

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2007 - Funding Summary

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
Veterans' Home			
Salaries and wages	\$16,781,030	\$15,874,867	(\$906,163)
Operating expenses	5,458,850	5,408,850	(50,000)
Capital assets	1,622,040	1,622,040	
Shop addition		788,200	788,200
Accrued leave payments		458,196	458,196
Total all funds	\$23,861,920	\$24,152,153	\$290,233
Less estimated income	15,773,626	16,429,800	656,174
General fund	\$8,088,294	\$7,722,353	(\$365,941)
FTE	120.72	120.72	0.00
Department of Veterans' Affairs			
Veterans' affairs	\$1,343,167	\$1,325,580	(\$17,587)
Accrued leave payments		10,123	10,123
Transport Vans		30,000	30,000
Total all funds	\$1,343,167	\$1,365,703	\$22,536
Less estimated income	0	0	0
General fund	\$1,343,167	\$1,365,703	\$22,536
FTE	8.00	8.00	0.00
Bill Total			
Total all funds	\$25,205,087	\$25,517,856	\$312,769
Less estimated income	15,773,626	16,429,800	656,174
General fund	\$9,431,461	\$9,088,056	(\$343,405)
FTE	128.72	128.72	0.00

Senate Bill No. 2007 - Veterans' Home - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages	\$16,781,030	\$7,487	\$16,788,517
Operating expenses	5,458,850		5,458,850
Capital assets	1,622,040		1,622,040
Shop addition		788,200	788,200
Total all funds	\$23,861,920	\$795,687	\$24,657,607
Less estimated income	15,773,626	788,200	16,561,826
General fund	\$8,088,294	\$7,487	\$8,095,781
FTE	120.72	0.00	120.72

Department 313 - Veterans' Home - Detail of Senate Changes

	Adds Funding for a Shop Addition¹	Corrects Executive Compensation Package²	Total Senate Changes
Salaries and wages		7,487	7,487
Operating expenses			
Capital assets			
Shop addition	788,200		788,200
Total all funds	\$788,200	\$7,487	\$795,687
Less estimated income	788,200	0	788,200
General fund	\$0	\$7,487	\$7,487
FTE	0.00	0.00	0.00

¹ This amendment provides funding from the Melvin Norgard memorial fund for a shop addition to the veterans' home facility.

² Funding is added due to a calculation error in the executive compensation package.

A section is added to allow the Veterans' Home to continue into the 2013-15 biennium funds appropriated for the construction of the veterans' home facility in 2009 and continued into the 2011-13 biennium. The Veterans' Home anticipates up to \$600,000 of the construction costs may be unpaid as of June 30, 2013.

A section is added to provide that construction of the shop addition may not begin until the balance in the Melvin Norgard memorial fund is sufficient to provide for all of the costs of the project and requires the Veterans' Home to receive Budget Section approval prior to beginning construction. The section also appropriates any additional funds that become available in the memorial fund, subject to Budget Section approval, for costs related to furnishing and equipping the shop or for other projects benefitting veterans.

Senate Bill No. 2007 - Veterans' Home - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$16,781,030	\$16,788,517	(\$1,832,060)	\$14,956,457
Operating expenses	5,458,850	5,458,850	(100,000)	5,358,850
Capital assets	1,622,040	1,622,040		1,622,040
Shop addition		788,200		788,200
Accrued leave payments			458,196	458,196
Total all funds	\$23,861,920	\$24,657,607	(\$1,473,864)	\$23,183,743
Less estimated income	15,773,626	16,561,826	(735,615)	15,826,211
General fund	\$8,088,294	\$8,095,781	(\$738,249)	\$7,357,532
FTE	120.72	120.72	(4.00)	116.72

Department 313 - Veterans' Home - Detail of House Changes

	Adjusts State Employee Compensation and Benefits Package¹	Provides Separate Line Item for Accrued Leave Payments²	Removes 4 FTE Positions³	Decreases Funding for Operating Expenses⁴	Removes Funding for Hay Group Plan⁵	Total House Changes
Salaries and wages	(638,249)	(458,196)	(303,589)		(432,026)	(1,832,060)
Operating expenses				(100,000)		(100,000)
Capital assets						
Shop addition						
Accrued leave payments		458,196				458,196
Total all funds	(\$638,249)	\$0	(\$303,589)	(\$100,000)	(\$432,026)	(\$1,473,864)
Less estimated income	0	0	(303,589)	0	(432,026)	(735,615)
General fund	(\$638,249)	\$0	\$0	(\$100,000)	\$0	(\$738,249)
FTE	0.00	0.00	(4.00)	0.00	0.00	(4.00)

¹ This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

² A portion of salaries and wages funding from the general fund (\$177,368) and from other funds (\$280,828) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

³ This amendment removes 4 FTE resident living specialist positions and related funding.

⁴ Operating expenses are decreased by \$100,000.

⁵ Funding provided in the executive recommendation and approved by the Senate for pay grade changes resulting from the implementation of the Hay Group plan is removed.

A section is added to the bill to allow the Veterans' Home to transfer \$170,000 from the operating expenses line item to the salaries and wages line item during the 2011-13 biennium to provide for a shift from contract nursing services to temporary nursing positions. A section is also added to provide the transfer is an emergency measure.

The section related to the shop addition project is amended to remove the requirement that the Veterans' Home seek Budget Section approval prior to beginning the project if funds are sufficient to provide for all costs of the project. The appropriation of additional income in the Melvin Norgard memorial fund for costs related to furnishing and equipping the shop or for other projects is removed.

Senate Bill No. 2007 - Veterans' Home - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$16,781,030	\$16,788,517	(\$913,650)	\$15,874,867	\$14,956,457	\$918,410
Operating expenses	5,458,850	5,458,850	(50,000)	5,408,850	5,358,850	50,000
Capital assets	1,622,040	1,622,040		1,622,040	1,622,040	
Shop addition		788,200		788,200	788,200	
Accrued leave payments			458,196	458,196	458,196	
Total all funds	\$23,861,920	\$24,657,607	(\$505,454)	\$24,152,153	\$23,183,743	\$968,410
Less estimated income	15,773,626	16,561,826	(132,026)	16,429,800	15,826,211	603,589
General fund	\$8,088,294	\$8,095,781	(\$373,428)	\$7,722,353	\$7,357,532	\$364,821
FTE	120.72	120.72	0.00	120.72	116.72	4.00

Department 313 - Veterans' Home - Detail of Conference Committee Changes

	Adjusts State Employee Compensation and Benefits Package¹	Provides Separate Line Item for Accrued Leave Payments²	Decreases Funding for Operating Expenses³	Removes Funding for Hay Group Plan⁴	Total Conference Committee Changes
Salaries and wages	(323,428)	(458,196)		(132,026)	(913,650)
Operating expenses			(50,000)		(50,000)
Capital assets					
Shop addition					
Accrued leave payments		458,196			458,196
Total all funds	(\$323,428)	\$0	(\$50,000)	(\$132,026)	(\$505,454)
Less estimated income	0	0	0	(132,026)	(132,026)
General fund	(\$323,428)	\$0	(\$50,000)	\$0	(\$373,428)
FTE	0.00	0.00	0.00	0.00	0.00

¹ This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

² A portion of salaries and wages funding from the general fund (\$177,368) and from other funds (\$280,828) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

³ Operating expenses are decreased by \$50,000. The House reduced operating expenses \$100,000, but the Senate did not change the executive recommendation for operating expenses.

⁴ Funding provided in the executive recommendation and approved by the Senate of \$432,026 for pay grade changes resulting from the implementation of the Hay Group plan is reduced to provide \$300,000 for pay grade changes. The House removed this funding.

The Conference Committee restored the 4 FTE resident living specialist positions and related funding removed by the House.

A section is added to the bill to allow the Veterans' Home to transfer \$170,000 from the operating expenses line item to the salaries and wages line item during the 2011-13 biennium to provide for a shift from contract nursing services to temporary nursing positions, the same as the House version. A section is also added to provide the transfer is an emergency measure.

A section is added to the bill to allow the Veterans' Home to continue into the 2013-15 biennium funds appropriated for an electronic health record system in 2009 and continued into the 2011-13 biennium. The Veterans' Home anticipates continuing the total amount provided of \$98,400 for the electronic health record system into the 2013-15 biennium. This provision was not included in the House or Senate version.

The section related to the shop addition project added by the Senate is amended to remove the requirement that the Veterans' Home seek Budget Section approval prior to beginning the project if funds are sufficient to provide for all costs of the project and to remove the appropriation of additional income in the Melvin Norgard memorial fund for costs related to furnishing and equipping the shop or for other projects, the same as the House.

A section is added to the bill to provide legislative intent that the Office of Management and Budget present separate budget bills for the Department of Veterans' Affairs and the Veterans' Home for the 2015 legislative session rather than a combined funding bill, the same as the House version.

Senate Bill No. 2007 - Department of Veterans' Affairs - Senate Action

	Executive Budget	Senate Changes	Senate Version
Veterans' affairs	\$1,343,167	\$4,506	\$1,347,673
Total all funds	<u>\$1,343,167</u>	<u>\$4,506</u>	<u>\$1,347,673</u>
Less estimated income	0	0	0
General fund	<u>\$1,343,167</u>	<u>\$4,506</u>	<u>\$1,347,673</u>
FTE	8.00	0.00	8.00

Department 321 - Department of Veterans' Affairs - Detail of Senate Changes

	Corrects Executive Compensation Package¹	Total Senate Changes
Veterans' affairs	<u>4,506</u>	4,506
Total all funds	\$4,506	\$4,506
Less estimated income	0	0
General fund	<u>\$4,506</u>	<u>\$4,506</u>
FTE	0.00	0.00

¹ Funding is added due to a calculation error in the executive compensation package.

Senate Bill No. 2007 - Department of Veterans' Affairs - House Action

	Executive Budget	Senate Version	House Changes	House Version
Veterans' affairs	\$1,343,167	\$1,347,673	(\$40,904)	\$1,306,769
Accrued leave payments			10,123	10,123
Total all funds	<u>\$1,343,167</u>	<u>\$1,347,673</u>	<u>(\$30,781)</u>	<u>\$1,316,892</u>
Less estimated income	0	0	0	0
General fund	<u>\$1,343,167</u>	<u>\$1,347,673</u>	<u>(\$30,781)</u>	<u>\$1,316,892</u>
FTE	8.00	8.00	0.00	8.00

Department 321 - Department of Veterans' Affairs - Detail of House Changes

	Adjusts State Employee Compensation and Benefits Package¹	Provides Separate Line Item for Accrued Leave Payments²	Adds Funding for Stand Down Events³	Total House Changes
Veterans' affairs	(40,781)	(10,123)	10,000	(40,904)
Accrued leave payments		10,123		10,123
Transport Vans				
Total all funds	(\$40,781)	\$0	\$10,000	(\$30,781)
Less estimated income	0	0	0	0
General fund	(\$40,781)	\$0	\$10,000	(\$30,781)
FTE	0.00	0.00	0.00	0.00

¹ This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

² A portion of salaries and wages funding from the general fund for permanent employees compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

³ Funding is added for two stand down events. This funding was not included in the executive recommendation.

A section is added to the bill to provide legislative intent that the Office of Management and Budget present separate budget bills for the Department of Veterans' Affairs and the Veterans' Home for the 2015 legislative session rather than a combined funding bill.

Senate Bill No. 2007 - Department of Veterans' Affairs - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Veterans' affairs	\$1,343,167	\$1,347,673	(\$22,093)	\$1,325,580	\$1,306,769	\$18,811
Accrued leave payments			10,123	10,123	10,123	
Transport Vans			30,000	30,000		30,000
Total all funds	\$1,343,167	\$1,347,673	\$18,030	\$1,365,703	\$1,316,892	\$48,811
Less estimated income	0	0	0	0	0	0
General fund	\$1,343,167	\$1,347,673	\$18,030	\$1,365,703	\$1,316,892	\$48,811
FTE	8.00	8.00	0.00	8.00	8.00	0.00

Department 321 - Department of Veterans' Affairs - Detail of Conference Committee Changes

	Adjusts State Employee Compensation and Benefits Package¹	Provides Separate Line Item for Accrued Leave Payments²	Adds Funding for Stand Down Events³	Adds One-time Funding to Purchase Vans⁴	Total Conference Committee Changes
Veterans' affairs	(21,970)	(10,123)	10,000		(22,093)
Accrued leave payments		10,123			10,123
Transport Vans				30,000	30,000
Total all funds	(\$21,970)	\$0	\$10,000	\$30,000	\$18,030
Less estimated income	0	0	0	0	0
General fund	(\$21,970)	\$0	\$10,000	\$30,000	\$18,030
FTE	0.00	0.00	0.00	0.00	0.00

¹ This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

² A portion of salaries and wages funding from the general fund for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

³ Funding is added for two stand down events, the same as the House version. This funding was not included in the executive recommendation nor the Senate version.

⁴ One-time funding is added to purchase two vans to transport veterans. This funding was not included in the executive recommendation nor in the House or Senate versions of the bill.

A section is added to the bill to provide legislative intent that the Office of Management and Budget present separate budget bills for the Department of Veterans' Affairs and the Veterans' Home for the 2015 legislative session rather than a combined funding bill, the same as the House version.

A section is added to provide legislative intent that the Department of Veterans' Affairs prepare and provide a transport van replacement plan to the 64th Legislative Assembly and introduce legislation seeking state funding for the replacement of transport vans based on the plan.