

**Veterans' Home
Budget No. 313
Senate Bill No. 2007**

	FTE Positions	General Fund	Other Funds	Total
2013-15 executive budget (bills as introduced)	120.72	\$8,088,294	\$15,773,626	\$23,861,920
2013-15 legislative appropriations	120.72	7,722,353	16,429,800	24,152,153
Legislative increase (decrease) to executive budget	0.00	(\$365,941)	\$656,174	\$290,233
Legislative increase (decrease) to 2011-13 appropriations	0.00	\$2,169,030	\$1,086,477	\$3,255,507

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 legislative appropriations	\$5,553,323	\$0	\$5,553,323
2013-15 legislative appropriations	7,161,853	560,500	7,722,353
2013-15 legislative increase (decrease) to 2011-13 appropriations	\$1,608,530	\$560,500	\$2,169,030
Percentage increase (decrease) to 2011-13 appropriations	29.0%	N/A	39.1%
2013-15 legislative increase (decrease) to executive budget	(\$365,941)	\$0	(\$365,941)
Percentage increase (decrease) to executive budget	(4.9%)	0.0%	(4.5%)

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the Veterans' Home is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1015. Consistent with the guidelines, 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 accrued annual leave and sick leave for eligible employees.

	Major Items FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Adjusted funding for state employee salaries and benefits consistent with the legislative compensation package guidelines included in House Bill No. 1015.		(\$315,941)		(\$315,941)
Added funding from the Melvin Norgard memorial fund for a shop addition to the Veterans' Home facility.			\$788,200	788,200
Decreased funding for operating expenses.		(50,000)		(50,000)

Reduced funding for pay grade changes resulting from the implementation of the Hay Group plan to provide \$300,000 from special funds operating revenue for pay grade changes.			(132,026)	(132,026)
Total	<u>0.00</u>	<u>(\$365,941)</u>	<u>\$656,174</u>	<u>\$290,233</u>

FTE Changes

The Legislative Assembly did not change the executive recommendation which included funding for 120.72 FTE positions, the same as the 2011-13 biennium.

One-Time Funding

In Section 2 of Senate Bill No. 2007, the Legislative Assembly identified \$1,121,000 of one-time funding for the demolition of the old Veterans' Home, of which \$560,500 is from the general fund. In addition, the Legislative Assembly provided \$788,200 of one-time funding from the Melvin Norgard memorial fund for a shop addition to the Veterans' Home facility. These amounts are not to be considered part of the agency's base budget for preparing the 2015-17 executive budget, and the Veterans' Home is to report to the Appropriations Committees during the 2015 legislative session on the use of this funding.

Other Sections in Bill

Electronic health record system - Section 3 allows 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.

Veterans' Home construction project funding exemption - Section 4 allows 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.

Salaries and wages line item transfer - Section 5 allows 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. Section 9 provides the transfer is an emergency measure.

Shop addition project - The Legislative Assembly provided \$788,200 from the Melvin Norgard memorial fund for a shop addition to the Veterans' Home facility. Section 6 provides 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.

2015-17 appropriation bill - Section 7 provides 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.