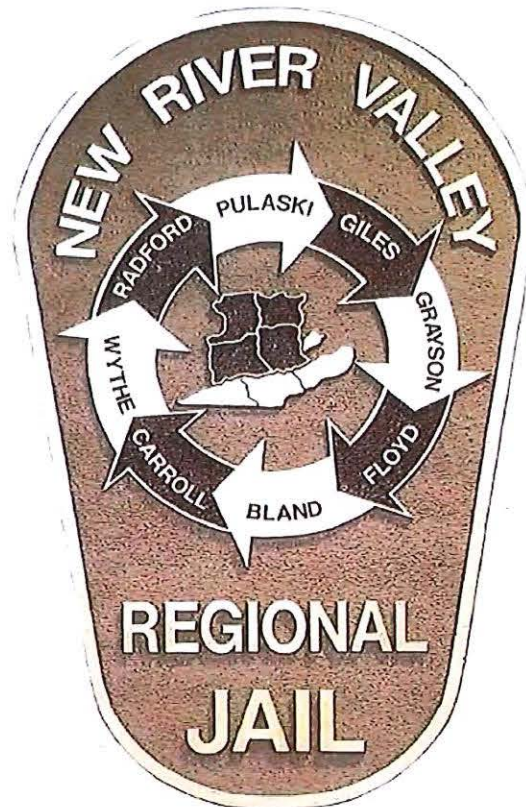


New River Valley Regional Jail



Operating Budget FY 2020-2021



New River Valley Regional Jail

P.O. Box 1067

Dublin, Virginia 24084

(540) 643-2000 (540) 643-2010 FAX

TO: New River Valley Regional Jail Authority Members

Bland County
Carroll County
Floyd County
Giles County

Grayson County
Pulaski County
City of Radford
Wythe County

FROM: Superintendent Gregory P. Winston

Date: May 5th, 2020

Subject: Budget for FY July 01, 2020 to June 30, 2021

Bland County

Sheriff Jason Ramsey
Eric Workman, **Treasurer**
Chief Deputy John Mustard (A)
Rodney L. Ratliff (A)

Carroll County

Sheriff Kevin Kemp
Nathan Lyons
Chief Dep Donald Spangler (A)
Michelle Dalton (A)

Floyd County

Sheriff Brian Craig
Joe D. Turman
Chief Deputy Chad Harris (A)
W. Justin Coleman (A)

Giles County

Sheriff Morgan Millirons
Richard Chidester, **Vice-Chair**
Todd Martin (A)

Grayson County

William Shepley
Sheriff Richard Vaughan
Mitch Smith (A)
Chief Deputy David Ashby (A)

Pulaski County

Sheriff Michael Worrell
John Travis
Capt. Daniel Johnson (A)
Jonathan Sweet (A)

City of Radford

Sh. Mark Armentrout, **Chairman**
Nikki Cumberland
Major Charlie Burton (A)
Joshua Smith (A)

Wythe County

Sheriff Keith Dunagan
Brian Vaught
Chief Deputy Charles Foster (A)
Stephen Bear (A)

Superintendent

Gregory P. Winston

Deputy Superintendent

John S. Bowman

Tonya Akers, Secretary

The staff of the New River Valley Regional Jail, in conjunction with the New River Valley Regional Jail Authority Finance Committee, is pleased to present our operating budget for fiscal year July 01, 2020 to June 30, 2021.

The budget was developed in accordance to the guidelines provided in the Authority Agreement dated February 28, 1995, as amended, and the 1997, 2008, and 2016 Bond Issue Master Indenture.

This balanced budget was approved by unanimous vote at the New River Valley Regional Jail Authority meeting held on February 14th, 2020.

The FY 2020/2021 Operating budget for the New River Valley Regional Jail Authority is based on an average daily inmate population of 884 local and state responsible inmates. The cost per inmate day (per-diem) will continue to be \$28.65 for FY 2020/2021. Actual daily use, multiplied by the per diem provides the basis for our members' annual cost to house an inmate at the Regional Jail.

Revenue funds were allocated as part of either the Service Agreement or Master Indenture to maintain the reserve accounts of the New River Valley Regional Jail which are identified below:

Operating Reserve – Section 5.3 of the Authority's Service Agreement requires the Authority to provide an Operating Reserve in each of its Annual Budgets in an amount that is equal to 25% of its projected Annual Budget for each year, less debt service (current requirement is approximately \$4.7 million).

Debt Service Reserve - The funding of a Debt Service Reserve is addressed in both Section 5.3 of the Service Agreement and Section 7.5 of the Master Indenture. These funds are sized equal to the lesser of maximum annual debt service, 10% of the principal amount of the bonds or 125% of average annual debt service. The current funding level is approximately \$3.6 million. This fiscal year, we are reviewing the potential of altering the investment of our debt service reserve in order to increase our interest earnings.

Repair and Replacement Reserve – Established in Section 7.6(b) of the Master Indenture is funded in an amount determined by the Authority based upon projections of future capital needs. The Repair and Replacement Reserve must be maintained at a minimum balance of \$100,000. Once again, this year’s budget provides additional funding of \$150,00.00 of repair and replacement reserve funding in addition to any residual revenues at the end of the fiscal year.

Budget highlights for FY 2020/2021

The FY 2020/2021 Operating budget is based primarily on the operational needs of the facility for the next fiscal year.

Revenue Summary:

❖ Charges for Services as a percentage of total revenue (per diems):	41%
❖ Intergovernmental revenue as a percentage of total revenue:	56%
❖ Miscellaneous, recovered costs, interest:	3%

Notable items with regard to FY 2020/2021 revenue projections include:

- ❖ An small increase in per diems collected from some member jurisdictions from the previous budget year due to an increase in the prisoner population forecast.
- ❖ Funding was provided from the state for salary increases for staff.
- ❖ Additional revenue is expected as a result of contracting for out of jurisdiction prisoners.
- ❖ We are funding capitol projects from the repair and replacement reserve fund and it is listed as a new source of revenue.

Expenditure Summary:

❖ Employee cost as a percentage of total expenditures:	64%
❖ Debt service as a percentage of total expenditures:	17%
❖ Building costs as a percentage of total expenditures:	5%
❖ Inmate service costs as a percentage of total expenditures:	6%
❖ Miscellaneous expenditures:	8%

Notable items with regard to FY 2020/2021 expenditure projections include:

- ❖ Employee health insurance costs were budgeted for a 15% increase, based upon estimates from our employee health insurance carrier.
- ❖ The Commonwealth authorized a 2.7% increase in salary for entry level sworn employees.
- ❖ Continuing increases to the cost of domestic cold water and sewer services from the town of Dublin.
- ❖ Budget increase to fund the cost of several capital improvement projects to include:
 - ❖ Security System Repairs and Replacement
 - ❖ Repair and Replacement of HVAC equipment
 - ❖ Roof repairs and other infrastructure repairs

Please be aware that our budget is contingent on inmate population meeting or exceeding this expectation based on historical data and current trends. According to the most recent forecast models, the population of state responsible prisoners is expected to rise by approximately 0.4% annually and adult local responsible inmates is expected to stay level without any increases. Our population forecast was conservative, based upon our local trend analysis and the unpredictable population numbers statewide for the past three fiscal years ('17-'20). Failure to meet projected population trends may result in a mid-year per diem adjustment.

I wish to thank our Director of Finance, the members of the Finance Committee, the Treasurer, and all members of our staff for their continued support and assistance in the preparation of this document. Their financial experience, wisdom, and knowledge have proven to be invaluable.

The Administrative staff will evaluate the budget on a frequent basis. Any areas of concern will be brought to our members' attention without delay.

Very Respectfully,

Gregory P. Winston
Superintendent

NEW RIVER VALLEY REGIONAL JAIL AUTHORITY BUDGET ACCOUNTS

Budget Accounts	Budget Account Distribution
1 PROJECT ACCOUNT Held by Trustee	Established and held by Trustee.
2 REVENUE ACCOUNT All Revenues	This fund receives and transfers all revenues received from any source except Inmate Accounts.
3 OPERATING ACCOUNT (Jail Operations)	Transfer from Fund 2 for jail operations.
4 BOND ACCOUNT Held by Trustee	Used by Trustee to pay principal and interest on bonds.
5 DEBT SERVICE ACCOUNT Held by Trustee	Used by Trustee to make transfers to Bond Account.
6 REPAIR/REPLACE ACCOUNT	<ol style="list-style-type: none"> 1. Expenses/repairs 2. Construction addition 3. Construction parts 4. Capital costs 5. Deposit to operating acct., bond acct., etc.
7 GENERAL RESERVE ACCOUNT	General reserves for use of Authority.
(These accounts are not included in the budget.)	
8 SUB-ACCOUNT FOR CANTEEN FUNDS	Use is restricted to certain inmate benefits described in the Code of Virginia and Board of Corrections Minimum Standards Manual.
9 SUB-ACCOUNT FOR INMATE TRUST FUNDS	Retention/identification of inmate trust funds described in the Code of Virginia and Board of Corrections Minimum Standards Manual.

MASTER INDENTURE PROJECTS ACCOUNTS

The following is a brief summary of certain provisions contained in the Master Indenture relative to the establishment of accounts to receive and disburse funds for bond and note retirement and operations of the jail. The accounts are established under the Master Indenture, the First Supplemental Indenture or the Second Supplemental Indenture to be held as indicated in the following pages. This is a legal requirement and modifications or exclusions are permitted if, and only if, certain authority to do so is granted by the bondholders and if thereafter directed by Bond Counsel.

- (1) "New River Valley Regional Jail Authority Project Account," to be held by or at the direction of the Trustee, in which there is established a 1997 Bond Proceeds Sub-Account and a 1997 Note Proceeds Sub-account;
- (2) "New River Valley Regional Jail Authority Revenue Account," to be held by or at the direction of the Authority;
- (3) "New River Valley Regional Jail Authority Operating Account," to be held by or at the direction of the Authority;
- (4) "New River Valley Regional Jail Authority Bond Account," in which there is established an Interest Sub-Account, a Principal Sub-Account, a Redemption Sub-Account and a Capitalized Interest Sub-Account, to be held by the Trustee;
- (5) "New River Valley Regional Jail Authority Debt Service Reserve Account," to be held by the Trustee;
- (6) "New River Valley Regional Jail Authority Repair and Replacement Reserve Account," to be held by or at the direction of the Authority as a separate account, as a sub-account of the Operating Account or accounted for in such other manner so as to permit verification of compliance with the Replacement Reserve Requirement as the Authority may elect; and
- (7) "New River Valley Regional Jail Authority General Reserve Account," to be held by or at the direction of the Authority.

Accounts are herewith established as follows:

NEW RIVER VALLEY REGIONAL JAIL
REVENUES & EXPENDITURES
 July 2019 through June 2021

	Jul '19 - Jun 20	Jul '20 - Jun 21	DIFFERENCE
Ordinary Income/Expense			
Income			
400 · Bland	104,573.00	115,030.25	10,457.25
401 · Carroll	2,363,339.00	2,373,796.25	10,457.25
402 · Giles	930,695.00	941,152.25	10,457.25
403 · Grayson	1,087,554.00	1,098,011.25	10,457.25
404 · Floyd	533,320.00	543,777.25	10,457.25
405 · Pulaski	1,840,476.00	1,850,933.25	10,457.25
406 · Radford	784,294.00	794,751.25	10,457.25
407 · Wythe	1,516,301.00	1,526,758.25	10,457.25
408 · U.S. Marshall fixed contract	10,800.00	10,800.00	0.00
409 · St. Comp Salary Reimbursement	9,955,844.00	10,155,120.00	199,276.00
410 · St Comp Brd Medical	180,000.00	180,000.00	0.00
411 · Other authorized fixed contract	35,700.00	35,700.00	0.00
412 · State Per Diem Warrant	2,241,163.00	2,241,163.00	0.00
414 · Repair & Replacement Reserve	0.00	290,700.00	290,700.00
420 · Interest Income	69,000.00	69,000.00	0.00
421 · Inmate Telephone Income	460,000.00	460,000.00	0.00
425 · Miscellaneous Revenue	35,434.00	35,434.00	0.00
428 · Surplus of Jail Property	500.00	500.00	0.00
432 · Inmate Cost Recovery	67,900.00	67,900.00	0.00
434 · Fees	3,250.00	3,250.00	0.00
Total Income	22,220,143.00	22,793,777.00	573,634.00
Gross Profit	22,220,143.00	22,793,777.00	573,634.00
Expense			
Employee Costs			
500 · Salaries & Wages	8,618,020.00	8,797,520.00	179,500.00
501 · Compensatory Overtime	250,000.00	255,695.74	5,695.74
505 · LODA	54,027.00	56,728.00	2,701.00
506 · FICA Tax	622,322.00	671,568.00	49,246.00
507 · Unemployment Insurance	5,000.00	5,000.00	0.00
508 · Employee Health Insurance	2,082,331.00	2,392,380.00	310,049.00
510 · Workers Comp	104,896.00	120,630.00	15,734.00
511 · Employee Retirement Exp (VRS)	730,636.00	749,550.00	18,914.00
512 · Group Life Ins (VRS)	112,896.00	115,250.00	2,354.00
513. Mandatory HYBRID 401	2,588.00	2,500.00	-88.00
516 Employer Contributory Matc	925.00	960.00	35.00
520 · Employee Physicals	6,500.00	6,500.00	0.00
522 · HSA Contributions	25,000.00	37,000.00	12,000.00
523 · Employee Development	10,000.00	10,000.00	0.00
524 · Criminal Justice Training	98,800.00	98,800.00	0.00
525 · Employee Uniform Costs	5,500.00	5,500.00	0.00
526 · Employee Replacement Uniforms	20,000.00	20,000.00	0.00
527 · Employee Recognition	7,500.00	9,000.00	1,500.00

NEW RIVER VALLEY REGIONAL JAIL REVENUES & EXPENDITURES

July 2019 through June 2021

	Jul '19 - Jun 20	Jul '20 - Jun 21	DIFFERENCE
528 · Standard STD non-security	7,830.00	7,830.00	0.00
529 · Employee Annual Bonus	27,900.00	27,900.00	0.00
Total Employee Costs	12,792,671.00	13,390,311.74	597,640.74
Medical Costs			
530 · Salaries & Wages	752,102.00	802,865.00	50,763.00
531 · FICA Tax	53,054.00	59,500.00	6,446.00
532 · Unemployment Insurance	1,000.00	1,000.00	0.00
533 · Employee Health Insurance	144,864.00	166,600.00	21,736.00
534 · Workers Comp	9,606.00	6,600.00	-3,006.00
535 · Employee Retirement Exp (VRS)	58,578.00	54,500.00	-4,078.00
536 · Mandatory Hybrid 401	4,729.00	5,200.00	471.00
537 · Trigon Health Ins (I/M)	336,600.00	150,000.00	-186,600.00
538 · Group Life Ins (VRS)	9,853.00	8,500.00	-1,353.00
539 · HYBRID 401 Cash Match Plan	877.00	877.00	0.00
541 · Medical Supplies/Pharmaceutical	594,300.00	500,000.00	-94,300.00
542 · Mental Health/Sub Abuse	240,000.00	200,000.00	-40,000.00
545 · HSA Contributions	2,000.00	2,000.00	0.00
546 · Compensatory Overtime	22,700.00	22,700.00	0.00
547 · Standard STD non-secu	3,660.00	3,660.00	0.00
Total Medical Costs	2,233,923.00	1,984,002.00	-249,921.00
Building Costs			
556 · Maintenance Inside	66,200.00	66,200.00	0.00
557 · Maintenance Outside	10,275.00	10,275.00	0.00
558 · Electricity	421,572.00	421,572.00	0.00
559 · Gas (Natural Gas)	194,360.00	194,360.00	0.00
560 · Fuel for Auxiliary Generator	2,600.00	2,600.00	0.00
561 · Water Service (Town of Dublin)	222,560.00	244,816.00	22,256.00
562 · Sewer Service (Town of Dublin)	174,000.00	191,400.00	17,400.00
563 · Garbage Disposal (Town of Dubli	13,250.00	13,250.00	0.00
564 · Property Insurance (VACo)	49,419.00	52,400.00	2,981.00
565 · Pest Control	3,000.00	3,000.00	0.00
566 · Emergency Repair & Replacement	0.00	100,000.00	100,000.00
598 · Landscape & Garden Supply	1,100.00	1,100.00	0.00
Total Building Costs	1,158,336.00	1,300,973.00	142,637.00
Administrative Costs			
575 · Magistrates supplies	2,425.00	2,425.00	0.00
576 · Postage	6,900.00	6,900.00	0.00
577 · Office Supplies	9,825.00	9,825.00	0.00
579 · Dues and Memberships	4,730.00	4,880.00	150.00
580 · Printing Expense	0.00	0.00	0.00
581 · Advertisement Expense	6,500.00	5,000.00	-1,500.00
582 · Office Equipment	2,600.00	2,600.00	0.00
586 · Bank Service Charges	5,775.00	5,775.00	0.00
Total Administrative Costs	38,755.00	37,405.00	-1,350.00

NEW RIVER VALLEY REGIONAL JAIL
REVENUES & EXPENDITURES
July 2019 through June 2021

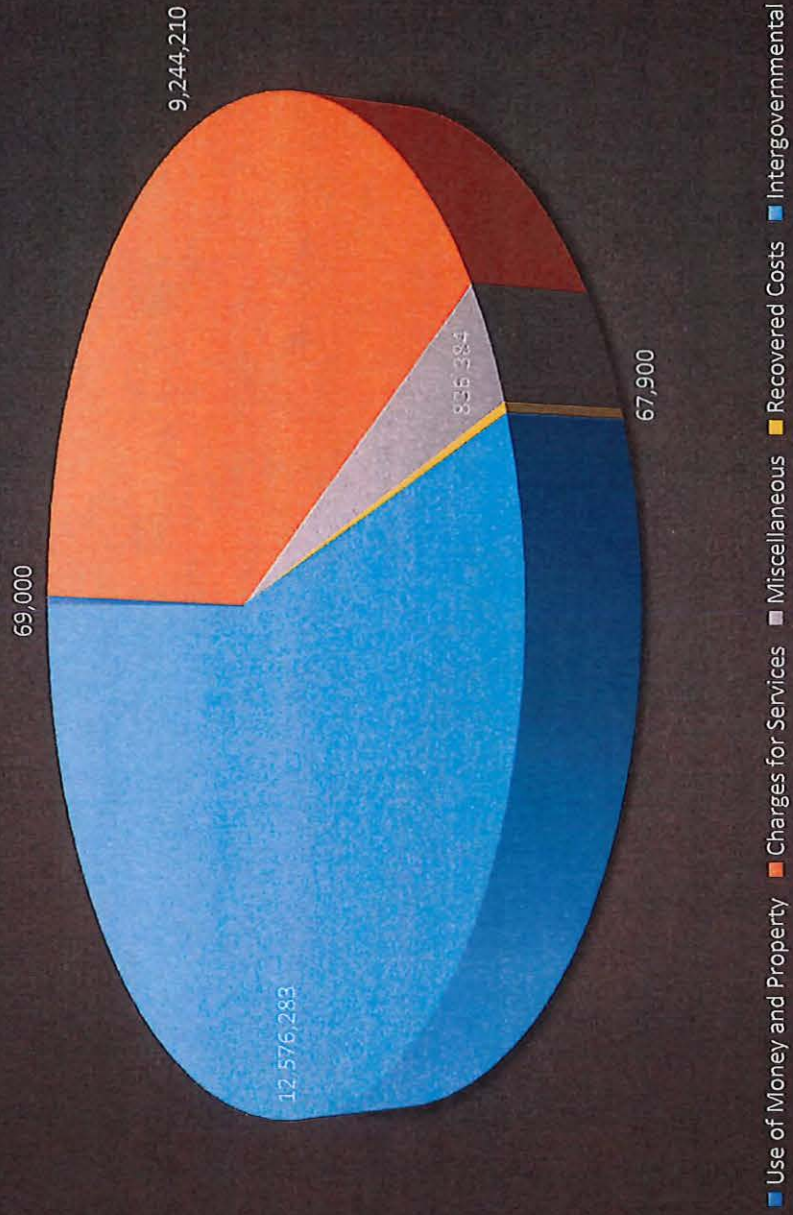
	<u>Jul '19 - Jun 20</u>	<u>Jul '20 - Jun 21</u>	<u>DIFFERENCE</u>
Service Contract Costs			
603. Compressor Contract	2,600.00	2,600.00	0.00
600 · Security System Repair	83,000.00	83,000.00	0.00
601 · Repeater Site Rental	2,700.00	2,700.00	0.00
602 · Copiers	36,066.00	28,852.00	-7,214.00
604 · Computers	125,000.00	39,600.00	-85,400.00
605 · Network Svc/Software	0.00	85,550.00	85,550.00
607 · Heating, Ventilation/Air Condit	87,800.00	95,000.00	7,200.00
608 · Accounting System	6,000.00		-6,000.00
609 · Radios	3,500.00	3,500.00	0.00
612 · Kitchen Equipment Maintenance	31,575.00	40,000.00	8,425.00
613 · Fire Suppression Equip Maint	19,700.00	19,700.00	0.00
614 · Audit-Related Fees	28,666.00	28,660.00	-6.00
615 · Attorney Fees	25,000.00	25,000.00	0.00
616 · Water Treatment Contract	1,380.00	1,380.00	0.00
617 · Generator Maintenance Contract	2,550.00	2,550.00	0.00
618 · Video Arraignment Contract	0.00		0.00
657 · Kitchen Equipment Replacement	15,000.00	15,000.00	0.00
Total Service Contract Costs	<u>470,537.00</u>	<u>473,092.00</u>	<u>2,555.00</u>
Telecommunications Costs			
620 · Fax and Telephone	19,650.00	19,650.00	0.00
621 · Telephone Long Distance	520.00	650.00	130.00
623 · Cellular Telephones	13,500.00	13,500.00	0.00
Total Telecommunications Costs	<u>33,670.00</u>	<u>33,800.00</u>	<u>130.00</u>
Vehicle Costs			
636 · Vehicle Repairs	10,000.00	15,000.00	5,000.00
637 · Vehicle Insurance	13,388.00	14,000.00	612.00
638 · Towing	500.00	500.00	0.00
639 · Vehicle Fuel	77,350.00	77,350.00	0.00
640 · Tires	7,420.00	9,000.00	1,580.00
641 · Oil and Lubricants	1,075.00	1,075.00	0.00
642 · Parts and Supplies	10,000.00	10,000.00	0.00
Total Vehicle Costs	<u>119,733.00</u>	<u>126,925.00</u>	<u>7,192.00</u>
Inmate Services Costs			
654 · Food Service	961,622.00	995,622.00	34,000.00
656 · VaCORP Liability Cov	77,650.00	77,650.00	0.00
658 · Pre-Existing Inmate Medical	325,000.00	225,000.00	-100,000.00
Total Inmate Services Costs	<u>1,364,272.00</u>	<u>1,298,272.00</u>	<u>-66,000.00</u>
Custodial Costs			
668 · Cleaning Supplies	20,500.00	20,500.00	0.00
670 · Toiletries	42,540.00	42,540.00	0.00
Total Custodial Costs	<u>63,040.00</u>	<u>63,040.00</u>	<u>0.00</u>
Travel Costs			
698 · Lodging	5,500.00	5,500.00	0.00

NEW RIVER VALLEY REGIONAL JAIL REVENUES & EXPENDITURES

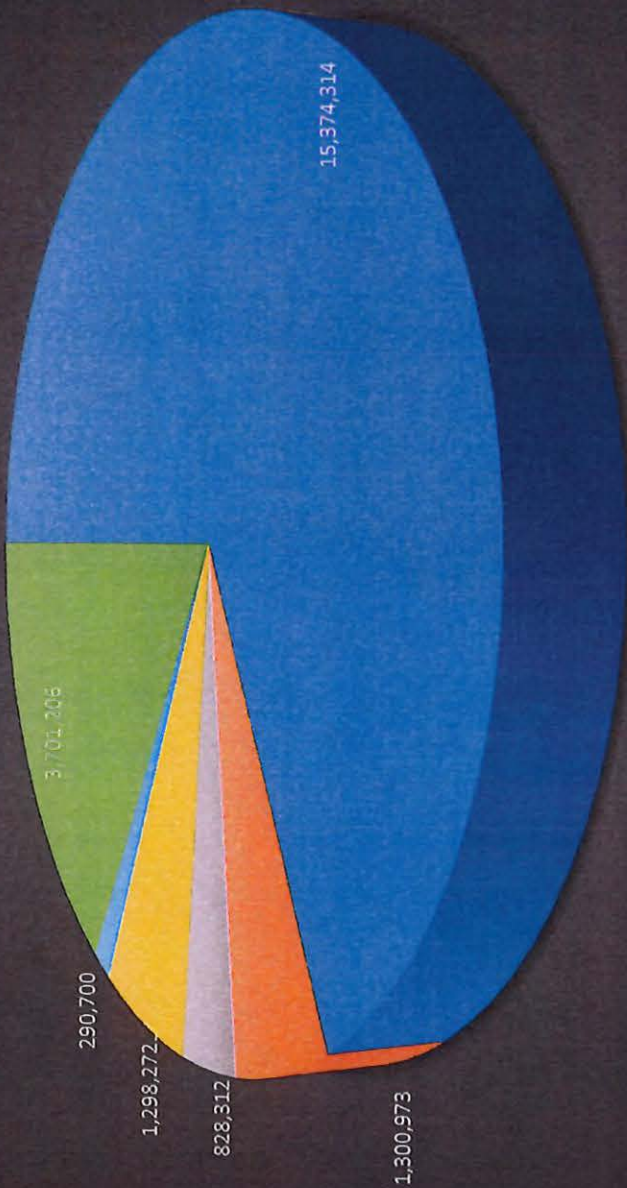
July 2019 through June 2021

	<u>Jul '19 - Jun 20</u>	<u>Jul '20 - Jun 21</u>	<u>DIFFERENCE</u>
699 · Meals	850.00	1,850.00	1,000.00
700 · Mileage Reimbursement	1,200.00	1,200.00	0.00
Total Travel Costs	7,550.00	8,550.00	1,000.00
Training and Operational Suppli			
804 · Police Supplies	47,000.00	47,000.00	0.00
805 · Operational Supplies	18,500.00	18,500.00	0.00
806 · Training	20,000.00	20,000.00	0.00
Total Training and Operational Suppli	85,500.00	85,500.00	0.00
Capital Outlay			
901 · Emergency Repair & Replace	150,000.00	290,700.00	140,700.00
904 · Vehicle Replacement	0.00	0.00	0.00
Total Capital Outlay	150,000.00	290,700.00	140,700.00
1102 · Payment to Reserve Account	0.00	0.00	0.00
1103 · Debt Service	3,702,156.00	3,701,206.26	-949.74
1107 · Repair & Replacement	0.00	0.00	0.00
Total Expense	22,220,143.00	22,793,777.00	573,634.00
Net Ordinary Income	0.00	0.00	0.00
Net Income	0.00	0.00	0.00

REVENUES



EXPENSES



- Employee Costs
- Building Costs
- Other
- Inmate Svc
- Capital Outlay
- Debt Service