

MINUTES OF THE MEETING OF THE JOINT APPROPRIATIONS SUBCOMMITTEE FOR INSTITUTIONS
January 9, 1981 SUPPLEMENTAL REQUEST FOR SWAN RIVER YOUTH FOREST CAMP

CHAIRMAN JACK MOORE, called the hearing for the Supplemental Funding for Swan River Youth Forest Camp to order at 8:00. Committee members present were:

Rep. Conroy
Rep. Ernst
Sen. Etchart
Sen. Thomas
Sen. Johnson

Testimony was given by Carroll South, Director of Department of Institutions; Dan Russell, Department of Correctional Division; Melvin Mohler, Superintendent of Swan River Youth Forest Camp; Gerald Underwood, Assistant Superintendent; Jim Haubein, Administrator of Management Services Division.

THE CHAIRMAN asked if all they used was fuel oil for heating.

MR. MOHLER stated that besides fuel oil, they used a lot of wood.

MR. SOUTH referred to Exhibit 7, Page 3, Section 5. He wanted it made clear that most of the repairs deficit was due to unanticipated expenditures on the heating valves and thermostatic controls. He then referred to Exhibit 7, Page 2, Section 3. He said this was the only area that reduction of inventory could not be done, so no amount was taken from the Supplies and Materials area.

THE CHAIRMAN asked about the food inventory supply and how it was being managed.

MR. UNDERWOOD stated at the present time it was normal. Meat contained a one months supply, and produce was delivered weekly.

THE CHAIRMAN stated the cost per meal, Page 2, was the highest in the Institutional System.

MR. MOHLER stated that figure was high due to the hard physical labor being done. Sack lunches are packed during the day, and that is the most expensive meal of the day. The camp is able to buy day old bread from the bakery and are currently paying 58¢ a loaf. The bakery will not give a lower rate on contract.

THE CHAIRMAN asked that Page 3, No. 1 be explained. In particular what was the 5004 gallons of gasoline used for.

MR. UNDERWOOD stated they operate 8 vehicles, plus lawn mowers and snow plows. The chain saws are serviced by the Forest Service.

THE CHAIRMAN asked that Contracted Services on Page 2 be discussed.

MR. SOUTH stated the Medical Expenses are up from last year. He further explained Page 2 regarding the Contracted Service area.

MR. RUSSELL explained the Civil Right contract for the Montana State Prison and the Swan River Youth Forest Camp residents.

THE CHAIRMAN asked if lawyers were being used for the contract, or if interns only were being used.

MR. RUSSELL stated that a full time lawyer is used and he supervises the interns. He explained the history of the Swan River Youth Forest Camp for the benefit of the Committee. Their length of stay averages six months and their current population is 46.

THE CHAIRMAN asked if they weren't budgeted for 50 residents.

MR. HAUBEIN referred to Exhibit 7 page 2 in regard to the food costs. He stated that the staff gets one free meal a day.

SEN. JOHNSON asked about the ratio of full time employees to the residents.

MR. MOHLER stated there is a 1 to 2 ratio. The counselors are in a grade 12 pay category by the state.

MR. SOUTH commented that additional revenue is available to offset the supplemental. The projected federal boarding fees on the remaining fiscal year is \$30,512. The net revenue from the school lunch program is \$11,732.

MR. HOFFMAN explained to the Committee the Boarding Fund and how it effects the General Fund.

MR. MOHLER invited the Committee to vist the Youth Camp at any time.

There being no further discussions or comments, the hearing was adjourned at 8:35 a.m.



JACK MOORE, Chairman

MINUTES OF THE MEETING OF THE JOINT APPROPRIATIONS SUBCOMMITTEE FOR INSTITUTIONS
January 9, 1981

CHAIRMAN JACK MOORE called the Executive Session for supplemental funding on Swan River Youth Forest Camp to order at 8:30 a.m. Committee members present were:

Rep. Conroy
Rep. Ernst
Sen. Etchart
Sen. Thomas
Sen. Johnson

THE CHAIRMAN stated the analysis on Exhibit 7 looked normal.

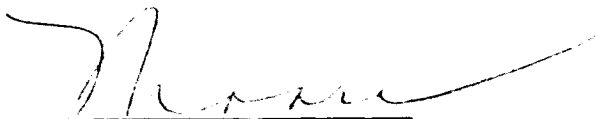
MR. HOFFMAN explained the problems of the food costs at the Youth Camp. He felt it was difficult to estimate the correct food costs, due to the lack of accurate information the camp provides.

THE CHAIRMAN asked that the total amount of \$48,604 on the supplemental request be discussed.

SEN. ETCHART moved that the supplemental request for \$48,604 be approved.

The motion passed.

There being no further discussion the session was adjourned at 8:40.



JACK MOORE, Chairman

VISITORS' REGISTER

HOUSE JOINT APPROPRIATIONS SUB COMMITTEE FOR INSTITUTIONS

Supplemental for Swan and Galen

Date 1/9/81

SPONSOR

NAME	RESIDENCE	REPRESENTING	SUPPORT	OPPO
Garrett [unclear]	Helena	Dept of Just		
Gene [unclear]	Helena	CBPP		
Dan Russell	Helena	Dept of Just		
William [unclear]	Swan Lake	Swan Youth Camp		
Herold [unclear]	Swan Lake	Swan Youth Camp		
Tom [unclear]	Helena	Dept of Just		
Keith [unclear]	Helena	Dept of Institutions		
James B [unclear]	Swan Lake	Swan Youth Camp		
[unclear]	" "	" "		
[unclear]	Helena	Dept of Just		
[unclear]	Helena	Dept of Just		

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Swan River Youth Forest Camp
Supplemental Request

The supplemental request for funds for the SRYFC is composed of five major deficit categories. Major portions of the request are due to inflationary increases in supplies, materials and utilities. The vacancy savings is also a large part of the request as detailed below.

1.	Personal Services	(\$6,618)
2.	Contracted Services	(\$8,907)
3.	Supplies and Materials	(\$15,461)
4.	Utilities	(\$17,110)
5.	Repairs	(\$4,997)
	Less savings generated in other budget categories	4,489
	Net Supplemental Request	(\$48,604)

Narrative

1. Personal Services deficit (\$6,618):

A. The personal services deficit from HB 483 and HB 891 for FY 80-81 is detailed below:

FY 80 Vacancy Savings		FY 81 Vacancy Savings	
HB 483	(11,191)	HB 483	(11,125)
HB 891	<u>(3,556)</u>	HB 891	<u>(7,477)</u>
Total	(14,747)	Total	(18,602)
Vacancy Savings		Vacancy Savings	
Achieved	13,061	Achieved	13,670
Vacancy Savings Not		Vacancy Savings Not	
Achieved	(1,686)	Achieved	(4,932)

B. Of the \$14,747 required vacancy savings in FY 80, SRYFC was able to achieve all but (\$1,686) by having three positions open to generate \$8,200 and \$4,861 in other normal vacancies. Of the \$18,602 required vacancy savings for FY 81, SRYFC has generated \$13,670 leaving a balance of (\$4,932) and is unable to generate any additional vacancy savings. With a small staff and the requirement to maintain 24 hour security seven days a week, it is extremely difficult to keep positions open.

After the appropriation level was established by the last legislature, it was reduced by \$3,564 in anticipation of a Federal LEAA grant. The LEAA funds were not received or available, therefore, a shortage of \$3,564 resulted.

Exhibit 7

2. Contracted Services deficit (\$8,907):

- A. The FY 80 deficit is (\$1,891).
- B. The FY 81 deficit is projected to be (\$7,016).
- C. There are numerous areas which have caused the need for supplemental funds in the contracted services area.
 - 1) Pest Control (\$396). This is (\$396) due to an infestation of grain weevils and silverfish which required extermination and pest control measures provided by Orkin Pest Control.
 - 2) Insurance (\$200): Rather than purchase vehicles, SRYFC obtained surplus vehicles from the Department of Highways. Insurance in order to operate them is \$200.00.
 - 3) Legal Fees (\$951): The budget was built on an estimate of \$35,000 for the Law School contract to include SRYFC and the Prison. The actual cost of the contract was \$50,000 with the SRYFC portion resulting in a deficit of \$951.
 - 4) Medical (\$5,250), Optometric (\$394), and Dental (\$126) Services: Due to the location of the camp, emergency medical services must be provided by local resources. Any major medical problem results in transfer of the resident back to Montana State Prison, and while there have been no great one time expenditures for medical purposes, several unexpected emergencies (broken bones, cuts) have caused greater than anticipated expenditures.
- D. Small balances in other contracted services items total \$301, reducing the deficit for contracted services.

3. Supplies and Materials deficit (\$15,461):

- A. The FY 80 deficit actually totalled (\$9,650) but through savings in other areas this was reduced to (\$3,982) to substantially minimize the deficit from actual experience. In FY 81 it has not been possible to develop the same savings to minimize the deficit which is projected to be (\$11,479).
- B. Food comprises 74% of the total supplies and materials expenditures. Using a calculated cost per meal factor, food increased from FY 78 through FY 79 as follows:

	<u>FY 78</u>	<u>FY 79</u>	<u>FY 80</u>	<u>FY 81</u>
Cost per meal -	82.7¢	89.2¢	92.8¢	97.5¢
		7.8%	4.0%	5.1%

This illustrates that the institution experienced more inflation than budgeted.

- 1) Inflation especially affected the gasoline budget. The FY 78 price used to compute gasoline budgets was .68¢ a gallon. The current price is averaging \$1.159 a gallon, an increase of 69%. Using the number of gallons Swan River is authorized, which is 5004, the increase in gasoline prices from .68¢ amounts to an additional \$2,397 above the budget amount. The authorized quota of 5004 gallons represents 10% less gasoline than was consumed in fiscal year 1978.

4. Utilities deficit (\$17,110):

- A. In FY 80 the deficit was (\$7,235).
- B. In FY 81 the projected deficit is (\$9,875).
 - 1) In FY 79 the charge per kilowatt-hour at Swan River was .020. In FY 80 it had increased to .026 and should remain through FY 81. This is a 38% increase over FY 79. (See attached utility schedule.)
 - 2) The rapidly escalating cost per gallon for fuel oil accounted for \$9,000 in the utilities deficit. The cost of fuel oil has increased from 54.5¢ in fiscal year 1979 to a current price of \$1.02 per gallon. In the period since 1978 consumption has decreased with a projected decrease of 8% from fiscal 80 to 81.

5. Repairs deficit (\$4,997):

- A. The deficit in FY 80 was zero.
- B. The projected deficit in FY 81 is (\$4,997). The majority of this amount (\$3,406) is due to an unanticipated expenditure which was necessary to repair all the heating valves and thermostatic controls. The balance of the repairs is a series of small but unexpected expenditures, such as the need for an extra pumping of the septic system due to high water and failure of the walk-in freezer unit.

Actions Taken to Curtail Expenses

I. Contracted Services

Medical and dental treatment is restricted to emergency situations only with the only exceptions being to relieve pain and suffering.

II. Supplies and Materials

Inventories are being reduced in all areas with new orders only reflecting supplies necessary to function at the minimum acceptable level of operation.

III. Travel

All travel has been curtailed. Only travel required for resident work programs, transfers, medical care and purchasing supplies is authorized. Exceptions to this policy will be cleared through the department.

IV. Utilities

An 8% reduction in fuel oil usage is projected in FY 81. This reduction results from a combination of conservation efforts and mild weather. Wood fuel has been utilized as much as possible to supplement the fuel oil heating in the shops and the main lodge. This has a minimal effect, however, it is an indication of a concerted effort by the camp's staff to cut expenditures wherever possible.

V. Repairs

Only emergency repairs are being performed. Scheduled and routine maintenance is being curtailed until the next biennium.

VI. Equipment

Planned equipment expenditures were canceled and only emergency spending is authorized to replace items critical to the camp's operations.

VII. Miscellaneous

Contracts with the Bureau of Prisons are encouraged whenever the population warrants acceptance of additional inmates. Funds secured from this source are passed through to the General Fund and Project Improvement Funds are utilized for residents, staff training and recreational equipment.

BUDGET STATUS
SWAN RIVER YOUTH FOREST CAMP

	FY80 Expenditure	FY81 Budgeted	Projected Expenditure	Surplus (Deficit)
Personal Services	415,018	439,418	446,036	(6,618)
Contracted Services	15,331	14,408	23,315	(8,907)
Supplies & Materials	68,084	58,562	74,023	(15,461)
(1) School Lunch 4036				
Communications	6,463	5,751	5,910	(159)
Travel	1,802	2,614	2,051	563
Rent	-0-	190	-0-	190
Utilities	34,241	22,186	39,296	(17,110)
Repairs	6,037	6,700	11,697	(4,997)
Other	34,784	34,420	34,319	101
Equipment	3,910	3,936	142	3,794
TOTALS	(2) 585,670	588,185	636,789	(48,604)

Funding Source

General Fund	584,149
(1) School Lunch	4,036
	588,185

(2) General Fund, Fed. Boarders
and School Lunch only

	AUTHORIZED	FILLED			DIFFERENCE
		7/1	6/30	AVERAGE	
FY'79	28.33	25.33	25.33	25.33	-0-
FY'80	25.33 ⁽¹⁾	25.33	24.33 ⁽²⁾	24.83	- 0.50
FY'81	25.33	24.33	25.33	24.83	- 0.50

(1) position #98 .28 FTE part-time temporary relief cook
 position #99 .55 FTE part-time temporary relief night security

(2) employee terminated 6/29/80

POPULATION

	BUDGETED	7/1	6/30	AVERAGE	DIFFERENCE
FY'79	35	40	41	39.59	+4.6
FY'80	50	39	40	45.54	-4.5
FY'81	50	51	47	43.54	-6.5

FUEL OIL

	FY79 ACTUAL	FY80 ACTUAL	FY81 PROJECTED
USAGE	26,595	26,907	24,847
\$	14,516	21,112	26,587
\$ Gal.	.5458	.7846	1.07

ELECTRICITY

	FY79 ACTUAL	FY80 ACTUAL	FY81 PROJECTED
USAGE	529,440	498,240	483,231
\$	10,547	13,129	12,709
\$/KWH	1.99¢/KWH	2.63¢/KWH	2.63¢/KWH

TOTALS	\$25,063	\$34,241	\$39,296
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