

Edwards,Michelle

From: Wright, Michael [Michael.Wright@VigoCounty.IN.Gov]
Sent: Friday, July 12, 2019 9:52 AM
To: Edwards,Michelle; Felling,Darrell
Cc: 'jlind@lindlawfirm.com'; 'Steve Schrohe'
Subject: *Ext!* Operating Expenses
Attachments: Vigo Jail Revenue & Operating Estimates.pptx

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- Helpdesk

Dear Michelle:

Attached please find the Vigo Jail Revenue & Operating Estimates put together in March of this year. One of the things I heard last night is nobody has ever looked at potential operating expenses and while it was not the most patently false statement made last night, it is one easily capable of disproving.

Every Commissioner and Council Member has been provided a copy of this analysis and it was presented to the full County Council at a public meeting in April of this year. Feel free to share this with the City Council members.

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Vigo County Estimated New Jail Operating Expenses

March 26, 2019

Local Income Tax

New Income Tax Revenue (2019)

Local Income Tax Category	2019 Estimated Tax Revenue	Uses/Restrictions
.25% Special Jail (25 Years)	\$5,213,642	Construction/Land/Bonds
.20% Special Jail (20 Years)	\$4,170,914	May Include Operations
.20% Public Safety	\$2,107,985	Any Public Safety Expense
.10% PSAP	\$2,085,457	PSAP – 911 Expenses
TOTAL NEW TAX REVENUE	\$13,577,998	

Jail Operating Expenses

Jail Operating Expenses

	2017 Actual	2018 Actual	New Jail Estimate
Payroll Salaries	\$1,900,363	\$1,637,691	\$3,275,382
Social Security/FICA	\$137,743	\$118,925	\$237,849
PERF	\$238,351	\$213,178	\$426,355
Group Insurance	\$322,328	\$273,323	\$546,646
Institutional Supplies	\$120,864	\$114,226	\$144,913
Foods	\$322,463	\$361,410	\$458,505
Supplies to Work Release	\$16,540	\$7,140	\$20,000
Care of Patients & Inmates	\$428,219	\$274,546	\$25,000
Contractual Services	\$340,254	\$139,417	\$150,000
Contract. Services. Other	\$789,223	\$766,648	\$874,058
Repair Equipment	\$11,270	\$23,998	\$25,000
Education Counsel & Train	\$3,319	\$9,600	\$10,000
Staff Training	\$6,400	\$11,098	\$20,000
Vehicles		\$29,433	\$50,000
Equipment New	\$27,949	\$26,961	\$25,000
Locks – Video & Audio	\$9,559	\$7,675	\$10,000
TOTAL OPERATIONS	\$4,684,845	\$4,015,266	\$6,298,708

Utility Expenses

	2017 Actual	2018 Actual	New Jail Estimate
Duke	\$114,530	\$139,516	\$270,000
Indiana American Water	\$33,928	\$37,280	\$63,432
Indiana Gas	\$8,316	\$9,911	\$60,000
Exelon	\$15,190	\$16,510	
City of Terre Haute	\$113,132	\$114,613	\$202,985
TOTAL UTILITIES	\$285,097	\$317,830	\$596,417

Total Jail Operating Estimates & Assumptions

	2017 Actual	2018 Actual	New Jail Estimate
TOTAL UTILITIES	\$285,097	\$317,830	\$596,417
TOTAL OPERATING	\$4,684,845	\$4,015,266	\$6,298,708
TOTAL EXPENSES	\$4,969,942	\$4,333,096	\$6,895,125
TOTAL ADDITIONAL JAIL EXPENSES			\$2,562,029

- Expense Assumptions:
 - All staffing costs doubled from 2018 actual expenses as staffing levels increase from 43 to 85 for the new facility
 - Jail operation expenses based currently on average capacity population of 268
 - Current average inmate population of 307, with an increase to 340 average inmate population upon the opening of the new facility
 - Cost estimates based upon actuals as provided by the County
 - Estimated expenses do not account for remaining utility expenses for what operations will remain at the current jail facility
 - Utility estimates provided by DLZ memo of March 25, 2019

Summary of Funding Needs

Estimated Debt Service Revenues and Uses

New Revenues	
.25% Special Jail Tax (25 Years) Only for debt service	\$ 5,213,642
.20% Special Jail Tax (20 Years) May be used for operating	\$ 4,170,914
.20% Public Safety	\$ 2,107,985
PSAP Expenses Freed Up with New PSAP Tax (\$2,085,457)	\$ 1,052,000
Total New Available Revenues	\$ 12,544,541

Debt Service	
Estimated Debt Coverage Needed (125% + Property Tax Backup)	\$ 7,031,250
Estimated Debt Service - \$60,000,000 Project Fund	\$ 5,625,000
Estimated Additional Operating Expenses	\$ 2,562,029
TOTAL ADDITIONAL COSTS WITH DEBT COVERAGE	\$ 9,593,279
TOTAL ANNUAL ADDITIONAL COSTS	\$ 8,187,029