



State of Maine Board of Corrections



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State Board of Corrections – Overview and Funding Update

BEFORE THE JOINT STANDING COMMITTEE ON
APPROPRIATIONS AND FINANCIAL AFFAIRS
January 20, 2014

Dear Senator Hamper, Representative Rotundo, and distinguished members of the Committee on Appropriations and Financial Affairs, as well as Senator Rosen, Representative Fowle, and distinguished members of the Committee on Criminal Justice and Public Safety,

I am Ryan Thornell, Executive Director of the Board of Corrections, and with me is Sheriff Joel Merry, Chair of the Board of Corrections. We are here today to provide you with an overview of the Board of Corrections as well as to submit an update to you related to the State Board of Corrections Funding. Thank you for providing us the opportunity to speak with you.

The first handout you've been provided is the calendar year 2014 *Board of Corrections Annual Report*. We draw your attention to this document as it provides an overview of the Board, its purpose, responsibilities, and goals, as well as its makeup and operations. The Board of Corrections and coordinated jail system includes 15 county jails, which house approximately 1,800 inmates on a daily basis, with a system-wide budget of approximately \$80,400,000. As noted on page 5 of the report, the Board has numerous goals it has sought to achieve, most importantly reducing recidivism, increasing community alternatives, and implementing a sound, efficient, statewide jail system. To the extent possible, progress has been made in pursuing these goals.

As you have likely heard, one reason for the slower-than-desired progress is the lack of Board members appointed to the Board. The Board consists of five members, of which until recently, only three members were appointed (it is now reduced to only two members). This has limited the possible work the Board may accomplish. In addition to the Board and its staff, five key committees made up of county and state stakeholders meet to conduct work for the Board. These committees have done substantial work drafting rules and policies for the Board to act on, if its membership is strengthened.

This past year, despite the barriers faced, has been one of progress. Page 8 of the annual report briefly highlights the developments of the Board's new legislation and the efforts and fulfilling the intent of the 126th Legislature. These efforts include agency rulemaking, policy making, improved communication, financial accountability, and standardization. Additionally, the Board received \$1,200,000 in supplemental funding to close out fiscal year 2014.

The key operational statistics and information regarding the coordinated jail system begin on page 10 of the report. As mentioned, the jail system houses approximately 1800 inmates on a given day across fifteen county jails. Amongst those 15 jails, 12 jails are “full-service jails” while 3 are currently “72 hour hold facilities”. The 72 hour hold facilities are located in Franklin, Oxford, and Waldo Counties. This average population has been higher in 2014 than in any previous years, causing strains on the jails. Part of this population spike can be attributed to the high percentage of pre-trial inmates found in the jails (see page 12). In addition to the higher-than-normal inmate population count, the counties are also utilizing pre-trial and diversion services at a higher rate than ever before. At the close of 2014, over 1,100 offenders were being supervised in the community rather than being housed in a county jail.

Page 14 of the annual report provides a detailed breakdown of the \$80,400,000 budget, including its sources of revenue. As noted, nearly \$62,000,000 is funded through the property taxes, capped at 2008 levels. In addition, approximately \$5,600,000 is funded through the Community Corrections Act, a funding source to the county jails which predates the Board and the consolidated jail system. Another nearly \$4,000,000 is funded through the boarding of federal inmates. And finally, approximately \$10,000,000 is funded through other county generated revenue, fines and surcharges, and state general funds. It is important to note that the budget of the jail system has remained flat since fiscal year 2012. This limited overall growth, and the resulting savings from the coordinated jail system, is highlighted on page 17 of the report.

On May 1, 2014, LD1824 *An Act to Provide Additional Authority to the State Board of Corrections* became law, offering significant alterations to the Board. Throughout 2014, the Board and its stakeholders put in considerable work to implement this new law. County jails and their efforts are highlighted on pages 19 to 28. Plans have been in place to continue progress into 2015, as detailed on page 18. Unfortunately, due to 2 of the 5 Board seats being vacant, the Board has been unable to advance its efforts in agency rulemaking or further decisive action.

We would not like to turn attention to our funding update. While the future of the Board of Corrections is uncertain beyond fiscal year 2015, the fact is we have a very immediate need for supplemental funding this current fiscal year. **This critical need totals \$2,488,000.** We have calculated this figure using the first six months of county jail expenditures, coupled with the known revenue shortfalls. As mentioned, in fiscal year 2014, the Board received \$1,200,000 in supplemental funding, and it was a sufficient amount due to 9 of 15 county jails being able to forgo a portion of their budgeted revenue to be dispersed to other counties. Those counties are unable to do this in the current fiscal year, increasing the need this year.

The following is a jail-by-jail breakdown of the necessary supplemental funding amount and supporting justification:

- ✓ **Aroostook County jail will require \$782,000 to continue operating through June 30, 2015**
 - Cash situation:
 - Operating funds will run-out in March 2015;
 - The jail does not have any reserve funds to utilize;
 - In FY14, the jail required \$691,065 in supplemental funds;
 - Causes of supplemental need:
 - Increased inmate population (average 15 more inmates per day);

- Increased over-time costs;
 - Increased employee medical costs;
 - Increased inmate medical costs;
 - Increased inmate food costs;
 - Increased utility costs;
 - Impact of no supplemental funding:
 - Jail closure;
 - Approximately 90 inmates needing transfer to another jail or release to the community;
 - Approximately 70 offenders in the community needing supervision or jail placement;
 - Approximately 35 staff laid off without funds for unemployment benefits;
- ✓ **Cumberland County jail will require \$596,000 to continue operating through June 30, 2015**
- Cash situation:
 - Operating funds will run-out in June 2015;
 - The jail is already utilizing reserve funds in FY15, and remaining reserve funds are committed for other purposes;
 - Causes of supplemental need:
 - Decreased boarding revenue from federal and state boarders;
 - Impact of no supplemental funding:
 - Option 1:
 - Closure of the Community Corrections Center;
 - Option 2:
 - Closure of a jail pod holding 86 county inmates, needing transfer to another jail or release;
 - Eliminate six (6) FTE
- ✓ **Penobscot County jail will require \$563,000 to continue operating through June 30, 2015**
- Cash situation:
 - Operating funds will run-out in May 2015;
 - The jail has approximately \$100,000 in an unassigned reserve fund utilized for contingency/emergency capital needs;
 - Causes of supplemental need:
 - Decreased boarding revenue from federal boarders;
 - Emergency elevator repair in November 2014;
 - Increased inmate population and severe overcrowding (averaging 30 inmates over jail capacity, per day);
 - Increased over-time costs;
 - Increased pre-trial contract expenditures due to increased population;
 - Increased utility costs;
 - Increased inmate medical and food costs;
 - Impact of no supplemental funding:
 - Elimination of the regional inmate transportation hub;
 - Elimination of pre-trial services contract;

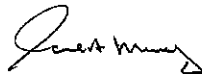
- Suspension of regional booking services for regional law enforcement;
 - Repurposing of staff for minimal coverage at all times;
- ✓ **York County jail will require \$396,000 to continue operating through June 30, 2015**
- Cash situation:
 - Operating funds will run-out in June 2015;
 - The jail utilized its reserve funds in FY14 and has no remaining reserve funds;
 - In FY14, the jail required \$149,597 in supplemental funds;
 - Causes of supplemental need:
 - Increased inmate population (averaged 25 more inmates per day);
 - Emergency repair of heating system in 2014;
 - Increased over-time costs due to short-staffing;
- ✓ **Androscoggin County jail will require \$151,000 to continue operating through June 30, 2015**
- Cash situation:
 - Operating funds will run-out in June 2015;
 - The jail has approximately \$22,000 in an unassigned reserve fund utilized for contingency/emergency capital needs
 - In FY14, the jail required \$99,910 in supplemental funds;
 - Causes of supplemental need:
 - Increased inmate population;
 - Increased employee medical costs;
 - Increased inmate medical and food costs;
 - Impact of no supplemental funding:
 - Closure of part or all of the facility due to necessary layoffs;
 - Up to 160 inmates needing transfer to another jail or release to the community;

The Board of Corrections also has submitted its biennial budget request. The request seeks an additional \$4,182,601 in fiscal year 2016, and \$6,425,823 in fiscal year 2017. The attached handout #1 details this funding request. Additionally, as required by Public Law 598 (2013), the Board has submitted a request for funding of 10% of its capital improvement plan, totaling \$1,312,937 in fiscal year and \$1,345,629 in fiscal year 17. The attached handout #2 details this funding request.

Thank you for the opportunity to speak with you today.



Ryan Thornell
Executive Director



Joel Merry, Sheriff
Chair

State Board of Corrections
Change Package C-A-3
FY2016-FY2017 Biennium

	FY16	FY17	Code
Total Initiative Request:	4,182,601	6,425,823	670000

SBOC System Expenditure Categories	FY15 Projected Actuals	Proposed FY16 Budget	% Increase FY15 Projections to FY16	Proposed FY17 Budget	% Increase FY16 to FY17
Wages/Salaries	39,876,574	40,774,459	2.25%	42,015,185	3.04%
Benefits	16,471,751	17,731,627	7.65%	18,353,101	3.50%
Contractual	21,035,671	20,857,183	-0.85%	21,152,349	1.42%
Commodities	3,463,350	3,731,066	7.73%	3,786,322	1.48%
Capital/Equipment	674,843	804,572	19.22%	843,597	4.85%
Other Expenditures	128,742	128,742	0.00%	128,742	0.00%
Total of System-Wide Expenditures:	81,650,931	84,027,649	2.91%	86,279,296	2.68%

C-A-3: Justification of Request

1.) Wages and salaries request reflect increases associated with cost of living adjustments, step and merit increases of county jail employees. The average required cost of living adjustments was 2.07% among counties. This request also reflects the change to MCJA training requirements for Corrections Officers from 80 hours to 200 hours. Lastly, this request reflects the hiring 24 vacant positions that were previously unbudgeted and unfilled due to lack of funding.

<i>Wages/Salaries</i>	FY16	FY17
Amount of request COLA, step and merit increases	693,425	1,910,256
Training increases - MCJA	250,000	250,000
Amount of request to fill 24 unbudgeted, vacant positions	786,008	809,903
Total of Wages/Salary Request:	1,729,433	2,970,159

2.) Benefits increases reflect increases in health and dental insurance premiums and increased costs of retirement through MainePers. This request also reflects the hiring of 24 vacant positions that were previously unbudgeted and unfilled.

<i>Benefits</i>	FY16	FY17
Amount of request for benefit increases <i>(Health/Dental Insurance, Retirement MainePers, payroll taxes etc.)</i>	1,166,412	1,778,328
Amount of request to fill 24 unbudgeted, vacant positions	314,403	323,961
Total Benefits Request:	1,480,815	2,102,289

3.) Contractual/Commodities/Equipment request includes increases in expenditures for food, utilities, inmate medical and dental costs, repairs and maintenance, insurances, and inmate supplies.

<i>Contractual/Commodities/Equipment</i>	FY16	FY17
Inmate Medical/Dental/Mental Health Costs	414,802	569,012
Utilities	194,637	241,188
Food	189,355	243,629
Building insurance	61,234	90,438
Pretrial Services	54,725	62,489
All Other <i>(R&M, Supplies, Training Fees, Minor Equipment, etc.)</i>	157,441	254,885
Total Contractual/Commodities/Equipment Request:	1,072,194	1,461,641

4.) Due to the FY15 budget adjustments, the Criminogenic Addiction & Recovery Academy (CARA) Program was removed from the FY15 budget for the system. This separate request is for funding for salaries, benefits, and supply costs of the program for inclusion in future baseline budgets.

<i>CARA Program</i>	FY16	FY17
CARA Program	123,265	126,347
Total CARA Program Request:	123,265	126,347

5.) This request is an offset of additional available dollars in the BOC OSR account occurring with change package C-A-5, as well as other county generated revenue to offset increasing expenditures.

<i>Shift in available funding</i>	FY16	FY17
Shift in available funding	-223,106	-234,613
Shift in Available Funding Offset:	-223,106	-234,613



State Board of Corrections

Change Package C-A-2

FY2016 - FY2017 Biennium

System Capital Improvement Plan

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total	% of Total
ANDROSCOGGIN	170,000	62,000	650,000	55,000	55,000	200,000	52,000	100,000	0	0	1,344,000	10%
AROOSTOOK	667,062	520,783	37,259	7,400	1,800	1,800	1,800	1,800	1,800	0	1,241,503	10%
CUMBERLAND	481,750	330,750	326,500	312,500	457,500	10,000	10,000	10,000	10,000	0	1,949,000	15%
FRANKLIN											0	0%
HANCOCK	217,000	51,000	6,000	24,000	0	0	0	24,000	0	0	322,000	3%
KENNEBEC	180,000	57,900	324,000	98,500	85,000	25,000	25,000	30,000	26,000	25,000	876,400	7%
KNOX	143,800	57,500	49,100	48,300	43,000	55,700	31,500	12,000	0	0	440,900	3%
LINCOLN	0	25,000	0	0	0	0	0	0	0	0	25,000	0%
OXFORD	132,131	126,200	28,800	46,000	55,200	0	15,000	0	36,800	0	440,131	3%
PENOBSCOT	525,000	525,000	525,000	325,000	325,000	0	0	0	0	0	2,225,000	17%
PISCATAQUIS	92,500	92,500	92,500	92,500	92,500	92,500	92,500	92,500	92,500	92,500	925,000	7%
SOMERSET											0	0%
TBRJ	96,169	96,169	96,169	139,044	139,044	129,777	129,777	129,777	127,090	127,090	1,210,106	9%
WALDO	118,500	22,500	0	26,000	0	0	118,500	0	0	0	285,500	2%
WASHINGTON	78,000	2,500	32,500	2,500	27,500	2,500	2,500	2,500	27,500	0	178,000	1%
YORK	517,350	528,500	202,000	100,000	0	0	0	0	0	0	1,347,850	11%
Total by Year	3,419,262	2,498,302	2,369,828	1,276,744	1,281,544	517,277	478,577	402,577	321,690	244,590	12,810,390	100%

Funding Request

Total 10 Year Plan:	12,810,390
10% of CIP	1,281,039
System LD 1:	2.49%

FY2016 Request	
10% of CIP x LD1 Growth:	1,312,937

FY2017 Request	
10% of CIP x LD1 Growth:	1,345,629