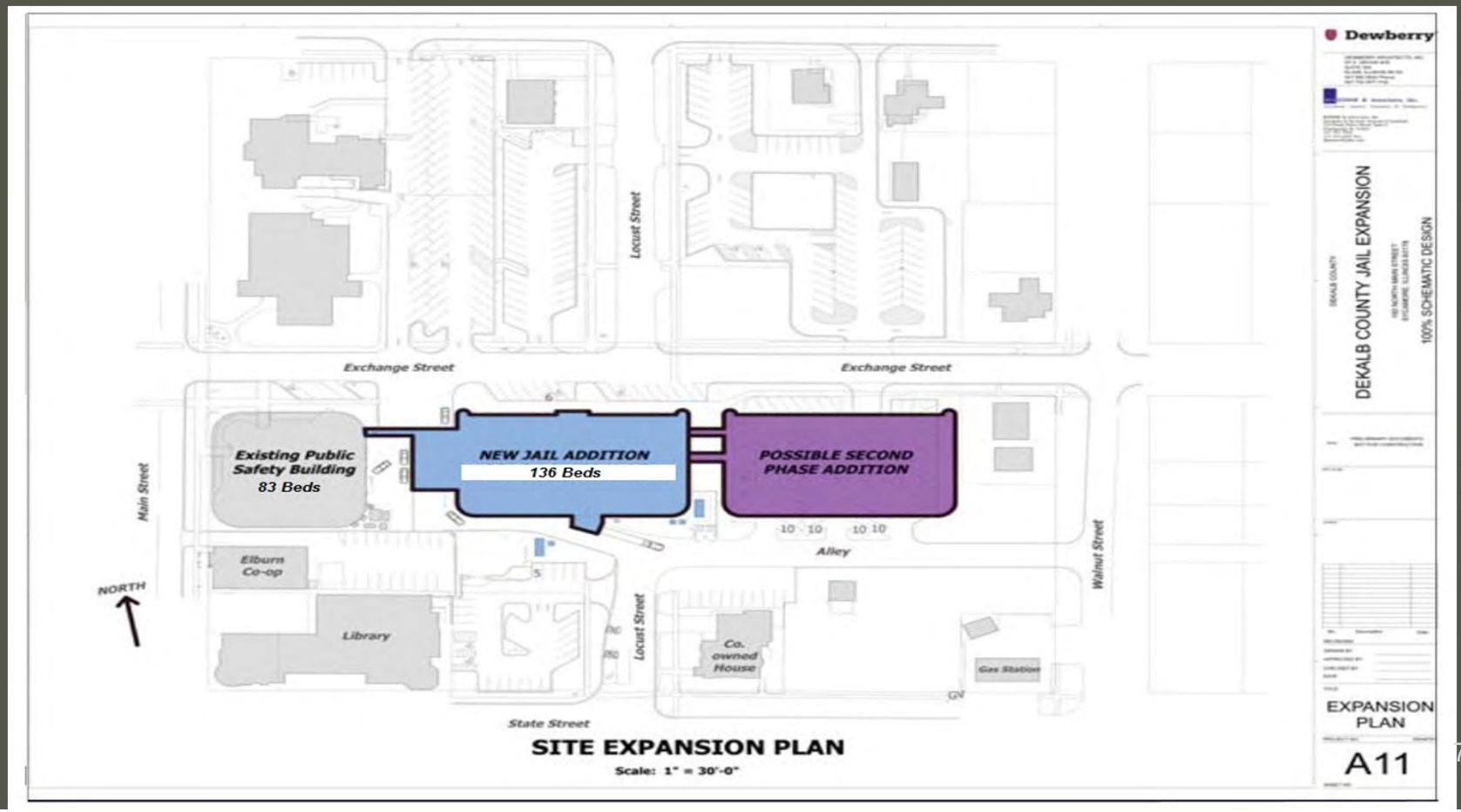
EXPANDED JAIL SOLVES CRISIS

- Provides Beds needed; eliminates transports/per diems/dependency on others.
- Reduces liability and solves operational problems by providing right kinds of beds.
- Provides critical special needs beds.
- Provides safer housing; directly monitored.
- Attains State Jail Standards and ADA/IAC compliance.
- Provides critical support space needed.
- Significantly reduces liability exposure.

WHERE WE LEFT OFF

WHERE WE LEFT OFF

- September 2012, County Board Approved Jail Expansion Plan for Minimum Space + Shell (163 beds); $27,000,000. (Board Vote: 20-2)



WHAT HAPPENED?

LANDFILL LAWSUIT

Settled May, 2013

WHERE WE ARE NOW

WHERE WE ARE NOW

THE JAIL IS FULL!

WHERE WE ARE NOW

HOW FULL IS IT…

JAIL POPULATION

Calendar Year 2013

DeKalb County Housed	89
Average Number Out-Sourced	45
Average Daily Population 2013	134
Highest One-Day Population	162

WHERE WE ARE NOW

COSTS HAVE GONE UP!

WHERE WE ARE NOW

HOW MUCH HAVE COSTS GONE UP…

IMPACT OF INFLATION

BUILDING COSTS	THEN September, 2012 Build 2014	NOW April, 2014 Build 2016
MINIMUM + SHELL (163 BEDS)	$27,000,000	$29,000,000
OPTIONS	$5,000,000	$5,500,000
TOTAL	**$32,000,000**	**$34,500,000**

WHERE DO WE GO FROM HERE?

QUESTION #1

❖HOW MUCH SHOULD WE BUILD?

- ❑ Minimum Needs + Shell
  - Beds: 163 *(2013= 134; Gain=29)*
  - Cost: $29,000,000

- ❑ Full Build
  - Beds: 219 *(2013=134; Gain= 85)*
  - Cost: $34,500,000

- ❑ Options
  - + Full Build *(Beds= 219; Gain= 85)*
  - + Current Public Safety Building Upgrade ($2,100,000)
  - + Partial Basement ($700,000; 5,000 sq. ft.)
  - + Energy Efficiency such as Geo-Thermal ($700,000)
  - = $38,000,000

ANNUAL BOND PAYMENT

25 YEAR BONDS	MINIMUM + SHELL (163 BEDS)	FULL BUILD (219 BEDS)	FULL BUILD + OPTIONS (219 BEDS)
PROJECT FUNDS	$29,000,000	$34,500,000	$38,000,000
ANNUAL PAYMENT	$2,150,000	$2,600,000	$2,800,000

QUESTION #2

❖ **WHAT ADDITIONAL COSTS ARE NEEDED TO OPERATE JAIL?**

	MINIMUM + SHELL (163 BEDS)	FULL BUILD (219 BEDS)	FULL BUILD + OPTIONS (219 BEDS)
NEW ANNUAL EXPENSES	$1,700,000	$2,300,000	$2,250,000
SAVINGS FROM ELIMINATING HOUSING INMATES OUT-OF-COUNTY	($800,000)	($800,000)	($800,000)
NEW MONEY NEEDED FOR OPERATIONS EACH YEAR	**$900,000**	**$1,500,000**	**$1,450,000**

OPERATING COSTS ROADBLOCKS

- PROPERTY TAX CAP
- POTENTIAL LOSS OF AIRLINE FUEL SALES TAX DOLLARS ($2,600,000)

QUESTION #3

❖**HOW DO WE PAY FOR THIS PROJECT?**

- ❑ LANDFILL HOST FEES
- ❑ SALES TAX REFERENDUM
- ❑ PROPERTY TAX REFERENDUM
- ❑ LEVERAGE LANDFILL FUTURE REVENUE > 25 YEARS

LANDFILL USEFUL LIFE

Capacity	Minimum	Maximum
Lifetime Tons	22,000,000	22,000,000
Tons per Year	375,000	500,000
Useful Life - Years	**59**	**44**
Start Year	2015	2015
End Year	2074	2059

LANDFILL REVENUES

Revenues	Minimum	Maximum	Lifetime
Tons per Year	375,000	500,000	22,000,000
Rate per Ton	$4.60	$4.60	$4.60
Gross Revenue per Year	$1,725,000	$2,300,000	$101,200,000
			plus COLA
Less Allocations:			
Solid Waste Program	($200,000)	($200,000)	
Forest Preserve	($100,000)	($100,000)	
Net Annual Revenue	$1,425,000	$2,000,000	

LANDFILL BONDING ABILITY

ANNUAL FUNDS AVAILABLE	$1,425,000
PROJECT FUNDS GENERATED	$23,000,000

LANDFILL BOND ROADBLOCKS

- UNKNOWN WHEN HOST FEES WILL START
- CONTINUANCE OF AIRLINE FUEL SALES TAX REVENUE ($2,600,000)

PUBLIC SAFETY SALES TAX

- ¼ ¢ Sales Tax

Gross Revenue	$4,200,000
Airline Rebate	($2,600,000)
Net Revenue	$1,600,000

- ½ ¢ Sales Tax

Net Revenue	$3,200,000

SALES TAX RATES IN DEKALB COUNTY

CORTLAND	7.25%
DEKALB	8.00%
SYCAMORE	8.00%
ALL OTHERS	6.25%

The County receives 0.25% out of the above numbers.

PROPERTY TAX

IF… $3,200,000 per year is needed

THEN… Cost to Homeowner

= $112 per year ($200,000 home)

REFERENDUM ROADBLOCKS

- ABILITY TO ORGANIZE AND RUN A REFERENDUM
- ABILITY TO RAISE CAMPAIGN MONEY
- LACK OF REFERENDUM CONSULTANT
- VOTER APPROVAL NECESSARY

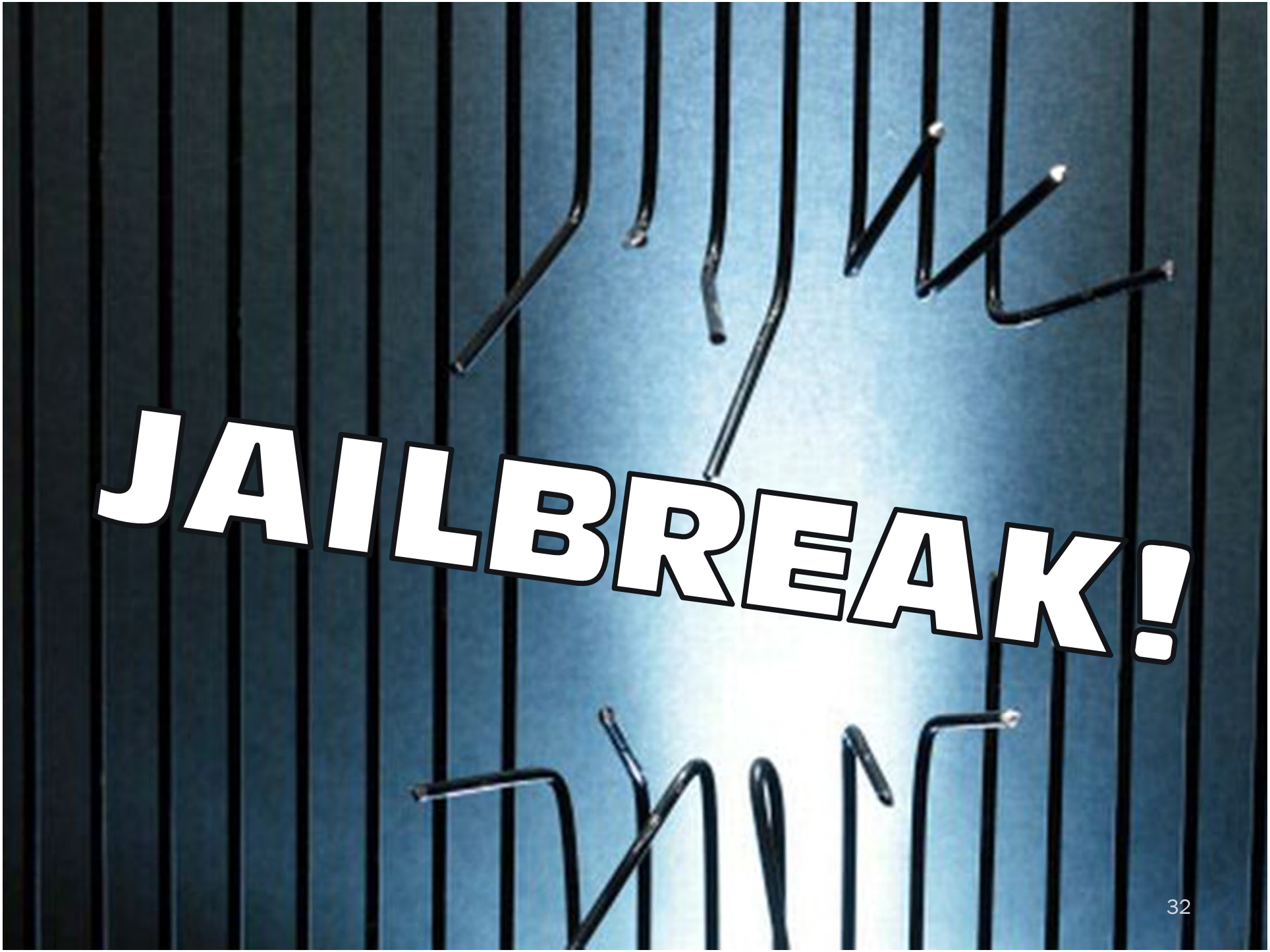
PROJECT CASH-FLOW

		MINIMUM + SHELL (163 BEDS)	FULL BUILD (219 BEDS)	FULL BUILD + OPTIONS (219 BEDS)
1	LANDFILL BONDABLE REVENUE	$1,425,000	$1,425,000	$1,425,000
2	½ ¢ SALES TAX	$3,200,000	$3,200,000	$3,200,000
3	TOTAL AVAILABLE	$4,625,000	$4,625,000	$4,625,000
4	BOND PAYMENT	$2,150,000	$2,600,000	$2,800,000
5	NEW OPERATING EXPENSES	$900,000	$1,500,000	$1,450,000
6	TOTAL NEEDED	**$3,050,000**	**$4,100,000**	**$4,250,000**
7	SURPLUS	**$1,575,000**	**$525,000**	**$375,000**

QUESTION #4

❖ **WHEN CAN WE BUILD?**

- ❑ REFERENDUM (FALL 2014 or SPRING 2015)
- ❑ LANDFILL EXPANSION OPENS SPRING 2015
- ❑ COMPLETE DESIGN / BID DOCUMENTS 2015
- ❑ CONSTRUCTION 2016
- ❑ NEW JAIL OPENS SPRING 2018


JAILBREAK!

POINTS TO PONDER

- WHAT SCOPE SHOULD THE BUILDING PROJECT BE?
- DO WE WANT A REFERENDUM?
  - SALES TAX or PROPERTY TAX?
  - FALL 2014 or SPRING 2015?
- DO WE MOVE FORWARD BEFORE THE AIRLINE SALES TAX ISSUE IS RESOLVED?

IN SUMMARY

IN SUMMARY

- CONCERNS
- CONSENSUS
- INFORMATION NEEDED

COMING SOON

FINANCE COMMITTEE

MAY 7, 2014
7:00 PM

THE FINANCIAL DISCUSSION
***CONTINUES* . . .**