



State of Maine
Board of Corrections

State House Station #111
Augusta, ME 04333-0111



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Budget
Education
Inventory of Needs
Information Technology
Medical/ Pharmacy
Mental Health/Substance Abuse
Pretrial/Diversion/Reentry
Transportation
Victim Services

June 15, 2011

To: Board Members
From: Kate Snyder
RE: FY2012 Budget Approvals

Background:

FY 2011 county correctional services budgets were approved using one-time, carry forward surplus funding from the Board of Corrections' Investment Fund.

This approval process created a structural revenue deficit that relies on previous year fund balance to support subsequent county correctional operational budgets.

In an effort to live responsibly within predicted annual revenues, the Corrections Working Group recommends that all FY 2012 county and regional correctional services budgets be approved within annually available resources. For FY 2012, those revenues are projected to be \$79,537,588.

This cumulative FY 2012 system revenue does not reflect any carry-forward funding; predicted FY 2011 surplus from the Board's Investment Fund is recommended to be used to fund annual BOC system initiatives, not routine correctional operations.

Considerations:

Somerset County has reduced the amount of revenue being raised from property taxes by \$418,000. This revenue reduction is reflected in the projected cumulative system revenue of \$79,537,588; and Somerset's original, CWG-recommended FY 2012 budget has been reduced by \$18,000.

The Joint Standing Committee on Criminal Justice and Public Safety amended LD 422, An Act to Amend the Laws Governing the Tax Assessment for Correctional Services in Lincoln County and Sagadahoc County, to equalize Lincoln County and Sagadahoc County taxpayer support (cumulatively \$5,314,210) to support correctional services at Two Bridges Regional Jail (TBRJ). Lincoln County taxpayers will reduce their contribution to TBRJ by \$361,256 effective July 1, 2011. Sagadahoc County taxpayers will increase their contribution to TBRJ by \$361,256 effective January 1, 2012 creating a net system loss in revenue, *for FY 2012 only*, of \$180,628. Additionally, as part of their action on LD 422, the Joint Standing Committee on Criminal Justice and Public Safety directed a July 1, 2011 payment of withheld tax CAP revenue from Lincoln County to TBRJ, an amount estimated to be \$257,869 on June 30, 2011, which will help offset the aforementioned system loss of revenue.

Recommendations:

- 1) Approve the Corrections Working Group projected FY 2012 system revenue of \$79,537,588 and approve recommended individual county correctional services budgets developed according to and within FY2012 annual projected system revenues.
- 2) Request that the CWG report back to the Board on June 29, 2011 with options and recommendations regarding the calculation and scheduling of FY 2012 Investment Fund disbursements in support of approved FY 2012 county and regional correctional services budgets.