



COUNCIL AGENDA ITEM COVER SHEET

Meeting Type: Council - Regular

Meeting Date: May 21, 2026

Agenda Item Type: Consent Agenda

Staff Contact: Brandon Perkins, Town Manager

STAFF REPORT

AGENDA ITEM:

Approval of a new Intergovernmental Agreement between Fayette County and the Town regarding inmate services.

BACKGROUND:

The Town maintains an existing agreement with Fayette County for inmate housing services at the Fayette County Jail Facility.

On February 23, 2026, Fayette County notified participating municipalities of a proposed increase in the inmate daily rate and proposed revisions to the billing exemption structure. Municipalities were provided an analysis prepared by Fayette County Finance staff outlining the financial impacts and rationale for the proposed changes.

The County's analysis stated that the Jail Surcharge Fund required a \$325,000 transfer from the County General Fund during FY2025 to maintain a positive balance and that more than \$1.28 million in General Fund support had been required over the previous five years.

On March 18, 2026, Fayette County advised municipalities that revised IGAs would be prepared for implementation beginning July 1, 2026, corresponding with FY2027 budget implementation.

On April 28, 2026, Fayette County finalized the revised IGA establishing an inmate daily rate of \$72.12 and revising the billing calculation to charge municipalities for all days an inmate is booked into the facility except the discharge day.

The agreement term extends through June 30, 2027, with automatic annual renewals unless terminated with at least ninety (90) days written notice prior to expiration.

FUNDING:

This update increases the inmate housing rate from \$57.60 to \$72.12 per inmate per day, which is a 25.2% increase. This sounds significant, but given the Town's low crime rate, the Police Department also has a relatively low arrest rate and most arrestees bond out quickly, reducing our housing costs.

Actual fiscal impact will vary annually based on:

- Number of inmates housed

- Length of inmate stays
- Specialty medical or transportation costs incurred
- Frequency of same-day bookings and releases

Funding for this increase in inmate housing services has been incorporated into the FY2027 operating budget. Based on historical spending in this area, \$3,000.00 has been budgeted for the next FY.

STAFF RECOMMENDATION:

Staff recommends approval of the Intergovernmental Agreement with Fayette County for inmate housing services and authorization for the Mayor to execute the agreement.

ATTACHMENTS:

1. Memo from Fayette County
2. IGA

PREVIOUS DISCUSSIONS:

None.