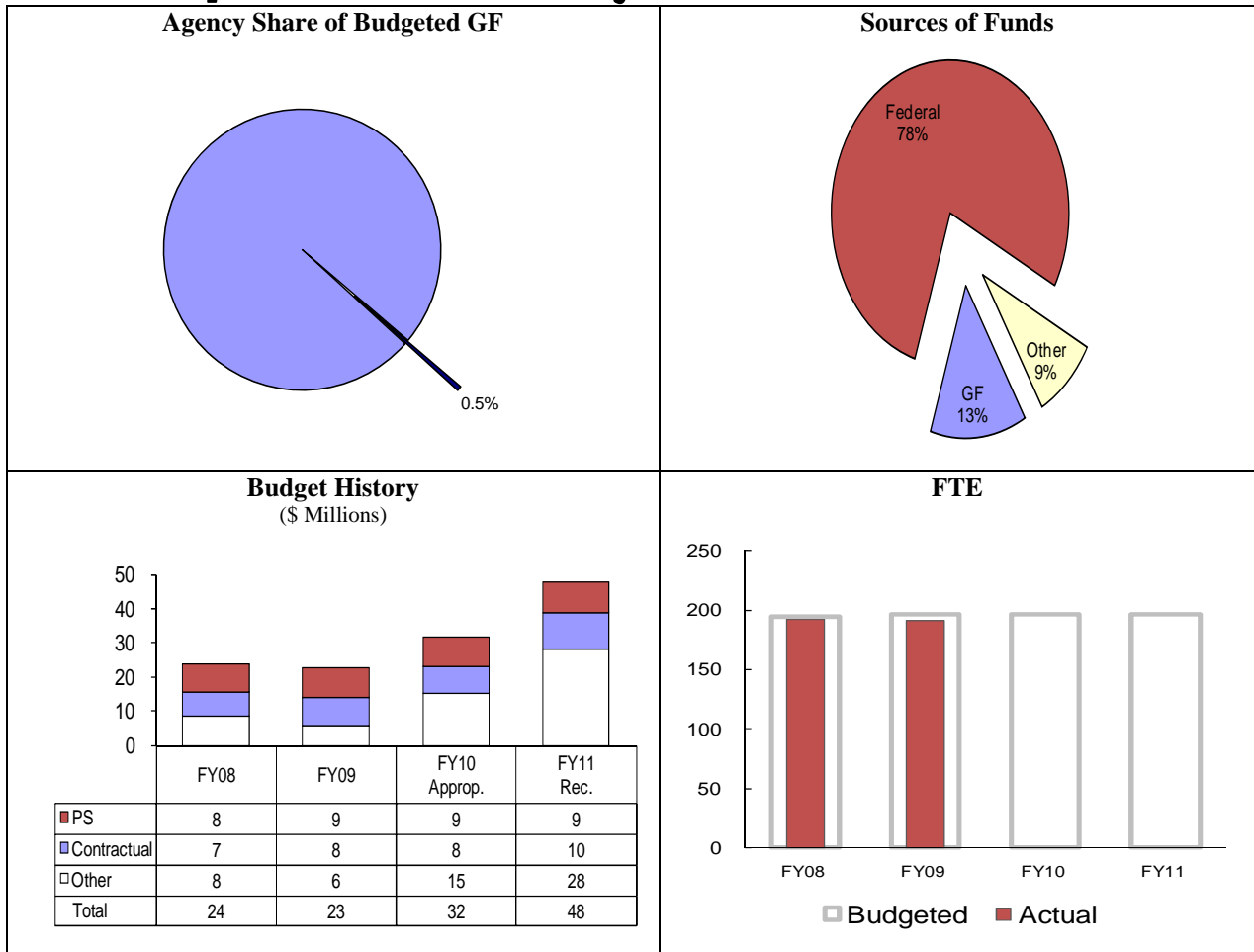


# FY11 Budget Briefing

## Department of Military and Veterans' Affairs



### Key Responsibilities

- To support national objectives by providing highly trained units capable of mobilizing for active federal service in time of war or national emergencies;
- To provide units organized, manned, trained, and equipped to assist civil authorities in the protection of life and property;
- To aid and assist veterans and their dependents in securing local, state, and federal entitlements/services for which they are eligible; and
- To provide a comfortable independent living environment, along with adequate medical support, for eligible veterans and their spouses, widows, or widowers.

### Key Personnel

- Major General Steven Doohen, Adjutant General/Secretary
- Steve Harding, Deputy Secretary
- Bill Regynski, Budget and Finance Director
- Currently vacant, Director of Veterans' Affairs
- Larry Wilcox, Superintendent of State Veterans' Home

## **Department of Military and Veterans' Affairs Total**

The Governor recommends a total appropriation of \$47,724,439 and 196.1 FTEs for the Department of Military and Veterans' Affairs for FY 2011. This dollar amount consists of \$6,270,811 from the general fund, \$37,260,722 in federal funds, and \$4,192,906 in other funds. The Governor's recommendation is a decrease from FY 2010 in general funds of \$43,692 (0.7%), an increase in federal funds of \$16,453,115 (79.1%) and a decrease in other funds of \$552,024 (11.6%). The Governor's recommendation for FTEs is the same as FY 2010.

	<b>Actual</b>	<b>Budgeted</b>	<b>Agency Req.</b>	<b>Gov Rec.</b>	<b>Inc/Dec</b>	<b>% Change</b>
<b>Item</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY11</b>	<b>FY11</b>	<b>From FY10</b>
Personal Services	8,539,810	8,947,589	9,562,230	9,018,169	70,580	0.8%
Travel	219,028	308,260	315,760	308,260	-	0.0%
Contractual Services	8,472,783	7,952,596	10,715,832	10,486,887	2,534,291	31.9%
Supplies & Materials	1,617,098	2,262,275	1,960,714	1,944,708	(317,567)	(14.0%)
Grants And Subsidies	1,301,613	2,071,538	2,083,138	2,071,538	-	0.0%
Capital Outlay	2,491,497	10,324,782	27,544,782	23,894,877	13,570,095	131.4%
Other	8,262	-	-	-	-	0.0%
<b>Total</b>	<b>22,650,091</b>	<b>31,867,040</b>	<b>52,182,456</b>	<b>47,724,439</b>	<b>15,857,399</b>	<b>49.8%</b>
<b>Funding Types</b>						
General	6,419,404	6,314,503	7,193,371	6,270,811	(43,692)	(0.7%)
Federal	12,908,854	20,807,607	40,626,186	37,260,722	16,453,115	79.1%
Other	3,321,833	4,744,930	4,362,899	4,192,906	(552,024)	(11.6%)
<b>Total</b>	<b>22,650,091</b>	<b>31,867,040</b>	<b>52,182,456</b>	<b>47,724,439</b>	<b>15,857,399</b>	<b>49.8%</b>
FTE	190.8	196.1	205.1	196.1	-	0.0%

## **Salary Policy**

The Governor recommends no salary policy for FY 2011.

	<b>General Funds</b>	<b>Federal Funds</b>	<b>Other Funds</b>	<b>Total</b>
0% PACE Movement	-	-	-	-
0% Across-the-Board	-	-	-	-
Health Insurance	26,892	26,943	16,745	70,580
<b>Total</b>	<b>26,892</b>	<b>26,943</b>	<b>16,745</b>	<b>70,580</b>

## **Excess Personal Services History**

Amount appropriated for personal services that exceeded personal services needs.

	<b>General Funds</b>	<b>Federal Funds</b>	<b>Other Funds</b>	<b>All Funds</b>	<b>FTE</b>
FY09	224,668	299,171	35,361	559,200	5.3
FY08	186,479	225,160	54,743	466,382	2.7
FY07	118,069	209,317	17,415	344,801	1.2
FY06	110,080	166,024	64,988	341,091	1.7
FY05	23,540	241,650	9,777	274,967	(0.9)
<b>5 Yr Ave.</b>	<b>132,567</b>	<b>228,264</b>	<b>36,457</b>	<b>397,288</b>	<b>2.0</b>

## Department's FY10 Highest Priorities

The Department did not state their highest priorities for FY 2010 other than the overall mission statement:

- To support national objectives by providing highly trained units capable of mobilizing for active federal service in time of war or national emergencies;
- To provide units organized, manned, trained, and equipped to assist civil authorities in the protection of life and property;
- To aid and assist veterans and their dependents in securing local, state, and federal entitlements/services for which they are eligible; and
- To provide a comfortable independent living environment, along with adequate medical support, for eligible veterans and their spouses, widows, or widowers.

## Major Expansions and Reductions

Program	Governor's Recommendation		
	State General Fund	All Funds	FTE
A. Army Guard			
-Operating Expenses	(20,139)	16,425,833	
B. Air Guard			
-Operating Expenses	(6,600)	(26,400)	
C. Veterans' Benefits and Services			
-Operating Expenses	2,000	2,000	
D. State Veterans' Home			
-Personal Services	-	-	
-Operating Expenses	(45,845)	(614,614)	
Health Insurance	26,892	70,580	
Total	(43,692)	15,857,399	-

A. Army Guard— The Governor recommends a decrease in general fund expenditure authority of \$20,139 and in federal fund expenditure authority of \$114,123 for the cost of electricity and natural gas for the National Guard facilities statewide. This decrease is per the energy cap, which is an energy management and tracking program.

The Governor also recommends a decrease in federal fund expenditure authority of \$439,905 for capital outlay. This is due to the American Recovery and Reinvestment Act monies not being received in FY 2011; therefore, federal expenditure authority is being decreased.

The Governor also recommends an increase in federal fund expenditure authority of \$17,000,000 for design and construction costs for military building projects. During FY 2011 military construction projects that will be in progress are the Joint Force Headquarters Readiness Center, and Barracks/Classroom Building.

B. Air Guard— The Governor recommends a decrease in general fund expenditure authority of \$6,600 and in federal fund expenditure authority of \$19,800 for the utilities budget regarding facility operations and maintenance. This is a result of increased costs in water

of \$7,146, electricity of \$70,572, and a decrease in the cost of natural gas by \$104,118. The inflation in the cost of water is due to the increased cost of water from the City of Sioux Falls. The rates are set by city ordinances and the rate increase for January 2010 has already passed. The increase for January 2009 was 14.5% and the rate increase for January 2010 is 14.0%. The Sioux Falls Utilities manager estimates that the water rate increase will be about the same for January 2011. Some of the additional costs for water are helping to pay for the Lewis and Clark rural water project. Energy conservation continues to be in effect. The change in the costs of electricity and natural gas are based on the energy cap projections for utilities, which is an energy management and tracking program.

- C. Veterans' Benefits and Services— The Governor recommends an increase in general fund expenditure authority of \$2,000 for contractual services. This increase is for new hire county and tribal veteran's service officer training.
- D. State Veterans' Home— The Governor recommends a decrease in general fund expenditure authority of \$45,845 and in other fund expenditure authority of \$318,769 for support services. This is based on a combination of changes, including: a \$173,934 decrease in the cost of electricity and heating fuels per the energy cap projections; a \$250,000 decrease for capital outlay, which is unused authority due to the depletion of cash levels; and an increase of \$59,320 for the food service contract in FY 2011.

The Governor recommends a decrease in other fund expenditure authority of \$250,000 for facility maintenance and repair. This is a reduction of excess expenditure authority, which has gone unused for several years due to the depletion of previous cash reserve levels and lower revenues from estates collected.

## Adjutant General

The Adjutant General's Office administers the department's statutory and administrative responsibilities; coordinates and supervises the functions of planning, fiscal duties, budgeting, legislation, and personnel matters for the department; and ascertains the most efficient use of department personnel and resources.

The Governor recommends a total appropriation of \$819,884 and 6.3 FTEs for the Adjutant General's Office for FY 2011. This dollar amount consists of \$782,416 from the general fund, \$11,300 in federal fund authority, and \$26,168 in other fund authority. The Governor's recommendation is an increase from FY 2010 in general funds of \$2,270 (0.3%) and in other funds of \$65 (0.2%).

	<b>Actual</b>	<b>Budgeted</b>	<b>Agency Req.</b>	<b>Gov Rec.</b>	<b>Inc/Dec</b>	<b>% Change</b>
<b>Item</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY11</b>	<b>FY11</b>	<b>From FY10</b>
Personal Services	306,717	442,963	442,963	445,298	2,335	0.5%
Travel	44,531	43,688	43,688	43,688	-	0.0%
Contractual Services	71,894	84,156	84,156	84,156	-	0.0%
Supplies & Materials	3,161	11,983	11,983	11,983	-	0.0%
Grants And Subsidies	203,897	220,128	220,128	220,128	-	0.0%
Capital Outlay	31,539	14,631	14,631	14,631	-	0.0%
Other	-	-	-	-	-	0.0%
<b>Total</b>	<b>661,739</b>	<b>817,549</b>	<b>817,549</b>	<b>819,884</b>	<b>2,335</b>	<b>0.3%</b>
<b>Funding Types</b>						
General	656,288	780,146	780,146	782,416	2,270	0.3%
Federal	-	11,300	11,300	11,300	-	0.0%
Other	5,451	26,103	26,103	26,168	65	0.2%
<b>Total</b>	<b>661,739</b>	<b>817,549</b>	<b>817,549</b>	<b>819,884</b>	<b>2,335</b>	<b>0.3%</b>
FTE	3.6	6.3	6.3	6.3	-	0.0%

### Budget Notes

- The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$2,270 in general fund expenditure authority and \$65 in other fund expenditure authority.

<b><u>SELECTED STATISTICAL DATA</u></b>				
	<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>
National Guard 50% Tuition Reduction Program:				
Technical School Students	121	126	125	125

## Army Guard

The Army Guard administers the state functions and duties of the Army National Guard. The Army Guard's mission is to provide ready units and personnel to the State of South Dakota and the United State of America; to support United States military objectives through its participation in the Total Force Protection Plan; to support the Governor by providing trained units and equipment capable of protecting life and property, as well as the preservation of peace, order, and public safety; and to be an active participant in domestic concerns through local, regional, and nationwide initiatives and programs.

The Governor recommends a total appropriation of \$33,675,115 and 48.1 FTEs for the Army Guard for FY 2011. This dollar amount consists of \$1,727,432 from the general fund and \$31,947,683 in federal fund authority. The Governor's recommendation is a decrease from FY 2010 in general funds of \$12,142 (0.7%) and an increase in federal funds of \$16,456,169 (106.2%).

Item	Actual	Budgeted	Agency Req.	Gov Rec.	Inc/Dec	% Change
	FY09	FY10	FY11	FY11	FY11	From FY10
Personal Services	1,901,955	1,970,637	2,226,613	1,988,831	18,194	0.9%
Travel	15,963	40,993	40,993	40,993	-	0.0%
Contractual Services	5,444,866	4,593,101	7,363,272	7,163,272	2,570,171	56.0%
Supplies & Materials	749,805	896,345	791,912	791,912	(104,433)	(11.7%)
Grants And Subsidies	-	-	-	-	-	0.0%
Capital Outlay	2,420,931	9,730,012	27,310,012	23,690,107	13,960,095	143.5%
Other	8,262	-	-	-	-	0.0%
<b>Total</b>	<b>10,541,782</b>	<b>17,231,088</b>	<b>37,732,802</b>	<b>33,675,115</b>	<b>16,444,027</b>	<b>95.4%</b>
<b>Funding Types</b>						
General	1,976,723	1,739,574	2,417,909	1,727,432	(12,142)	(0.7%)
Federal	8,565,059	15,491,514	35,314,893	31,947,683	16,456,169	106.2%
Other	-	-	-	-	-	0.0%
<b>Total</b>	<b>10,541,782</b>	<b>17,231,088</b>	<b>37,732,802</b>	<b>33,675,115</b>	<b>16,444,027</b>	<b>95.4%</b>
FTE	46.9	48.1	53.1	48.1	-	0.0%

### Budget Notes

- The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$7,997 in general fund expenditure authority and \$10,197 in federal fund expenditure authority.
- The Governor recommends a decrease in general fund expenditure authority of \$20,139 and in federal fund expenditure authority of \$114,123 for the cost of electricity and natural gas for the National Guard facilities statewide. This decrease is per the energy cap, which is an energy management and tracking program.
- The Governor also recommends a decrease in federal fund expenditure authority of \$439,905 for capital outlay. This is due to the American Recovery and Reinvestment Act monies not being received in FY 2011; therefore, federal expenditure authority is being decreased.
- The Governor also recommends an increase in federal fund expenditure authority of \$17,000,000 for design and construction costs for military building projects. During FY 2011 military construction projects that will be in progress are the Joint Force Headquarters Readiness Center, and Barracks/Classroom Building 802.

<b>REVENUES</b>				
	<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>
Federal Revenues	7,982,179	8,513,878	8,000,000	8,000,000
Military Construction Funding	1,300,000	1,724,221	17,000,000	32,000,000
Armory Rentals	33,442	32,352	38,000	42,000
Billboard Rental Income (City of Sturgis)	1,850	1,850	1,850	1,850
<b>Total</b>	<b>9,317,471</b>	<b>10,272,301</b>	<b>25,039,850</b>	<b>40,043,850</b>

<b>SELECTED STATISTICAL DATA</b>				
	<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>
Assigned Strength of the Army Guard	3,368	3,391	3,350	3,350
Percentage of Mission Strength	99%	107%	100%	100%
Days in Support of State Missions	320	58	80	80
Units Deployed Overseas	3	1	3	4
Technician, Drill, and Annual Training Pay	\$43,000,000	\$21,843,000	\$23,500,000	\$24,500,000
Military Construction Projects (expenditures)	\$1,300,000	\$2,022,744	\$17,000,000	\$34,000,000
State-Owned Armories	11	11	11	11
Federally-Owned Armories	2	2	2	2
Joint Use Armories	19	17	15	15
Maintenance and Support Facilities	75	75	75	75
Full-Time Guardsmen	570	636	650	670

## **Air Guard**

This is the Department's program for administering the state duties and responsibility of the South Dakota Air National Guard. The mission of the Air Guard is to defend the United States through the control and exploitation of air and space; to train, mobilize, and deploy anywhere in the world in a matter of hours; to fly fighter sorties in support of the theater commander's objectives; to respond to the call of the Governor during times of natural disaster or civil disturbance; to protect life and property and preserve peace, order, and public safety; and to add value to America by our presence in the community.

The Governor recommends a total appropriation of \$4,914,714 and 41.0 FTEs for the Air Guard for FY 2011. This dollar amount consists of \$375,240 from the general fund and \$4,539,474 in federal fund authority. The Governor's recommendation is a decrease from FY 2010 in general funds of \$5,051 (1.3%) and in federal funds of \$4,299 (0.1%).

<b>Item</b>	<b>Actual FY09</b>	<b>Budgeted FY10</b>	<b>Agency Req. FY11</b>	<b>Gov Rec. FY11</b>	<b>Inc/Dec FY11</b>	<b>% Change From FY10</b>
Personal Services	1,900,012	2,054,252	2,054,252	2,071,302	17,050	0.8%
Travel	16,315	52,937	52,937	52,937	-	0.0%
Contractual Services	1,545,757	1,636,437	1,630,037	1,610,037	(26,400)	(1.6%)
Supplies & Materials	86,708	80,438	80,438	80,438	-	0.0%
Grants And Subsidies	941,776	1,100,000	1,111,600	1,100,000	-	0.0%
Capital Outlay	6,893	-	-	-	-	0.0%
Other	-	-	-	-	-	0.0%
<b>Total</b>	<b>4,497,461</b>	<b>4,924,064</b>	<b>4,929,264</b>	<b>4,914,714</b>	<b>(9,350)</b>	<b>(0.2%)</b>
<b>Funding Types</b>						
General	347,398	380,291	390,291	375,240	(5,051)	(1.3%)
Federal	4,150,063	4,543,773	4,538,973	4,539,474	(4,299)	(0.1%)
Other	-	-	-	-	-	0.0%
<b>Total</b>	<b>4,497,461</b>	<b>4,924,064</b>	<b>4,929,264</b>	<b>4,914,714</b>	<b>(9,350)</b>	<b>(0.2%)</b>
FTE	38.8	41.0	41.0	41.0	-	0.0%

### **Budget Notes**

- The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$1,549 in general fund expenditure authority, and \$15,501 in federal fund expenditure authority.
- The Governor recommends a decrease in general fund expenditure authority of \$6,600 and in federal fund expenditure authority of \$19,800 for the utilities budget regarding facility operations and maintenance. This is a result of increased costs in water of \$7,146, electricity of \$70,572, and a decrease in the cost of natural gas by \$104,118. The inflation in the cost of water is due to the increased cost of water from the City of Sioux Falls. The rates are set by city ordinances and the rate increase for January 2010 has already passed. The increase for January 2009 was 14.5% and the rate increase for January 2010 is 14.0%. The Sioux Falls Utilities manager estimates that the water rate increase will be about the same for January 2011. Some of the additional costs for water are helping to pay for the Lewis and Clark rural water project. Energy conservation continues to be in effect. The change in the costs of electricity and natural gas are based on the energy cap projections for utilities, which is an energy management and tracking program.

<b>REVENUES</b>				
	<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>
Federal Reimbursement Revenues	3,922,619	4,150,062	4,543,773	4,538,973
<b>Total</b>	<b>3,922,619</b>	<b>4,150,062</b>	<b>4,543,773</b>	<b>4,538,973</b>

<b>SELECTED STATISTICAL DATA</b>				
	<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>
Assigned Strength of the Air Guard	1,012	1,108	1,108	1,108
Percentage of Strength Filled	95%	101%	101%	101%
Days in Support of State Missions	1,663	1,780	1,800	1,800
Units Deployed Overseas	17	7	17	5
Full-Time Air Guard Employees	362	370	370	370
Federal Budget	\$89,547,038	\$75,190,000	\$77,445,700	\$79,769,071
Military Construction Projects	1	2	2	1
State-Owned Armories	None	None	None	None
Federally-Owned Facilities	40	40	43	42
New Buildings	2	2	3	0
Aircraft (F-16)	21	20	20	20
Civil Air Patrol Total Membership	316	341	350	350
Civil Air Patrol Aircraft	5	7	7	7
Number of Civil Air Patrol Squadrons	9	10	11	11
Hours in Support of State Missions	370	421	450	460

## Veterans' Benefits and Services

This program counsels and assists all veterans and their dependents in procuring all federal, state, and local benefits or entitlements for which they may be eligible; provides ongoing training and supervision to county and tribal veterans' service officers in order to ensure a high level of competence and delivery of service on their behalf; evaluates and supervises educational programs throughout the state for purposes of veterans' educational benefits; and promotes teamwork throughout the entire veterans' organization to include the federal, state, county, and Veteran Service Organization personnel who are working together with a shared vision.

The Governor recommends a total appropriation of \$1,452,168 and 18.0 FTEs for the Veterans' Benefits and Services for FY 2011. This dollar amount consists of \$1,116,403 from the general fund, \$274,765 in federal fund authority, and \$61,000 in other fund authority. The Governor's recommendation is an increase from FY 2010 in general funds of \$6,533 (0.6%) and in federal funds of \$1,245 (0.5%).

	Actual	Budgeted	Agency Req.	Gov Rec.	Inc/Dec	% Change
Item	FY09	FY10	FY11	FY11	FY11	From FY10
Personal Services	893,975	971,034	1,009,924	976,812	5,778	0.6%
Travel	98,857	113,810	121,310	113,810	-	0.0%
Contractual Services	93,342	56,630	68,130	58,630	2,000	3.5%
Supplies & Materials	39,351	32,926	36,926	32,926	-	0.0%
Grants And Subsidies	155,940	263,910	263,910	263,910	-	0.0%
Capital Outlay	5,314	6,080	6,080	6,080	-	0.0%
Other	-	-	-	-	-	0.0%
<b>Total</b>	<b>1,286,779</b>	<b>1,444,390</b>	<b>1,506,280</b>	<b>1,452,168</b>	<b>7,778</b>	<b>0.5%</b>
<b>Funding Types</b>						
General	1,093,047	1,109,870	1,171,760	1,116,403	6,533	0.6%
Federal	193,732	273,520	273,520	274,765	1,245	0.5%
Other	-	61,000	61,000	61,000	-	0.0%
<b>Total</b>	<b>1,286,779</b>	<b>1,444,390</b>	<b>1,506,280</b>	<b>1,452,168</b>	<b>7,778</b>	<b>0.5%</b>
FTE	18.2	18.0	19.0	18.0	-	0.0%

### Budget Notes

- The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$4,533 in general fund expenditure authority and \$1,245 in federal fund expenditure authority.
- The Governor recommends an increase in general fund expenditure authority of \$2,000 for contractual services. This increase is for new hire county and tribal veteran's service officer training.

<b>REVENUES</b>				
	Actual	Actual	Estimated	Estimated
	FY08	FY09	FY10	FY11
Veterans Education Program Revenue	156,621	280,654	170,000	185,000
<b>Total</b>	<b>156,621</b>	<b>280,654</b>	<b>170,000</b>	<b>185,000</b>

<b>SELECTED STATISTICAL DATA</b>				
	<b>Actual FY08</b>	<b>Actual FY09</b>	<b>Estimated FY10</b>	<b>Estimated FY11</b>
<b>Sioux Falls Claims Office:</b>				
Personal Interviews	2,221	2615	2,700	2,800
Veteran Correspondence	4,318	4169	4,450	4,500
Powers of Attorney Filed	1,262	1,435	1,450	1,500
Hearings Conducted	21	22	25	25
Monetary Award Obtained	\$85,992,189	\$86,114,766	\$90,000,000	\$93,000,000
<b>County and Tribal Veterans' Service Officers:</b>				
County Service Officers	61	61	61	61
Tribal Service Officers	7	7	7	7
South Dakota Veteran Population	74,273	73,500	74,000	74,000
<b>Veterans' Administration Expenditures in South Dakota</b>				
	\$353,250,000	\$387,709,000	\$395,000,000	\$405,000,000
<b>Pierre Veterans' Affairs Office:</b>				
Veterans' Emergency Loan Applications	111	102	0	0
SD Veterans Bonus Applications	707	748	800	800
<b>Enrollments at Apprenticeship and Other On-the-Job Training Establishments</b>				
	232	248	260	260
<b>On-Site Visitations to Schools and Training Establishments</b>				
	197	203	210	220
<b>Actions for Schools, Training Establishment and the SD Veterans Service Network</b>				
	1,509	1259	1400	1600
<b>Initial, Revised and Other Approval Actions For Schools and Training Establishments</b>				
	1,184	1182	1200	1200

## State Veterans' Home

The State Veterans' Home is located in Hot Springs and provides a quality living environment, along with adequate medical support, in an independent living and long-term care setting for all eligible South Dakota veterans and their spouses, widows, or widowers; and provides administration, maintenance, management, medical care, and other services necessary to meet or exceed state and federal requirements.

The Governor recommends a total appropriation of \$6,862,558 and 82.7 FTEs for the State Veterans' Home for FY 2011. This dollar amount consists of \$2,269,320 from the general fund, \$487,500 in federal fund authority, and \$4,105,738 in other fund authority. The Governor's recommendation is a decrease from FY 2010 in general funds of \$35,302 (1.5%) and in other funds of \$552,089 (11.9%).

Item	Actual	Budgeted	Agency Req.	Gov Rec.	Inc/Dec	% Change
	FY09	FY10	FY11	FY11	FY11	From FY10
Personal Services	3,537,151	3,508,703	3,828,478	3,535,926	27,223	0.8%
Travel	43,362	56,832	56,832	56,832	-	0.0%
Contractual Services	1,316,924	1,582,272	1,570,237	1,570,792	(11,480)	(0.7%)
Supplies & Materials	738,073	1,240,583	1,039,455	1,027,449	(213,134)	(17.2%)
Grants And Subsidies	-	487,500	487,500	487,500	-	0.0%
Capital Outlay	26,821	574,059	214,059	184,059	(390,000)	(67.9%)
Other	-	-	-	-	-	0.0%
<b>Total</b>	<b>5,662,331</b>	<b>7,449,949</b>	<b>7,196,561</b>	<b>6,862,558</b>	<b>(587,391)</b>	<b>(7.9%)</b>
<b>Funding Types</b>						
General	2,345,948	2,304,622	2,433,265	2,269,320	(35,302)	(1.5%)
Federal	-	487,500	487,500	487,500	-	0.0%
Other	3,316,383	4,657,827	4,275,796	4,105,738	(552,089)	(11.9%)
<b>Total</b>	<b>5,662,331</b>	<b>7,449,949</b>	<b>7,196,561</b>	<b>6,862,558</b>	<b>(587,391)</b>	<b>(7.9%)</b>
FTE	83.5	82.7	85.7	82.7	-	0.0%

### Budget Notes

- The Governor's recommended increase in the employer paid portion of the state health insurance plan is \$10,543 in general fund expenditure authority and \$16,680 in other fund expenditure authority.
- The Governor recommends a decrease in general fund expenditure authority of \$45,845 and in other fund expenditure authority of \$318,769 for support services. This is based on a combination of changes, including: a \$173,934 decrease in the cost of electricity and heating fuels per the energy cap projections; a \$250,000 decrease for capital outlay, which is unused authority due to the depletion of cash levels; and an increase of \$59,320 for the food service contract in FY 2011.
- The Governor recommends a decrease in other fund expenditure authority of \$250,000 for facility maintenance and repair. This is a reduction of excess expenditure authority, which has gone unused for several years due to the depletion of previous cash reserve levels and lower revenues from estates collected.

<b>REVENUES</b>				
	<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>
Resident Maintenance Fees:				
Long-Term Nursing Care	856,418	920,144	986,864	1,041,142
Residential Living Services	614,804	743,498	802,767	846,919
Veterans Affairs Per Diem:				
Long-Term Nursing Care	927,331	922,645	977,156	1,017,219
Residential Living Services	649,257	710,528	757,614	788,676
Invest. Council interest on Operating Fund	22,879	4,979	12,000	15,000
Employee Maintenance Fees & Interest	11,345	13,196	13,325	13,425
Cany on Cottage Maint. Fees & Interest	1,280	884	1,132	1,132
Deceased Residents Estates + Interest	67,466	105,548	69,500	80,000
Misc. Revenue, Surplus Sales	1,050	5,000	3,600	0
Misc. Revenue, Reimbursements	92,453	88,366	90,410	90,410
Donations for Activities & Interest	19,709	21,366	21,000	21,000
Donations for Special Projects	9,025	5,859	5,000	5,000
<b>Total</b>	<b>3,273,017</b>	<b>3,542,013</b>	<b>3,740,368</b>	<b>3,919,923</b>

<b>SELECTED STATISTICAL DATA</b>				
	<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Estimated</b>
	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>
Average Daily Census:	123.9	129.3	132	132
Veterans	94.3	96	99	99
Nonveterans (spouses, widows)	29.6	33.3	33	33
Long-Term Nursing Care (NCU, SCU)	49.8	48.2	49	49
Residential Living Care (RLS)	74.1	81.1	83	83
Admissions	40	53	56	56
Deaths	21	22	24	24
Discharges	22	18	15	15
Resident Care Days:				
Long-Term Nursing Care	17,985	17,052	17,335	17,335
Residential Living Services	25,833	28,378	29,031	29,031
Annual Cost of Opn, w/o grant, or -10 & -11	5,342,270	5,658,181	6,010,751	6,389,900
Less all revenues & cash reserves used	3,297,743	3,312,233	3,706,129	3,972,724
Total Cost to State - general funds used	2,044,527	2,345,948	2,304,622	2,417,176
Total Cost/ Resident/Day	118.08	119.89	124.76	132.63
Cost to State/Resident/Day - general funds	45.21	49.71	47.83	50.17
FTE to Resident ratio (ALL STAFF):	.667/1	.646/1	.633/1	.649/1
Administration	.05/1	.05/1	.05/1	.05/1
Nursing Care Services	.36/1	.35/1	.33/1	.34/1
Residential Living Services	.08/1	.07/1	.07/1	.08/1
Support Services	.18/1	.18/1	.18/1	.18/1

## **Other Departmental Issues**

### **A. Budget Transfers (FY09 and FY10 year-to-date)**

There were no material budget transfers in FY 2009 or FY 2010 year-to-date.

### **B. Letters of Intent**

There were no Letters of Intent for FY 2010.

### **C. General Fund Reversions**

The Department of Military and Veterans' Affairs reverted \$4 in general fund authority at the end of FY 2009.

### **D. Selected Condition Statements:**