

**Forecast Comparisons (Fiscal Year Averages)**

Fiscal Year	Mar Update Forecast	Jun-09 Forecast	Nov-09 Forecast	Mar Update-to-Nov Difference	Percent Difference	Jun-to-Nov Difference	Percent Difference
2010	672	672	700	28	4.1%	28	4.1%
2011	631	631	716	85	13.4%	85	13.4%

The March 2009 Update (March forecast plus any legislative changes), June 2009 and November 2009 JRA residential forecasts are displayed in the chart and table above.

The JRA residential forecast is composed of three components: Regular Admissions, Department of Corrections (DOC) Transfers, and Parole Revocations.

- Regular admissions are youths committed to JRA for new crimes. They comprise about 92 percent of the JRA residential population. The regular admission component of the forecast is driven by assumptions about future crime rates and the at-risk population age 12-17.

- DOC transfers are youths under age 18 sentenced as adults to the Department of Corrections but serve the initial portion of their sentence in JRA. Until August 2008, federal regulations required that these offenders be returned to DOC by age 18.5. Under new regulations, they may remain until age 21. DOC transfers currently comprise about 5 percent of the JRA residential population. This percentage is expected to rise as high as 15 percent over the next 4-6 years.
- JRA parole revocations are JRA parolees returned to confinement for up to 30 days for violating parole. They comprise the remaining 3 percent of the JRA residential population.

#### June 2009 Forecast

The June forecast was unchanged from the March forecast. The JRA caseload was not impacted by the 2009 legislative session.

#### Forecast Tracking

The actual JRA residential caseload has been higher than the current June 2009 forecast and the size of the variance has been increasing since June. In the four months since June, the variance has increased from 8 (1.1%) to 28-31 (4.1-4.5%).

#### Tracking the Current Forecast

	Jun-09 Forecast	Actual	Variance	Percent Variance
Feb-09	694	713	19	2.7%
Mar-09	696	716	20	2.9%
Apr-09	698	706	9	1.2%
May-09	702	710	8	1.1%
Jun-09	705	713	8	1.1%
Jul-09	706	717	11	1.5%
Aug-09	686	717	31	4.5%
Sep-09	683	711	28	4.1%

#### Long Term Caseload Trends

The JRA caseload has been declining for more than a decade driven by a decline in admissions related to a decline in juvenile crime rates. As Chart 2 below shows, the decline roughly followed a linear trend. The current June forecast was developed in October 2008 based on FY2008 commitment data through June 2008.

Chart 2. JRA Residential Caseload v. 10 Year Linear Trend

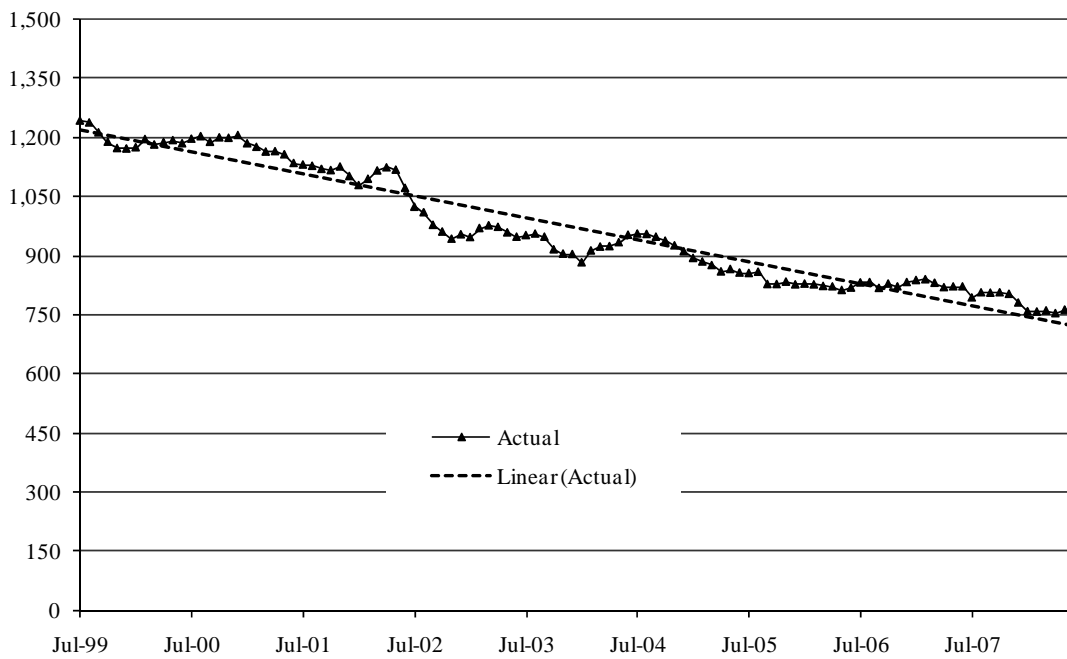
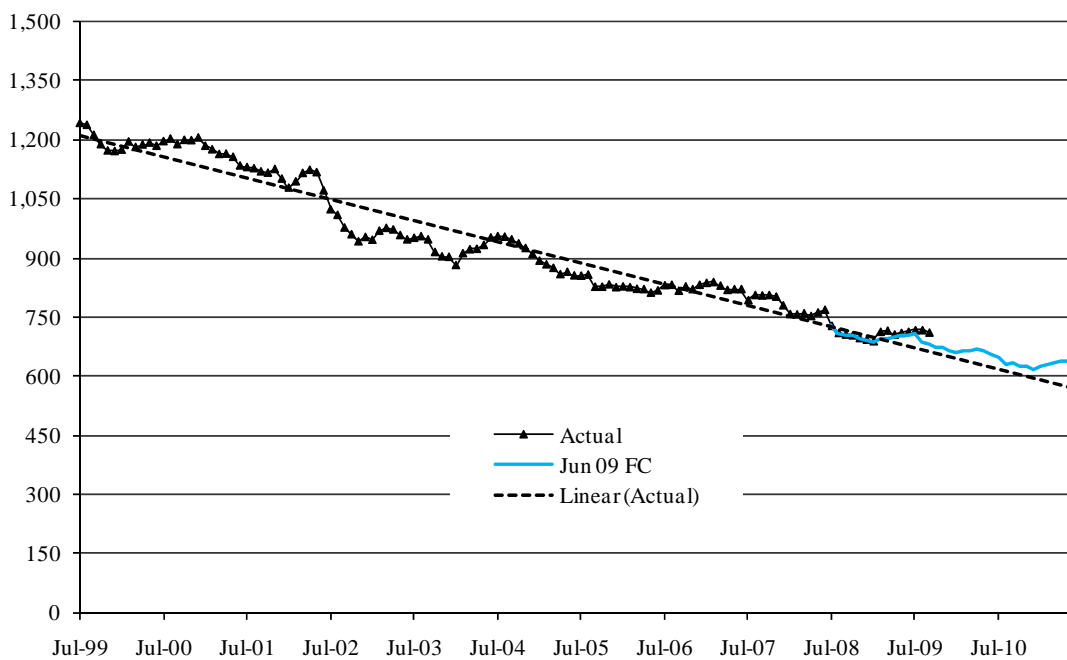
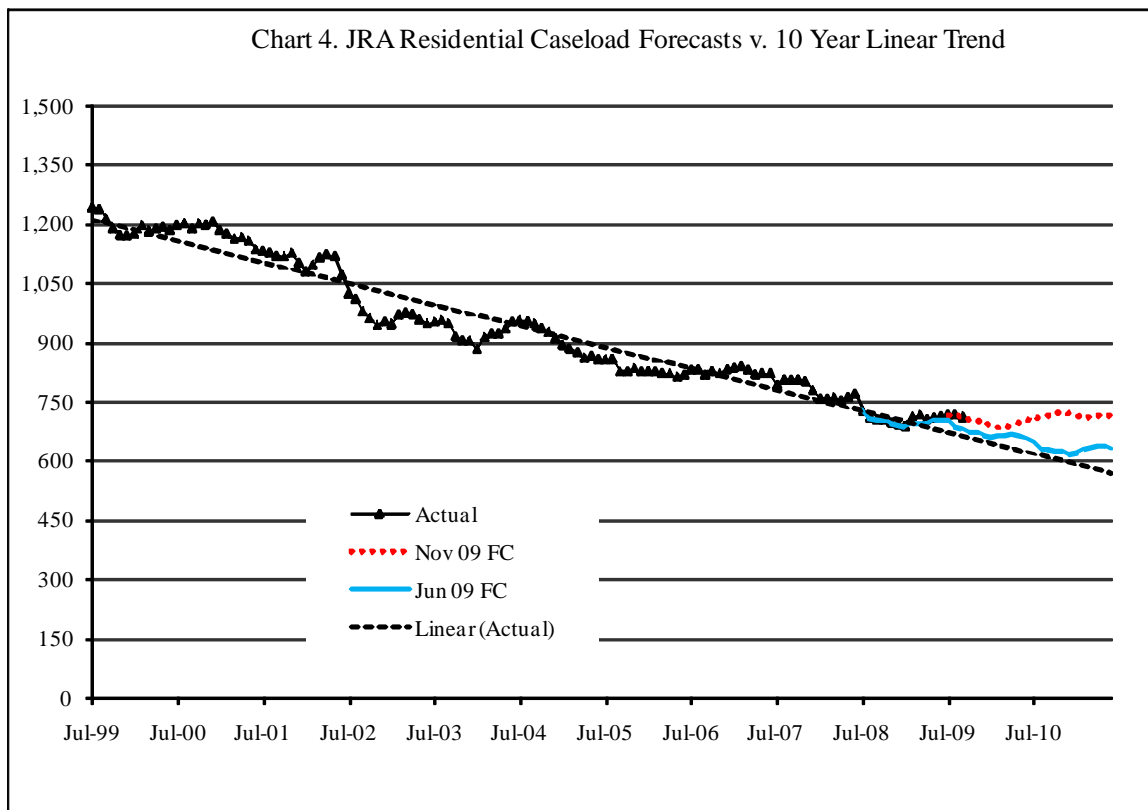


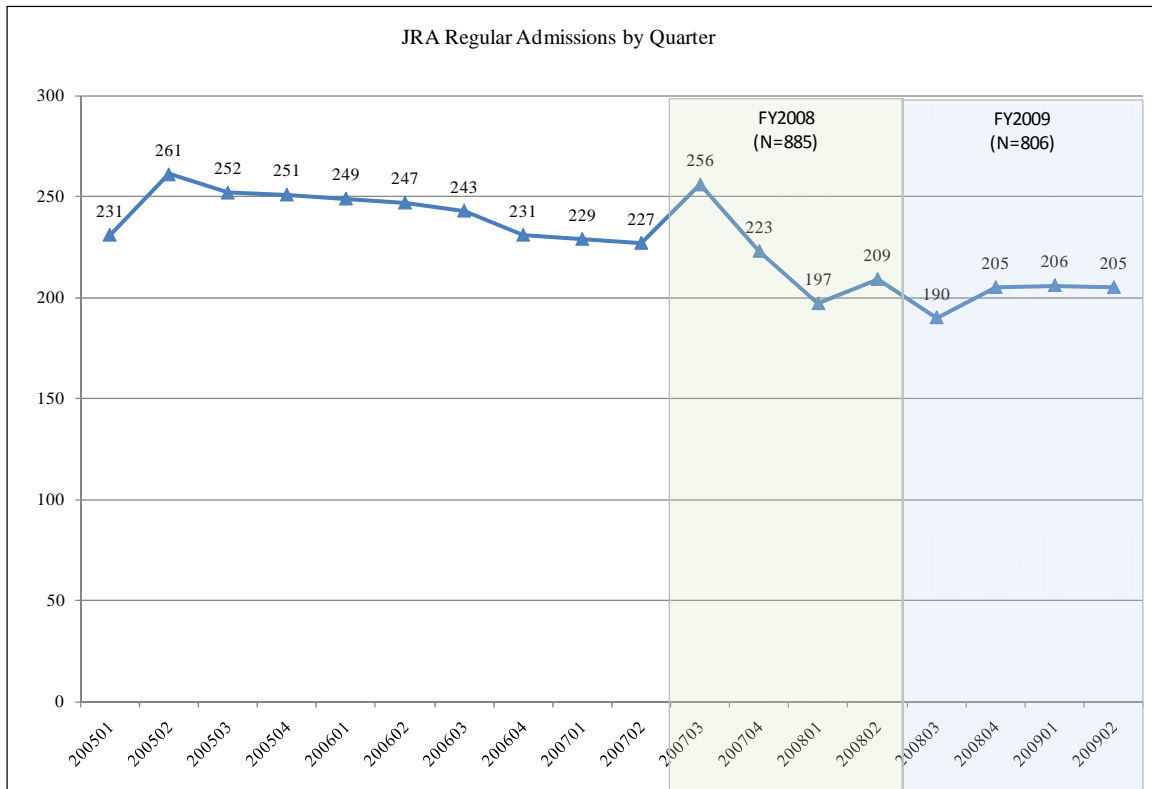
Chart 3. JRA Residential Caseload, June 2009 Forecast and 10 Year Linear Trend



The June forecast (Chart 3) assumed the caseload decline would continue into fiscal year 2011 at a slightly lower rate than the long term trend. This reflected a slowing in the decline in admissions in FY2008. However, starting in the third quarter of FY2008 (January-March 2008) the decline in admissions that produced the long term decline in JRA caseload came to an abrupt end. While unclear in October 2008 in light of the normal volatility in JRA admissions, in retrospect JRA admissions have been flat since January 2008.

The new November 2009 forecast has been updated for to include new admissions assumption based on commitment data for FY2009. The new assumptions are for "flat" pattern of admissions with any decline made up for by a shift in the composition of admission to offenders with more serious (and longer sentenced) offenses. As a consequence, the difference between the June and November 2009 forecasts increases from 28 beds in FY2010 to 85 offenders in FY2011.

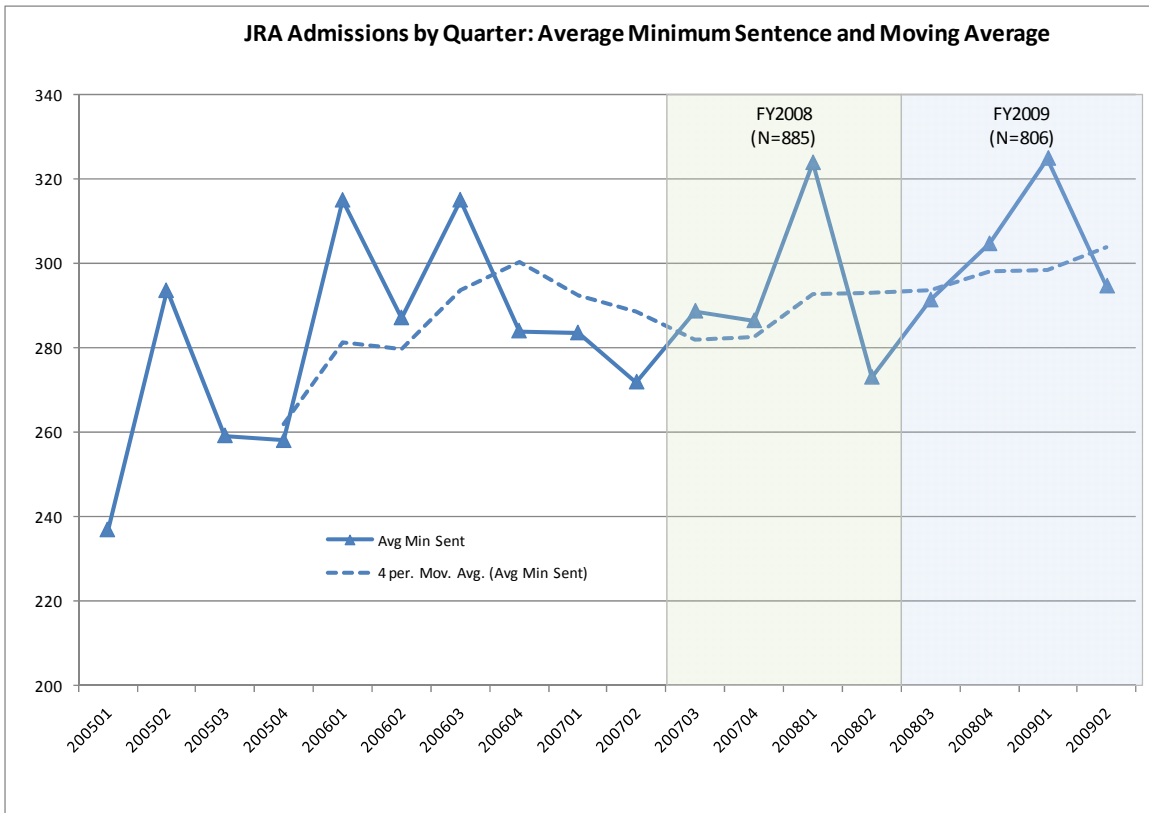
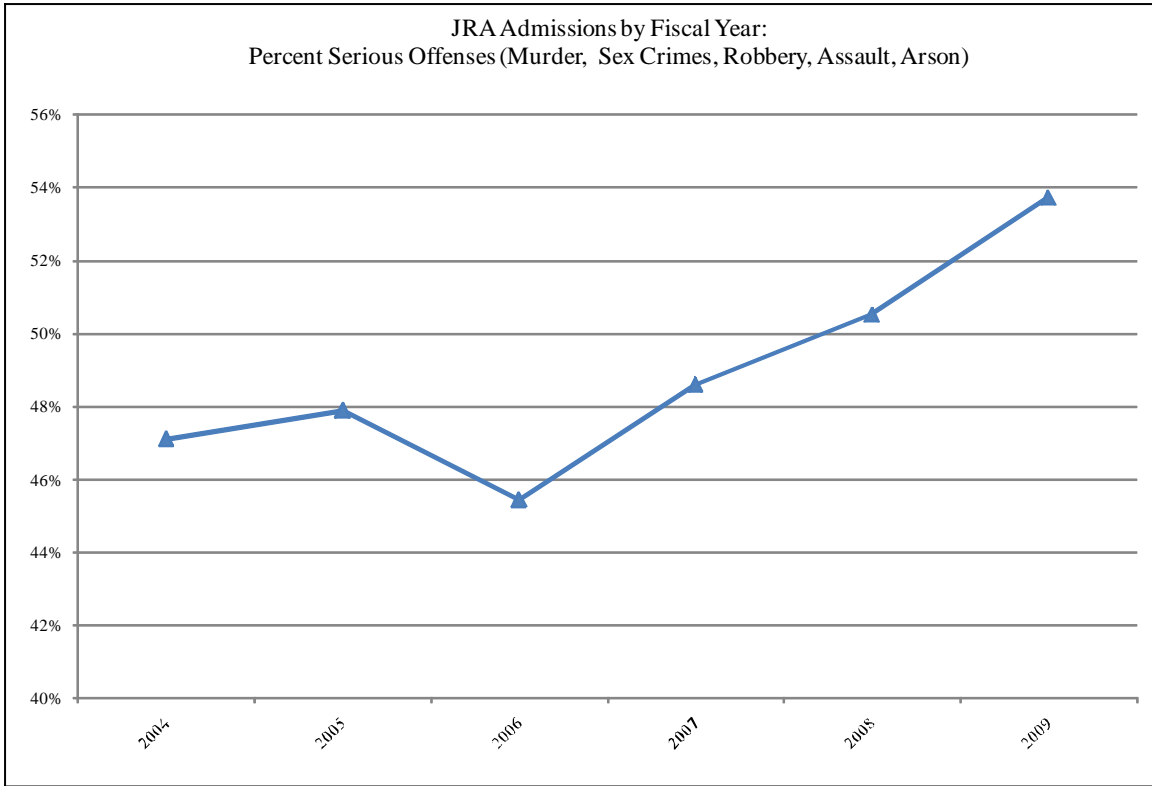




As can be seen in the "Caseload Change" table below, the November 2009 forecast is for the JRA caseload to remain stable, averaging 707 offenders, during the three year period FY2009-FY2011. While the actual caseload is expected to remain constant, the change from the June forecast is a significant increase of 28 in FY2010 and 85 in FY2011, because the June forecast assumed a continued decline in the caseload through the 2009-11 Biennium.

### JRA Residential Fiscal Year Caseload Change

Fiscal Year	Caseload Change	Percent Change		Caseload
2002-2003	-141	-12.7%	Actual	969
2003-2004	-44	-4.5%		925
2004-2005	-20	-2.2%		905
2005-2006	-76	-8.4%		829
2006-2007	-2	-0.2%		827
2007-2008	-48	-5.8%		779
2008-2009	-72	-9.3%		707
2009-2010	-7	-1.0%	Forecast	700
2010-2011	16	2.2%		716



## Risks to the Forecast

The JRA caseload has historically been characterized by significant variability both from month to month and over the typical 12-24 month forecast horizon. Monthly “forecast v. actual” variances have typically ranged from one to five percent of the caseload (10-50 residents). Over the long term, the caseload has consistently trended downward over the past ten years. That general downward trend has featured several extended periods of caseload growth. Thus, at least in the short term, any JRA forecast carries with it a substantial risk of error. The risk is perhaps greater in that we are forecasting a change in direction and the termination of a long term trend in JRA caseload. On the other hand, JRA's long term decline in caseload (and the decline in juvenile crime driving it) has been nothing short of astounding, and most professionals have assumed that the trend would end years earlier.