

**FINANCE COMMITTEE  
MINUTES  
February 1, 2006**

The Finance Committee of the DeKalb County Board, met on Wednesday, February 1, 2006 at 6:30p.m., in the DeKalb County Administration Building's Conference Room East. Chairman Jeff Whelan called the meeting to order. Members present were Sue Leifheit, Jeff Metzger, Sr., Michael Haines, Dennis Sands, Ruth Anne Tobias and Jerry Augsburgur. Others present were Ray Bockman, Gary Hanson, Ken Campbell, Rich Osborne, Eileen Dubin, Roger Steimel, Joan Berkes-Hanson, Diane Strand, Renee Messacar, Steve Slack and Greg Millburg.

**APPROVAL OF THE MINUTES**

**Moved by Ms. Tobias, seconded by Mr. Haines, and it was carried unanimously to approve the minutes from November 16, 2005 and December 13, 2005.**

**APPROVAL OF THE AGENDA**

Mr. Hanson said that the agenda needed to be amended to include the removal of item #6.

**Moved by Mr. Sands, seconded by Mr. Augsburgur, and it was carried unanimously to approve the amended agenda as presented.**

**PROPERTY TAX ABATEMENT (1997 BONDS)**

Mr. Gary Hanson, DeKalb County Deputy County Administrator, explained that the county annually abates property taxes if they can. This abatement is for the Health Facility Bond issue. The nursing home pays their share of the bonds of the operating budget, which amounts to \$612,703.00 for abatement of taxes. This needs to be forwarded to the full county board for approval said Mr. Hanson.

**Moved by Ms. Leifheit, seconded by Ms. Tobias, and it was carried unanimously to be forwarded to the full board for approval.**

Mr. Sands asked if we did collect the \$612,000? Mr. Hanson said that we have not collected it.

**DEED TRANSFER FOR PROPERTY SOLD AT AUCTION**

Ms. Christine Johnson, DeKalb County Treasurer, passed out a deed transfer resolution to the committee. This is for the sale of delinquent property, she said. A delinquent property is offered at the tax sale in October and one of the tax buyers purchases it. The DeKalb County trustee purchases it and has it for three (3) years. Our trustee, as our agent, then goes to deed on this property and we offer the property for sale through a catalog. The program saves our county money and we only pay for publication costs. It helps us to put the property back on the tax rolls. Ms. Johnson continued by informing the committee that there are two parcels for sale, one involving the county with Mr. Christopher Schroeder, the buyer, and the other parcel is a piece of property involving the intersection of Woodgate Drive and Peace Road, and that will be going to the City of Sycamore.

Mr. Sands asked if Mr. Schroeder was the only bidder? Ms. Johnson said no, there were three bidders but he was the highest.

Chairman Whelan asked how big is the property that is being sold? Ms. Johnson said that it is nine tenths (9/10ths) of an acre.

**Moved by Ms. Tobias, seconded by Ms. Leifheit, and it was carried unanimously to the full board for approval.**

## **REVIEW OF 2004 JAIL STUDY**

Mr. Ray Bockman, County Administrator, explained to the committee the history over the last sixteen years regarding the jail population study. He said that in 1990 there was a NIC study on the overcrowding in the jail; 1996 another NIC study with recommendations for including a communications center. They also recommended that the county form a jail population committee comprised of the principal players in the criminal justice system. In 2001 the Jail Population Review Committee was commissioned to find out ways to reduce the average length of stay in the jail including, how to speed up the processes, how to divert people who may not be in need of incarceration, and who is considered for electronic home monitoring.

When that committee first met in 2001 they had a series of recommendations. In 2002 when they met again, they made more recommendations. In total including the NIC studies and the Jail Population Review Committee, most of the recommendations have been implemented, about 95%. One of the recommendations was to add a 5<sup>th</sup> courtroom, which we did, but we have not had a 5<sup>th</sup> judge commissioned yet to DeKalb, but we hope to add one, said Mr. Bockman.

In October of 2002 the Sheriff informed the Safety and Law Committee that the Jail was nearly full and that something needed to be done. An Ad Hoc Jail Study Committee was formed and in that Fall conducted a national search for consultants and hired MGA (Mark Goldman and Associates) and the Durrant Corporation to do an in-depth study of the judicial system and report back to the county board.

In August of 2003 their findings and report were delivered to the Board. They covered how many jail beds and what types of beds are going to be needed over the next 25 years; which alternative to incarceration could reduce the bed needs; should the existing jail be expanded or should a new jail be built elsewhere; if the jail expanded where would it be located; and what would the costs be for the new jail and the alternatives.

He then passed out a presentation of options that the consultants handed out at that time. In it, it states that the average population, starting in 1981, went from 22 then to 79 in 2002. We now have 2005 data. As of 2002 the average daily population was 79 and in 2005 it is 88, growing at 3.8% per year. On the next page (page 5) it shows the various data that the consultants looked at to try and come up with our future needs and what the daily population would be in the future. This page shows that the core numbers for 2005 to be the most reliable numbers to date and that we are at 88 inmates. That means your bed needs equal the daily average population figure times 1.2, (your functional capacity rate is 79 beds and we have 89 beds in our jail). If we have a daily population of 106, which it looks like we will get to, you will need 1.2 times that many beds (page 6).

On page 7 it highlights the 7 items that the consultants recommended for reducing bed needs. On page 8 it explains the estimated operational costs for jail options. The figures of a new site option vs. the expansion of the jail option appear to be very close, they are almost the same numbers, said Mr. Bockman. That would get you to approximately \$4 million dollars annually in operational costs. The current budget for the jail is \$2 million. The consultant's recommendation takes you to 132 beds in Phase I and 235 beds by 2025.

The conclusion of the Ad Hoc Committee was to Implement the Recommended Alternatives to Incarceration to Reduce Bed Needs, Build More Beds, Expand the Existing Public Safety Building and to Explore funding options. The board did that and ultimately the board recommended the option of the Public Safety Sales Tax Referendum as a funding mechanism. They put it on the ballot and it was not successful.

At the current growth rate and when we reach the year 2010 with a daily population of 106 inmates, we would need to outpace 27 people. The costs of that for 2010 would equal approximately \$900,000 a year. The \$16 million cost of the project has already increased to \$19 million for 2006, that's at a 5% rate of inflation and new construction.

Mr. Bockman said that's the process that they have gone through and he is telling them the same thing that he did three years ago, the jail is full. The costs are going up, exporting prisoners costs are going up, etc.

He has asked Chairman Tobias to reinstitute the Ad Hoc Jail Population Review Committee to study where we are, is there anything that we haven't done that we could do, or is there some new technology that we should institute. In this year's budget there is a line that says that we will put the Public Safety Sales Tax on the ballot and I know that you are not just going to go ahead to do that. It will take the recommendation from at least one committee and probably more, and a report from the Jail Population Review Committee for you to decide what steps that you would like to take.

Mr. Metzger, Sr. asked if there has been any expansion in that timeframe? Mr. Bockman said that the original beds were single beds and in the mid to late '80's we went to double bunks. Mr. Metzger then asked what the estimated operational costs would be from 2003 to now, obviously they have gone up? Mr. Bockman said that he uses a 3% figure.

Mr. Haines said that when he sat on the Ad Hoc Committee he had questions then as to whether or not the projected ADP that the consultants use is accurate. Fortunately, their projections are higher than what we are actually seeing. He thought that the projections included some of the alternatives to incarceration. He thought that they said that in the short term that it would be just as economical to rent space vs. to build space. If we look at the Sheriff's figures we are renting space at about \$52.00 an inmate a day, and our per diem costs \$63.00 per diem per inmate in our own jail. If you consider the per diem rate and include travel, it costs about \$63.00. In other words it is costing us about the same amount of money to rent space in another jail including travel as it does to keep them in our own jail. This won't go on for ever. If you look at 1990 to 1999 we had about a 13% increase in population in the County. He doesn't understand how in a ten-year period we could have an increase in our county's population of 13%, and our jail population was dead flat. And then we have a big spike and then it goes flat again.

He talked to Roger Hopkins at the Economic Development Corporation about the estimated increases in the county's population. His estimation of growth sees it sort of slowing down. If that happens, then our projection of 106 beds by 2010 may not happen. What he is saying is, the same skepticism that he had with the consultants projections of dire jail overcrowding, have not panned out quite as they had predicted.

All that said, we still have an overcrowded jail, the question is in the near term is it more economical to build or to rent? asked Mr. Haines. Mr. Bockman said that the rental costs is not a fully loaded cost. More work needs to be done to talk about the real costs that includes a fair amount of staff time. Not only are we having problems finding places to place the prisoners, they are having difficulty with the fact that as you are shipping more and more prisoners out, you don't have sentenced prisoners to ship out. Which means we are now shipping pre-sentenced prisoners, who have greater transportation needs, have appearances to make, right to see their attorneys, etc. The real problem is how many people will we ship out of county before we revisit this process. We've been doing this since 1996.

Mr. Metzger asked if the drug court would help to make a difference with the population? Mr. Bockman said it should, we just don't know yet.

After further discussion Mr. Steimel said he feels that we should go forward with the Jail Population Committee's review.

Mr. Haines said that he would like to look at the numbers and say that there is an Interim Plan that says we go from here to there for three years. That if the referendum passes how are we going to pay from 2007 to 2010 when we have a new jail. If the referendum fails then we go to "Plan B," that's what we need to tell our voters.

Mr. Bockman said that it would take about 2 months for the committee to finish it's work and then have a report back in this committee's hands and the Law and Justice Committee.

#### **2007 BUDGET DISCUSSION**

Chairman Whelan said that he would like the board members to discuss any concerns that they have for the 2007 budget. Mr. Metzger, Sr., said that he would like to see advancement in the county's infrastructure and where the funding would come from, like high-tech industries.

#### **REVIEW AND APPROVE BUDGET FOR VETERAN'S COMMISSION**

Mr. Sands asked if there was a "hard core" budget for the Veteran's Commission yet? Mr. Hanson said that there is a temporary budget for it equaling \$50,000 until we see if the referendum is passed. Mr. Sands said that referendum is for \$500,000, what is the budget annually? Mr. Hanson said that it won't be \$500,000. We have not gone through the process of staffing needs, office needs, we don't know yet. Mr. Sands said what do we tell the voter and what is the \$500,000 going to be spent on? Mr. Hanson said that the Veteran's money should be used for services for the Veteran's only, like transportation needs, benefits promised to the Veterans, this is what it is supposed to be spent on. We are giving them an opportunity to get a referendum to pass that would help to build an office building on the health center complex. The thought is that they will not spend all of the \$500,000 on providing benefits and rental space in the initial years. The gap of the amount of money that they will spend out of the \$500,000 will help pay for the facility which will give them a permanent office space. Also in the initial years you will have built up plenty of cash flow, which are all the things that help to run a department.

The \$50,000 in the budget will only pay for the department up to March 2006 when the referendum will go to vote (this includes salary).

#### **USE OF THE ½ VETERAN'S TAX DOLLARS TO BUILD A BUILDING**

Mr. Sands then stated, "your narrative in the budget for this year says that there will be a contribution of \$850,000 from the Veteran's Commission to help pay for the new health building. If we are paying rent for the Superintendent of Schools for approximately \$9,000, \$11,000 for the Mental Health Board and now we are going to get \$850,000 from the Veteran's Commission for the rent money, I don't know how long that would take to pay off, in ten years it would be \$85,000 a year in rent money for the Veteran's, that's a lot of money. How do you explain that to the voters?"

Mr. Bockman said that the money can only be spent on the Veteran's. They can have an office, either renting it or owning it. If they rent a building it will cost 40% more than if you own the building.

Mr. Haines asked if the \$500,000 is collected annually, forever? Mr. Hanson said yes. Mr. Bockman said that it is unlikely that once the building is paid for that the top limit doesn't have to be levied. Mr. Hanson said that right now we do not know what programs they will be providing, you can't jump to conclusions on funding needs.

Chairman Whelan asked that if the referendum does not pass do we have to pay for it out of the General Fund? Mr. Hanson said yes.

**REDUCING THE JAIL REFERENDUM TO ¼ CENT, INSTEAD OF ½ CENT**

Mr. Sands said that he felt that Mr. Bockman had covered this issue with his jail population presentation earlier this evening.

**PROPOSING A 5% LIMIT ON NEXT YEAR'S BUDGET**

Mr. Sands is proposing a 5% limit on next year's budget. He feels that we could be looking at a 12% to 13% increase in the budget for next year. Are the board members comfortable with this and he feels now is the time to talk about it.

Chairman Whelan said that he would suggest a workshop for this committee to discuss the FY 2007 budget at the end of March/beginning of April. We could have the department heads there and have Mr. Hanson and Mr. Bockman give a "guesstimate" of what it will be. Ms. Leifheit said that she feels that a workshop is a value for newer county board members. Mr. Steimel suggested that in August he would like to see a workshop on the proposed budget for all board members.

**ADJOURNMENT**

**Moved by Mr. Haines, seconded by Mr. Augsburger, and it was carried unanimously to adjourn the meeting.**

Respectively submitted by,

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Jeff Whelan, Chairman

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Mary C. Supple, Secretary