



Office of the Criminal Sheriff  
Parish Of Orleans • State Of Louisiana

**Marlin N. Gusman**  
*Sheriff*

November 10, 2005

The Honorable Oliver M. Thomas, Jr., President, New Orleans City Council  
The Honorable Eddie L. Sapir, Councilmember at Large  
The Honorable John A. Batt, Jr., Councilmember District A  
The Honorable Renee Gill Pratt, Councilmember District B  
The Honorable Jacquelyn Brechtel Clarkson, Councilmember District C  
The Honorable Cynthia Hedge-Morrell, Councilmember District D  
The Honorable Cynthia Willard-Lewis, Councilmember District E

Dear Members of the New Orleans City Council:

In preparation for the City Council's 2006 budget hearings, the Orleans Parish Criminal Sheriff's Office (OPCSO) respectfully submits the following information.

Attached is a copy of a letter dated September 6, 2005, to Dr. Brenda Hatfield, Chief Administrative Officer for the City of New Orleans, which was prepared before the devastation that affected our City as a result of Hurricane Katrina. This letter and the attachments detail the revenue and expenses for the Orleans Parish Criminal Sheriff's Office. Obviously, these revenue and expenditure projections have been drastically altered as a result of catastrophic losses we suffered and it is difficult to project our revenue and expenses.

The Sheriff's Office experienced minor wind damage, but the rising flood waters caused extensive damage to our facilities, equipment, and supplies. A portion of our losses incurred include: over 117 vehicles; \$1.4 million in computer equipment; \$700,000 in pharmaceutical supplies; \$600,000 in medical equipment; \$2 million in bedding and inmate clothing; \$900,000 in food; and \$1.5 million in tools and equipment.

Our buildings suffered severe damage to their electrical systems, locking devices, fire safety equipment, monitoring systems, mechanical systems, and interior structural components. Out of 12 major facilities, only two are operational at this time. Even those two buildings that are operational will still require additional repairs and improvements to be brought to pre-Katrina level.

On October 17, 2005, we re-opened the Old Central Lock-Up on the first floor of the House of Detention as an emergency booking facility. All law enforcement agencies that arrest individuals in Orleans Parish can be assured that adequate space will be provided to process and detain arrestees.

We will continue to work with FEMA, the State of Louisiana, and other Federal agencies to recoup a portion of our losses and to recover from the affects of Hurricane Katrina. This means having sufficient and adequate space to house individuals who violate the law.

Our main source of revenue is per diem payments for the care, custody, and control of inmates. Our current inmate population is approximately 600. This is a 90 percent reduction in revenue, but our fixed costs remain high. Medical services that were formally provided by the Medical Center of Louisiana at New Orleans, free of charge, are non-existent and now must be provided at private institutions. Incarcerated individuals are not eligible for Medicaid. Our limited medical staff and equipment can't provide all of the services that are needed for dialysis, surgery, and the treatment of AIDS. Criminal District Court is scheduled to re-open at the end of November and will require security and staffing for each section of court. Our costs are rising faster than our revenues.

The OPCSO pledges to work with the Mayor and the City Council to ensure that we have a safe community. We will continue to make inmates available for community service to assist in the recovery.

In closing, I'd like to emphasize that our financial situation is very precarious, but that public safety must remain our top priority.

If you have questions, I'll be happy to answer them.

Sincerely,



Marlin N. Gusman  
Sheriff

c: Honorable C. Ray Nagin, Mayor  
Dr. Brenda Hatfield, Chief Administrative Officer  
Calvin Aguiard, Council Fiscal Officer  
Brian Firstly, CAO Budget Division

ORLEANS PARISH  
CRIMINAL SHERIFF'S OFFICE

MARLIN N. GUSMAN, SHERIFF

2800 GRAVIER STREET  
NEW ORLEANS, LA 70119

September 6, 2005

Dr. Brenda Hatfield  
Chief Administrative Officer  
City of New Orleans  
1300 Perdido St.  
New Orleans, LA 70112

Dear Dr. Hatfield:

Since the Consent Judgment signed as settlement and resolution to the Sheriff's December 21, 1989 Motion in United States District Court Case Civil Action 69-2443, amended by the Settlement Agreement signed and effective March 26, 2003, includes an agreement as to form and amount of city payments for housing inmates, our budget request for the 2006 budget will be in a form similar to that of the 2005 budget. However, attached is an analysis of the daily cost per inmate from 2003 to 2006 and a schedule of projected major revenue and expenditures for 2006.

The Settlement Agreement addresses payment to the Sheriff's Office in three areas:

1. Payments for inmates

Our budget request for these payments is based on our expected City inmate population for 2006. The population began year 2005 at 4,045 and has increased during the year to the current level of about 4,421. If the population of City inmates stays at 2005 current levels for the rest of the year, the City per diem billings will equal approximately \$34,735,077 and we currently project billings in 2006 to be about the same. As you can see by the attached schedule, our projected expenditures are estimated at \$40,414,444. The inmate population is driven primarily by the number of arrests made by the police department. Apparently, arrests have increased during 2005 in the attempt to stem the rising crime rate.

2. Court services

Our projected expenditures for court services are estimated at \$3,075,178 for 2005 and are approximately the same for 2006. The 2003 Agreement limits court billings to \$2,442,975 per annum.

3. Medical Services

The City's payment for medical services provided to its inmates by the Sheriff, as per the agreement, is \$3,200,000 however our projected expenditures are estimated to be \$7,103,564 for 2006.

We appreciate your attention to our budget request. If you have any questions, please contact me.

Sincerely,



Sheriff Marlin N. Gusman

OPCSO  
Projected Revenues and Expenditures  
2006

Revenues:

City of N.O.	40,078,052
Department of Corrections - Louisiana	19,247,422
Federal Board	3,482,217
State Supplemental Pay	1,916,358
Other Revenues	5,384,812
Total Revenue	<u>70,108,861</u>

Expenditures:

Personnel	39,910,562
Contractual	17,629,178
Supplies & Materials	15,216,174
Capital Outlays	1,389,426
Total Expenditures	<u>74,145,339</u>

Projected Deficit

(4,036,478)

OPCSO  
Analysis of Daily Cost Per Inmate  
2003 thru 2006

TABLE OF DATA - OPCSO	U.S. Marshall Cost Report 2003	OPCSO Cost Report 2004	Projected OPCSO Cost Report 2005	Estimated OPCSO Cost Report 2006
Total Allowable Costs	69,710,090	69,358,574	71,439,331	73,582,511
Total Inmate Days	2,150,610	2,214,090	2,361,530	2,498,790
Cost Per Inmate Per Day - OPCSO	32.41	31.33	30.25	29.45
Average Daily Medical Cost Per Inmate - Total OPCSO	(4.99)	(4.66)	(4.45)	(4.40)
Non-Medical Per Diem	27.42	26.66	25.80	25.05
Average Daily Inmates - Total	5892	6,066	6,470	6,846
Average Daily Inmates - City of NO	3406	3,623	4,045	4,421
Percent of City Inmates / Total	57.81%	59.73%	62.52%	64.58%
Total Medical Costs - OPCSO	10,741,724	10,326,402	10,500,000	11,000,000
Average Daily Medical Cost Per Inmate - Total OPCSO	\$ 4.99	\$ 4.66	\$ 4.45	\$ 4.40
Allocated Medical Costs - City of NO	\$ 6,209,489	\$ 6,167,582	\$ 6,564,529	\$ 7,103,564
Medical Reimbursement Per Inmate - City of NO (\$3.2MM)	(3,200,000)	(3,200,000)	(3,200,000)	(3,200,000)
Medical Reimbursement Shortfall - City of NO	\$ 3,009,489	\$ 2,967,582	\$ 3,364,529	\$ 3,903,564

The above data was used in compiling the following analysis and comparison of court-ordered funding levels of OPCSO and the actual and estimated costs of housing city inmates. The estimates of what the City will need to fund the court services medical care and the per diem payments to OPCSO are based on current constraints imposed by the consent decree between OPCSO and the City of NO. The actual and estimated costs of OPCSO to house City inmates depicted herein can be used to illustrate what funding levels must be considered in the future.

<u>Non-Medical Per Diem:</u>	2005	2006	2006
Budgeted Per Diem - City of NO			
Projected Per Diem Billings - City of NO	28,500,000	34,435,077	
	34,435,077	40,414,444	40,414,444
 <u>Court Services:</u>			
Budgeted Court Services Per Consent Decree			
Budgeted Court Services Per Projections	2,442,975	2,442,975	
	3,075,178	3,075,178	3,075,178
 <u>Medical Reimbursements:</u>			
Budgeted Medical Reimbursements Per Consent Decree			
Budgeted Medical Reimbursements Per Projections	3,200,000	3,200,000	
	3,200,000	7,103,564	7,103,564
Projected Total Costs - City of NO Inmates			50,593,186