

JOINT BUDGET COMMITTEE



INTERIM SUPPLEMENTAL BUDGET REQUESTS FY 2022-23

DEPARTMENT OF CORRECTIONS

JBC WORKING DOCUMENT - SUBJECT TO CHANGE
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

PREPARED BY:
JUSTIN BRAKKE, JBC STAFF
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JOINT BUDGET COMMITTEE STAFF
200 E. 14TH AVENUE, 3RD FLOOR • DENVER • COLORADO • 80203
TELEPHONE: (303) 866-2061 • TDD: (303) 866-3472
<https://leg.colorado.gov/agencies/joint-budget-committee>

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INTERIM SUPPLEMENTAL REQUESTS

ES-01 DELTA CORRECTIONAL CENTER FLOOD FUNDING

	REQUEST	RECOMMENDATION
TOTAL	\$278,000	\$278,000
FTE	0.0	0.0
General Fund	\$278,000	\$278,000
Cash Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request satisfies the interim supplemental criteria of Section 24-75-111, C.R.S.? **YES**
 [The Controller may authorize an overexpenditure of the existing appropriation if it: (1) Is approved in whole or in part by the JBC; (2) Is necessary due to unforeseen circumstances arising while the General Assembly is not in session; (3) Is approved by the Office of State Planning and Budgeting (except for State, Law, Treasury, Judicial, and Legislative Departments); (4) Is approved by the Capital Development Committee, if a capital request; (5) Is consistent with all statutory provisions applicable to the program, function or purpose for which the overexpenditure is made; and (6) Does not exceed the unencumbered balance of the fund from which the overexpenditure is to be made.]

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**
 [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of an act of God and data that was not available when the original appropriation was made. As noted in the request, some information was available while the General Assembly was still in session, but that information was incomplete.

DEPARTMENT REQUEST: The Department requests that its FY 2022-23 appropriation be increased by \$278,000 General Fund. The request primarily accounts for actual costs incurred during preparations for flooding at the Delta Correctional Center in Delta County. It also includes estimated costs related to travel expenses for DOC staff who have been temporarily relocated from Delta to Canon City.

DOC FY 2022-23 ES-01 REQUEST BREAKDOWN	
COST COMPONENTS	FY 2022-23
DOC Staff Travel Expenses: Per-diem and mileage [estimated costs]	\$185,389
Operational Start-up: Centennial South 3rd Tower [actual costs]	52,926
Moving and Transportation: Equipment and inmates [actual costs]	29,557
Flooding Preparation: Sandbags, packing supplies, etc. [actual costs]	8,624
Total	\$276,496
Request total (slightly higher due to rounding)	\$278,000

STAFF RECOMMENDATION: Staff recommends approval of the request. The request provides a thorough explanation of the situation and the related costs. Staff concludes that these costs are both appropriate and reasonable given the situation.

ANALYSIS

BACKGROUND

On March 29, 2023, the Delta County Emergency Manager notified the DOC about the potential for severe flooding at the Delta Correctional Center (DCC or Delta). The potential for flooding stemmed from a historically large snowpack in the mountain drainages that feed the creeks and rivers around

Delta. The primary access road from the nearby city of Delta to the DCC crosses two of those creeks. Parts of the facility are located close to the banks of one of those creeks.

Throughout the month of April, the Department prepared for possible flooding by:

- Building sandbag barriers, moving files and equipment (including electronics), emptying lower elevation buildings of items, and removing free-floating and potentially damaging items from around the facility;
- Preparing Centennial Correctional Facility-South's vacant 3rd tower for occupancy, including, but not limited to, the acquisition of cleaning materials, microwaves, and televisions;
- Transporting 316 inmates and personal effects from Delta to Centennial South; and
- Redeploying DOC staff from Delta to Centennial South in Canon City (235 miles away), though a crew has been retained at Delta to provide perimeter security and monitor facility systems.

Updated Timeline

The Department expects that they will be able to move inmates back to Delta sometime in July 2023. It is possible that damage assessments will delay relocation. It is also possible that some flood-related expenses will occur in FY 2023-24. Staff will work with the Department to provide a brief update to the Committee during the next budget briefing cycle.

POINTS TO CONSIDER

- ***DOC staff travel expenses—the largest part of the request—mainly supported by lean operating expenses line items:*** Per-diem travel compensation and mileage reimbursements for an average of 20-25 employees per day make up about two-thirds of the request (\$185,389 of \$278,000).

This type of expense occurs in operating expenses line items, not personal services line items. Operating expenses line items often run lean as they are not adjusted on an annual basis to compensate for inflation. For example, the Housing & Security Subprogram is the largest subprogram in the Department because it supports personnel at all state prison facilities. When accounting for inflation, the *Operating Expenses* line item for that subprogram was stagnant in the eight fiscal years between FY 2013-14 and FY 2020-21. It was subsequently cut by about 11.6 percent in inflation-adjusted terms in FY 2021-22 and remains about 12.4 percent below FY 2013-14 funding levels.

Other operating expenses line items tell a similar story. JBC staff therefore concludes that it is reasonable for the Department to request additional appropriations to cover unexpected travel expenses following a naturally-occurring flood.

- ***Costs to adjust a close custody facility to house minimum security inmates:*** The Delta facility houses minimum security inmates (the lowest custody classification level). The Centennial South facility is designed for close custody offenders (the highest custody classification level). A 316-bed portion of the Centennial South facility was vacant and had never been used for extended stays of inmates. Consequently, the Department had to prepare a vacant close custody facility for inmates who had been living in a minimum security facility. These preparations make up the second largest expense, accounting for about 19.0 percent of the request (\$53,000 of \$278,000).

These expenses include basic operating expenses like housekeeping supplies and meal trays. In the latter case, existing meal trays could not simply be moved from Delta to Centennial because of design differences. Delta has a centralized mess hall that inmates go to for food, whereas food must be delivered different living units at the Centennial South facility.

The Department also acquired items to ensure that the Centennial South facility better represents minimum security living conditions, which some inmates have earned through program participation and other good behavior. These expenses include microwaves and televisions. JBC staff agrees that these expenses are appropriate and that it is reasonable to adjust living conditions to better reflect custody levels.

- ***Statutory authority to use more than 650 beds at Centennial South facility:*** Statute permits the Department to operate no more than 650 beds for close custody inmates at the Centennial South facility. However, as noted in the request, statute also provides the DOC’s executive director with the authority to house lower custody inmates at the facility if those inmates are “displaced as a result of prison closure...”¹ JBC staff agrees that the Department has the statutory authority to move the Delta inmates to Centennial South in anticipation of displacement due to flooding.
- ***Number of inmates moved:*** There were 360 inmates at the Delta facility when evacuations began, but only 316 beds available at Centennial South. Per the request, the remaining 44 inmates were either: (1) Placed in open and funded beds at custody-appropriate facilities, (2) Were approved by the Parole Board for release, or (3) Were accepted by community corrections facilities.

CONCLUSION

JBC staff agrees that the request meets emergency supplemental criteria. The request provides a thorough explanation of the situation and the related costs. JBC staff concluded that these costs were both appropriate and reasonable given the situation. Staff therefore recommends approval of the request, which will allow the Department to spend \$278,000 more than their current appropriation.

¹ Section 17-1-104.3 (1)(b.5), C.R.S.