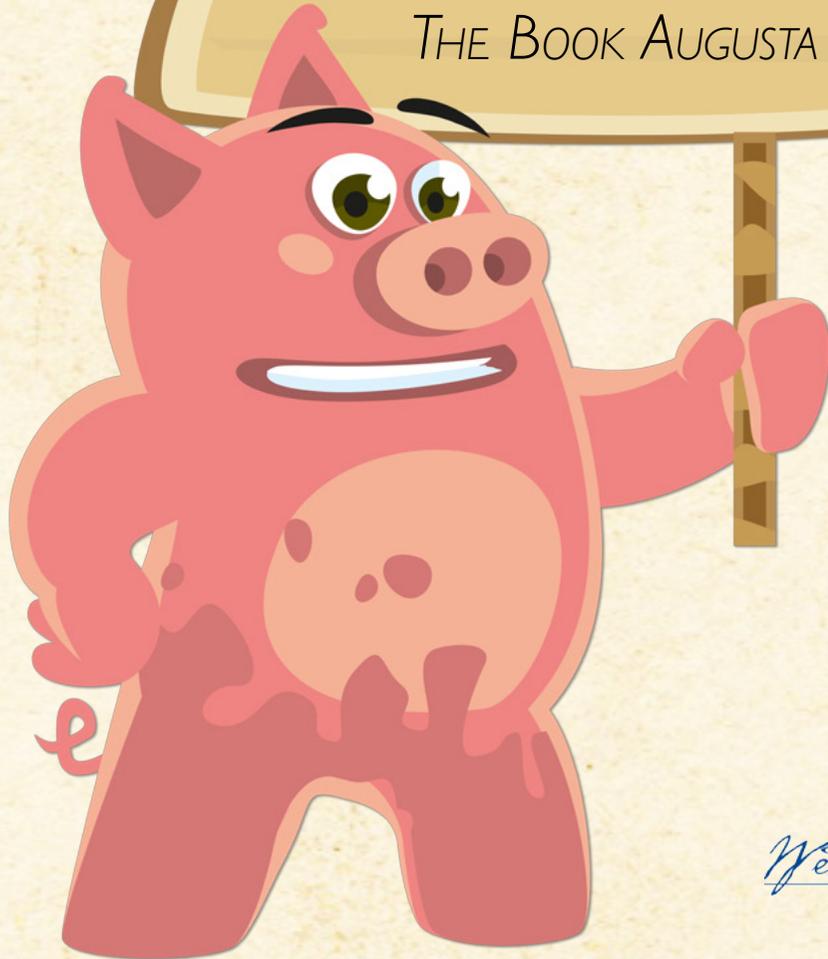


THE MAINE HERITAGE POLICY CENTER PRESENTS

2012 MAINE PIGLET BOOK

THE BOOK AUGUSTA DOESN'T WANT YOU TO READ



We the people of Maine...

THE MAINE HERITAGE POLICY CENTER

Liberty in Economics

About The Maine Heritage Policy Center

The Maine Heritage Policy Center is a research and educational organization whose mission is to formulate and promote conservative public policies based on the principles of free enterprise; limited, constitutional government; individual freedom; and traditional American values—all for the purpose of providing public policy solutions that benefit the people of Maine.

MHPC's staff pursues this mission by undertaking accurate and timely research and marketing these findings to its primary audience: the Maine Legislature, nonpartisan Legislative staff, the executive branch, the state's media, and the broad policy community. MHPC's products include publications, articles, conferences, and policy briefings.

Governed by an independent Board of Directors, The Maine Heritage Policy Center is a nonprofit, nonpartisan, tax-exempt organization. MHPC relies on the generous support from individuals, corporations, and foundations, and does not accept government funds or perform contract work.

© 2012 The Maine Heritage Policy Center, All rights reserved. Sources, unless otherwise noted, are from MaineOpenGov.org

Introduction

Three years ago, The Maine Heritage Policy Center released The 2009 Maine Piglet Book, highlighting more than \$2 billion in gluttonous government waste, shocking examples of fraud and disgraceful abuse of your tax dollars. The squeals from Augusta echoed across the state.

Back then, the taxpayers of Maine were rightly upset that our government's porcine spending problem included millions in overpayments to state employees and welfare for politicians, hundreds of thousands to pet projects and tens of thousands of tax dollars for paintings of dogs in a rest stop.

Little did we know that the waste and abuse discovered in the following days would overshadow some of even the most outrageous spending detailed in the 2009 Piglet Book. In this year's edition, we highlight new government boondoggles and expose pork-barrel spending that

takes waste and fraud to a whole new level.

The Maine Heritage Policy Center played a major part in identifying and stopping the rampant abuse of tax dollars at the Maine Turnpike Authority. Then MHPC led the way in exposing the failures of management at the Maine State Housing Authority, where millions of tax dollars have been misused and mismanaged. These quasi-governmental agencies had their snouts deep in the public trough, and you paid the bill.

The 2012 Piglet Book roots out some of the inappropriate spending that went on for years at MaineHousing and the Turnpike, as well as other examples of how state government is wasting your hard-earned tax dollars.

We must note that there have been some improvements since 2010. Maine now spends less on government salaries,

and our unfunded public pension debt situation has improved—thanks to a new administration focused on saving tax dollars. But there is still a long way to go.

We are confident that Maine's economy will turn around with less spending and lower taxes. The 2012 Piglet Book identifies some key areas in which Maine state government can save more of your hard-earned tax dollars.



Maine's Spending Spree

Even though Maine is a relatively small state, with approximately 1.3 million residents, it sure can tax and spend. Before getting into the details of the spending problems, the following numbers illustrate just how much Augusta spent in FY 2011:

\$7,595,151,209 PER YEAR

\$632,929,267 PER MONTH

\$20,808,633 PER DAY

\$867,027 PER HOUR

\$14,450 PER MINUTE

\$240 PER SECOND

\$5,718 PER PERSON

\$13,781 PER HOUSEHOLD

So, if the state can spend \$14,450 per minute and the median household income is \$46,993, it follows that Maine government can spend what a household makes in an entire year in just over 3 minutes.



Sources: Maine Office of Fiscal and Program Review. www.maine.gov/legis/ofpr/total_state_budget/history/allfunds_history.html | 2.35 people per household according to the U.S. Department of Commerce's Census Bureau.

Stupendous Stipends

Often times in state government, stipends are awarded to employees. There could be several reasons for the stipend, but typically it would be a small amount given as an incentive bonus, award or as Webster's dictionary says – "to defray expenses."

For Maine state government in 2011, stipends were not handed out in very large amounts. In fact, the largest stipend for the year was \$8,219, given to a Police Lieutenant. Many of the stipends that exceeded \$5,000 were given to members of the Police Force, perhaps for some kind of hazard pay or performance bonus.

For the University of Maine system, however, "stipends" have taken on a whole new meaning. As we've learned from previous sections regarding Higher Education spending, they have a hard time keeping their checkbook under control.

In 2011 alone, the University of Maine system paid out more than \$10,000,000 in "stipends" to their employees. While it's unclear exactly what these were for, we know that several employees got big bucks sent their way under the heading of a "stipend."

Jon Schlenker, a Professor of Sociology and Anthropology at the University of Maine at Augusta was the top dog in 2011, receiving a staggering \$84,115 in total "stipends." That nearly matches his entire regular salary of \$89,770 in 2011.

128 additional UMaine employees received more than \$20,000 in "stipends" in 2011, and 25 of those raked in more than \$40,000 in just one year for stipends.

When's the last time you got a "stipend" at work? And was it for \$80,000? What's going on UMaine – are they getting around "pay freezes" with stipends?

One thing we know for sure is that when "base salary" is reported for a UMaine employee – it might not tell the whole story.

STIPEND
**noun - a fixed sum of
money paid periodically
for services or to defray
expenses**

State Employee Compensation

Since September 24, 2008 MaineOpenGov.org has been making it easy for taxpayers to track government spending. Some of the most substantial spending in Maine state government is on state employee compensation. In fact, in 2011, Maine spent more than \$741,628,000 on total payroll for

\$741,628,000

**Total
payroll for
state
employees
in 2011**

state employees, and that's not even counting K-12 school or Higher Education payroll. Maine spends more than \$700 million a year on payroll, just for the Executive and Judicial branch.

The good news? That number is actually down from a high of \$786,000,000 just a few years ago in 2008.

According to the U.S. Census Bureau, Maine's median household income is about \$47,000, but many state employees are blowing that number out of the water. In 2011, there were 1,961 state employees who took home more than \$75,000 in total compensation and a whopping 345 employees who pocketed more than \$100,000 for the year.

Fortunately, the current administration has tried to bring these numbers more in line with what Mainers in the private sector earn. As recently as 2009, those numbers were much higher at 2,169 and 435.

EXECUTIVE BRANCH

The executive branch of Maine state government is home to many of the state's highest paid employees. Not surprisingly, nine of the top 10 highest salaries in the executive branch can

be found at the Department of Health and Human Services (DHHS), a department where a lion's share of state spending is done:

- Bernard Quigley, a “Physician III” at the Dorothea Dix Psychiatric Center, made \$201,954 in total compensation in 2011.
- Margaret Greenwald, the chief medical examiner, made \$195,274 in 2011.

The top 10 highest paid members of the executive branch took in nearly \$2 million total in compensation in 2011.

In 2011, there were 31 employees from the Health and Human Services department alone who took home more than \$100,000 in total compensation. That number is actually down, from a high of 44 in 2008.

Another department of note that finds its home in the executive branch is the infamous Dirigo Health Department. Three employees of Dirigo raked in more than \$100,000 in 2011, including the executive director, Karynlee Harrington, who pulled down \$124,840 while overseeing the failing health program. In total, 11 employees at the Dirigo Health Agency cost taxpayers \$840,000 in 2011.

JUDICIAL BRANCH

Thanks to MaineOpenGov.org, everyone can see what kind of taxpayer-funded salaries those state employees in the judicial branch are earning.

- Maine Supreme Court Chief Justice Leigh Saufley took home \$167,137 in 2011 and her six counterparts took home about \$150,000 each that same year!
- District Court Chief Judge Charles Laverdiere made \$141,481 and his deputy chief judge, Robert Mullen, received \$140,362 in 2011. Working under those two judges are 35 district court judges who each took home about \$142,000 in total earnings in 2011.
- Thomas Humphrey, the Superior Court Chief Judge, made \$141,501 along with 17 Superior Court Judges who raked in between \$135,000 and \$143,000 each in 2011.
- The State of Maine's judges are not the only ones making six figures. James Glassner, the state court administrator, made \$126,000 in 2011.
- The State of Maine judicial branch doled out a total of \$31,000,000 in total compensation in 2011 alone.

Overdone Overtime

One area where the state should really take a good look to identify possible savings is overtime paid to government employees. In 2011:

- 2 took home more than \$60,000 in overtime.
- 2 took home more than \$50,000 in overtime.
- 5 took home more than \$40,000 each in overtime.
- 20 took home more than \$30,000 each in overtime.
- 97 took home more than \$20,000 each in overtime.
- 437 took home more than \$10,000 each in overtime (Down from 512 in 2008)

Because overtime is often paid at an hourly rate higher than normal wages, much more work could be accomplished, compared to cost, if the state would consider hiring new employees to help with these positions that have heavy overtime. At the least, the state should take a careful look at what is being spent on overtime.

OVERTIME PAID TO STATE GOVERNMENT EMPLOYEES IN 2011

2 = Employees earned over **\$60,000** in overtime

2 = Employees earned over **\$50,000** in overtime

5 = Employees earned over **\$40,000** in overtime

20 = Employees earned over **\$30,000** in overtime

97 = Employees earned over **\$20,000** in overtime

437 = Employees earned over **\$10,000** in overtime

University of Spending

It's no secret that Maine government spends a lot of money on salaries for their employees. But, especially with the new administration trying to cut back where it can, state government can't compete with the high salaries of the University of Maine system. In 2011 alone, 963 employees of the UMaine System took home more than \$100,000 in total compensation. In 2003, that number was just 399.

The top-paid employees in the state of Maine all work in the UMaine System, including dozens of employees who take home more than \$200,000 each year in compensation. The highest paid employee in state government in 2011 was the Dean of the School of Law, Peter Pitegoff, who took home \$293,100 in total pay and benefits.

39 other UMaine employees made more than \$200,000 in 2011, including the Chancellor, Richard Pattenaude, who took home \$288,000.

Others taking home more than \$200,000 include the head Football and Hockey coaches and Paul Mayewski, a Professor for the "Climate Change Institute and Geological Sciences."

UMaine has had a great deal of trouble controlling the growth in their salaries. In just the last eight years, UMaine salaries have grown by more than 30 percent, which ironically is exactly how much tuition has grown in that same time period.

Could this be why college is becoming so hard to afford?

963

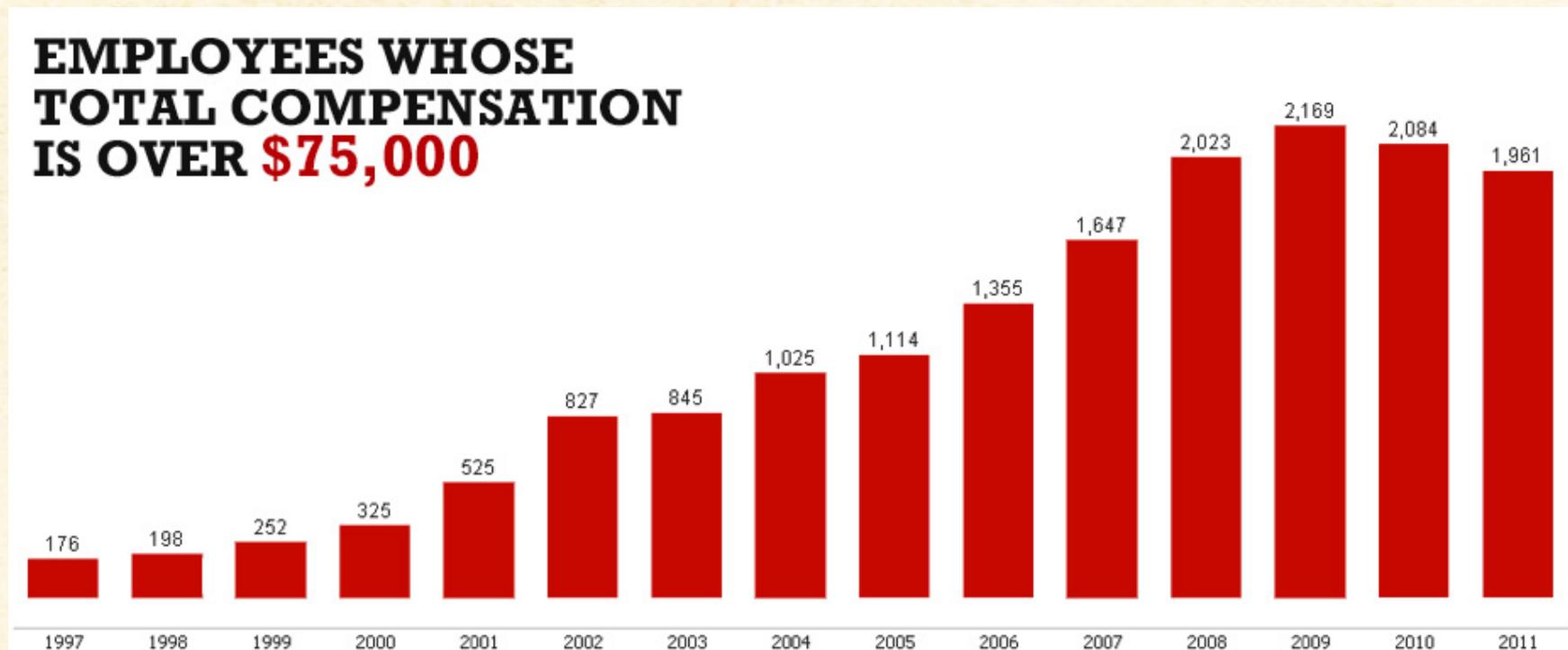
Number of UMaine System employees who took home more than **\$100,000 in total compensation.**
In 2003 there were just 399.

Growth in Government Salaries

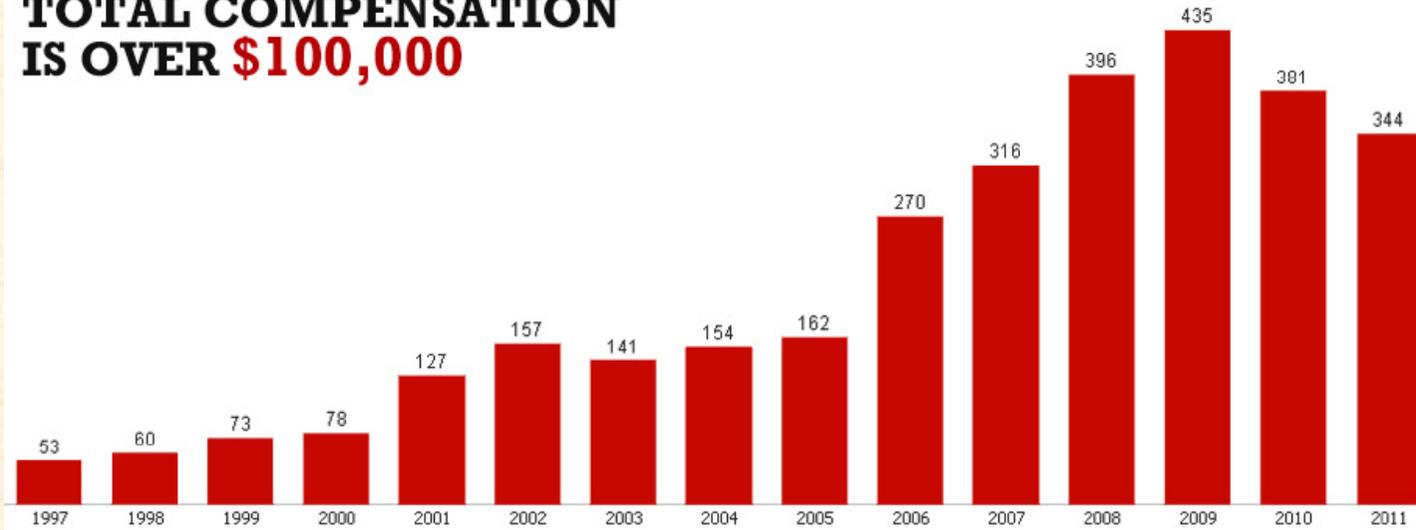
Since the late 1990s government salaries have grown exponentially. Pro-spending policies and initiatives put in place under Governor's Angus King and John Baldacci caused government employment and salaries to skyrocket. Consider the following:

In 1997, total compensation of State employees (not including Higher Education) was \$477,600,000. Fast forward to 2009, and that number had quickly reached a staggering total of \$785,000,000. Luckily, a new administration, focused on lower taxes and a more limited government, has been able to move that number down, to \$741,600,000 in 2011.

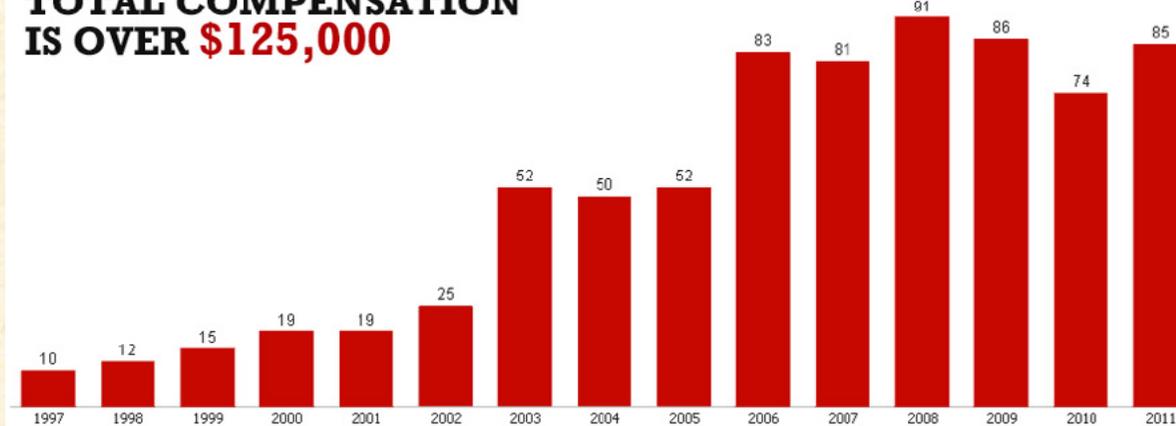
How have individual salaries grown over these past fifteen years? Check out these charts.



**EMPLOYEES WHOSE
TOTAL COMPENSATION
IS OVER \$100,000**



**EMPLOYEES WHOSE
TOTAL COMPENSATION
IS OVER \$125,000**



MaineHousing

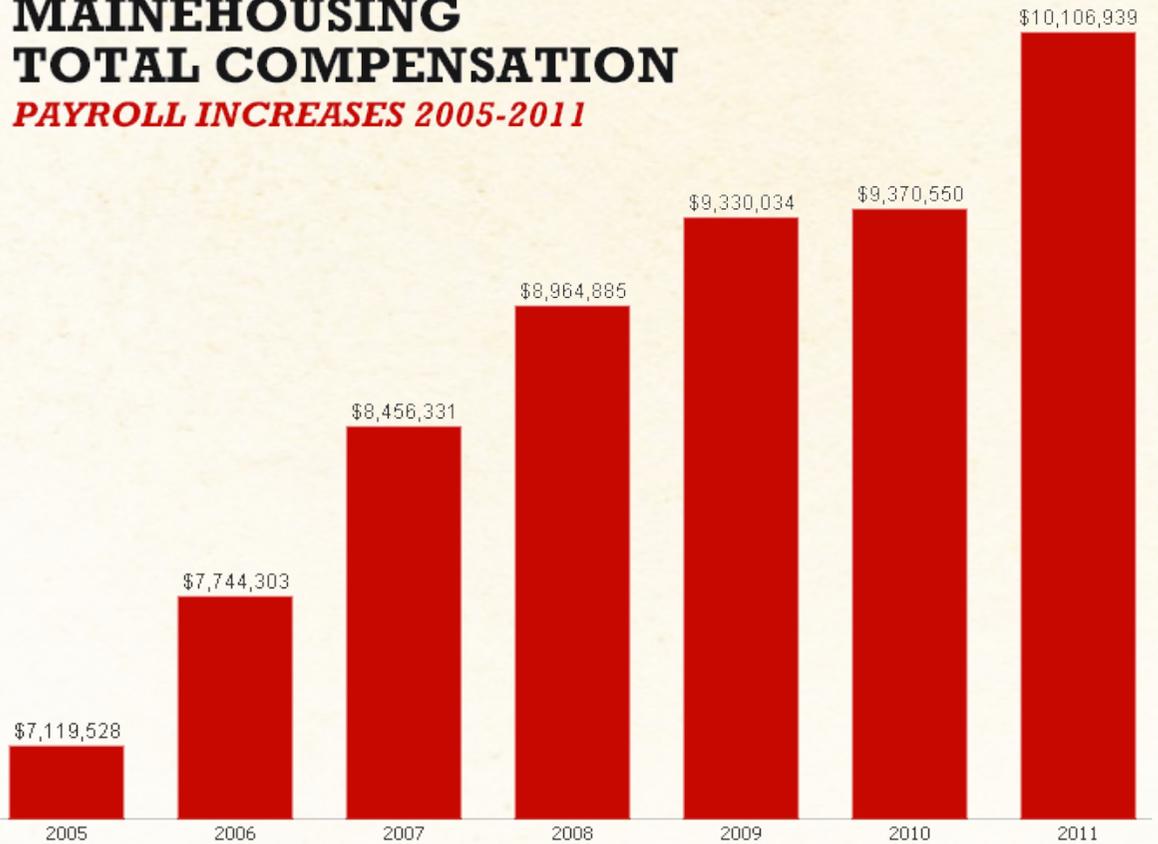
The Maine Wire, the online news service operated by The Maine Heritage Policy Center, revealed shocking examples of government waste—which amounted to millions of dollars—in a series of hard-hitting stories about the Maine State Housing Authority.

The Maine Wire's stories spurred both state and federal investigations into MaineHousing, revealing years of gross fiscal mismanagement, lack of oversight of federal programs, inappropriate spending and funneling funds to left-leaning political organizations that had nothing to do with MaineHousing's mission.

The Office of the Inspector General of the U.S. Dept. of Housing and Urban Development is requiring MaineHousing to pay back almost \$200,000 in housing-assistance payments for units that should have failed health and safety inspections. The Inspector General found that 53 of 61 Housing Choice Voucher program units in Norway, Maine failed to meet HUD's housing quality standards.

A further investigation will be made into \$112,000 in payments to an IT consultant who worked on the Homeless Management Information Systems program. The consultant was paid \$848,000 in just two years.

**MAINEHOUSING
TOTAL COMPENSATION
PAYROLL INCREASES 2005-2011**



MaineHousing

EXAMPLES OF WASTE, FRAUD AND ABUSE UNCOVERED INCLUDED:

Over \$700,000 in Payroll Hikes. In 2010, payroll at MaineHousing was almost \$9.4 million in salaries and benefits. Just one year later, payroll jumped to \$10.1 million.

Credit Card Cash Rewards. Former MaineHousing executive director Dale McCormick and another employee used their personal credit cards to make over \$170,000 in purchases for MaineHousing, then they kept the cash rewards and airline miles for themselves.

\$458,000 on Political Organizations. MaineHousing spent over \$458,000 between 2007 and 2011 on sponsorships, donations and memberships that were totally unrelated to MaineHousing’s mission. Mainers’ hard-earned tax dollars went to organizations such as EqualityMaine, NAACP Portland, Women Unlimited, Sierra Club and the left-leaning Maine Center for Economic Policy.

\$15,000 on Art Program for Prisoners. \$15,000 of your tax dollars to “Maine Inside Out,” a

program that teaches “art for social change” to inmates and recently released prisoners.

Excessive Travel Costs. The former director also got \$50,000 in reimbursements for travel and meals for at least 40 out-of-state trips, plus two international trips. And that was just during the five years that OPEGA investigated. 62 MaineHousing staff members attended 89 conferences between 2007 and 2011. The total cost exceeded \$115,000.

Over \$500,000 on Staff Parties and Training. MaineHousing spent \$309,000 on teambuilding; employee-recognition-and-appreciation celebrations; and “wellness incentives”—including more than \$70,000 on gift cards, awards, presents, flowers and coffee.

Another \$106,000 was spent on staff trainings, including programs in “leadership” and “diversity.”

MaineHousing regularly paid for staff parties, including its annual All Staff Day, summer picnics, office clean-up days, staff breakfasts, holiday parties, birthday parties and project-completion celebrations. These parties cost taxpayers more than \$44,000—and that was just during the five years that OPEGA reviewed.



\$59,000 on Gift Cards. In 2009 alone, the former executive director handed out \$59,000 in Hannaford gift cards to employees—and there were another \$4,000 in gift cards still sitting in a locked cabinet.

\$17,400 on Artwork. \$17,400 of your money was spent on artwork for the MaineHousing offices.

Millions of dollars on Carbon-Trading Fiasco. One of the most expensive projects at MaineHousing was the cap-and-trade, carbon-credit scheme to weatherize Maine homes and affordable-housing developments and to install green-energy features, such as solar panels, on housing projects.

To accomplish this pie-in-the-sky scheme, MaineHousing paid exorbitant fees to consultants, including:

- \$3.26 million to Joseph Associates;
- \$1.6 million to Kinney Associates;
- \$370,000 to Lee Associates;
- \$142,000 to Climate Focus BV;
- \$123,000 to a carbon consultant, Lucille Van Hook.

MaineHousing has not made any revenue from this carbon-

trading boondoggle. Even more offensive is this fact: while MaineHousing was out spending millions on this carbon-trading scheme, there were 6,500 families on a waiting list for affordable housing.

\$7 Million for two Computer Consultants.

MaineHousing spent \$7 million in less than seven years on no-bid contracts with just two computer consultants to create two computer systems. And the computer systems are still not done!



**SPENT IN JUST 7 YEARS
BY MAINEHOUSING ON
NO-BID CONTRACTS
TO TWO COMPUTER
CONSULTANTS**

\$49 Million in Stimulus

Money. As if MaineHousing needed any more reason to go on a spending spree with taxpayers' money, it received \$49 million in federal stimulus funds to weatherize 4,426 low-income households. So far, MaineHousing has spent over \$28 million of that money to complete half the project.

If the entire \$49 million is used to weatherize the 4,426 households, the cost will be about \$11,000 per household. And that's just a snippet of the \$1.3 billion in stimulus money that the State of Maine spent between 2009 and 2011.

Sources: MaineOpenGov.org | TheMaineWire.com

Maine Wind Project: Federal Pork for Green Energy Powers

Did you know that Angus King got \$102 million from the same federal loan program that funded Solyndra, the failed solar-panel maker that burned through \$535 million of taxpayers' money before going bankrupt?

Widely regarded as a pork package for President Obama's political pals, the U.S. Energy of Department loan program that funded Solyndra's half-a-billion-dollar meltdown also paid for a wind project developed by former governor Angus King.

The crony capitalism that Obama lavished on friends in the "green energy" industry blew into Maine when King's wind company, Independence Wind, received a \$102 million loan guarantee from the DOE. Millionaire King and his partner Rob Gardiner—former president of Maine Public Broadcasting Network—didn't really need the loan: they already had \$127 million of liquid assets on hand for their 22-turbine Record Hill project in Roxbury, Maine.



But they took your tax money instead.

The feds paid over \$101 million to the Record Hill project from August 2011 to January 2012, and it was

slated for another \$70 million in stimulus funds. As of July 2012, King's company received \$33.7 million more in grants—not a loan.

Even worse, Independence Wind took your tax money, then gave it to foreign companies: 58 percent of the cash went to Europe, where the 22 turbines were built. Only a quarter of your money was reinvested in the State of Maine.

About 467 people worked on the Record Hill site, some for only days, other for weeks and still others for only a few months. No one is employed there now.

An investigation by the House Committee on Oversight and Government Reform condemned the DOE program and fingered the Record Hill loan as something that never should have happened. Two days before the report was released, King divested himself of Record Hill, just as he was preparing to announce his candidacy for U.S. Senate.

Angus King, who claims he is an independent candidate, generously supports Obama, having endorsed him and paid at least \$10,000 to his reelection campaign. As governor, King signed legislation that forces Maine to purchase power from renewable energy sources—such as wind.

Sources: House Committee on Government Oversight and Reform | Briertart.com | TheMaineWire.com

Welfare for Politicians

Since 2000, candidates for governor and state legislature have been given taxpayer funding for their campaigns through Maine's clean elections program. Only one other state in the nation, Arizona, is foolish enough to have a taxpayer-funded system like this, and for good reason.

Maine's publicly funded system has cost taxpayers a lot of money. According to data from the Maine Ethics Commission, which oversees the program, more than \$23 million has been spent over the past six election cycles, including \$3.3 million spent on the 2002 gubernatorial race, \$6.8 million spent on the 2006 gubernatorial race and \$6.3 million spent by the losing candidates in the 2010 race for the Blaine House.

Legislative races, which occur every two years, typically cost the clean elections program around \$3 million.¹ None of these figures includes the cost to the Ethics Commission of operating and policing the program.

Oversight is essential because, shockingly, when free government money is given away, fraud and abuse is not far behind, as is shown in the following:

In 2010, Democratic candidate for Governor John Richardson had some trouble staying on the straight and narrow while

collecting enough "qualifying checks" to qualify to receive taxpayer money to run his campaign. Four former Richardson campaign volunteers were charged with falsifying information while collecting \$5 "qualifying checks" in Richardson's attempt to qualify for public campaign funding in 2010. One of the defendants plead guilty. Richardson dropped out of the race.

In 2010, Rep. David Burns, a Republican from district 138, which includes the town of Alfred, campaigned for the first time and became elected to the House of Representatives. Burns financed his legislative campaign with public money through the "clean" elections program. An audit in 2011 found that Rep. Burns had mingled his own finances with the public money, resulting in the theft of \$2,384 in taxpayer dollars. Burns resigned from his seat, and was slapped with a misdemeanor for theft and forgery that landed him with a six-month jail sentence.





Early in 2012, a Republican candidate for the House of Representatives, Mike Hein, was found guilty and sentenced to seven days in jail for encouraging people to falsely state they gave him a “personal contribution” that would qualify him for taxpayer funds for his campaign. Hein lost his primary race for the House.

**IS THERE ANOTHER
GOVERNMENT PROGRAM
THAT HAS CAUSED MORE
POLITICIANS TO
GO TO JAIL THAN
CLEAN ELECTION
CAMPAIGN FUNDING?**



Source: bangordailynews.com/2012/07/25/politics/commission-decides-against-more-penalties-for-former-lawmaker-convicted-of-clean-election-theft/ | bangordailynews.com/2010/09/14/politics/four-workers-in-richardsons-campaign-face-charges/ | www.themainewire.com/2012/05/state-files-attempted-theft-complaint-house-candidate-michael-hein/ | Maine Ethics Commission

Crony Capitalism – Higher Ed Hiring Scandal

We know from a previous section that high ranking officials in the UMaine system get paid very well. So who gets those posts? One would hope that those hired for positions like “Vice Chancellor and Treasurer” would be well equipped for the job and would be hired after a thorough search.

However, an investigation by Pine Tree Watchdog found out that just isn't the case here in Maine in recent years. According to the investigation, under former Chancellor Richard Pattenaude, who was Chancellor of the UMaine system under Governor John Baldacci, hiring practices for high-level UMS employees was anything but above board.

According to the report, big-paying jobs were handed out thanks to political connections. Of the seven hires in question, six of seven are former employees of the Baldacci Administration and one was employed in the King administration.

Bio's of the seven individuals from the Pine Tree Watchdog Report (salaries from MaineOpenGov.org):

THE SEVEN ARE:

- **Rebecca Wyke:** currently the System's vice chancellor of administration and finance. She was hired without a job posting or job search. She had been Baldacci's Commissioner of Administration and Financial Services (DAFS). **2011 Total Compensation: \$234,800**
- **Ryan Low:** hired as vice president for administration and finance at the University of Maine at Farmington without a posting or search. He held Wyke's position after she went to the System job. He has since been promoted to be the System's chief lobbyist after a job search limited to only other System employees. UPDATE: Low is now the Vice President for Administration for UMaine System-wide services. **2011 Total Compensation: \$149,600**
- **Ellen Schneiter:** named vice president for administration and finance at the University of Maine at Augusta. While there was a job search, her degree is not in the field required by the job description. She held the DAFS job after Low left in 2011. **Total Compensation: \$91,428**

- **Richard Thompson:** chief information officer for the System, was hired without a posting or job search. He was hired despite having only a high school education and replaced a man with two degrees in computer science. He had been chief information officer in the Baldacci administration. **2011 Total Compensation: \$163,000**
- **M. F. “Chip” Gavin:** director of facilities management and general services for UMS, was hired despite not having a degree in any of the required fields, such as engineering, and despite a mostly critical report from the system’s own search committee. One of the finalists passed over in favor of Gavin had two engineering degrees and years of experience in facilities management. Gavin had been director of general services for Baldacci. **2011 Total Compensation: \$116,500**
- **Elaine Clark:** executive director for facilities and real estate at the Orono campus, was hired despite being rated No. 3 and No. 5 in search committee documents. She had been director of general services for the state. She has since left the job. **2011 Total Compensation: \$172,700**

- **Margaret “Meg” Weston:** vice president for advancement at the University of Southern Maine, was hired despite having no professional experience in fundraising. She applied for the job one month after resigning from the UMS Board of Trustees, prompting a new ethics policy requiring a year’s waiting period for moving from the board to a paid job in the system. She was appointed to the board by Gov. King and was reappointed by Gov. Baldacci. It was during the Baldacci appointment that she got the USM job, which she has since left. **2011 Total Compensation: \$186,600**

How does the old saying go? It’s not what you know, it’s WHO you know...

Thankfully, since the new administration has taken over, former Chancellor Pattenaude has resigned his post, and new head man, James Page, has promised to review the hiring practices to make sure this kind of cronyism doesn’t happen again.

Source: pinetreewatchdog.org/2012/05/03/university-system-a-haven-for-former-top-state-staffers/ | MaineOpenGov.org

Maine Turnpike Authority

There have been a lot of government boondoggles over the years. The track record for government is not great when it comes to wasting and abusing your tax dollars. But nothing in recent memory quite compares to the fraud that took place at the Maine Turnpike Authority.

For years, the long-time director of the Turnpike Authority, Paul Violette, used public funds to lead a lavish lifestyle and build favor among certain political groups and organizations.

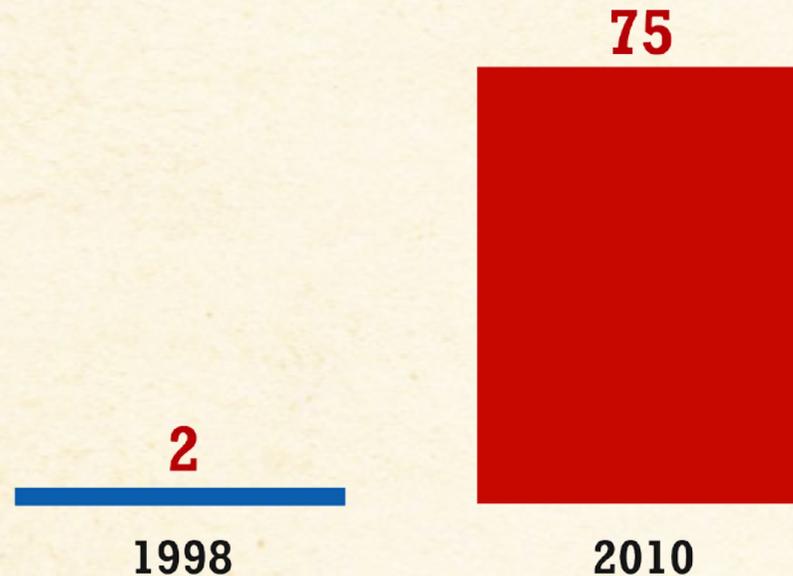
One of the very first times the Turnpike Authority came under fire for its wasteful handling of your toll dollars was when it was highlighted in the 2009 Maine Piglet Book that the Turnpike Authority had dropped \$102,000 on 3 pictures of dogs that are now hung in a highway rest stop in Kennebunk.

The 2009 Piglet Book also highlighted how the Turnpike Authority, under Violette's leadership, erected a brand new, 55,000 square foot, administrative building that cost Maine toll payers \$11.9 million and houses just 116 employees (about \$103,000 per employee). At the time, Violette and others defended the spending.

Later, MaineOpenGov.org and The Maine Heritage Policy Center detailed massive salary increases and inappropriate funding of liberal groups at the Turnpike Authority. Again, MHPC was criticized for "throwing mud against the wall and hoping it sticks," according to at least one liberal representative.

MAINE TURNPIKE AUTHORITY EMPLOYEES RECEIVING MORE THAN \$80,000

SALARY AND BENEFITS (1998-2010)



Some of the inappropriate spending on “gifts” and “donations” that MHPC discovered before it became popular to criticize the Turnpike:

- **\$3,255 to GrowSmart Maine**, a lobbying group who’s biggest accomplishment is helping to secure \$67 million in bonds for Lands for Maine’s Future and “community development.”
- **\$27,000 to the Maine Preservation Foundation** that, among other things, seeks to “provide grants to educators to introduce preservation in the schools.” (It just so happens that the Executive Director of MTA, Paul Violette, is an Advisory Trustee to the Maine Preservation Foundation)
- **\$6,100 to Women Unlimited**
- **\$2,500 for Maine Recycle Week/Androscoggin Valley Council of Governments**
- **\$6,650 to the Maine International Trade Center**
- **\$6,000 to Lewiston/Auburn Economic Growth Council**
- **\$3,375 to Friends of Scarborough Marsh**

Thanks to MaineOpenGov.org, MHPC also highlighted how salary increases at the Maine Turnpike Authority drove spending and wasted tax dollars. Again at the time, MHPC’s data was dismissed by liberal groups and legislators.

MHPC showed that Maine Turnpike Authority payroll costs skyrocketed between 1998 and 2010, going from \$19 million to \$27 million, an increase of 72 percent. To put that in perspective, private sector salaries and benefits grew at just 46 percent during that same time period.

Also just 12 years ago, in 1998, MTA employed only two people who were taking home more than \$80,000 in total compensation. Since then, your toll dollars have been used to fund an explosion in highly paid employees. Today, there are 75 employees at MTA who rake in \$80,000 or more.

Finally, and probably most ludicrous, MHPC found that the executives at the Maine Turnpike Authority (you know, the ones spending your toll dollars on limo rides, alcohol, and fancy hotels?) gave themselves huge raises in the past decade. We looked at the top 10 highest paid employees at MTA and took a look at their salaries from 1998. The results are shocking – these execs were receiving raises close to \$10,000 every year in some cases, and a few of them had salary increases of 123%

in just 12 years. What's more, 7 of these MTA big wigs made more than the Commissioner of Transportation.

Of course, now we know the rest of the story.

Turnpike Director Paul Violette was eventually, thanks to MHPC and the Republican administration, the Legislature and the Government Oversight Committee, found guilty of stealing from the Turnpike. Some of the offenses charged to Violette included:

Stealing **\$150,000 in gift cards** to fancy hotels and restaurants, some of which he used himself and some of which were donated to other organizations.

Some of the trips Violette used the gift cards

- \$40,000 trip to Paris in 2004
- \$20,000 trip to Italy in 2005
- Visits to the historic Chateau Frontenac in 2005 and 2006 for Quebec's Winter Carnival
- Meetings of the Winston Churchill Society, costing more than \$25,000 combined

To add insult to thievery, just after Violette resigned from his post for his theft of public dollars, **Violette cashed out a preposterous \$316,000 in unpaid sick time and vacation time.**

Currently, Violette is serving his three-and-a-half year prison sentence.



Sources:
MaineOpenGov.org
MaineFreedomForum.com
2009 Maine Piglet Book
BangorDailyNews.com

Stimulus Spending in Maine

By now you know how big a debacle the “stimulus” of 2009 was. The waste, fraud and abuse of the nearly one trillion dollar government boondoggle has made news all around the country.

But what about closer to home here in Maine? How much “stimulus” money did we get, what did we spend it on?

According to Recovery.gov, to date Maine has been given 2,280 “awards” totaling a staggering \$1.5 billion as part of the stimulus act.

\$1.5 billion is a lot of money. So where did it all go?

The top 10 recipients of stimulus dollars include some familiar names:

TOP STIMULUS RECIPIENTS	AMOUNT
TRANSPORTATION, MAINE DEPARTMENT OF	\$169,231,875
RECORD HILL WIND LLC	\$101,500,000
CENTRAL MAINE POWER COMPANY INC	\$95,908,307
CIANBRO CORPORATION	\$60,243,340
UNIVERSITY OF MAINE SYSTEM	\$51,884,712
MAINE, STATE OF	\$39,729,911
EFFICIENCY MAINE TRUST	\$34,310,335
PORTLAND MAINE, CITY OF	\$28,961,283
MAINE FIBER COMPANY, INC	\$24,606,978
NORTHERN NEW ENGLAND PASSENGER RAIL AUTHORITY	\$21,905,394

Notable among that list is Record Hill Wind, the windmill company that, until he began his race for the U.S. Senate earlier this year, was owned by Maine's own former Governor Angus King. King has come under fire for using his political connections to receive the \$100 million loan and other grants for his wind farm project.

Efficiency Maine, which received more than \$34 million in the stimulus bill, is a quasi-government agency, similar to the Maine Housing and Maine Turnpike Authorities, that has been embroiled in controversy in recent days. Efficiency Maine has been involved with MaineHousing in their “carbon trading” efforts, among other progressive environmental projects.

BREAKDOWN OF STIMULUS FUNDING

The taxpayer money shelled out by the federal government thanks to the stimulus act was tracked by various categories. Below are the top three categories, and the some of the top amounts in each category:

“Infrastructure” – Total Funds Awarded:
\$325.4 million

Major Awards: Environmental Protection Agency-State and Tribal Assistance Grants: **\$58,227,070**

Department of the Interior-Indian Affairs (Assistant Secretary)-Construction: **\$7,900,815**

“Education” – Total Funds Awarded:
\$313.7 million

Major Awards: Department of Education-Office of Elementary and Secondary Education-State Fiscal Stabilization Fund: **\$193,834,529**

National Endowment for the Arts-National Endowment for the Arts: Grants and Administration: **\$493,100**

“Energy–Environment” –Total Funds Awarded:
\$265.6 million

Major Awards: Department of Energy-Energy Efficiency and Renewable Energy: **\$137,572,073**



**MAINE HAS BEEN
GIVEN 2,280
STIMULUS “AWARDS”
TOTALING
\$1.5 BILLION**

Department of Energy-Deputy Administration for Defense Programs-Defense Environmental Clean-up: **\$5,552,792**

TOP 10 MAINE “STIMULUS” CITIES

Some towns and cities benefited more than others. Augusta, despite being much smaller than other Maine cities, received the most stimulus funds by far, because so much of the money went to government entities that call the capital city home.

One other much smaller town, Roxbury, is featured on the list because of the \$100 million “loan” given to them in the stimulus to build a wind farm. This is Angus King’s former project. The top 10 recipients, by town:

CITY	TOTAL FUNDS AWARDED	TOTAL FUNDS RECEIVED	NUMBER OF JOBS
Augusta	\$302,182,432	\$230,483,560	358.3
Portland	\$140,210,691	\$108,639,356	246.8
Bangor	\$105,806,494	\$63,720,609	77.5
Roxbury	\$101,500,000	\$101,500,000	0
Pittsfield	\$59,378,329	\$2,169,534	0
Bowdoinham	\$33,490,945	\$33,329,548	0
Orono	\$28,203,377	\$26,284,637	18.9
Lewiston	\$20,863,375	\$18,132,719	6.3
Old Town	\$20,637,750	\$14,654,760	5.7
Rockland	\$19,999,329	\$19,936,357	1.0

Where the Money Goes

Each year, the state of Maine sends hundreds of millions of dollars to out-of-state vendors for various products or services. The chart below shows how much Maine elected to send to each state in 2009, 2010 and 2011 combined.



State	Amount	State	Amount
Alabama	\$7,288,521	Nebraska	\$584,509
Alaska	\$1,224,897	Nevada	\$392,887
Arizona	\$25,854,106	New Hampshire	\$131,994,021
Arkansas	\$2,141,700	New Jersey	\$18,520,317
California	\$52,145,130	New Mexico	\$11,613
Colorado	\$2,035,520	New York	\$30,656,191
Connecticut	\$142,562,318	North Carolina	\$19,121,726
Delaware	\$16,225	North Dakota	\$65,805
Florida	\$6,045,580	Ohio	\$6,873,171
Georgia	\$41,342,289	Oklahoma	\$364,107
Hawaii	\$132	Oregon	\$3,179,235
Idaho	\$1,246,822	Pennsylvania	\$67,491,971
Illinois	\$79,940,448	Rhode Island	\$2,388,151
Indiana	\$569,735	South Carolina	\$1,057,046
Iowa	\$796,157	South Dakota	\$1,116
Kansas	\$261,543	Tennessee	\$14,034,548
Kentucky	\$5,848,440	Texas	\$33,070,101
Louisiana	\$958,406	Utah	\$4,017,426
Maine	\$1,343,697,110	Vermont	\$5,128,488
Maryland	\$23,285,471	Virginia	\$3,158,052
Massachusetts	\$118,343,829	Washington	\$1,880,902
Michigan	\$2,276,779	West Virginia	\$1,035,158
Minnesota	\$3,677,078	Wisconsin	\$4,929,137
Mississippi	\$49,983	Wyoming	\$33,060
Missouri	\$42,250,151	Washington DC	\$4,913,431
Montana	\$41,548	State N/A	\$44,232,941

Total **\$2,303,035,028**

Maine Arts Commission

“The Creative Economy is a catalyst for the creation of new jobs in Maine communities. People who create jobs want to live in places that have a diverse cultural mix and an innovative and educated workforce. Maine will be competitive economically if we continue to capitalize on the synergies between entrepreneurship, education, the arts and quality of life.”

- Governor John Elias Baldacci

The Maine Arts Commission states that its mission is to “encourage and stimulate public interest and participation in the cultural heritage and cultural programs of our state; shall expand the state’s cultural resources; and shall encourage and assist freedom of artistic expression for the well being of the arts, to meet the needs and aspirations of persons in all parts of the state.”² Each year the state “meets the needs and aspirations” of people throughout the state with grants that range from \$100 to \$25,000.

There are several categories covering a large range of interesting “art” that are available to apply for a grant.

Below, are some featured grants awarded this year by the Maine Arts Commission. Are these projects a good use of your tax dollars? You decide:

Maine Arts Commission Fellow – Cecily Pingree

GRANT: \$13,000

Each year, the Arts Commission awards several “fellowships”, and \$13,000 each, to folks to “reward artistic excellence, advance the careers of Maine artists and promote public awareness regarding the eminence of the creative sector in Maine. The awards are made on the sole basis of artistic excellence.”



For one of this year’s recipients however, it’s possible that more than just “artistic excellence” came into play. Cecily Pingree, the daughter of Congresswoman Chellie Pingree and sister of former Maine Speaker of the House Hannah Pingree, is one of this years “fellows” – raking in \$13,000 from the Maine Arts Commission.

Penobscot Theatre Company

GRANT: \$17,000

This grant will support the production of the Pulitzer Prize-winning play “Wit” and work with a host of community partners for public programming and outreach around the play’s subject matter and themes.

Portland Museum of Art

GRANT: \$17,000

This grant will support *Weatherbeaten: Winslow Homer and Maine*, the first major investigation of Winslow Homer's world at his Prouts Neck studio.

SPACE Gallery

GRANT: \$13,000

This grant will support *The People to Come*, a participatory, site-adaptable performance installation by Puerto Rican born and Brooklyn based director/choreographer Yanira Castro.

RSU 20

GRANT: \$10,000

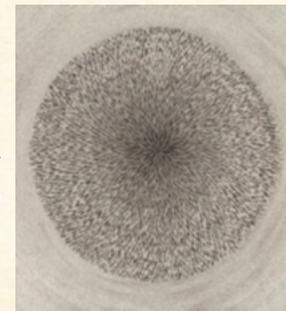
This grant will support *Ukuleles in the Classroom*, a project that involves teaching students in four elementary schools in RSU 20 to learn to play the ukulele.

Haystack Mountain School of Crafts

GRANT: \$5,000

This grant supports Haystack's 2012 summer exhibitions celebrating two distinctly different mediums and traditions: *Amy Stacey Curtis: Drawings about Time and Ragged Beauty* will provide exposure for Maine artist Amy Stacey Curtis'

work to a national and international audience of Haystack attendees, as well as island residents and visitors to the area. The second exhibit, *Ragged Beauty* curated by Yoshiko Iwamoto Wada (one of the foremost experts in shibori techniques), provides a rare opportunity to see a world-class collection of Japanese textiles in Maine.



Greta Bank

GRANT: \$2,000

This grant will support *Godzilla Attacks*, an installation including a short film compiled from digital stop motion "suitmation" and super 8 film.

Bates Dance Festival

GRANT: \$2,000

This grant will support the presentation of Marc Bamuthi Joseph in *red, black & GREEN: a blues*. This evening-length, multidisciplinary work was presented as part of the artist's weeklong residency in Lewiston. The multimedia presentation is designed to jumpstart a



conversation about environmental justice, social ecology and collective responsibility in the climate change era. Innovative Production grant funding helped support the lighting, sound and video equipment rentals required to fully realize the highly complex and technically sophisticated work.

Lauren Gillette

GRANT: \$1,500

This grant will support *Who Knew?* a historical poster series that delves into the subjects of race, religion, women and nationality.

Meghan Vigeant

GRANT: \$1,500

This grant will support *Untouchable Love*, a radio documentary about an inter-caste couple in Nepal.

Source: mainearts.maine.gov/rotation_grants_innovative.aspx | mainearts.maine.gov/maine-creativeeconomy/conference/index.shtml. | mainearts.maine.gov/about/index.shtml.



The End

FOR MORE INFORMATION ON STATE SPENDING VISIT WWW.MAINEOPENGOV.ORG

MAINE PIGLET BOOK

THE BOOK AUGUSTA DOESN'T WANT YOU TO READ

We the people of Maine...

THE MAINE HERITAGE POLICY CENTER

Liberty in Economics