

**Veterans Home
Budget 313
House Bill Nos. 1007, 1014; Senate Bill No. 2418**

	FTE Positions	General Fund	Other Funds	Total
2007-09 legislative appropriation	92.37	\$4,189,013 ¹	\$29,914,552	\$34,103,565
2005-07 legislative appropriation	<u>90.97</u>	<u>4,329,092</u>	<u>6,974,833</u>	<u>11,303,925</u>
2007-09 appropriation increase (decrease) to 2005-07 appropriation	1.40	(\$140,079)	\$22,939,719	\$22,799,640

¹This amount includes \$265,700 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$3,923,313.

NOTE: The 2007-09 legislative appropriation amounts include \$63,747 from the general fund for the agency's share of the \$10 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for classified employees.

Item Description

One-time funding - The Legislative Assembly identified one-time funding of \$265,700 from the general fund for life safety improvements at the existing Veterans Home (\$165,700) and preplanning costs for the new Veterans Home (\$100,000). This amount is not to be considered part of the agency's base budget for preparing the 2009-11 executive budget, and the Veterans Home is to report to the Appropriations Committees during the 2009 legislative session on the use of this funding. In addition, Senate Bill No. 2418 includes one-time funding of \$6,483,226 from the permanent oil tax trust fund for the new Veterans Home facility.

New Veterans Home facility - In Senate Bill No. 2418, the Legislative Assembly appropriated \$6,483,226 from the permanent oil tax trust fund (35 percent state share) to the Veterans Home for the purpose of matching federal funds of \$12,040,278 (65 percent federal share) to build a new Veterans Home facility and demolish the existing facility. The appropriation from the permanent oil tax trust fund is to be made available only upon the Veterans Home obtaining approval for a federal state home construction grant from the federal Department of Veterans Affairs. The federal match is limited to the cost of a 121-bed facility, which is less than the current 150-bed capacity authorized for the Veterans Home. The 2007 Legislative Assembly authorized \$2,575,152 from the issuance of revenue bonds for project costs associated with expanding the Veterans Home construction project from the 121-bed capacity to a 150-bed facility. The Veterans Home is to use non-general fund revenue sources for repayment of these bonds.

Status/Result

The Veterans Home has completed life safety improvement projects, including fire dampers, fire doors, and smoke detectors, at a cost of \$130,725. The remaining funding of \$34,975 will not be spent.

The Veterans Home has spent the entire \$100,000 for preplanning costs of a new Veterans Home facility and will be submitting these costs to the federal Department of Veterans Affairs for reimbursement. Pursuant to Section 4 of House Bill No. 1007, the Veterans Home is to reimburse the general fund the \$100,000 prior to June 30, 2009, from federal matching funds available for the project.

See section below regarding the new Veterans Home facility.

The Veterans Home has received federal Department of Veterans Affairs approval for a federal state home construction grant. In March 2008 the Veterans Home received Budget Section approval to increase the project authorization for the new Veterans Home facility from \$21.1 million to \$25.6 million. The Veterans Home also received Emergency Commission and Budget Section approval for \$109,000 from the state contingencies appropriation and to increase the capital assets line item by \$2,128,000 to provide a portion of the funds necessary for the 35 percent match required on the increased facility cost and to obtain the capital assets spending authority necessary to proceed with the project. The Veterans Home anticipates requesting additional capital assets funding for the 2009-11 biennium to provide for the increased cost relating to a 150-bed facility not included in the federal Department of Veterans Affairs grant. The Veterans Home anticipates construction on the new facility will begin June 2008 and will be completed in June 2010.

Emergency Commission request.

The Veterans Home received Emergency Commission approval in March 2008 to increase the salaries and wages line item by \$133,500 of special funds available due to actual Veterans Home collections exceeding estimates and to add 3 FTE positions. The FTE positions will provide for additional certified medication aides and certified nursing assistants necessary to comply with recommendations resulting from a federal Department of Veterans Affairs survey and focus review.