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Commissioners Move Forward on New Jail Construction Project *Conservative Approach Protects Community & Taxpayers*

WARREN COUNTY, OHIO — After careful deliberation of all of the options, the Warren County Board of Commissioners by a majority vote took action today to move forward with the construction of a much-needed new jail. Over the last several years, Warren County had already implemented all legal ways to extend the life of the existing jail by instituting so-called “double bunking” procedures and other measures. Those efforts are no longer sufficient to deal with the increasing jail population and as such, the sheriff’s department, consistent with an internal policy adopted with the courts, is regularly releasing criminals early to deal with the increasing jail overcrowding.

“There is no question about the urgent need for a new jail to adequately protect our community,” said Commissioner David Young. “The issue was always how to responsibly build an appropriate facility without unnecessary cost to the taxpayer or jeopardizing the fiscal health of the county with such a large-scale construction project.”

“The actions taken today by our County Commissioners are an example of the importance they place on the safety and security of our community,” said Warren County Sheriff Larry Sims. “This process has certainly allowed me to gain even more appreciation for their thoughtful, conservative approach that balances the safety of our county residents and the professional jail staff with the need to protect taxpayer dollars. I believe they struck the right balance.”

The recent comprehensive jail study completed by K2M estimates the construction cost at roughly \$50-\$60 million. Traditional government financing, even with the county’s much-admired AAA bond rating, would require a long payback period with substantial carrying costs. The county’s Municipal Advisor, Andy Brossart a Partner at Bradley Payne Advisors, projected that this traditional financing mechanism could cost Warren County taxpayer’s an additional \$25.6 million in such carrying costs. Commissioner’s instead opted to finance the project in no more than 5-years by making a substantial cash down payment from the county’s general operating funds, made possible by its strong fiscal management, and by temporarily raising the county’s sales tax by one-quarter of 1%, bringing the county sales tax rate to 7%. This nominal sales tax increase sets Warren County’s sales tax rate to match the border counties of Hamilton and Preble as well as the adjacent regional

shopping district in Butler County known as Liberty Center, and is still lower than the 7.25% rate in Montgomery County.

Further, the temporary sales tax, which becomes effective on January 1, 2018, is restricted to pay only for the construction, equipping and or potential retrofit of the existing jail and will sunset once its debt is paid off in five years or sooner. The projected revenue from this additional tax is approximately \$10 million per year. With this in mind, the Board also approved a 1.5 MILL property tax reduction in the levy collected for the Warren County Board of Developmental Disabilities with the intention of maintaining the rollback through the duration of the sales tax increase used to pay for the jail financing.

“The continued good stewardship by the Warren County Board of Developmental Disabilities has made this possible, said Jones. “We are grateful for their partnership.”

This property tax reduction will cut property taxes for Warren County residents by \$92 on a \$200,000 home and save taxpayers over \$9.5 million. Studies show the Warren County sales tax is paid largely by people who live outside of the county given its robust travel and tourism industry while the property tax rollback will be enjoyed by 100% of Warren County’s property owners.

“The ability to finance the jail construction in five years or less, rather than the typical 30 years, saves Warren County taxpayers upwards of **\$25.6** million, added Commissioner Shannon Jones. “The action today is consistent with the county’s fiscally conservative approach while also fulfilling government’s primary responsibility of effectively protecting the community.”

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About the Warren County Board of County Commissioners

The Warren County Board of Commissioners is the legislative and executive body of county government. As the governing body, the Board is responsible for taxpayer dollars and for provision of services as required by state and federal law or mandated by the public. The Board works, through community partnership, to conscientiously protect and enhance the health, safety and quality of life of all Warren County residents, businesses and communities in a respectful, efficient and fiscally responsible way that addresses the needs of today and invests in tomorrow.

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bulletins on sales tax rate changes as they become known, [sign up for the Department of Taxation's e-mail alert service](#). (When signing up, don't forget to check the box next to "Sales and Use Taxes").