

# Scott County JDAAC Finance and Next Steps Review

June 8, 2021



# JDAAC new building – 40 Beds

- 40 Beds – 4 Holding
  - 28,550 square feet
    - Current 12,185; 14-16 beds & 2 holding
  - 2 -10 bed units; 2 – 8 bed units, 4 special management
  - Public lobby, JDC administrative, Intake/Processing, Medical / Health; Laundry; Kitchen / Food Prep; Housing Support; Housing 2 pods of 12/ 8 and 4 special management
  - \$450 cost per Square Foot + 10% Design & Construction Contingency, Soft Costs, FFE
  - \$16,829,325
  - Does not include increased operations costs



# JDAAC new building

- JDC Assessment Center
  - 2,850 square feet – Offices, classrooms, conference room, storage
  - \$375 cost per Square Foot + 10% Design & Construction Contingency, Soft Costs, FFE
  - Assumes connected to Detention Center through lobby
  - \$1,650,875
  - Does not include operations cost



# Cost Comparison

	Assessment Center	40 Bed Facility
Square Footage	2,850	28,550
Construction	\$1,369,500	\$14,852,750
Soft Costs	168,525	1,261,575
FF & E	<u>110,000</u>	<u>715,000</u>
	\$1,650,875	\$16,829,325



# How to fund Large Capital Project

- 1) Current savings
- 2) Issuance of debt: State code allows \$1.2 M per year on essential purpose buildings for projects not exceeding \$1.2 M.
  - Swap qualifying property tax transfers for debt issuance, thereby allowing property tax transfer to be used for large capital projects.
- 3) “Pay as you Go” through current property tax increase.
- 4) Grant Funding

The County general constructs large projects through current saving and “pay as you go” financing.



# Potential Resources

	Resource	Source Type	Projected Amount Available	Notes
1	Capital Fund Equity	Current Savings	\$6,500,000	\$7.2 M FY Fund Balance June 30, 2023
2	ARPA – COVID Response	Grant Funding	\$4,500,000	Prelim. Estimate of HVAC and Spacing
3	General Fund Equity	Future Savings	\$1,500,000	Estimate Fund Balance over current levels to transfer to Capital Fund FY 2021 -2022
4	General Fund Equity	Current Savings	\$2,700,000	Drawdown general fund to 15%-20% expenditures.
5	ARPA – Loss of Revenue	Grant Funding	?	Unknown until; awaiting further guidance
6	Issuance of Essential Debt	Debt	\$4,800,000	Limited to \$1.2 M per fiscal Year
7	General Fund Tax Levy – Capital	Pay as you Go	<u>\$1,000,000</u>	Need to plan in budget process
			\$21,000,000	

\*Project may require shifting priority of resources as funding needs develop.

# Cost vs Resource Comparison

	Assessment Center	40 Bed Facility
Square Footage	2,850	28,550
Construction	\$1,369,500	\$14,852,750
Soft Costs	168,525	1,261,575
FF & E	<u>110,000</u>	<u>715,000</u>
	\$1,650,875	\$16,829,325
Current Savings; Grant Funding; Future Savings;		\$15,200,000

ARPA Loss of Revenue, Essential Debt Issuance; Pay as you Go Funding utilized as required.



# County General CIP Plan - \$16 Million Project

	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
Fund Balance FY 21 Budget	\$5,126,842	\$4,451,442	\$7,157,342	\$6,487,142	\$6,884,942	\$8,657,242
ARPA COVID Response (1)			\$4,500,000			
Issuance of Bonds (2) - \$4.8M			\$1,200,000	\$1,200,000		
Increased General Fund Transfer (3) – Equity		\$1,500,000	\$500,000	\$700,000		
Issuance of General Fund Transfer above current Tax Levy Amount- Property Tax Increase			\$500,000	\$500,000		
Capital Costs associated with JDAAC - \$16 M	=	<u>(\$4,000,000)</u>	<u>(\$10,000,000)</u>	<u>(\$2,000,000)</u>	_____ -	_____ -
Adjusted Estimated Fund Balance (4)	\$5,126,842	\$1,951,442	\$1,357,342	\$1,087,142	\$1,484,942	\$3,257,242

(1): Grant Funding - ARPA

(2): Essential Purpose Bonds (Public Buildings and Equipping)

(3): Increase Transfers from General fund through increased tax levy or savings from prior budget year. Current Assumptions are FY 21 - \$1,651,035; FY 22 - \$125,000; FY 23 - \$2,000,000; FY 24 - \$1,000,000; FY 25 - \$1,000,000; FY 26 - \$1,000,000.

(4): Computation of Fund Balance + Budgetary changes of activity FY 21 – FY 26.



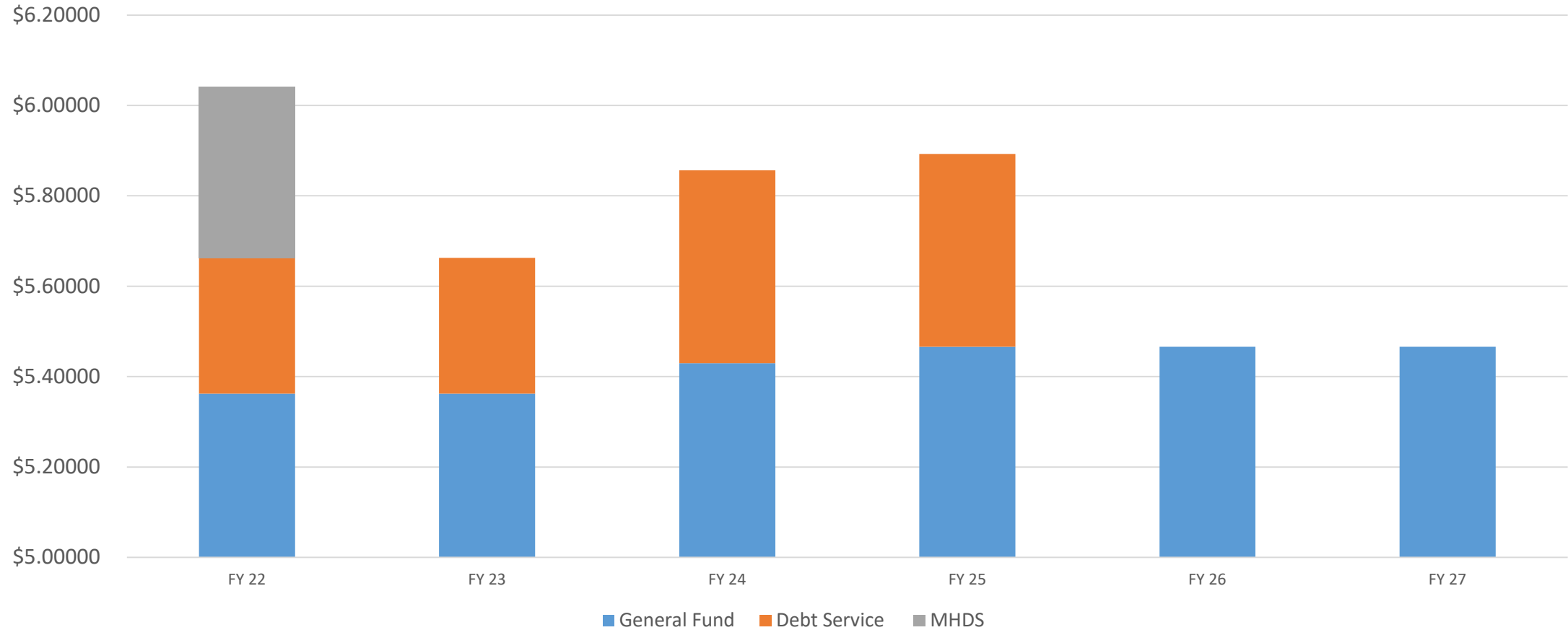
# County General CIP Plan - \$16 Million Project

	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27
Issuance of Bonds (1) -\$4.8M – Interest and Fees			\$80,000	\$80,000		
Debt Service Levy Impacts (4)			\$0.13	\$0.13		
Additional Operations (Staffing / Occupancy)			\$600,000	\$1,000,000	\$1,000,000	\$1,000,000
General Fund Levy Impact (4)			\$0.07	\$0.10	\$0.10	\$0.10

(4): Based on 2020 Assessment year / FY Taxable Valuation



# Projected Urban Tax Levy Rate



All values in FY 22 Property Tax Valuation Dollars.

Debt Service Levy is removed in FY 2026.

Assumes increased operations costs of Detention Center of \$1,000,000; rounded estimate

Project does not account for property valuation growth, or other budgetary changes.

# Next Steps

- Enter into Contract for Professional Services – A/E Schematic Design Fee
  - Wold Architects - \$131,980, based on 40 bed facility
  - Anticipated Schematic Design Schedule 3-4 month
- Identify site for JDAAC location
- Secure funding for Assessment Center
- Monitor ARPA Funding and FY 2021 Budget Performance

