



ELBERT COUNTY, COLORADO
BOARD OF COUNTY COMMISSIONERS MEETING MINUTES
Special Meeting Held in the BOCC Meeting Room
August 24, 2021, at 9:00 AM

A. INVOCATION/PLEDGE OF ALLEGIANCE:

County Clerk Dallas Schroeder performed the Invocation and led the Pledge of Allegiance.

B. CALL TO ORDER AND ROLL CALL

The Special meeting was called to order at 9:02 AM. Deputy Clerk Amanda Moore performed roll call and all Commissioners were present.

C. ACTION ITEMS

1. Approval of Sheriff's Proposed Ballot Measure to Fund the Justice Center Improvements

Commissioner Richardson talked about the process of getting to this point and that the Sheriff called each of the Commissioners to ask that they do not approve the ballot measure for this year's ballot.

County Manager Sam Albrecht presented the slideshow regarding the proposed ballot measure for a County 1% Sales and Use Tax. Mr. Albrecht stated that staff recommends the ballot language presented and the Resolution, and also to consider the short timeframe.

The Commissioner's all agreed that the current facility has passed its lifespan and that the timeframe to educate the public is a challenge.

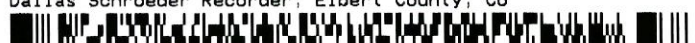
Public Comment:

Diana Edstrom, Elbert County Tribune. Ms. Edstrom asked what is the downside to putting the question on the ballot even if it didn't pass? Ms. Edstrom also asked what the County would do if the next Coroner came in and does not want to work from their home?

Commissioner Richardson we would have to cross that bridge if it were to happen. Commissioner Richardson stated that we do not do autopsies in our County.

Commissioner Thayer said that because the Sheriff is not ready, they don't feel it would be right to put it on the ballot.

Commissioner Pettitt said we do support the S.O.



D. ADJOURNMENT

Motion: To Adjourn

Commissioner Grant Thayer made a motion to Adjourn. Commissioner Rick Pettitt seconded the motion.

Yes - Chris Richardson, Grant Thayer, Rick Pettitt

No - None

The meeting Adjourned at 9:48 AM.





ELBERT COUNTY, CO

Proposed Ballot Measure:

**A 1% County Sales & Use Tax
for
Current and Future Justice Center
and
Elbert County Sheriff Operational Needs**

8/24/2021





ELBERT COUNTY, CO

Purpose

To present for BOCC consideration and approval, a ballot question proposing that Elbert County Voters consider approval of an additional 1% Sales and Use tax to generate funding for urgently needed Justice Center improvements and address shortfalls in operational funding for the Elbert County Sheriff's Office.

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Agenda

1. Background
2. Current Facility & Operational Shortfalls
3. 2050 Requirements
4. Projected Costs (Construction, Maintenance, Operations)
5. Funding – How, What, Why, Sources & Allocations
6. Proposed Ballot Question Contents
7. Potential Revenue from 1% Sales & Use Tax
8. Projected Costs 2022-2052
9. Projected Funding 2022-2050
10. Projected General Fund Relief/Current Allocations
11. Proposed Ballot Question Language
12. Staff Recommendation
13. Next Steps

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Background

- Current Facility Built in 1985
- Design-life of 20 years exceeded in 2005
- Many facility systems are worn-out/failing
- Two studies of conditions and needs conducted in past 6 years
- Sheriff has a statutory responsibility to operate a jail
- BOCC has statutory responsibility to provide a jail and courts facilities
- Unfunded state mandates, inflation, and escalating pay and benefits in nearby metro counties exceed county's ability to ensure adequate law enforcement within current revenue projections for the next 30 years
- County has sought state and federal funding assistance - unsuccessfully

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Current Facility & Operational Needs

- Sheriff Admin Space Inadequate for current staffing (old courts)
- Jail over capacity and failing (\$100K in cell door repairs 2021)
- Courts too small for large/complex trials
- No space for large jury pool selection
- Evidence storage at capacity
- I/T & OEM Space at capacity
- Ever increasing maintenance costs



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2050 Requirements - Overview

- Additional Administrative Space for Sheriff
- Housing and Life Support, & Detention Staffing for 100 Inmates
- Two additional courts
- Hearing/Jury Selection room (current courts undersized for large trials)
- Increased space for I/T and OEM
- A Coroner Facility (Coroner currently operates from private residence)
- Additional space for Judicial Officers, DA, and Probation)
- Additional evidence storage
- Improved physical security and access control to site and facility

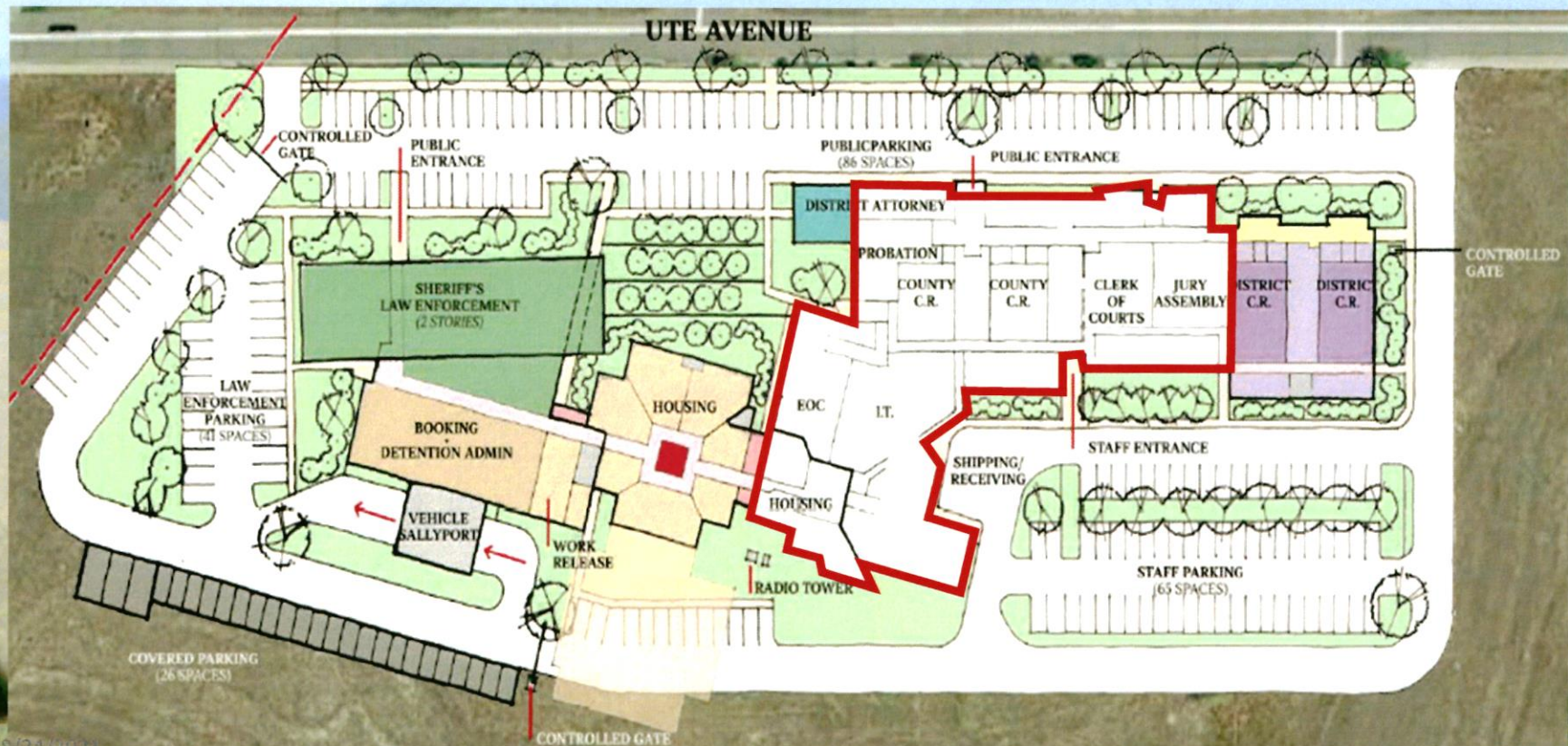
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2050 Requirements – Expanded Facility



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Dallas Schroeder Recorder, Elbert County, Co





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PROJECTED COST INCREASES*

Construction: Up to \$42 Million (costs rising 4-7% per year)

Existing Debt: \$3.996 Million

Utilities/Maintenance: \$382K/year (estimate 3% inflation per year)

Inmate Medical Services: \$400K/year (estimate 3% inflation per year)

Inmate Feeding: \$219K/year (estimate 3% inflation per year)

Additional Detentions Deputies (x8): \$640K/year (salary/benefits)

Annual Costs: ~\$3.6 to 4.3 Million (Assumes Financing of Construction)

* Provided by (Architecture Firm) engaged by Elbert County Sheriff's Office (2021 dollars)

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Total Funding Requirement

- **Annual Cost Increase: \$3.6-4.3M***
- **Current General Funding of Detentions is \$1.97M**, includes:**
 - Pay and Benefits for 17 Deputies
 - Inmate Housing, Feeding, and Care
- **Current Annual Justice Center Note Financing: \$472K**

Total Annual Funding Requirement: \$6-\$6.7M

* Cost in range depends on number of deputies added in first year (between 2 and 8)

** Includes 10K raise authorized for all sworn deputies in mid-2021

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How do we Fund?

- Total funding requirement 11-13% increase in total county budget
- Total funding need exceeds current projected revenues
- Additional Revenue needed – Requires Voter Approval
- Debt Incurred for Construction Bonding – Requires Voter Approval
- Options (one or combination of):
 - Property Tax Mill Levy Increase
 - Sales Tax Increase
 - Use Tax Increase

Note:

Sales Tax: *Levied on taxable items purchased in the county, vehicles purchased by residents.*

Use Tax: *Levied on construction materials delivered for use in the county.*

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How do we Fund?

- Sheriff has proposed a 1% Sales & Use Tax to fund needed Justice Center Facility improvements and operational needs.
 - Will not impact property taxes for current or future residents
 - Sales tax will impact those shopping in Elbert County
 - Significant taxable spending at Walmart by Douglas County Residents
 - Use tax is captured primarily for new home construction
 - Development would partially support cost of growth impacts driving facility expansion

Anticipate 1% S&U Tax would generate minimum of \$4.2M (2022)*

*This would fund project and initially 2 additional deputies. With ability to support additional operational costs over time. (all 8 deputies potentially by 2035)

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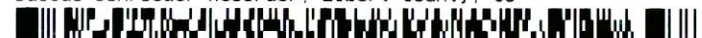


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What do we Fund?

- Facility Improvements
 - Expanded Inmate Housing – 100 beds
 - New Sheriff Admin Offices
 - Remodel Current Admin Office for Clerk of Courts & Hearing Room
 - Add 2 additional Court Rooms (shells to be finished 2030-2040)
 - Expanded Probations and DA Space
 - Establish Coroner Space / Additional Evidence Storage
 - Increase I/T and Emergency Management Space
- Maintenance and Utilities for Expanded Facility
- Operations Costs for Expanded Facility – Current plus incremental detentions personnel, medical care, feeding, and other appropriate costs.
- Other – Reserve payment (at least one year), funds to finish courts and other required improvements to facility through 2050.

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Why Fund Now?

- Last 3 Elected Sheriff's have prioritized need for facility expansion and improvements.
- Construction costs rising faster than borrowing rates
- Current growth provides potential for high Use Tax revenues
- Reduce risk to the County for lawsuits, state/federal mandates, reliance on Douglas County for excess inmate housing.
- Supports County strategic plan
 - 4.B. Develop risk management plans
 - 5.B. To build and maintain infrastructure that supports current and future anticipated needs

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Source of Funds?

Combination of -

Current General Fund Contribution:

- Detentions Department
- Justice Center Note Payment

& Sales & Use Tax Revenue

Note: Initially both sources are needed to fully fund Justice Center expansion and current plus incremental operational costs. Depending on future economic conditions, Sales and Use Tax revenue may fully fund operational needs in the 2035-2045 timeframe. (Recommend sunset of 0.5% of tax once loan is retired and retain 0.5% for continued operational costs)

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Allocation of S&U Funds?

- **Recommend Citizen Advisory Council that includes County Finance Director to provide input regarding use during annual budgeting process:**
 - **Ensure funds are only allocated to voter authorized uses**
 - **Ensure adequate reserve funds are accumulated to address potential revenue shortfalls in future recession**
 - **Ensure funds required to complete build out of courtrooms is accumulated prior to need for final construction**
 - **Advise BOCC regarding use of available funds over and above Construction, Maintenance, and Operations of Justice Center**
 - **Not anticipated until 2035-2045**
 - **Pay down debt faster?**
 - **Request Voter approval of expanded uses for Law Enforcement?**

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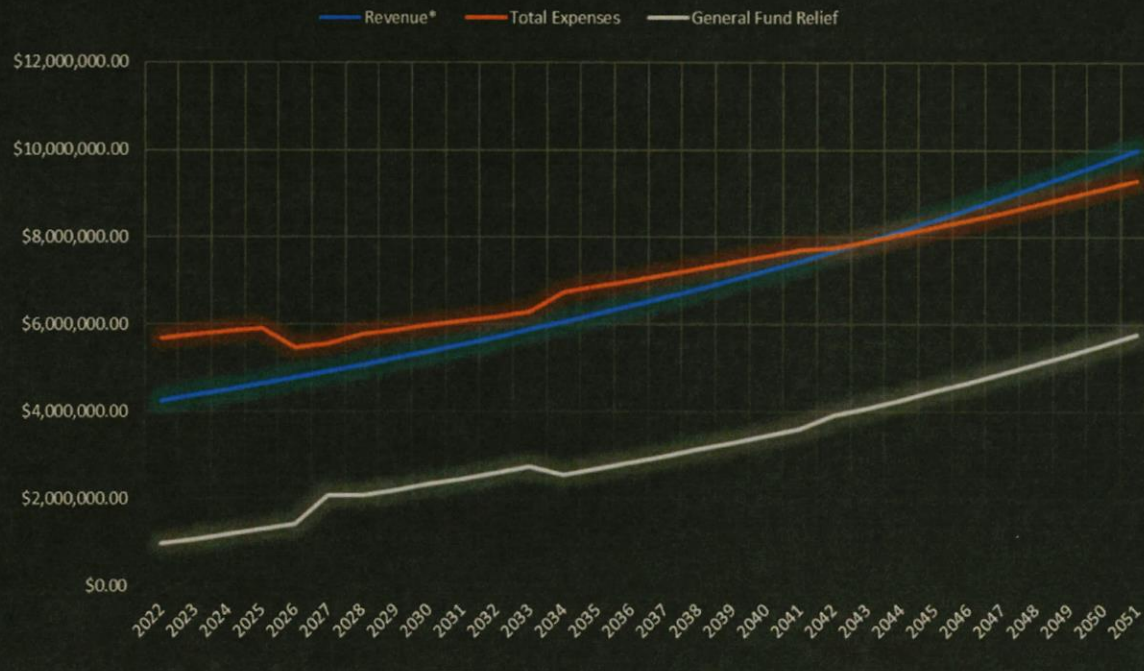




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Revenue / Expenses 2022-2052

Projected Revenue From 1% Sales Tax vs. Justice Center Costs Over Time
(and Availability of General Fund for Other Requirments)



Assumptions:

- 3% Revenue Growth (GF & S&U)
- 3% General Cost Inflation
- 7% Construction Cost Inflation
- 30-year Financing of \$46M @ 4%
- 8 Deputies added over time

2045: 1% S&U Covers full cost of Construction, Maintenance & Operations

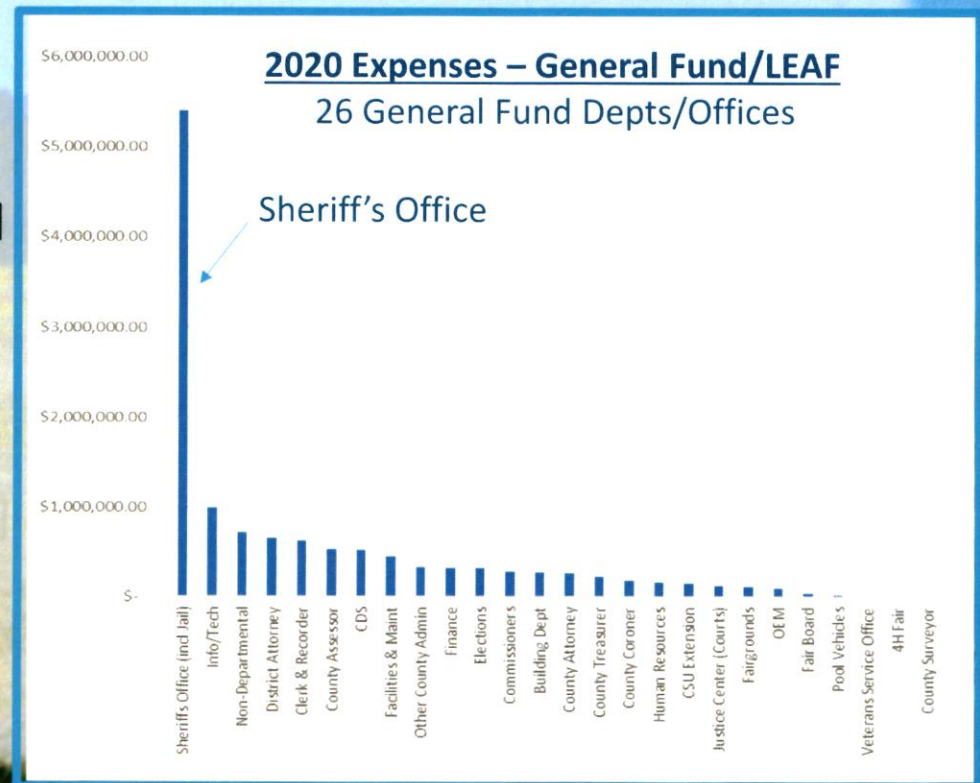




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General Fund Impacts/Relief

- S&U Tax funding can offset general fund requirements substantially.
- Sheriff's Office is currently allocated ~50% of the General Fund
- 2022 Offset projected at >\$900K (growing to >\$4M by 2045)
- Offset funds available to address other personnel and operational needs within the Sheriff's Office



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ELBERT COUNTY, CO

Proposed Ballot Language

- The Taxpayer Bill of Rights (TABOR) is a state constitutional amendment.
- TABOR requires voter approval for all new or increased taxes.
- TABOR requires voter approval for all new debt or debt increases.
- TABOR requires specific numbers regarding, debt amounts, borrowing rates, total debt repayment, and anticipated first year tax collections be provide to voters so an informed decision can be made at the polls.
- TABOR Ballot Questions must be presented in ALL CAPITAL LETTERS.

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ELBERT COUNTY, CO

Proposed Ballot Question Text

Ballot Title: 1A – CREATION OF A SPECIFIC ONE PERCENT COUNTY-WIDE SALES AND USE TAX INCREASE AND RELATED DEBT INCREASE PAYABLE FROM SUCH SALES AND USE TAX

Ballot Question Text: SHALL ELBERT COUNTY TAXES BE INCREASED \$5,500,000 (FIRST FULL FISCAL YEAR DOLLAR INCREASE) ANNUALLY SOLELY FOR THE LIMITED PURPOSE OF FUNDING URGENT PUBLIC SAFETY NEEDS AND MEETING STATUTORY OBLIGATIONS OF ELBERT COUNTY TO PROVIDE AND OPERATE ADEQUATE PUBLIC SAFETY FACILITIES; SUCH TAX TO CONSIST OF A COUNTY-WIDE SALES AND USE TAX INCREASE IMPOSED AT A RATE OF 1% (WHICH REPRESENTS ONE CENT ON EACH DOLLAR PURCHASE) BEGINNING JANUARY 1, 2022 WITH SUCH RATE BEING REDUCED TO 0.5% ONCE THE BONDS DESCRIBED BELOW HAVE BEEN REPAYED IN FULL (OR ANY BONDS ISSUED TO REFUND SUCH BONDS AT A LOWER INTEREST RATE); ALL REVENUES GENERATED FROM THE TAX, REGARDLESS OF AMOUNT AND NET OF THE COSTS OF COLLECTION, TO BE DEPOSITED INTO A SEPARATE FUND AND RESTRICTED AS TO USE IN COORDINATION WITH A CITIZEN ADVISORY COUNCIL TO ELBERT COUNTY GOVERNMENT FOR THE FOLLOWING PURPOSES:

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ELBERT COUNTY, CO

Proposed Ballot Question Text

CONSTRUCTING, RENOVATING, EXPANDING, UPDATING AND REPAIRING THE COUNTY'S CRIMINAL JUSTICE CENTER TO INCREASE THE CAPACITY TO HOUSE UP TO ONE HUNDRED INMATES AND ADDRESS EXISTING SECURITY AND SAFETY CONCERNS OF THE RESIDENTS OF ELBERT COUNTY;

CONSTRUCTING AND EQUIPPING ADDITIONAL COURTROOMS AND REMODELING AND EQUIPPING THE EXISTING SHERIFF'S OFFICE FOR USE BY THE CLERK OF COURTS AND CONSTRUCTING AN ADDITIONAL HEARING ROOM;

CONSTRUCTING AND EQUIPPING NEW ADMINISTRATIVE OFFICES FOR THE COUNTY SHERIFF;

CONSTRUCTING AND EQUIPPING ADDITIONAL OFFICE SPACE FOR THE DISTRICT ATTORNEY AND PROBATIONS OFFICES;

CONSTRUCTING AND EQUIPPING A COUNTY CORONER FACILITY;

CONSTRUCTING AND EQUIPPING ADDITIONAL SPACE FOR COUNTY INFORMATION/TECHNOLOGY PURPOSES AND EMERGENCY MANAGEMENT;

REFINANCING THE EXISTING LEASE PURCHASE FINANCING FOR THE COUNTY'S CRIMINAL JUSTICE CENTER; AND

OPERATIONS, MAINTENANCE AND STAFFING FOR THE CRIMINAL JUSTICE FACILITY AND SERVICES;

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ELBERT COUNTY, CO

Proposed Ballot Question Text

AND SHALL ELBERT COUNTY DEBT BE INCREASED UP TO \$46,000,000, WITH A REPAYMENT COST OF NOT MORE THAN \$79,800,000 BY THE ISSUANCE OF REVENUE BONDS PAYABLE FROM THE PROCEEDS OF SUCH SALES AND USE TAX, FOR THE PURPOSE OF FINANCING AND REFINANCING THE FOREGOING PUBLIC SAFETY IMPROVEMENTS, WHICH BONDS SHALL BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST NOT TO EXCEED 4.0%, MATURE NOT LATER THAN DECEMBER 1, 2052, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED, DATED AND SOLD AT SUCH TIME OR TIMES, AT SUCH PRICES (AT, ABOVE OR BELOW PAR) AND IN SUCH A MANNER AND CONTAINING SUCH OTHER TERMS, NOT INCONSISTENT HERewith, AS THE ELBERT COUNTY BOARD OF COUNTY COMMISSIONERS MAY DETERMINE, AND SHALL ALL TAX REVENUES GENERATED FROM THE SALES AND USE TAX INCREASE AUTHORIZED HEREIN AND FROM ANY EARNINGS FROM THE INVESTMENT OF SUCH REVENUES CONSTITUTE A VOTER-APPROVED REVENUE CHANGE, AND AN EXCEPTION TO THE REVENUE AND SPENDING LIMITS OF ARTICLE 10, SECTION 20 OF THE COLORADO CONSTITUTION, OR ANY OTHER LAW?

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STAFF RECOMMENDATION

- 1. Staff finds the draft ballot language addresses the Justice Center and the operational funding issues identified by the Sheriff.**
- 2. Staff recommends Sheriff and BOCC consider the very short time frame available to engage the voters on this important issue prior to the November election.**

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ELBERT COUNTY, CO

Next Steps

- Clerk & Recorder Adds Title & Question to Ballot
- Clerk & Recorder Prepares “Blue Book” Information
 - Accepts Pro & Con Statements from Interested Voters
 - Mails “Blue Book” Information to All Voters
- Per Campaign Finance Statute, once a resolution is approved, no county resources can be used to advocate for this measure.
 - County Attorney will provide detailed information through Human Resources Office to all employees
 - Factual information regarding a ballot question can be provided but attorney should review any information released to ensure it is factual and neutral in nature.

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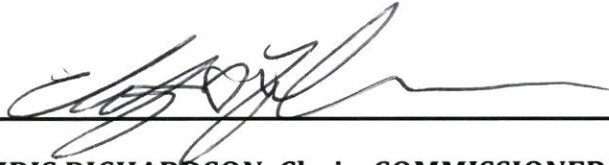
QUESTIONS/COMMENTS?

8/24/2021



BOARD OF COUNTY COMMISSIONERS

ELBERT COUNTY, COLORADO



CHRIS RICHARDSON, Chair, COMMISSIONER District 1



RICK PETTITT, COMMISSIONER District 2



GRANT THAYER, Vice-Chair, COMMISSIONER District 3

ATTEST: Amanda Moore

Deputy Clerk

BY:



Deputy Clerk to the Board of County Commissioners; Amanda Moore

