

Lancaster County

Department of Corrections

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Brad Johnson, Director

TO: Board of County Commissioners

FROM: Brad Johnson
Corrections Director

DATE: January 16, 2018

SUBJECT: Mid-Year Budget Review for FY18
Planning for FY19

Per your request, I am providing information regarding our operational expenditure and revenue budgets for the current fiscal year. This information is based on six months of actual data through December 31, 2017.

GENERAL EXPENDITURE BUDGET

With 6 months of expenditure history, we estimate FY2018 budget to be on target unless we experience another spike in population or in hospitalization costs. These factors are a driving force behind previous fiscal year shortages.

We will continue to monitor the below categories on a monthly basis:

- With the 2.25-2.5% wage increases for FOP #32, Unrepresented & AFSCME, our salary line items (61210, 61250) could reflect shortages by year end. We are currently on target but are in the process of hiring vacant positions.

We also experienced a few extra retirement payouts in PEHP (61660) which will create a shortage of approximately \$30,000. We are anticipating no additional retirements this year.

We will also continue to monitor Temp Salary/Overtime (61250/61310), experiencing the largest shortfalls. These two line items tend to fluctuate based on population, officer shortages due to military leave or other circumstances, as well as in-service training. During the month of December, overtime was substantially lowered. We anticipate this to be the trend for the next several months and are hoping to recuperate shortages that occur during the summer months. We are also hoping that overages in retirement (61520) and health insurance (61530) will offset PEHP & all other salary line item shortages.

- We are in the process of finalizing a new contract with our medical services contractor (65110), Correct Care Solutions. Based on previous fiscal years and the new proposed budget, we will experience a shortfall of approximately \$100,000. This is due to the increase in salaries, pharmacy costs along with other administrative and management fees discussed during negotiations. However, hospitalization costs (65145) are down so far this year. If that trend

continues, they should offset one another. Hospitalization costs fluctuate continuously based on the severity of each case. We will monitor those costs accordingly.

- Utility expenditures are trending appropriately. We were just notified that DEC/HVAC financing costs are going up \$1,000 per month and demand charges, \$2,500 a month. This will create a shortfall of \$21,000 this fiscal year and an additional \$42,000 for FY19 request. Heating charges show no change from last year & cooling shows a slight decrease of .50 per MMBTU. In FY17, the approved demand increase was \$4,850 per month, causing a shortfall of \$58,200. These are significant increases over the last two years and will probably continue into the upcoming years.

GENERAL REVENUE BUDGET

At this time, we project revenues will exceed requested budgeted amounts by approximately \$85,900. We have currently received 59.6% of the FY18 revenue budget. The State Criminal Alien Assistance Program (SCAAP) has been delayed on the federal level. We are hoping these funds will be released within the next few months.

FUTURE CONSIDERATIONS

Transport Vans

Our department needs to replace two of our vans that are used for transporting inmates. Our transport division currently utilizes 5 vans, two mini-vans and 3 full sized. They are all equipped with “cages” that place barriers between the driver and passenger compartment.

These 5 vans transported 6,748 individual to various destinations in calendar year 2017. Our two mini-vans need to be replaced. They are the oldest in the fleet and have the most mileage, one is a 1997 Caravan with about 140,000 miles and the other is a 1999 Caravan with nearly 175,000 miles.

My goal was to request replacement for both in FY 19 budget. However, the 1997 Caravan developed a coolant leak in December. The county shop estimated repairs to be about \$1,000. We are currently maintaining fluid levels as I did not want to spend money on a vehicle that I would like to replace.

I am proposing that we replace the 1997 Caravan in the second half of FY18 and replace the 1999 Caravan in FY19. We believe replacing the 1997 Caravan will cost \$25,000.

J pod

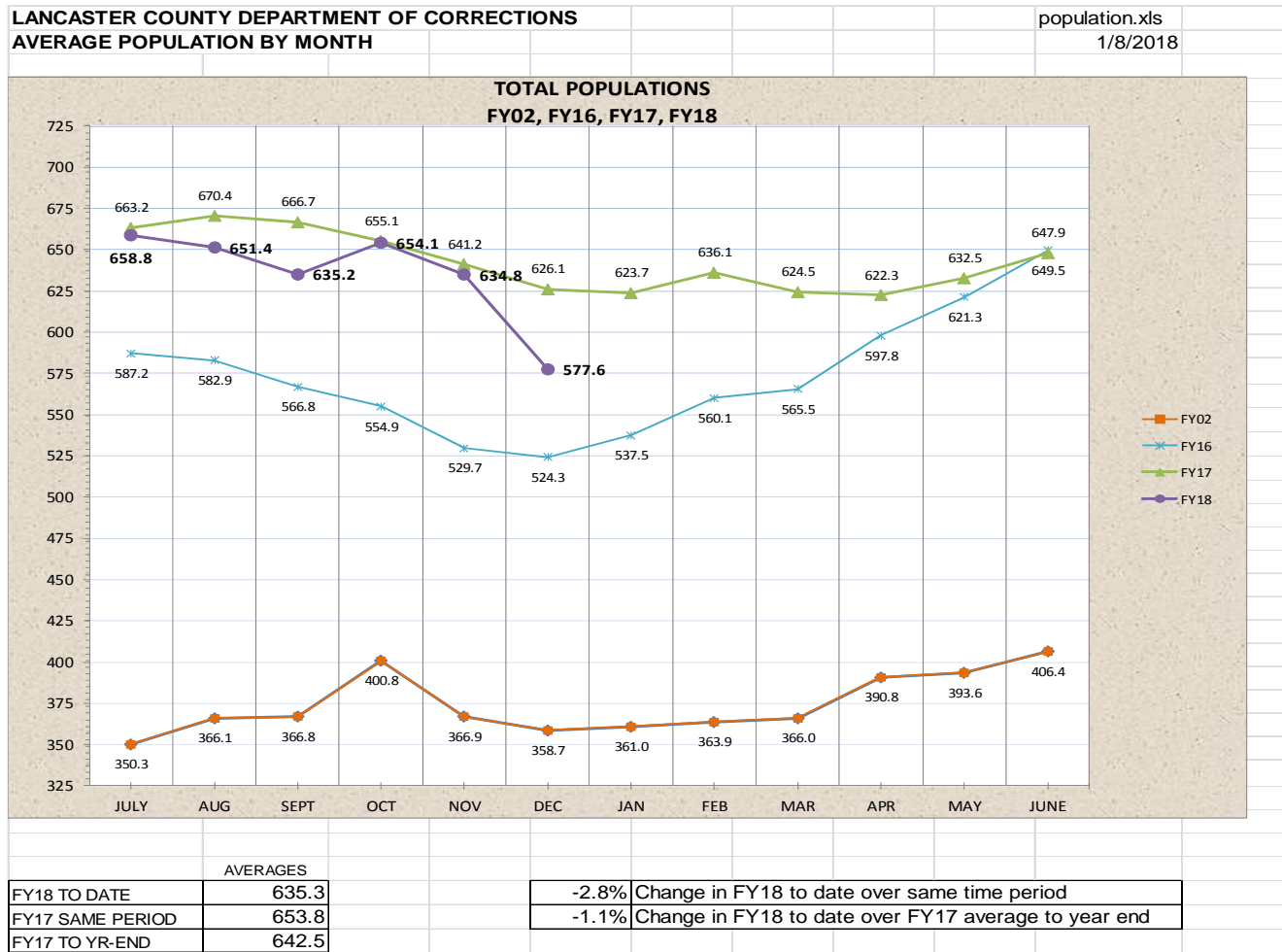
We have managed to keep our vacant housing unit as a resource that is only used during high population periods. During 2017 it was operated for approximately three months.

During the periods that this unit was operated we have staffed it with the use of on-call officers and overtime. When our population rises to the point that this pod needs to be opened on a full time bases, addition staffing will need to be hired. At this point, I would foresee a request for 6 additional

correctional officers at the point that this spare housing unit is opened on a permanent basis. At current salary levels the budget impact for this would be \$385,000.

CJIS

The county and city are exploring options for replacing the current CJIS computer system. The corrections department uses this system as the back bone for our inmate management system. This project will likely be expensive and involve many agencies city/county wide.



**Projected Revenues
Fiscal Year 2018**

midyrrevenue

CODE	DESCRIPTION	CURRENT BUDGET	Year to Date Revenue As of December 31, 2017	YTD % UNCOLLECTED	PROJECTIONS JANUARY-JUNE 2018	YEAR END PROJECTIONS 2017-2018
54140	Social Security Incentive	\$45,000	\$22,000	51.1%	\$20,000	\$42,000
54225	Dept. of Justice (SCAAP)	\$50,000	\$0	100.0%	\$50,000	\$50,000
55135	Telephone Commissions	\$380,000	\$248,272	34.7%	\$180,000	\$428,272
55150	Vending Commissions	\$3,500	\$1,054	69.9%	\$1,000	\$2,054
55155	Vending-Commissary	\$80,000	\$56,919	28.9%	\$50,000	\$106,919
55525/45	Marshal/Boarding Costs	\$7,000	\$6,822	2.5%	\$4,000	\$10,822
55870	Meal Reimbursements	\$80,000	\$36,043	54.9%	\$35,000	\$71,043
55896	Miscellaneous Reimb.	\$15,000	\$22,794	-52.0%	\$17,000	\$39,794
58210	Sale of Equipment	\$0	\$0	0.0%	\$0	\$0
		\$660,500	\$393,904		\$357,000	\$750,904
	TOTALS	\$660,500	\$393,904	40.4%	\$357,000	\$750,904
	PROJECTED YEAR END REVENUE FOR BUDGET YEAR 2017/2018					\$750,904
				Revenue Budget 2018		\$660,500
				Estimated Revenue Overage		\$90,404