

2011 HOUSE APPROPRIATIONS

HB 1007

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Roughrider Room, State Capitol

HB 1007
January 13, 2011
12855

Conference Committee

Committee Clerk Signature

Julia Geayle

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the veterans' home and department of veterans' affairs; budget number 313, Veterans' Home

Minutes:

Chairman Pollert called meeting to order, clerk took role and quorum declared. Hearing on HB 1007 (budget number 313) opened.

Kristin Lunneborg, CFO of the ND Veterans' Home, presented testimony as attachment ONE.

Vice Chairman Bellew: why did it take so long to advertise for this?

Kristin Lunneborg: We have been swamped with the extra work from new building. RFPs fall under me. We worked on it for 9 months before it was ready to go out.

Chairman Pollert: ITDs have increases in the budget. Therefore we were hoping to see what the saving was going to be as compared to the ITD dept.

Representative Nelson: that's one of the problems with a state agency not in Bismarck. Is there any support staff that you can rely on to help you on the development of the RFPs.

Kristin Lunneborg: There is one member from the procurement office that is assigned to each agency and they are approached as we have numerous things to do with the new building. We called the state procurement office and asked if there was anyone to come and assist us with the RFPs and bidding documents we have. They said they were all busy and the best they could do for us was read through the documents when we had them put together. So, we didn't get a whole lot of help.

Chairman Pollert: is there turn back?

Kristin Lunneborg: Yes, there will be general fund dollar turn back. I will sit down and figure out what will be general fund and what will be special funds. Because we have less special fund revenue there will be adjustments there.

Chairman Pollert: can you give us a refresher of why the stimulus dollars didn't work for geothermal?

Kristin Lunneborg: It didn't qualify because of the payback period. Federal stimulus would only approve a payback on projects of 10 years and we had a payback closer to 20 years.

Representative Nelson: The prospects of electronic records system, etc. (pg 4 of attachment **ONE**, third paragraph) appeared viable and didn't qualify. What was the situation with the rest?

Kristin Lunneborg: The Dept of Commerce was only going to deal with the geothermal project and nobody ever contacted us to talk about any of the federal stimulus project, so I can't call around to acquire this information. I was given a few individual names. I spoke with Office of Management and Budget, indicated that none of the projects would ever qualify and beyond that we weren't really given any other information.

Representative Nelson: we talked at length about the prospects and thought they were all important pieces of the new Veterans home. Is there someone in Office of Management and Budget to explain what happened and why didn't track through the Veterans' Home so they knew what was going on? Perhaps Sheila? Kristin shouldn't have to go searching for a number to get this information.

Chairman Pollert: I would ask Office of Management and Budget if they could do some research with the Commerce Dept as far as was there any other geothermal projects units in ND that were discussed? Or any of the projects? I would like to have discussion on what was approved and what wasn't.

Vice Chairman Bellew: I know Minot State is putting in a geothermal unit and they received a grant from the Commerce Dept and I'm not sure if that came from federal stimulus or not.

Office of Management and Budget I don't have answers to those questions right now, but we'll do some work on it and try to get information back to you.

Chairman Pollert: do we need to have someone from dept of commerce come down and explain the situation?

Representative Nelson: we should be walked through the situation. Denial may be appropriate. But an example of one of the disconnects that happens in state government is that no one from Veterans' home was contacted and they have to play catch up after being informed of the denial.

Chairman Pollert: we got two instances that we need information on: one with procurement and one on this.

Office of Management and Budget I'll line that up with and talk to Sheila as she coordinated a lot of this. Procurement information relates basically to assistance that's available from the procurement offices to agencies, is that what you are wanting?

Chairman Pollert: Yes, exactly.

Representative Nelson: The reason the geothermal project was a longer payback was because of all the air exchange regulations that exist in a nursing home environment as opposed to a campus. That's probably the reason it qualified at Minot State. Generally speaking a 10 year payback is reasonable, but was not achievable due to the airway regulations at nursing home.

Chairman Pollert: it looks like you had flood expenses of \$50-60,000, but authority of \$862,000; did you not need all of that money?

Kristin Lunneborg: When we approached the emergency commission, it was right in the middle of trying to figure out what kind of money was going to be needed for the 2009 flood.

What we didn't know was, what was going to be the cost to fix what had been damaged. As we didn't have this information, they just decided to use the 1 million dollar amount. Part of that 1 million dollars was used in the prior biennium and so the 862,000 was actually the carry over left in that 1 million dollar line of credit. Of the FEMA money we received, about \$60,000 of that is still sitting in our special funds account to be used in our repairs. Some of the items we are requesting are to match the amount to be used for repairs.

Chairman Pollert requested a flow sheet to illustrate these requests further and **Kristin Lunneborg** committed to providing this.

Representative Kreidt: you are still with IT on the existing phone system?

Kristin Lunneborg: That is correct

Representative Kreidt: in the new facility, you'll be getting a new system out of IT. You're putting in a regular phone system? An intercom? What are you doing there, briefly?

Kristin Lunneborg: We are bidding out is a phone system. We have a separate nurse call system that was bid out separate from the telephone system.

Representative Kreidt: it's unfortunate you had to go through the architect because of the associated fees where it would have been less expensive to find a company to do this.

Kristin Lunneborg: It was our intent to not use the architect, but we were encouraged to use the architect by procurement and facilities management, especially for the phone system due to increased complexity to bid out. The state's bidding requirements aren't that easy for us that don't have a full time staff people who does that sort of thing.

Representative Kreidt: that's very unfortunate. There are companies that supply a good product and are more than willing to come in assist with that sort of thing.

Kristin Lunneborg: That's frustrating about being a state agency. The state system doesn't allow you to get specifications of what you like. You want to buy a product that works well for your facility but often you get a product that meets the minimum qualifications.

Vice Chairman Bellew: the new home is protected in the case of a flood, so you won't have to move to a different place. Will you be able to operate if there is a flood?

Kristin Lunneborg The new home is in a relatively safe location. Referred question to **Mark Johnson**, Administrator at ND Veterans' Home.

Mark Johnson: we're one foot higher and a fourth a mile farther from the river. It would have to do a lot of overland flooding to get to us, the way the water comes around. Two years ago, when it was close to the 100 year flood, the water never got to the site. It came around to the backside. The last time we had the flood, the difficulty we ran into was due to the city have the difficulty; everything was ready to collapse. That's really why we evacuated; not because the water was coming over the dykes, but because the whole community was starting to have a lot of issues.

Chairman Pollert: there's a 1% chance that the Devils Lake will go over. Are you ready for something like that?

Mark Johnson: we went to a meeting with Senator Conrad; however I don't think any of us would be ready if Devils Lake broke loose. Where our dykes are right now on the river, we had a freeboard of about 18 inches, and I was told at this meeting is that it will be 5 feet higher than that. I just can't assure you we will be safe if we get 5 more feet of water coming at us. The building can be ring dyked and is in a much safer location though that what we currently have. For flood preparation, we are in contact with Washington in

regards to getting our skilled side certified; we are working with State Dept of Health to get an early survey and if we can get the Health Dept to survey the building, the VA can come in 20 days after that and do a accreditation survey, allowing us to use our current building so we won't lose the per diem. We lost the per diem in our last flood because the residents were not transferred to a certified facility. There's a special bill in Washington to repay it and we will get back paid if it passes. I've monitored that bill, but it hasn't been pushed through. Also in regards to flood preparation, we will have a pump truck from the National Guard come in to provide water and we've looked at blowing up air bags to put in man hole to prevent water coming back from the city. We looked at bringing in sewage truck that can come in daily to empty sewer system. I can't guarantee, though, we'd be ready for Devils Lake. In speaking further to support Kristin, it's a difficult process in putting procurement paperwork together as we need to meet multiple state agencies' requirements. For instance, the electronic record that we worked on for over 9 months, needs to go to the state and the state needs to agree to it and then there is tweaking that comes on this end. The health record we wanted, some of the things they tweaked, ITD put in requirements into our contract that we questioned.

Representative Kreidt: going back to licensure and certification, do feel confident now with the new facility that when the state comes in we're not going to run into problems because we don't want to see a 6 month hold up to get a new license? Do you expect a smooth transition?

Mark Johnson: We hope for that. The difficulty we are running into that the State Health Dept reviews us based on the 2000 fire code (Steve Wrestler comes down every 2-3 weeks to check in and has been helpful) but the VA is using the 2006 code. We have asked the State Health Dept to interrupt the 2006 code for the new building. When we start running we will be licensed to run under the 2000 code for the State, but we are going to have the 2006 code that we will have to run under for the VA. We are working on specifics like ensuring the nurses' station has a fire panel. Another issue is instead of saying it's one building and that the emergency call system has to notify the nurses' station and someplace by the front door, they're looking at our building as four different buildings. We're in the throes of construction so we need to resolve this as if this is the case; we'll need to look at our wiring and communication system.

Representative Kreidt: In regards to staff, any problems hiring there? What's your timeline to move to full occupancy in the facility?

Mark Johnson: Licensed as 38 bed facility, but when we open, we'll be at 52 beds. We have a little over 20 residents on waiting list and we are hoping to fill up in two months. On the basic care side, we are looking at an additional 30 some residents. We are getting applicants weekly and many of the current residents are looking at going into the new building. We are not filling up as fast in the existing building. We are looking at a timeline of 6 months to handle all the admissions and being staffed properly, but hoping to do it less than that. We've assigned our staff to the different units. Shortly, we will be getting ads out there for the new position. We have new faces, while others have left. We're getting a good vibe from the community with applications coming in. I feel good about where we are at, at this time.

Chairman Pollert: Is there cooperation with State Dept of Health?

Mark Johnson: they have been very helpful. Steve Wrestler has scheduled himself out on a biweekly basis which is a vast improvement from last time. He listens to all the issues,

goes out and takes a lot of pictures; the direction he has received is well documented with pictures. He has been satisfied with our progress. Russ Handegard is our project representative and he could speak to his relationship with Steve as he has been handling most of the issues with Steve.

Representative Nelson: the federal inspection will cause the greater problem with the 2006 requirements. Was that considered, when we went to construction? The feds will have their own inspection team, and that's who you are negotiating with now on whether it's one or four buildings?

Mark Johnson: Monty Engle from the Health Dept is who we are working with and they are looking at the 2000 code, specifically looking at fire regulations. We'd had to go from two to four fire panels.

Russ Handegard: The requirements of State Health Dept and the requirements of the federal VA are a moving target, which is unfortunate. When the plans were reviewed initially, they required one enunciator. Because decisions made within the facility, we decided to add another. The Dept of Health is aware of all these decisions and now they've announced that the rules have changed. Depends on who the inspector is; if he's autocratic, reasonable?

Chairman Pollert: did you have to do your budget on the ITD rates?

Kristin Lunneborg: For 2011-13, we used only ITD rates for the computer system, but we used the other projected rates for the third party telephone system.

Representative Nelson: explain the FEMA situation. You had authority to borrow a million dollars, you borrowed \$152,000, you paid back 154, but you got 169 from FEMA. Looks like you got more money than you borrowed. Explain the difference then.

Kristin Lunneborg: We have \$58,000 of FEMA money that isn't money that was expended on anything yet because it's money that we need matching funds to fix projects like our irrigation system, repairing roads, those types of things. We borrowed the \$152,000, we paid back the 154 (that included interest), the 163, there's about 58,000 set aside for other so the difference was money we had to take out of our existing budget to pay back to the Bank of ND which would be our 10% matching piece or there was also some work we did for the flood as well. We didn't receive more from them. There is \$58,000 that we are hanging onto to finish up some projects.

Representative Wieland: the 24 FTE positions that have already been hired have been included in the 2009-11 budget so you're not talking about increasing 120 to 144; it will still be at the 120?

Kristin Lunneborg: Yes, it will still be the 120. We've hired new temporary staff, but not into the FTE position.

Chairman Pollert confirmed that green sheet shows this information.

Vice Chairman Bellew: There's no heating expense with the geothermal?

Kristin Lunneborg: The majority of our expenses in utilities are electrical expenses. Referred to attachment **ONE**. The governor's budget took 3% out of the utilities line item, hoping the geothermal would be less expensive.

Vice Chairman Bellew: I would like a breakdown of expenses of old home and new home so the savings could be shown from the geothermal to determine if the geothermal was a productive investment.

Kristin Lunneborg: you need to take into consideration that this facility is 71,000 square feet larger than the existing 100,000 square feet facility that we have. So, if the utilities expenses were similar, it needs to be taken into account that we are heating a much later facility.

Representative Nelson: it's not an apples to apples comparison because there's no history of operating the new Veterans' home without geothermal. The better comparison would be for Vice Chairman Bellew to do that at Minot campus.

Chairman Pollert: I agree with you, Representative Nelson and at the same time, I agree with Vice Chairman Bellew. However, you should be able to see a different correlation between utilities in the old facility and in the new facility as far as the budget. We will talk to the education section so we have the information on savings for geothermal in Minot state system.

Representative Nelson: let's break it down, not just in dollars, but in kilowatt hours because there's an increasing cost in kilowatt energy.

Russ Handegard: the only way we could make a correct comparison would be comparing the same size facilities, one with geothermal heating and one with conventional heating. There are extenuating circumstances such as the new design has significantly greater fresh air requirements, but what you need to keep in mind, with a geothermal system, it is 3 times more efficient in converting electricity to heat.

Chairman Pollert: the utilities will show up in your budget. we are not asking you to look into your budget anymore than what's in the budget. We will see that in the detail between the two bienniums.

Representative Kaldor: if we are going to do a comparison and make a judgment call, we need to consider many factors i.e. size (heating 71,000 more square feet in the new building), kilowatt hour cost, air exchange.

Representative Kreidt: Under the guidelines of the air exchange, we exchange air every 24 hours. For instance, in the winter time, you are bringing in cold air which you have to heat because you are exchanging air in the facility every 24 hours; same in the summertime. So that's a considerable expense that a normal facility doesn't have that you have in a nursing facility, so that makes quite a difference in your operations.

Representative Kreidt explained to Representative Wieland (due to him challenging the air exchange notion) in more detail about air exchange the additional expense for heating and cooling in extreme temperatures and larger sized facilities.

Chairman Pollert: What I was looking for was a correlation in comparing costs. Let's say your current facility is 100,000 square feet and we're adding 71,000 square feet; 71,000

divided by 100,000 would be the correlation we look at in utility expenses in each of the facilities.

Vice Chairman Bellew: Need to know that we are doing what's right with the peoples' money so need to be shown geothermal is a worthwhile investment, not just in Veterans' Home but also with Minot State. I personally think it's a good investment, but I just need to know.

Chairman Pollert: I would hope you talk to Chairman Skarphol about getting the correlation on Minot State or I can talk to him too.

Kristin Lunneborg: Just to add, utilities includes more than the cost of the geothermal, such as cost of water, garbage, sewer, which will also go up due to the increased number of residents we'll be having.

Chairman Pollert: In referring to the green sheet, shows an increase in general funds. So you're going to have a 1.5 million dollar increase in your operating budget plus the 24 FTEs coming on, but we only see an increase of \$711,000. What's the reason?

Legislative Council a lot of increases is in special funds spending due to additional revenue that's why you're not seeing the big decrease in the ongoing general fund. The new FTE was put into the last budget as general fund one time and that's being taken out under item two.

Kristin Lunneborg resumed her testimony.

Chairman Pollert: Referring to pg 6, the Governor decided not to put the optional package onetime funding into the final budget? What is the explanation for this? I thought we when had an OAR, those were not in the Governors' budget.

Office of Management and Budget: The agency submits them to our offices as optional request, but as Vice Chairman Bellew stated, some of those are included. Sometimes they are included; sometimes not and it's reviewed on a case by case basis.

Representative Kaldor: could we get information on which were funded and which weren't?

Kristin Lunneborg: the top three were included in the Governor's recommendation.

Representative Kreidt: where will you be on property costs? Rates established?

Mark Johnson: we have submitted to the Dept, but haven't gotten a break down yet. The funding that we receive from the state, we won't be able to depreciate that or get anything back for building costs and also the same amount from the federal government. 2.5 million will be the only piece reimbursed.

Representative Kreidt: in referring to the requests in the optional package, are you looking at tearing the house down then? What are your ideas there?

Mark Johnson: the board recommended a new house be built or look at funding the heat system. When building is closed, I lose the heat source; that's the issue we have.

Representative Nelson: Regarding administrator's house, \$21000 is requested for heating system and now the heat source is the home. So you will lose that when the home closes. But \$21,000 is a lot for a furnace, so can you explain that.

Mark Johnson: I have a steam line coming into my facility. As a result of consulting, we may need to look at replacing several things because you're going from steam boiler to a water boiler. The other funding piece the legislature is not aware of, is we were gifted some mineral rights for land in McKenzie county and we have lease moneys (\$258,700) that we received which the board was looking at to apply towards new residence. We did find an inexpensive house that we could look at purchasing and move near the home, but we don't have appropriation authority to do that or put a bid in. Russ has done a lot of legwork on this. FEMA will not buy out the house until I remove the barriers that they build during the last flood i.e. dykes.

Representative Nelson: Legislative Council, according to the green sheet, should we be basing comparison on the 2007 biennium versus the 2009 biennium?

Legislative Council: That is a typo; it should say 2009-11 on that bottom line.

Chairman Pollert: are you looking at some options on the old facility once everything's closed down?

Mark Johnson: there are a number of veterans groups that are looking at the possibility of a museum. We have the ability to get a lot of different artifacts from camp Grafton.

Chairman Pollert: is that a discussion for another biennium?

Mark Johnson: I am not driving that train. I am letting other people drive that train, but Representative Metcalf would have a lot more information on that.

Representative Metcalf: the intent was to salvage that Veterans home rather than tear it down. I was contacted by an individual from Lisbon, who had the idea to convert the home into a museum, which I think is a great idea. There will be of course, costs involved in remodeling, but that hasn't been looked at. We actually want to look at those costs in this year's budget if it's permissible by this group. If we put it off, we'll have more expenses in maintaining that facility. A decision hasn't been made; at this time, it is a possibility. There are artifacts from all the wars in every location in ND. Most are not displayed as they are hidden in closets or some situation like that. I think we need to take a serious look at this.

Representative Wieland: you're not talking about the entire old building, but a part of it, right?

Representative Metcalf: we are taking a serious look at what is needed. I can't see that the entire building is need, probably what has been built in the past 30 years.

Chairman Pollert: there's going to likely be litigation, what type and cost? Can you speak on that? Do you have any of that in your budget? Or do we need to ask Legislative Council or Office of Management and Budget for that?

Mark Johnson: we have a request to meet with the architect on a claim they have made for additional costs and a claim from Grants mechanical on a claim they have also made. We had pipes that broke and other things happen. We will be meeting with them, thus I can't go into the details on this. Hopefully things will be equal; there might be additional costs. We have carry over in our contingency fund right now, \$232,000. We are hoping we

can still work on resolving this with some of those dollars. There are many claims made both ways.

Chairman Pollert: we will be doing the detailing in the next two weeks or so. Will you have more information at that time?

Mark Johnson: yes, we will be meeting with them next week.

Chairman Pollert: where are we at on the whole construction, within budget?

Mark Johnson: We are doing just fine. We still have \$232,000 in our contingency fund. The construction is going along. We are about 6 months behind, with major strides made in the last two weeks, however. The skilled side and middle core are nearly done. The C section is slightly ahead of B section as the B section is about a month behind. We still hope to open the building April 1, 2011 and doing prior occupancy the end of March.

Representative Nelson: what's the value of the claims that are in dispute?

Russ Handegard: we don't have all the claims in hand at this point. There was a claim made by construction for a million dollars that they subsequently withdrew. We are disputing claims submitted by Grants mechanical (\$200,000), architect, and engineers. The claims we could make are larger than what the contractors are making. If we get into a full blown mud fight, with any luck at all, they'll be writing checks to us versus us writing checks to them. The recommendation is that we don't know if we'll win the war and we likely don't want to go into battle. We're going to seek resolution by offering them relief from claims in exchange for them offering us the same thing. We are going to pursue that at the meetings next week. Grants mechanical will likely be the party we'll have most difficulty settling with.

Representative Nelson: we won't know the answer of those negotiations. This won't be an easy budget.

Russ Handegard: I don't believe there will be any additional costs from litigation.

Representative Wieland: On pg one of testimony regarding audit findings, the difference of 3 dollars per day that was paid out; what happens to the 3 dollars? Does the state eat it? Who pays that?

Kristin Lunneborg: the auditors projected that it amounted to probably \$1,400. Since it was already paid out, it was somewhat immaterial to go back.

Chairman Pollert closed hearing on budget 313 of HB 1002.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Roughrider Room, State Capitol

HB 1007
January 13, 2011
12859

Conference Committee

Committee Clerk Signature

Julia Geigle

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the veterans' home and department of veterans' affairs; budget number 321, Department of Veterans' Affairs

Minutes:

Chairman Pollert called meeting to order on HB 1007. **Lyle Schuchard**, chairperson of the Administrative Committee on Veterans' Affairs, presented testimony in support of HB 1007 as attachment **THREE**.

Cathy Halgunseth, Administrative Assistant for the ND Department of Veterans' Affairs (Dept of VA), presented testimony as attachment **TWO**.

Vice Chairman Bellew: Was the additional person funded in the Governors' budget?

Cathy Halgunseth: It was in our optional package but they chose not to fund it.

Lonnie Waugen, Commissioner of ND Dept of VA, testified verbally in support of HB 1007. One of the things that were approved by the governor, in our optional package, was the moneys for training. We requested additional training moneys to bring in more of these accredited trainers and subject matter experts to come into ND and help us train County Veteran Service Officers (CVSO) and to better serve the veterans of ND. I am grateful the Governor saw the importance of this and hope this committee sees the importance as well. It's important to adequately train the CVSOs to enhance care of veterans, especially in areas of PTSD and TBIs which plagues this population and to work to educate the public, especially getting information out to the families of veterans. We've started a pilot program in Walsh County, including utilizing experienced CVSOs, our department, the Federal VA and other resources. In our first meeting over 200 veterans showed up. The meeting lasted four hours, while we anticipated it to last only one. Since then, we've had two more meetings which have been a great success.

Specific areas of need include assisting veterans, their families, and the community in identifying, recognizing and treating those with TBIs and PTSD. A major component of this is providing education. PTSD needs to be discussed openly and families need to be aware as veterans with PTSD come home with a different personality. Since 2006, we've lost 75 veterans or service members to suicide alone in ND. We've lost more to suicide than the veterans in OAF and OIF in the war. To combat this we need to have trained individuals who can go out and teach the county service officers and provide education on PTSD to

veterans and their families. This allows the CVSOs to be more equipped to help these individuals when they come knocking on their doors the day after the meeting. This is why we need good training to take place and they can take this information and bring it to their respective counties. In Walsh County, they can more on without the help of our department to work with them as setting these up. They've done three of these with success. They've got the resources now and won't need to do it as often as they are now because they're going to get to know their veterans a lot better. With 53 counties, we need more people to travel that and develop more one on one, personal relationship with those officers to understand what their daily needs are and to provide them with a direct contact for support. In 2009, the benefits the VA has spent in ND is 230 million. And we are asking for one more personnel to help with veterans.

Representative Nelson: I appreciate what you did in Walsh County. That is needed across the state. You were able to do that with your existing staff in one county. With the existing staff, can you duplicate that in other areas of the state? Representative Nelson spoke favorably to **Lonnie Waugen** of the work that has been done so far and recognized that there is more work to be done.

Lonnie Waugen: Much effort was exerted in putting together the program in Walsh County. With 53 counties and only 3 service officers who are trained to do that (one who is brand new), it will be very difficult to expand. With a training perspective, it takes one person to supervise four or five people, but we aren't supervising them, we are training and helping them and I believe one person can easily handle about 12 counties. We need someone to dedicate more of their time to training, becoming more of an expert, so he/she can manage the trainers and work with the other agencies.

Representative Nelson: in Walsh County example, it was an interagency combination of people. If you had another FTE to do that, how would the other agencies that you were cooperating with, are they equipped to expand that pilot project with their existing staff?

Lonnie Waugen: Yes, Federal VA has representatives throughout the state that cover so many counties and they work mostly with the mental health and have knowledge of other benefits. We incorporate a larger county in this training so we have someone who has a lot of experience with claims. We have VA medical centers and other organizations that are out so to make this work it is basically going to take coordination. This brings me to my other objective for the next 6 months which is to meet with agencies that provide support for Veterans to get everyone on same page and to coordinate with these organizations. Inputting this information on our website will allow better access to services and we can determine where we need more Federal VA support in our state.

Chairman Pollert stated that the clerk would be in contact with **Cathy Halgunseth** to set up a time (in the next week and a half) to detail the budget that was included in attachment **TWO**.

John Jacobson testified in support of HB 1007, stating he represents the Legislative Committee of the Veterans' Coordinating Council.

John Jacobson The council is in a position where they would like to see the legislators give this bill as Do Pass. He spoke favorably of the Veterans' Home and recognized that

the legislators would have questions that needed answers along with a further detail of the budget.

Vice Chairman Bellew: Office of Management and Budget, would you just explain the proposed salary increase that the Governor proposed in his budget and include in that the timelines when the proposal is for the state to pick up their part of the retirements?

Office of Management and Budget: The Governors' proposed salary package includes an average of a 3% salary increase for July 1, 2011; average of a 3% salary increase for July 1, 2012; health insurance increase for July 1, 2011 and July 1, 2012; retirement increase of 1% paid by the employer (the state if the state is the employer) on January 1, 2012 and January 1, 2013; and on those dates, the employees will start paying an additional 1% of their retirement. Those are on the calendar year and the reasoning for that is because of the timing of the political subdivisions. There needs to be that lead time for them to all get that implemented as well. in essence, it nets more of a 2% and a 2% salary increase since the employees will start paying 1% of their retirement.

Chairman Pollert: To average 3%, are you saying Dept heads are expected to give raises on performance?

Office of Management and Budget: Yes, it is based on merit, not a 3% increase across the board.

Chairman Pollert: You could have someone with no raise, but they would have to put in 1%? On the other hand, someone would get 4%.

Office of Management and Budget: It would be to the agency as far an increase. There is no minimum requirement.

Vice Chairman Bellew: these contributions that the employees make, they are required to make these to the plan?

Office of Management and Budget: Those will be withheld from their paycheck.

Chairman Pollert closed the hearing on HB 1007, budget 321.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division Roughrider Room, State Capitol

HB 1007
January 26, 2011
No Audio Available (13436)

Conference Committee

Committee Clerk Signature

Julia Yeager

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the veterans' home and department of veterans' affairs; budget number 313, Veterans' Home

Minutes:

Vice Chairman Bellew called meeting to order (Chairman Pollert is absent), clerk took role and quorum declared. Vice Chairman Bellew indicated that Legislative Council provided requested information on ND State Agency and Institution Vacant Positions as of December 31, 2011, included in the 2011-13 Executive Budget. He stated committee can look at this (labeled as attachment **ONE**), on their own time. **Vice Chairman Bellew** opened hearing on HB 1007, ND Veterans' Home (budget number 313).

Mark Johnson, Administrator at the ND Veterans' Home, introduced self and stated hearing would be opened discussing the new house for the administrator. He introduced **Russ Handegard**, Owners Representative of the ND Veterans' Home, to begin presentation.

Russ Handegard presented testimony, labeled as attachment **TWO**. Document discusses house that ND Veterans' Home is requesting funding for, for the administrator to reside in.

Representative Wieland: Is there any indicated as to what the cost of moving the structure might be?

Russ Handegard: it would be feasible to move it. We have consulted individual from Hankinson and he wasn't able to give an exact amount, however it would be in the \$20-25,000 range. What would add to the cost would include building a foundation and providing utilities.

Vice Chairman Bellew: where did you come up with the 3,000 square foot?

Russ Handegard: that's what we look for in terms of features.

Vice Chairman Bellew: would this be a one level home?

Russ Handegard: If it was a new home, it would be a one level. The FEMA house is a bi level home. A large portion of the house we are looking at could be made accessible.

Representative Metcalf: have you been able to see the inside of the home?

Russ Handegard: We haven't, but have information from a neighbor that the house is of good quality and in good condition.

Representative Metcalf: is there any damage by the flood that would add to its cost?

Russ Handegard: There was apparently some water in the lower floors of the bi level and we weren't able to view what exactly happened there but I think it's pretty much academic because (inaudible few words) and that's part of the foundation of the abandoned.

Representative Kreidt: is there a bid process for this home?

Russ Handegard: In talking to the owner of the structure and there was a long period of time before they received funding authorization, but they have received that now. They've begun the formal process of preparing the cost appraisals. Once the appraisals are in the hand, offers are presented to the owners of the structures. If they accept the offers, there is an additional 30 days to close on those houses. We are looking at a minimum of 60-90 days, but given how things work in government, it may take longer.

Representative Kreidt: FEMA buys this individual's home or the individual is selling the home?

Russ Handegard: The houses are purchased by the govt and transferred to the local authority out of the city of Lisbon. The city then has disposal of the properties and that would be through a bid process

Representative Metcalf: Mark, as the possible user of this home, have you looked at this home? Will it meet your needs and the needs of future managers?

Mark Johnson: our board has taken a position of what they really want. I'll use it for about 5-10 years and then I'll be looking at the next person coming in. the board has looked at a variety of different parameters with focus on what type of person we will be getting down the road i.e. a disabled veteran that is in a wheelchair. Initially, the plan was for a single level building with about four bedrooms. 3,000 square feet was a number that was thought to be most conducive to wheel chair accessibility. The house that is in right on the river is a FEMA home. It's a nice home and could serve another administrator as well. There's going to have to be some remodeling within the home. We've talked about putting a master bedroom on the main floor. The home has actually sat for 5 years. They've been trying to get rid of the home (Terry Lomis is the owner). He has had offers on the house and hasn't sold it.

Representative Metcalf: do you have any idea of where the home would be located? Where would you put it so it's not subject to floods?

Mark Johnson: 1093 is the level the current home is built (above the flood). It's going to be right next to the existing building. One of the things I will say is that because I live on the campus, I am able to see a lot of things that go on. What the board is deliberating and talking about, they want to see that administrator be separated. We've talked about building the home up near the (Chirsty?) and then taking down the existing home.

Representative Wieland: is the board obligated to provide the manager or director with a home or giving an allowance to purchase or rent your own home?

Mark Johnson: the board offered me to live on the campus when I came here, providing the home, heating, etc.

Representative Wieland: they use to do that for ministers years ago. It's gone to the way of ministers purchasing their own homes. Is it necessary to purchase anything, provide

anything, and remodel anything? If that \$258,000 is not used to provide you with a home, what else could it be used for?

Mark Johnson: it all goes into special funds. We pull from that fund for various things. For example, there might be something that has happened and we pull from those funds to cover our losses. When I came there, a house on campus is what we agreed to. I think it's important for the administrator to live on the campus. I've been administrator for some years. That has allowed me to watch our guys. We take a very diverse population and living on campus allows monitoring, reporting off to staff, and tweaking us to provide better care to the residents. I see some things that helps with doing my job well.

Representative Kreidt: is this home approximately 3,000 square feet?

Mark Johnson: I don't believe this house is 3000 square feet. We've talked about adding onto the house and it might get to that size.

Representative Kreidt: this is a bid process. What's plan B if plan A fails? If someone comes in with a rather high bid on this house, what are your other alternatives?

Mark Johnson: it would be to build.

Representative Kreidt: do you have the opportunity to raise your bid if there are high bidders?

Mark Johnson: Representative Wieland, do you know any more about this process?

Representative Wieland: the standard procedure is to do these bids by writing, but to allow for raises. It differs by communities, but it is an option. I'm not sure what's standard for Lisbon.

Representative Nelson: I am really wondering the reason you need to live on the campus. The warden at the state penitentiary had the house that was on the campus tore down and now she lives in town. I have never heard of an administrator of a nursing home needing to live on site.

Representative Metcalf: as a response to that, the Veterans' Home has numerous people who live there that are not normal types of people. They have different requirements for safe living. The administrator has the abilities to observe these veterans that are living there and he can take action, at his skill level, with problems that arise. There is a difference between homes in Bismarck and Lisbon, and it can be difficult to find homes that are adequate for administrators to live.

Representative Nelson: Something we should look into is contacting a realtor and seeing how many 3-4 bedroom homes are available in Lisbon. It's not any different from Rugby, Mayville, or New Salem. There's times when there is a shortage of homes, but at some point in time, in these towns, there is a nursing home and administrators come and go and they find a place to live. It's just that simple. Whether there's a cash arrangement negotiated into the salary for a home, that's not part of this discussion, but it should be on the table for discussion. It's no reflection of you, Mark.

Vice Chairman Bellew: I appreciate your comments, but I don't believe we should get into a debate about this right now. I think the time will come when we will debate it when we determine what we are going to approve in this budget.

Representative Kaldor: If you are going to act on a FEMA property you are probably going to have to act prior to us leaving this assembly or very soon after. The concerns I have is how we are going to deal with this and also it's difficult to make a sound and rational decision when we are being rushed. I don't like being pressured into making a decision quickly. This is one option. Another option would be building and a third alternative would to either provide a housing allowance or some other mechanism to make housing affordable. How can we even consider making a decision in something that will be done in 60-90 days

Vice Chairman Bellew: Thank you. I have those concerns as well.

Representative Wieland: I have the same concern also. Is this a picture of the house that you are thinking of buying? (Pointed to picture from attachment **TWO**).

Mark Johnson: Yes

Representative Wieland: when I look at this, it looks like more of a tri level, than a bi level and even a four level split. I see this as being terribly expensive because you not only have to purchase the property and you've got the moving, new foundation site, utilities, plumbing, electrical, new heating system, and remodeling if you were going to have additional like you mentioned. I personally think for you guys should not consider moving a bi or tri level for someone who might need wheel chair accessibility as I believe it will end up being very costly. It wouldn't be ideal for someone in a wheelchair or any kind of handicap. My opinion is that you look for something else.

Vice Chairman Bellew confirmed no further questions and gave direction to Norris Braun to continue testimony.

Norris Braaten, Chairman of the ND Governing Board, presented testimony, labeled as attachment **THREE** and attachment **FIVE**.

Representative Nelson: you are a realtor in town. The other option that hasn't been brought up would be looking at purchasing a home in town. At the present time, are there 3-4 bedroom homes available in Lisbon and would adequately serve the needs of what we are talking about. I am having a hard time seeing why the administrator has to live out on the campus.

Norris Braaten: I have not examined the market at Lisbon, recently. We will not have the luxury of 3-4 bedroom homes to pick from. Unfortunately, perhaps, constructing a new home would be the only option for those of us who want to settle down in a small town to have our best home.

Representative Nelson: It seems like there is a facility that would meet the needs of the administrator. Every town the size of Lisbon has that issue with their nursing homes and they are always able to hire somebody. We are not reinventing the wheel here. There are homes that are available. I'd be interested to see what the listings are like in Lisbon right now and look it at an option at least.

Norris Braaten: That would be very easy to obtain and we can do that.

Vice Chairman Bellew: you've been Chairman of the Governing board?

Norris Braaten: Yes, I was.

Vice Chairman Bellew: Was not the administrator's home considering when you were rebuilding? Should that have not been part of the new process? Maybe the VA could pay for part of it?

Norris Braaten: At the time, we discussed this with Mr. Johnson and while that home had its deficiencies, he was satisfied with leaving it like it is because unfortunately we did have a sufficient amount of issues on our plate, so we didn't take it one.

Vice Chairman Bellew: you can continue with your testimony

Duwayne Ternes provided verbal testimony in support of a new home on campus for administrator. Based on knowledge of building a new home, I am aware that the cost is about \$150 per square foot. In looking at average sizes of homes, 3,000 square feet is not as big of a number as it might seem as that includes corridors, closets, etc. Yes, I agree with the discussion about not purchasing this other home and moving it due to handicap accessibility issues. Also, the cost per square foot is more expensive for a handicap accessible home as the kitchen cabinets, the bathrooms, etc need to be accommodated. Moving the other home you have to strip off the bottom and it's all has to be replaced and we haven't even talked about mold. Another question is if you were to purchase the home (after bidding on it), and leave it there and live in it. Having administrator on campus, yes, I agree. I have built many nursing homes in this town and have known all the administrators. However, this is NOT a nursing home. It is a Veterans' Home. We are not treating them like inmates; we are treating them like Veterans. Mark can walk down the hall and know every resident's name and I don't know any other administrator that can do that. That's because he's on campus. In going back to the house, we could put in a bid on this house, contingent on the funds being approved, but I think we talked about that and decided it's not a worthwhile venture. The house I believe could be built in the nature of matching the new Veterans' Home with the new home as far as materials and structure goes, making it attractive to attract a new administrator because that takes a very special person. No, Mark has never complained about the house. It really wasn't brought forth by him. It's things that we have to acknowledge and not get in trouble down the road when there are issues with the house. We are saying that in the next two years, something needs to be done.

Vice Chairman Bellew called for ten minute break after confirmed there was no further testimony or questions in regards to the administrator's home.

Kristin Lunneborg, CFO of the ND Veterans' Home, presented ND Veterans' Home 2011-2013 Budget Detail, and is labeled as attachment **FOUR**. Committee members injected with questions throughout testimony with questions and answers illustrated as follows.

Vice Chairman Bellew: where does the special funds money come from?

Kristin Lunneborg: It primarily comes from resident rents and the VA per diem, but also includes menu sales, interest on our accounts, and the state land tax that we receive.

Representative Nelson: when you say state land tax, is that the lease money that is built in the \$250,000 that is in that account? If it isn't, where is it in your budget? What is the state land tax?

Kristin Lunneborg: That's land that was donated to the Veterans' Home years ago and the state land department manages that land. I assume they rent it out, that type of thing.

Representative Nelson: they have a quarter or some ag land that they rent out. Where's that at? Does that show up in any of these forms?

Kristin Lunneborg: The money that we receive from that goes into our special funds and that's just used as special funds to pay for various items.

Vice Chairman Bellew: the 257 goes to your special funds account? You can't use it unless we appropriate though, correct?

Kristin Lunneborg: Yes, that's correct. The state land transfer money that we get does show up and it's inputted into bars as special fund revenue, and then we look at that entire amount and that's what gets allocated to pay out to our departments. All of that money is included in the special funds money that we are asking for appropriation for.

Vice Chairman Bellew: Is that 257 part of this budget?

Kristin Lunneborg: The 258 is in the oil and gas lease money and we just received it last biennium. It was put into our special fund account and it is sitting in our account as carryover funds.

Vice Chairman Bellew: it's not part of this budget?

Office of Management and Budget: that revenue is not included in the budget we submitted.

Representative Kreidt: the understanding I have, is in order for the Veterans' Home to spend that is that we have to give them authorization to spend that.

Office of Management and Budget: that is correct. They can spend whatever money is appropriate to them.

Representative Nelson: I see there is a \$4,000 decrease in your data processing however there was a rather significant from 07-09 to 09-11. Were there new charges or applications? What was the reason for that increase?

Kristin Lunneborg: A lot of it is how ITD looks at our facility and charges us for different services. A lot of what ITD does is based on FTE. In our facility we will have 120 FTE but the people that actually use computer workstations are a whole lot less. Much of our staff doesn't even use the computers as they are on the floor. We have spoken with ITD in negotiating rates as to what is a fair number to use to figure out the correct rates we should be paying for services and also ITD did change some of the fees they charged for some the different things we used.

Representative Nelson: that issue with ITD rates has come up with a number of budgets. Personally, are you comfortable with the ITD charges at the Veterans' Home?

Kristin Lunneborg: Our IT consultants have done negotiating with ITD. Both he and I do feel comfortable with what we have gotten worked out with them.

Vice Chairman Bellew: did we authorize the Veteran's Home to purchase your own phone system last biennium?

Kristin Lunneborg: Yes, you did, as it would save about half a million dollars over about ten to twelve years.

Vice Chairman Bellew: ITD equipment under \$5000, that's basically computers?

Kristin Lunneborg: That's to replace half of our computers.

Vice Chairman Bellew: How many is half? I assume you have to go through the state procurement procedure and use the state rates?

Kristin Lunneborg: We use the rates that the state gives out. We have replacing 18 desk top workstations, including computers, monitors, and the printers. We are purchasing 3 laptops.

Vice Chairman Bellew: these are on a rotating basis, like every 4 years or however long the state allows you to keep them?

Kristin Lunneborg: We go by ITD's recommendations which is replacement every 4 years

Representative Kreidt: do you anticipate any turn back out of this budget?

Kristin Lunneborg: We do anticipate turn back. I would feel more comfortable answering that question tomorrow.

Vice Chairman Bellew: You want to increase travel by \$10,000. That's a 33% increase. I am asking for an explanation.

Kristin Lunneborg: Because we are doing the budgeting process so far in advance, the money that we anticipate that we are going to spend isn't always the costs end up being. What we budgeted for last biennium...we didn't know what fuel prices were going to be, how many board meetings we were going to have. When you are budgeting so far in advance, it is difficult to predict what that number is going to be. It covers the travel and meals for all the board meetings as well as the meetings and things that Mark and I attend. I really don't know how to get by without asking for the increase.

Representative Wieland: how often in a biennium does the board meet?

Kristin Lunneborg: We are trying to get on a 2 month schedule.

Vice Chairman Bellew: fees, professional services is a \$20,000 increase

Kristin Lunneborg: A great majority of that is in attorney fees. I looked at what we paid in attorney fees for the attorney general's office when the past administrator was here and it was a very minimal amount. Some of that is due to the construction projects, but I anticipate there's not enough money in that line item to cover the expense we'll see next biennium.

Representative Kreidt: In your insurance, is that your workmen's comp showing there?

Kristin Lunneborg: that is state fire and tornado insurance.

Representative Kreidt: where does workmen's comp show up?

Kristin Lunneborg: workmen's comp falls under salary expenses

Representative Nelson: under the professional services, you mentioned attorneys took up a good portion of that. Was there any anticipation of the ligation that may take place as far as the building?

Kristin Lunneborg: None of that was taken into consideration when the budget was put together because obviously we don't know what is yet to come.

Representative Nelson: is that part of the reason why you don't think that line item will be enough?

Kristin Lunneborg: I don't think there will be enough money in that line item, not even taking the unknown into consideration.

Vice Chairman Bellew: other capital payments for \$403,000?

Kristin Lunneborg: that would be the bond and interest payments that we will be paying back on the 2.5 million on the bonds that we took out on construction.

Vice Chairman Bellew: for how long of a period is that?

Kristin Lunneborg: I do believe that's a 20 year payback. Industrial commission is settling that issue.

Vice Chairman Bellew: a 20 year payback would be over 8 million dollars. Is that normal for a 2.5 million dollar loan? I'm concerned with that.

Kristin Lunneborg: I'm sure we can get a payback schedule from the industrial commission

Vice Chairman Bellew: I would appreciate that.

Kristin Lunneborg: I have not seen the payment schedule yet to be honest because they're still in the process of getting them sold and tying everything up so I don't have a payment schedule but I am sure that we can probably get one.

Vice Chairman Bellew: regarding IT equipment over \$5000, you have \$13,600 in that category and what do you plan on purchasing with that?

Kristin Lunneborg: it's for a new computer server to replace the existing one we have that's over 7 years old.

Vice Chairman Bellew: what are PIQs?

Kristin Lunneborg: It stands for Professional Information Questionnaire which is basically one's job description.

Representative Wieland: Included in your budget request but not in the executive recommendation, is the OAR which would be the heating system for the residents. The new administrator's residence (450) and the asbestoses removal and demolition for \$20,000...explain where that is, if it's in your budget, but not in your numbers.

Kristin Lunneborg: The numbers that are on the front of the page are using the numbers in the executive recommendation which are also numbers printed in the I-bars report. The \$21,000, we put into our regular appropriation for our budget and the \$450,000 for the residents and the \$20,000 for the asbestoses removal and demolition of the current administrators residence were in our optional package and the governor's office chose to put in the \$20,000 stipend instead of any of those other items so you're not going to see them on any of the information that you have.

Representative Kreidt: this 3 car garage, how big is that?

Mark Johnson: 25 by 75. One of the reasons we needed to re shingle that is when they moved the garage, they pulled up the first two (inaudible) and then they had to tear off all the siding of the whole side of the building so we need to reside the building.

Representative Kreidt: didn't we build another building out there? Like the storage building? How big is that?

Mark Johnson: I believe it was 40 by 60.

Representative Kreidt: that seems like a lot of money to redo an existing building. You haven't gotten an estimate of what it's going to cost to do that.

Representative Nelson: \$6000

Vice Chairman Bellew: the general fund increase (75.6% increase) is a number that jumps out at me. I would like a list on how you arrived at that number.

Kristin Lunneborg: we go through this every biennium. I think our general and special funds probably were work a whole lot different than other agencies do and what we do is look at the amount of special funds revenue that we anticipate taking in and use that dollar amount to allocate between the funds and then whatever we can't fill in with special funds gets entered in as general fund dollars. So it's not necessarily tied to a specific fund. Those

numbers are just plugged in to come up with the right total that we need to ask for, for the biennium.

Vice Chairman Bellew: I would like to see where you came up with the \$808,000 increase and would like it broken down into specifics.

Kristin Lunneborg: It's actually \$348,000 increase.

Vice Chairman Bellew: it's still a 75% increase in this budget cost center.

Office of Management and Budget: they have their special funds that they anticipate they will receive. There's cash flowing of those special funds as well, like what they get for their reimbursements for medical, how much they get for they rent. In essence, if you look at your checkbook and said I have this much of special funds this month and my expenditures exceed that by 50%. Next month you may have collected more from special funds and you might have enough of your special funds to pay 100% of your expenditures and pay zero out of general funds. Their budget funding source is a total for the whole budget for the whole biennium. Kristin does her best to spread out what the funding source for each of these different departments is but the expenditures aren't tied to a funding source. It all depends on what the bank account levels on that particular time she pays those bills each month. While this look like there's a \$348,000 increase in general funds in the maintenance dept, it's just a matter of trying to spread the funding out in the budget and doesn't exactly mean that's exactly the funding split. If you're looking for an explanation as to why there would be an increase or decrease in general funds...The best way would be to look at the budget of the total (inaudible few words).

Vice Chairman Bellew: I would still like a breakdown.

Office of Management and Budget: for the Veterans' Home budget they have 11 million dollar decrease in their general funds.

Vice Chairman Bellew: that's because of the building project

Office of Management and Budget: I think that that would be a lot easier to sort out than this much was taken out for the building project and the actual operating piece...if you took the building out of that, what your general fund increase or decrease would be and the answer would be basically...we fund whatever they can't get in special funds.

Vice Chairman Bellew: that's what I'm trying to get at is what part of their budget are general funds. In your operating budget, how much did that increase from last biennium?

Kristin Lunneborg: we can try and put something together. We didn't ask for an increase in general funds this biennium. We requested the amount we could request and the governor's office took out 3% away from the amount we could request. The only changes to that would be the salary and benefits as well as the \$40,000 out of the oxbow project (funded by governors' office). So the only changes made to general funds were made through the governor's office.

Representative Wieland: where did they take it from?

Kristin Lunneborg: They took it out of the utilities line item for maintenance

Representative Wieland: is this the only cost center that they took money out of?

Kristin Lunneborg: Yes that is correct.

Representative Nelson: It's important to take a look at historical trends. if you back to 2007, there was a \$120,000 decrease from 07-09 and now it does rise.

Representative Nelson: On the line item with the land mowers, do you rent a unit now for the services you are potentially going to buy this for or don't you have a use for that right now?

Russ Handegard: the new building has (inaudible)

Representative Nelson: what is the approximate cost of that?

Mark Johnson: The reason why we are looking at that is that it goes back to changing all the light poles because we are purchasing our own poles in the past, we have own poles but we don't have a safe method of getting up to those poles. Right now they use the buckets. This will help with doing tree trimming and various other things.

Representative Nelson: are those like your global utilities buckets or do you have buckets on the ground?

Mark Johnson: they use the bucket on the bobcat as they just can't reach some of those areas. We have an electric lift right now and it doesn't function in the grass, so we can use it inside, not outside.

Representative Nelson: what is the approximate cost?

Mark Johnson: about \$12,000. We are looking at buying a used unit.

Representative Nelson: there were several utility vehicles that were in last budget. Were they purchased through the contingency?

Mark Johnson: we didn't buy a utility vehicle last year as you did base it on the stimulus piece. Regarding the mowers, our mowers are probably 7-8 years old (the ones we are going to be getting rid of). They were looking at one that has a smaller deck because we have a 5 foot deck. In going back farther, we have a snow blower that's going to be in the budget as well. By law we have to have our exits open (in the old building we have 11 and 41 in the new building).

Representative Nelson: Why isn't the utility vehicle in the budget this time?

Mark Johnson: we had had some dollars that were from the prior session and we used those dollars to get a vehicle. We had just been putting dollars into the old one. We have another one that's used for spreading sand and salt and we just did some repairs to that.

Representative Nelson: you did purchase another vehicle?

Mark Johnson: Based on the session earlier, we had dollars available.

Representative Nelson: It looks legitimate to me because it's a toro.

Representative Wieland: on the mowers, was it four years ago that we replaced one of the mowers?

Kristin Lunneborg: The mowers are 2003 and 2004.

Mark Johnson: we did get a new mower last session, the toro. But we have other mowers too. The mowers we are replacing are the Stanford or something to that affect. The toro we bought has a 6 foot deck and is a four wheel drive and is basically to cut on hills. It does a whole other function. It's a big mower and it gets out to the oxbow.

Representative Wieland: did you get a diesel?

Mark Johnson: Yes

Representative Wieland: how many additional mowers do you have?

Mark Johnson: Currently, we have 3 mowers and we have the big toro that has the 6 foot deck and the two smaller mowers that purchased in 2003 and 2004. Everything is wearing out. They are just mowing machines but they are just getting tired.

Representative Wieland: they run about \$13,000 with the trade in?

Mark Johnson: Yes.

Representative Nelson: I see that some of this area around the oxbow was leased out in prior years. Now it's going to be seeded and grassed and going to be mowed. What caused the change of the practice there?

Mark Johnson: the new home as that's where we built it. He referred to map in attachment **FOUR** to clarify question.

Vice Chairman Bellew: didn't we appropriate \$250,000 for the irrigation system, landscaping needs, etc. last session?

Kristin Lunneborg: last session you did appropriate \$350,000 on one of the bills that we had. The request for that was actually for over a million dollars. When we move on to Veterans' Home budget detail here too, There are still a few items were not able to finish with the \$350,000 in funding so there is some additional dollars we are asking for on revenue.

Vice Chairman Bellew: what did you use the \$350,000 for?

Kristin Lunneborg: of the \$350,000, there was \$93,000 appropriated for the maintenance storage building (this is built), \$70,000 for landscaping (have not used at all), \$17,000 for moving the 3 stall garage, \$125,000 for mail and overlay work (have used about \$60-70,000 worth and haven't used it all because some of that will tie into where the construction was happening), and \$45,000 for street lighting (has not been accomplished yet). We've spent \$188,000 of that appropriation. We still have some aprons, wiring, some different things to do, so we haven't spent all of that. The 3 stall garage was moved to its new location.

Vice Chairman Bellew: is that \$45,000 going to be an additional to what you are requesting this biennium?

Kristin Lunneborg: yes, that street lighting will be for the other side of the campus.

Vice Chairman Bellew: regarding travel, I realize you are not requesting an increase but it is \$115,000. Plant operators, what sort of travel do they do?

Kristin Lunneborg: \$115,000 is for the motor pool charges. These would be for the vehicle that we have to transport residents to appointments, we go to the VA almost daily, and we have to attend meetings.

Representative Nelson: the funding for the lights in the last biennium was not used. Are they included in the orange here? (referred to map in attachment **FOUR**)

Kristin Lunneborg: They are not included in the orange. That money will be used to put lights on the other side (referred to map).

Representative Nelson: that will be completed in this biennium?

Kristin Lunneborg: Yes, it wasn't completed in the past due to the flood.

Vice Chairman Bellew: when do you anticipate getting all the new residents? Will it be when the new facility opens?

Kristin Lunneborg: We are hoping to move in April thus we will move our current residents. We will have to tier the individuals we are admitting as it would be difficult to admit 14 skilled residents all at the same time. It will depend upon how much they can handle at any given point in time. With the household model, there is different staff set up to take care of those different households so we can admit to several households at the same time. It's unknown as to how long of timeframe it will take us to get up to that number. our waiting list is quite long so we don't have any problems with the people wanting the beds, it's just how fast how staff can take care of the paperwork to get that accomplished.

Representative Kreidt: you're going to be cooking in your building in different areas? Does it show up in nursing where people are cooks?

Kristin Lunneborg: We are going to do a cook/chill system where those staff working in the main kitchen will make the main meal for the day and then obviously chilling it down and then they'll transport that out to the different household. For instance, if they are having spaghetti, they'll cook it in the household, but the sauce will be made in the main kitchen. Those universal workers will be the ones doing the cooking in the household as well so they are responsible for cooking, CNA work, housekeeping work, and dietary and basically what they'll do is like for one week my job is primarily is to make sure the cooking gets done and the residents get fed and everybody else will take care of the other duties. The next week they'll switch and do something else so that's the reason that everybody has to be serve safe trained because eventually all of them will be cooking in the households, but yet will still have the main staff doing the cooking in the main kitchen as well.

Representative Kreidt: these people are going to learn all these diets with all the diverse diets as well as doing all the different

Kristin Lunneborg: That's part of the serve safe training and then they'll be training four days in other areas. It'll be a good learning process for everyone.

Representative Kreidt: we are looking at the dietary dept and later will look at the nursing dept. How is the department going to look at that if the nursing is reimbursed at a higher level? They're going to do a configuration to figure out what's pro-rated when they do dietary and what's going to be pro-rated with nursing. Do you have that all figured out?

Kristin Lunneborg: All staff will be doing time studies (four times a year for an entire week) and then at the end of the year we will allocate the different costs to the different departments.

Vice Chairman Bellew: Explain the FTE situation. 13 come from the food center for instance. Didn't we authorize new FTES last biennium?

Kristin Lunneborg: you had 24 authorized however none have been hired. The 22.6 increase are FTEs being transferred due to the universal workers plan.

Representative Nelson: is the net effect of all that zero?

Kristin Lunneborg: Yes, we are not requesting any additional FTEs this biennium. It's just a transfer of workers between departments.

Representative Kreidt: how much contract nursing are you doing? Is it just nursing that you are contracting for?

Kristin Lunneborg: We did change our call in policy so we are offering additional money for those picking up open shifts (they will get an extra \$6 an hour) because contract nursing gets three times what your other staff get. Our contract nursing costs have gone quite a bit. Most of the contract nursing has been LPNs and RNs.

Representative Nelson: how much flexibility do you have in the area of hiring with retention and bonuses? Sign on bonuses for CNAs has done wonders with eliminating the needs of contract nursing. Are you limited by the structure of the state?

Kristin Lunneborg: Those options are available through the state system as well. We do not like to do bonuses because everybody talks to everybody and we have mountains made out of molehills. We have had some discussions because of the amount of staff that we have to hire for the new facility and because of the weekend shift rotations we are going to have, we have increased probability that staff are going to have to work just weekends,

thus we have discussed increasing hourly rate by \$5 an hour for those who work weekends. Currently we do not use any type of incentives but we may have to do that moving forward.

Representative Kreidt: do you give the opportunity to your CNAs or competent staff (who you believe are capable/motivated to progress further in their career) to advance their education and training such as sending individuals to nursing school?

Kristin Lunneborg: We have a tuition reimbursement policy where we will help pay their tuition to help them attend school. My experience of 7 years there has shown that most are nursing staff (LPNs going on to be RNs).

Representative Metcalf: is there salary increases for the average worker there as they have more duties?

Kristin Lunneborg: with the reclassifications in their job descriptions (they're doing work in four different departments rather than one), there have been salary adjustments. About a fourth of employees have stayed the same and most of the CNAs stayed about the same because the other pay grades were lower than theirs. Some of those that transferred from lower pay grades into that title did see from \$1-2 dollar increase. It varies. We used years of services and employee evaluations to determine wage adjustment, coming in with a base rate.

Representative Kreidt: do you do your own CNA training in house? Where does that show?

Kristin Lunneborg: Some of that would show up under professional supplies and materials services. The training is done by in house staff so all of their time would show up in the salaries. The testing shows up under professional development.

Representative Kreidt: are you able to do a yearly contract with products you use?

Kristin Lunneborg: We purchase most medical supplies from the same company. The state doesn't do term contracts yet for the medical supplies because there aren't many facilities that use those types of products. A lot of the incontinence briefs are picked by what works the best. The individual that does the ordering does a good job of checking prices and looking into if anyone has a comparable product and it's any cheaper.

Representative Kreidt: you use to be able to contract about a year and lock in a price.

Kristin Lunneborg: The state encourages that and that's a job that would fall with me. Right now I'm maxed out. It's absolutely something we'd want to look at in the future.

Representative Metcalf: regarding professional development, I understand that there is something available to our university systems that work with you as far as developing CNAs. Are you involved in that contact?

Mark Johnson: we have met with Larry Robinson and have a meeting with one of the institutions at Valley City. We are looking at bringing a program to Lisbon and are working out the numbers. They have approached us in the hospital and we have been in contact with Park Side. We are hoping to do something in Lisbon area and it is still in the works.

Representative Metcalf: it's working well with the Valley City area. It's something to consider. It seems like we are getting many people who are qualified in that area.

Mark Johnson: One thing I wanted to talk about is the incontinence supplies. Because of the type of residents we serve, the Veterans' Home has a very low case mix and the case

mix basically shows that the lower your case mix the less payments you receive from the state. Some of the issues we run into are that as time goes on, we are carrying for much heavier care residents and we are also picking up (inaudible couple words).

Representative Nelson: in your testimony you said that there is a \$34,500 increase in professional development but in the line item bars report, it only shows \$16,500. Where is the difference?

Kristin Lunneborg: that would be a typing area. The \$34,500 is the total recommendation and the increase is \$16,500.

Representative Kreidt: what is your case mix right now? Under one I would imagine.

Kristin Lunneborg: yes

Vice Chairman Bellew: explain that.

Representative Kreidt: case mix numbers are based on a tier and one would be on the lower end. The higher the number, the higher your case mix, and the higher your reimbursement is. If you have a one, you might be getting \$150 a day and a one and a half would be about \$250.

Vice Chairman Bellew: can you explain what those equipments are used for (exercise equipment)?

Kristin Lunneborg: PT/OT department requested the balance trainer to assist residents worked on strength and balance with the overall goal of being reducing falls. Kristin Lunneborg passed around pictures displaying the different exercise equipment with descriptions to include the resistance weight machine, precor treadmill (precor is the brand name), and recumbent cross trainer.

Representative Kreidt: what type of bond did you do? A mitre bond?

Kristin Lunneborg: it's all handled through the Industrial Commission. I believe it's a revenue bond.

Office of Management and Budget: if you have further questions on this, I can get Karlene Fine from Industrial Commission to come down and discuss this.

Vice Chairman Bellew adjourned hearing until fifteen minutes after floor session this afternoon.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division Roughrider Room, State Capitol

HB 1007
January 26, 2011
13463

Conference Committee

Committee Clerk Signature

Julia Geagle

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the veterans' home and department of veterans' affairs; budget number 313, Veterans' Home

Minutes:

Vice Chairman Bellew called meeting to order (Chairman Pollert is absent). He stated that due to weather concerns Department of Veterans' Affairs (VA) is requesting to come in tomorrow versus Friday January 28. Committee had consensus on this as ND Veterans' Home would likely be completed by this afternoon. Office of Management and Budget will contact Department of VA and let them know to come tomorrow. Hearing on HB 1007 (budget number 313) was opened.

Kristin Lunneborg resumed her testimony that she started this morning. Testimony is labeled as attachment **ONE**.

Vice Chairman Bellew: I see on the bars report that you are requesting a \$17,000 increase in professional services and your first year expenditures were only \$1760.

Kristin Lunneborg: That is because we just brought on the psychologist. The money we had in the last biennium, we were just starting to look at different services we could provide and it took us awhile to find an individual and work out a contract. We actually just signed a contract. We didn't have a lot of those fees in this biennium but we will in the next.

Representative Nelson: you contract the needs How do you determine the contract?

Kristin Lunneborg: This is two individuals we contract with that come in twice a month. There is a cap on the time that they come in.

Representative Nelson: they come in on given days. Are you trying to increase psychiatric services and addiction services? Where has it been historically?

Kristin Lunneborg: In the past, we had an addiction counselor at one time, but it didn't work due to the relationships she built with the residents...she last biennium, we put the consulting dollars under professional services not wanting to have ...it seems to work much better on a consulting basis

Representative Nelson: it seems to be working better?

Kristin Lunneborg: It's only been a month, but we do currently have psychiatrists that come in on a consulting basis.

Representative Wieland: Is this the department where you would deal with volunteers at the home?

Kristin Lunneborg: Yes, it would fall under social services. The new individual we hired as admissions coordinator/marketing will employ a much better volunteer program and work at expanding it. We didn't have the appropriate staff in the past to facilitate community involvement.

Representative Kreidt: how many households are you going to have in the new facility?

Kristin Lunneborg: There are three pods and in each pod there are four households. So there will be twelve households total and the big administrative core area.

Representative Kreidt: are there going to be housekeepers? CNAs? Combination?

Kristin Lunneborg: These people will be strictly housekeepers, mainly for the main core area. They will also go down into the corridors and be responsible for the heavy cleaning in the households, like the washing walls, windows, carpets.

Vice Chairman Bellew: what kind of vacuum cleaners do you purchase?

Kristin Lunneborg: I don't believe a particular brand was requested.

Vice Chairman Bellew: that's okay. I was just curious.

Representative Wieland: you got \$1000 in for travel? What kind of traveling do housekeepers need to do?

Kristin Lunneborg: There are a few training classes that the head housekeepers go to in any given year, like at UND (i.e. information on asbestoses).

Representative Kreidt: evidently you are moving all your laundry equipment from the other facility (washers, dryers) over to the existing facility? Where is the purchase of new equipment? It's included in with the price of the new building?

Kristin Lunneborg: yes

Representative Kreidt: didn't you have commercial where you were at?

Mark Johnson: Yes.

Representative Kreidt: Were they all worn out?

Mark Johnson: We had one washer that was really old. They replaced parts in the other one. They'll have residual value.

Representative Kreidt: what do they call?

Kristin Lunneborg: surplus property

Representative Kreidt: do you own all your bed sheets? Have you explored a contract?

Kristin Lunneborg: Yes, we own them all and no, we haven't explored a contract.

Representative Kreidt: With the contract, they're the replacement, it's ongoing and the washcloths, pillow cases, bed sheets, and then you don't have replacement of equipment. You always have new...continuously.

Kristin Lunneborg: someone had approached us on that years ago (4-5 yrs ago) and we did look at that, however we didn't see a cost savings in it (in that point in time). It is something that we could look at again though.

Vice Chairman Bellew: on your medical, dental and optical, I assume most of that is for prescriptions?

Kristin Lunneborg: that is for all the medications as well as pharmacy supplies.

Vice Chairman Bellew: medications, such as?

Kristin Lunneborg: we contract to purchase all of our medications under the VA's contract so this is just to buy those medications. I believe it is Mechaian drug is the company we use so we get them at a fraction of the cost of what you would pay on the outside market. It's just the bare cost to purchase those medications, bring them into the facility, and then repackage them for the residents.

Vice Chairman Bellew: prescription drugs?

Kristin Lunneborg: yes

Representative Nelson: are you required to purchase under that contract?

Kristin Lunneborg:We have flexibility. We looked at all the options....i think it's a 7% savings

Representative Nelson: is that under review on a continuing basis (that contract)?

Kristin Lunneborg:We have not looked at it. The VA renews their contracts every few years...we haven't really questioned very much. Our pharmacist that we have works...she said the cost that we pay is unbelievable, it's so cheap.

Representative Nelson: given the situation we are looking at coming into this spring. What are the possibilities of another flood? If it was the same level as it was in 2009, are we better able to handle that today then back then?

Mark Johnson: this year we'll be better prepared because we have bought more pumps and the National Guard and corps of engineers brings in pumps too. The other thing we did last year, when the flood was brewing and they were saying it was going to be pretty close to the same height as it was last year; we went along the riverbank and cut down all of our big trees. I actually had a discussion with the mayor who has been running the flood protection for the last two years and he was very happy about the fact that these trees have been removed. He goes it's going to be prime for us to build that dyke up another 2-3 feet. I think we are going to be getting a nice, big sized dyke. More than anything we are going to have a lot more flood protection that we've ever had. The new building sits about a foot higher than the existing building. It sits back about a quarter of a mile from the old building. We just designed it a different way. We're going to be better off.

Vice Chairman Bellew confirmed there were no further questions and informed ND Veterans' Home that by next Thursday, the committee will be setting date and will be calling for amendments. **Vice Chairman Bellew** stated the committee will invite the ND Veterans' Home back for this.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Roughrider Room, State Capitol

HB 1007
January 27, 2011
13573

Conference Committee

Committee Clerk Signature

Julia Giese

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the veterans' home and department of veterans' affairs; budget number 321, Department of Veterans' Affairs

Minutes:

Vice Chairman Bellew called meeting to order on HB 1007 (Chairman Pollert is absent). Clerk called role and quorum declared.

Cathy Halgunseth, Administrative Assistant for the ND Department of Veterans' Affairs (Dept of VA), presented testimony which is the spend down report for last biennium for Dept of VA. Testimony is labeled as attachment **ONE**. Ms. Halgunseth went over the spend down report and committee members interjected with questions. The questions and answers are illustrated as follows.

Vice Chairman Bellew: it shows in the last biennium that you didn't have any temporary salaries and you said you wanted to keep on a temporary worker.

Cathy Halgunseth: That was covered under our technology project carryover dollars up top. That's where we had the temporary salaries. Because we had additional costs to get the software and the project up and running, we wanted to keep on a temporary worker for awhile so we paid for that out of our department regular funds. We had a change in staffing (Women's Coordinator left) and there was in between time before we hired a replacement so we are going to have some additional funds there. We are requesting another \$20,000 for the biennium that the governor put in to continue the discharge project. The first time around we were getting everything set up, making sure everything worked and flowed. Now it does and we'd like to bring in a temporary worker again to really get the project moving along and get those discharges into a data base so we can preserve the old ones. The new ones are going in there so we always have that military service record for the Veterans.

Vice Chairman Bellew: if your Women's Coordinator left, are you going to have any turn back money this biennium?

Cathy Halgunseth: we will probably have some. We have other one time spending dollars that will turn back. We are going to use up what we can. A lot of the training conferences that we can send our claims people too don't become available until the spring.

Representative Kreidt: on the green sheet, it shows \$22,000 for temporary salaries and \$20,000 on the spend down; can you explain this?

Cathy Halgunseth: The temporary salaries are the \$20,000 and the other \$2000 drops into the fringe benefits.

Representative Kreidt: this is just for the FICA.

Cathy Halgunseth: yes.

Vice Chairman Bellew: in this category, you guys went over the budget six fold.

Cathy Halgunseth: it's difficult to determine 2 years from now what we will be spending and in what areas. We are trying to do a lot more outreach, promotional type things so are putting more resources in that category.

Vice Chairman Bellew: that \$11,600, what are you going to use the money for this year?

Cathy Halgunseth: We have a lot of updating to do within our own dept. For instance, we have a network printer and it can't be used in windows 7 because we haven't updated the drivers. Thus with people going to windows 7, we have to replace the printer. Also, with that money we plan to purchase another projector to be used in conjunction with the increased outreach endeavors. We plan to replace laptops and other equipment like other printers.

Vice Chairman Bellew: do you have a cost per square foot on those?

Cathy Halgunseth: In Fargo we are locked into a 5 year lease and we are in the 3rd year. Our Fargo lease is at \$10.20 per square foot. I do not have Bismarck's cost but we're at about 380-420 square feet. Our rent is \$519 a month.

Office of Management and Budget: Regarding the Bismarck cost, it's \$12.72 a square foot. **Office of Management and Budget** clarified that the Bismarck office is 490 square feet.

Representative Wieland: your IT data processing, have you added anything new with IT for this next biennium or is that just the service you've been getting?

Cathy Halgunseth: We added in additional funds to cover our website upgrades. We covered the base. We have to do all our changes through ITD and it is costly to do small changes. We will spend about \$4000 by the time biennium ends on our updates. ITD costs are going up and we are charged \$75 an hour (analyst costs).

Vice Chairman Bellew: is there a minimum charge on that? I wouldn't think it would take long to make the changes to the website that you gave examples of like changing dates.

Cathy Halgunseth: They bill out at a quarter of an hour even if they work 2 minutes.

Representative Wieland: what was the cost before? Now it is \$75 an hour.

Cathy Halgunseth: It was \$63.

Vice Chairman Bellew: last biennium it was \$63?

Cathy Halgunseth: This biennium it is \$63 and it's going up to 75

Cathy Halgunseth explained the ITD equipment over \$5000

Representative Wieland: did IT give you a breakdown when they gave you this dollar amount for your 2011-13 budget?

Cathy Halgunseth: They did give us a quote on that. They just gave us the total number of \$15,593. They didn't break it down into salary time or anything like that.

Representative Wieland: your recommendation is \$22658. They gave you \$15,000 and some odd dollars and the balance of that was for your website?

Cathy Halgunseth: This includes all the fees that ITD has for us. They are doing some increases across the board for us. We are getting some additional fees we haven't had before. ITD doesn't bill us for some things and surprises us with others. For instance, we weren't being billed for fax line in our office and they started billing us for that about 2 months ago. One example they are doing is called the FMP file sharing. Because we were networked in they weren't charging all the employees and they are going to start charging all the employees next biennium.

Representative Kaldor: the \$15,000 is for a web application tool that allows you to do transactions on your website so people can fill out forms or what exactly will they be doing on your website?

Cathy Halgunseth: It will enable us to go on our website to make the changes. Currently we have to submit everything to ITD to make changes.

Representative Kaldor: this is just to make changes to the website like if you are updating information about services available or eligibility or what kind of changes are you talking about?

Cathy Halgunseth: It's updating links that need to be updated as somebody has changed their website address. We have a map of ND broken into counties and one can click on county to get information such as the name of the service officer. If that service officer changes, we need to change it on the website.

Representative Kaldor: ITD is going to create this mechanism for you to do these changes?

Cathy Halgunseth: They're switching it over to what's called Dropple (I believe it's a brand). If we change you to Dropple then we have access to our own website.

Representative Kaldor: this isn't for you, Cathy, but one of the pieces of information I would like to get from ITD is about Dropple .It seems like this is a lot of money for a web application tool that allows you to change your website for a small agency like yourself. I'd better look at your website before I make that comment, I suppose.

Cathy Halgunseth: We couldn't believe how much it cost. I was thinking, why didn't they just write in that program to start with so we could be doing it ourselves? I budgeted within that date processing line, \$5000 for updating our website for the next biennium. If you don't give us the \$15,000 to move it to a new system, we are going to need an additional...as I've said we've already spent \$4000 this biennium. With the rate increase, it's not going to go down because we are still going to have updates that need to be done.

Vice Chairman Bellew: did ITD explain this to you when they presented this to the department, Office of Management and Budget?

Office of Management and Budget: I did visit with ITD as to whether this was a recommended solution for Dept of VA. I can get a hold of someone there to explain it in more detail.

Vice Chairman Bellew: I would like to see why it cost so much too. It seems pretty expensive for what they are asking for.

Vice Chairman Bellew: you're asking for a 50% increase...is that because of that?

Cathy Halgunseth: The person who does the loans got a new computer and we had to bring in an independent contractor to come in and do some software work. With our discharge project, besides it going into file net, we wanted something a little more accessible in our own office so we could do some reporting and we also do the welcome home letters off of that. To have ITD to make changes to that program is very expensive and we found an independent contractor that will make these changes and comes to our offices. He will do it at a way reduced rate than ITD so that when we want ITD to do it, we just hand it over to them and say this is what we need done, just do that. We build in some additional funding for that discharge project.

Vice Chairman Bellew: the extra money that's in the budget which is about \$30,000; explain that.

Lonnie Waugen, Commissioner of ND Dept of VA: Last biennium, we were given a onetime appropriation of \$20,000 to bring in one group to do training for us for accreditation training. That was called the National Association County Service Officers. They can come in and do some training with us. It is positive to have groups that train professionally all the time and are working hand in hand with the VA to come in and give us specific training on different subject matters. With the research I've done, I've found the National Service Officers. They go to their annual training and hire a group from the NVSP, mostly attorneys. They can come in and do some training for us this fall. They will not just train you on how to do claims but also how to win appeals and how to serve the Veterans properly. We'd like to bring in training from the VFW and American Legion and other groups that work out in DC like we've done in the past. Last time the American Legion came in, it was on their dime. We would like to be able to assist other organizations like the Purple Heart or the Paralyzed Veterans of America to come in and talk us about how to deal with certain cases, especially with PTSD and TBI coming in. We're going to get some professional people in here to help us develop those claims so we can help those Veterans properly.

Representative Wieland: we talked about the \$30,000 for professional services which is the funding for training. The extra \$5000 in your budget, what would that be for?

Cathy Halgunseth: that would be for artistic design of posters and things of that nature for when we do outreach work.

Representative Wieland: do you have what we call the green sheet? The one time funding for temporary salaries, was that for the discharge project?

Cathy Halgunseth: Yes

Representative Wieland: removing the funding provided in the 09-11 for accreditation training of all Veterans service officers, (that is shown on here), you have 2286 increase funding for operating expenses. I don't see an operating expenses line.

Cathy Halgunseth: We don't have line items. We have a lump sum budget. Basically what ours looks like is just the bottom line, just that bottom dollar amount. They moved us to that lump sum budget a few bienniums ago. It allows us much more flexibility to move dollars in between so it we do have a staff member that leaves and we do have additional salary dollars we don't have to go to the emergency commission to ask money to be moved to another line item so we can move that money around to best serve our needs.

Representative Wieland: how do we track that back to the budget from the green sheet one way or another?

Office of Management and Budget: although they have a special line budgets, all the account codes are in that one special line. The account codes are still operating account

codes and salary account codes so we could take a look at operating account codes or maybe Sheila (Legislative Council) can answer where that \$2000...what she added together on the green sheet to get to that. For the operating account codes they would be from the travel account code down through the fees and professional services. Those are typically operating line account codes.

Legislative Council provided a copy of Change Package Summary, labeled as attachment **TWO**.

Vice Chairman Bellew: Chairman Pollert will schedule a day where we ask for amendments and we will invite you back to listen to that, but this will not be a time for testimony.

Office of Management and Budget: Mike Ressler (ITD) can come down and discuss Dropple.

Vice Chairman Bellew: he can come in on Monday when Chairman Pollert is present. We request he keep it to fifteen minutes or less.

Lonnie Waugen presented testimony regarding request for extra funding for an FTE included in the optional package budget. Testimony is labeled as attachment **THREE**.

Vice Chairman Bellew: how much money do you want?

Lonnie Waugen: It's in our optional package request.

Vice Chairman Bellew adjourned meeting until Monday January 31 at 8:30 am.

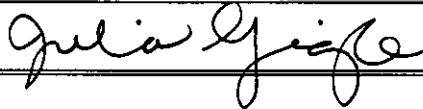
2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Roughrider Room, State Capitol

HB 1007
February 11, 2011
14412

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the veterans' home and department of veterans' affairs; budget number 313, Veterans' Home

Minutes:

Chairman Pollert called meeting to order. Clerk took role and quorum declared. Chairman Pollert opened hearing on HB 1007 and called for discussion and amendments.

Representative Metcalf: I have a proposed amendment. He distributed it and the document is labeled as attachment **ONE**. He explained: this amendment for propose for establishing a museum in the old building that will be evacuated. This would allow for the building to be heated for one biennium and would allow a solid plan to be come up with during that time on how to build a museum. He provided a list, for the committee, of multiple signatures of individuals who are from the area and support the using of the building for a museum. On pg 3, it says adds funding to heat the old facility and we are adding \$4000 over and above what the housing allowance was for the administrator because if he was going to stay in his old facility, it would cost at least \$20,000 to keep his home and the old facility heated and the extra \$4000 would be enough to carry it just a little bit further.

Chairman Pollert: the administrator would be living in this house for two more years?

Representative Metcalf: Yes, if this goes through.

Chairman Pollert: you are not talking about any repairs, maintenance?

Representative Metcalf: we had not planned on any maintenance in that old facility at all. Having said that, if a waterline breaks, we will fix it, but these types of things cannot be foreseen.

Representative Nelson: I don't have a problem waiting a biennium to determine whether it's feasible for a museum, but is it possible to leave that facility in a condition that it wouldn't need to be heated?

Representative Metcalf: the house that the administrator lives in is heated through that facility so if we are going to leave the administrator in the house he is currently in, we are going to have to heat that facility or at least have heat running through it. There's a boiler in the old portion that heats the whole place.

Representative Nelson: the reason to heat the old veterans' home is because of the house that the administrator lives in. Is it possible to drain the water and get it in the condition so it can sit for two years and doesn't have to be heated?

Representative Metcalf: that is possible, but it's going to have to take some deep thought to make sure that everything is drained because we can't allow pipes to break that is going to damage the building we want to continue using.

Representative Wieland: have you any thoughts, at this time, as to whether this museum would require a study and would it be public or private (as far as funding goes)?

Representative Metcalf: yes, I believe we do need a study so it will be something that the people of ND will want to come to and will want to participate in. We intend to try to it without government funding and use donations. We would probably need govt funds to tear down the parts we don't use.

Representative Wieland: I do not see study indicated in your amendment. It will still be located in the flood plain and will that create some serious problems as you are going to be putting artifacts and things like that in there? Is that the appropriate place for it?

Representative Metcalf: I believe a study will show to have a museum there, but let's keep it at the higher level. We don't need the basements. They will be closed off in the portion that we are going to use. However, I don't know how the building will be constructed. That will have to be part of the study.

Chairman Pollert: I am an amendment about a study that I will be handing out. At this point, would you like a motion or would you like to see what some of the other amendments are?

Representative Metcalf: I would like to see what other amendments come around.

Chairman Pollert proposed an amendment, labeled as attachment **TWO**, and read amendment out loud to committee. As I want to complete a study on it, I want to add two words, "and demolition" following "for the disposition."

Representative Metcalf: when you say all available options, wouldn't that include demolition as an option?

Chairman Pollert: Yes and no, because depending on who the chairman on that interim committee would be, he might not want to include demolition and I want to have all options available.

Representative Wieland: they are talking about keeping parts of the building for the museum. I would like to see the building torn down as quickly as possible (if that's the decision that's made) because it can create problems if it's still standing when you know it's not going to be. Could we include the demolition of that section that Representative Metcalf's group doesn't see as fit for part of the museum and get that removed from the site or is it your thought that we should leave it all alone and wait until the study is completed and then do the removal?

Chairman Pollert: if the study needs to be done, which direction going to happen and have the options available and then someone's going to bring forward the appropriate legislation and appropriations to do whatever.

Representative Kreidt: I think the study would bring out the part of the building you'd want to use for the museum

Representative Nelson: it would read better if you had a comma after options

Legislative Council: Thus it would read "all available options, including demolition, for the disposition of the old veterans' home facility."

Representative Kaldor: as I read it, this is an optional study, "shall consider."

Legislative Council: that's correct. When we draft these sections for studies, it's usually drafted as the legislative management shall consider and they consider the studies and assign them to the interim committees

Representative Kaldor: in the past, we've done mandatory studies when the nature of the study is imminent. I believe for a consideration of this committee, we need to understand that legislative management may reject this study.

Chairman Pollert: I've talked with our side of leadership about how important this is.

Representative Nelson: I don't know how we can make the language any stronger; shall is stronger than may. I believe this is as strong a language as we can put in a request.

Chairman Pollert: I will be talking to our majority leader and the chairman of this committee that this needs to be done.

Representative Kreidt: there were very few recommendations that weren't accepted last time.

Representative Kaldor: it varies from interim to interim and I recall that we rejected many studies (2 bienniums ago). I'm sure the chairman of Legislative Council will recognize how important this study is because of what we're doing down there.

Chairman Pollert: I remember this. I will communicate the importance of getting this study done.

Representative Metcalf: where do we want this amendment that I put in that has money in it to pay for the...do we want that as a part of something else?

Chairman Pollert: we have another amendment coming forward that goes in a different direction; however there are not other studies list in any of the other amendments that will be brought forth.

Vice Chairman Bellew: I think we need to start voting on these amendments. I want to move to adopt amendment .01002.

Representative Kreidt: second

Representative Nelson: because we've seen the next one, I can support this motion because there's no study in that, but I would disagree with Vice Chairman Bellew. I think in fairness to the whole committee that all the cards should be on the table before we start voting on individual amendments.

Vice Chairman Bellew: that's not the way we've done it in the past. Also, the amendments coming forward have nothing to do with this study.

Representative Nelson: as a policy, we should give full disclosure before we vote on them.

Chairman Pollert: discussion on amendment .01002?

Due to no further discussion, clerk took roll call vote, resulting in amendment passing with 7 yes, 0 no and 0 absent.

Vice Chairman Bellew: just a reminder, these are just recommendations and amendments can be brought forward to the full committee even if they don't pass in the section.

Representative Wieland proposed amendment and labeled as attachment **THREE**. This deals with three of the issues that are on the green sheet. Number 12, provides one time funding to repair existing irrigation system; 13 provides onetime funding to reshape and grade the oxbow and provides onetime funding for landscaping. I've taken those out of general funds and put them under special funds so that it's changed from general funds to special funds available from donated mineral lease income. In doing a review of what can be out of there, it does say that it should be used for the Veterans' Home and for this type of deal. I've added in there, that they would add funds to demolish the administrator's old residence and I put \$30,000 in there, not knowing whether or not there would be asbestos (if no asbestos, reduced cost). I would like to see the house go in a different direction. It's old and needs a lot of work and is expensive to heat and maintain. I think the administrator should have the option of renting or purchasing his own home (whether it's on site or off site). In Lisbon, you aren't more than 5 minutes away from the grounds no matter where you buy. We researched the market and there appears to have 7-8 homes for sale that would meet the administrator's needs. Thus we would leave that \$20,000 in tact as a housing allowance that he would be entitled to. \$20,000 is what college presidents would get for a biennium.

Representative Metcalf: I would take exception to one consideration to and that's where you say donated mineral lease income. In visiting with several people that are in the knowledge of donated money, they are saying that the institution that they are donated to has direct access to those moneys and does not have to go through the state of ND. We cannot appropriate the money. That is for the use of that particular facility. For instance, if money is given to a university, they don't have to come through the state to request an appropriation. They spend that money as they see fit. This is about the same relationship here. We have several people that are looking into the legality of what I have just said and I would hope that we don't arbitrarily jump into something that we don't know all the facts about. I hope we can delay this particular section of your amendment until we have a direct opinion by somebody that has the authority to make that decision.

Chairman Pollert: Representative Wieland has a piece of the Century Code he is looking at. Whatever happens with this amendment and 1007, there is time to find all that information out for sure as well because I know you are looking at it and our side is as well.

Representative Wieland: The code number is 37-15-21 (distributed to committee and labeled as attachment **THREEA**) and read the code over.

Representative Nelson: is there anybody on the committee or in the audience that knows if there were any stipulations on that revenue source?

Representative Metcalf: I would prefer that we research this first and then come up with a factual statement to your question.

Representative Nelson: that would be the way to proceed in a perfect world, but from a practical standpoint, we have to move some of these budgets along. I'm comfortable with this funding source for the first half of session. Perhaps we should ask the Attorney General for his involvement in this matter early on.

Chairman Pollert: if you want to make sure this goes to conference committee, there hasn't been a motion on yours or on Representative Wieland's amendment. We can kill the

amendment. I'd make a motion to pull all the general funds in this budget and not even fund them and then we know it's going to conference committee.

Representative Metcalf: I can agree with that. We need to start this off right. I think that Mike Mullin, attorney for the Attorney General, will come down and visit with us if you want him to.

Chairman Pollert: I don't think we need that right now because I don't think he knows for sure. We've done some checking ourselves as well and it can be interpreted both ways. One by the statue and I'll ask Office of Management and Budget about whether Mike is looking at it too and he sees it both ways.

Office of Management and Budget: Mike is looking at it to see exactly how that should be interpreted and I've asked him to research knowing that he is probably going to have to respond him to.

Chairman Pollert informed Mark Johnson (who asked Mike Mullins to come to committee now) to tell him not to come as he won't have an answer anyway.

Vice Chairman Bellew: if we don't accept Representative Wieland's amendment, I don't have any problem pulling those general funds.

Chairman Pollert: we could make a motion to pull all the general funds as there are no motions on .01001 or .01003 or we could make a motion to pull all the onetime fundings.

Representative Nelson: I want to make a motion to move .01003

Vice Chairman Bellew: second

Representative Nelson: I feel more comfortable having those projects completed coming from the House Appropriations. I believe this bill will go to conference committee. We've discussed all those issues last session and we need to move on in completing the Veteran's Home. The funding source will change as the bill moves along.

Chairman Pollert: this section has supported building the Veteran's Home. This is not indicative of anything of what we are trying to do.

Representative Metcalf: Before I would support Representative Nelson's motion, I would like to make a substitute motion to eliminate number 1 (donated mineral lease income) as far as the funding source is concerned. I would prefer not to have that type of information here until a decision is made.

Chairman Pollert: you want to do the onetime funding of the three in here, but you want to change from mineral lease income to the general fund?

Representative Metcalf: I don't know if I want it in the general fund either

Vice Chairman Bellew: a suggestion is, change it from the general funds to the special funds and if they can find the money, they can do it.

Representative Kaldor: I'd like a clarification from Representative Metcalf on what his motion is. If we don't change the funding source, these would be funded from general funds?

Representative Metcalf: I am attempting to remove the words "donated mineral lease income"

Chairman Pollert: and funded by

Representative Kaldor: in the language it would be changed from general fund to special fund and then where would they come from....they may come from mineral leases.

Representative Metcalf: where it says donated mineral lease income, available from special funds

Chairman Pollert: if your substitute motion passes, unless there are special funds from the Veterans' Home, that special funds will probably be the mineral lease income fund. Legislative Council, am I looking at that correctly? Or unless they have another special fund they can pull from, whether it be private donations. That's what you could be looking at as well.

Legislative Council: special funds for the Veteran's home would also include their operating fund which would include their revenue and other income items so they would have to find it in their revenue, that's not otherwise appropriated for expenses.

Representative Nelson: we're much better off with the language that Representative Wieland put in here. What Representative Metcalf asked for does not have to be a motion at all because if Representative Wieland's amendment is turned down, it's funded through the general fund in the budget so we are back to the budget. From a practical standpoint, this is the safest way to proceed if you want the project completed. If it's deemed that the mineral lease income doesn't work, then the funding source that it would go back to most likely the general fund.

Chairman Pollert: they are going to have income coming off of their beds so isn't that considered special funds? If you have that as special funds, that's what's going to happen is it's going to come off of that, right?

Legislative Council: that would be a possibility

Office of Management and Budget: the revenue from the other beds is already included in this budget and is included in the special fund projection for the special funds. The status of the special fund is already considered as part of the budget.

Representative Metcalf: can I get a minute to discuss?

Chairman Pollert: yes, we will take a brief recess.

Chairman Pollert: Representative Metcalf, do you want to make the motion?

Representative Metcalf: I will withdraw the substitute motion I made

Representative Kaldor: this amendment would remove the obligation from the governor's budget for funding these onetime investments or expenditures from the general fund so it's \$126,500 of general fund reduction.

Representative Wieland: Yes, that is true.

Chairman Pollert: including the demolition of the Veteran's House

Due to no further discussion, roll call vote taken, resulting in a do pass of amendment .01003 (4 yes, 3 no, 0 absent).

Chairman Pollert: we did not have a motion on amendment .01001

Representative Metcalf: I will move that we accept amendment .01001

Representative Kaldor: second

Vice Chairman Bellew: if .01001 were to passed, since the previous amendment passed to demolish the home, how would all this work?

Representative Kaldor: with regard to Representative Wieland's amendment, the question I would have is whether the old residence would be demolished within the biennium because we have done some funding in university level where we have actually funded demolition that goes beyond...is spent after it's demolished, even after the biennium so we might end up with one winter.

Chairman Pollert: my concern is that you are taking away the housing allowance.

Representative Metcalf: it's hard for us to see the future and we are attempting to read the future. I don't know if we are going to tear the house down tomorrow or two years after we build a new one. I don't see any conflict here at all. This is providing the finances necessary to keep the building warm and the administrator's house warm. If we get to a point where we don't need them, then we won't spend the money.

Representative Kreidt: to comment, why don't you include \$4000 to heat instead of taking out the housing allowance?

Representative Metcalf: \$4000 will not heat the old facility thus the \$20,000 is needed to heat over 1 biennium. That is what I've been told by the engineers down there.

Representative Kreidt: why don't you just put in a \$24,000 appropriation? You are taking away the housing allowance and this was included in the governor's budgeted.

Representative Metcalf: If I took away the housing allowance, then it would take his ability to do what he wants to do. We are going to need \$24,000 to keep that place warm.

Chairman Pollert: your amendment adds \$4000 to heat the house, but you are going to be taking away the \$20,000 of the housing allowance for the administrator with this amendment. I don't know if you want to take away his chance to look for a house when you are trying to heat this one and we're giving him a housing allowance. Thus the administrator will be paying out of his pocket for someplace to live if we demolish that house.

Representative Metcalf: yes, provided that he wants to do that and if he wants to move, that's his decision or he'll come back here and fight with you guys to get more money.

Representative Nelson: we want to save options for everything. Do we want to set a policy where we get rid of the house on the Veterans' Home (the previous amendment would do this), but Representative Metcalf likely wants to delay that option. If there is a way of preserving the old veteran's home, but not heating it, that facility will be available for another use after the study. If that can't be done without heating, we'll have to find another option. In my opinion, this house needs to go. We can model after college campuses. I believe he will be able to find a house in the town of Lisbon.

Representative Wieland: we could always use mineral lease payments to heat whatever's left to be heated.

Due to no further discussion, roll call vote taken on do pass for amendment .01001. The motion failed with 2 yes, 5 no and 0 absent.

Chairman Pollert: Now, going to move over to Dept of Veterans' Affairs, second part of the budget and included in HB 1007. Are there any amendments to be brought forward? Any discussion?

Representative Kaldor: yesterday we discussed HB 1177 in full committee and was there a suggestion made that, that ought to be a stand down?

Chairman Pollert: we had a meeting with Representative Grande and Representative Delzer about the stand down. No, that bill will stand on its own with the possibility of amendments coming on it. This is the same as HB 1468.

Representative Nelson: I'll move a do pass on HB 1007 as amended

Representative Kreidt: second

Due to no further discussion, roll call vote taken on HB 1007 as amended and motion passed with 7 yes, 0 no, and 0 absent. Chairman Pollert assigned Representative Kreidt to be the carrier of the bill to full committee.

Chairman Pollert closed hearing on HB 1007.


2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Committee Roughrider Room, State Capitol

HB 1007
2/17/11
14717

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the veterans' home and department of veterans' affairs; and to provide for a legislative management study

Minutes:

Chairman Delzer opened hearing on HB 1007.

Representative Kreidt: HB 1007 is the Veterans' home and veterans' affairs budget. He went through amendment .01004 (see attachment **ONE**). In read section 3 and explained with the construction of the new facility, the heat source from that connects to the administrator's home and that will get be cut off at some point and the old house that he is living is deteriorating. There is no problem with the demolition of it as we have researched and found no record of historical value. He went on further in the amendment and explained that the Veterans' Home requested to move a house onto the grounds of the facility with the money they received for mineral lease income and the section stated to not do that and instead use the money for projects the home is requesting to include new home landscaping, irrigation system repair and regrade of oxbow. Representative Kreidt referred to green sheet, stating there is \$20,000 included for a housing allowance for the administrator to purchase a home off of the grounds which is contrary to what was requested. The section does not feel the administrator needs a house on the grounds. In going to number 2, the section removed the turn back that was originally for new positions, however as the positions weren't hired, the \$502,240 will go back into the general fund.

Chairman Delzer: Their current staffing level then is...?

Representative Kreidt: There are no new employees and up to 121 employee (fully staffed and funded for whole biennium).

Chairman Delzer: where are they at now?

Representative Kreidt: They'll start hiring now as they are planning to open in May.

Chairman Delzer: They're currently at the 92.

Representative Kreidt: Correct, you'll see it start stepping up as we come into spring. With the new facility, they had 38 skilled beds and will now go to 52 skill beds. The will wind up with 150 beds all together.

Chairman Delzer: The patients are currently in the old facility, and they'll move over, how long will it take them to fill the new beds?

Representative Kreidt: It will be a transition period and currently, they are below 100 individuals in that facility. The transition period will include hiring new staff thus hiring won't take place all at once.

Representative Skarphol: What's the capacity of the new facility?

Representative Kreidt: 52 skilled and 98 basic care beds. Switching gears, that covers the vets home. There's also the department of vets affairs and there was no changes to that particular budget. They have a staff of 7 (he briefly went over budget 321).

Chairman Delzer: Is that phase 2 of one time funding in the temporary salaries? It says to continue converting veterans records.

Representative Kreidt: That's in regards to their electronic records.

Chairman Delzer: Did we fund the same amount last time?

Representative Kreidt: I don't remember the exact amount, but it is a continuation of what was happening last time. It wasn't completed. There's a lot of information that needs to be completed.

Chairman Delzer: On the home itself, where did we finally end up on the cost compared to what we budgeted?

Representative Kreidt: The final cost of the home was a little over \$27 million.

Chairman Delzer: How much was general fund, and how much federal?

Representative Kreidt: the general was \$7.9M, and federal and other funds were \$19.5 million. Part of that included a bond that was passed last session or the one before in regards to the skills side of the facility. It was \$2.5M that was bonded and that is going to be paid off by the facility through the skilled part (their income that's received).

Chairman Delzer: That will have to be appropriated as increased operating costs.

Representative Kreidt: That's under their property costs; they fall under the equalization of rates and the case mix. Those dollars would be generated with the depreciation and interest through their property costs through the rentals. The new facility will have the geothermal in there and we had applied last time for stimulus money to do that. That was not allowed so the wording last time in the Vets Home bill was for other funds, so that had to be paid for by general funds (\$3M).

Chairman Delzer: On the bill, the estimated income, the \$15 million; does most of that come from DHS through Medicaid or is most of that from the feds?

Representative Kreidt: I can get that breakdown for you. I move the proposed amendment .01004.

Chairman Pollert: second

Voice vote carried thus amendment .01004 adopted.

Representative Kreidt: I move a Do Pass as Amended

Representative Pollert: second

Chairman Delzer: discussion

Representative Metcalf: We looked at allowing a certain amount of money to maintain the old building, specifically to heat the building for at least one year because there is a group of people down there that are looking at the possibility of converting that building into a museum. In order to get heat in the home, you need to have the boilers in the main building operating. I had proposed an additional \$4,000 to keep that building warm. I am not terribly concerned as they can likely find the funding in their budget for this. I wanted to bring up this information for the committee though.

Chairman Delzer: further discussion?

Roll call taken for Do Pass as Amended for HB 1007, resulting in 20 yes, 1 no, and 0 absent, thus motion carried. **Representative Kreidt** was assigned to be the carrier of HB 1007.

Chairman Delzer closed hearing on HB 1007.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1007

Page 1, replace line 14 with:

"Salaries and wages \$11,538,855 \$2,378,006 \$13,916,861"

Page 1, replace line 15 with:

"Operating expenses 4,561,857 1,394,428 5,956,285"

Page 1, replace line 18 with:

"Total all funds \$18,403,882 \$2,431,764 \$20,835,646"

Page 1, replace line 19 with:

"Less estimated income 13,677,293 1,478,530 15,155,823"

Page 2, replace line 11 with:

"Grand total special funds 13,677,293 1,478,530 15,155,823"

Page 2, replace line 12 with:

"Grand total all funds \$19,435,369 \$2,537,496 \$21,972,865"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1007 - Summary of House Action

	Executive Budget	House Changes	House Version
Veterans' Home			
Total all funds	\$20,831,646	\$4,000	\$20,835,646
Less estimated income	<u>15,151,823</u>	<u>4,000</u>	<u>15,155,823</u>
General fund	\$5,679,823	\$0	\$5,679,823
Department of Veterans' Affairs			
Total all funds	\$1,137,219	\$0	\$1,137,219
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$1,137,219	\$0	\$1,137,219
Bill total			
Total all funds	\$21,968,865	\$4,000	\$21,972,865
Less estimated income	<u>15,151,823</u>	<u>4,000</u>	<u>15,155,823</u>
General fund	\$6,817,042	\$0	\$6,817,042

House Bill No. 1007 - Veterans' Home - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$13,936,861	(\$20,000)	\$13,916,861
Operating expenses	5,932,285	24,000	5,956,285
Capital assets	630,500		630,500
New Veterans' Home	<u>332,000</u>		<u>332,000</u>
Total all funds	\$20,831,646	\$4,000	\$20,835,646
Less estimated income	<u>15,151,823</u>	<u>4,000</u>	<u>15,155,823</u>

General fund	\$5,679,823	\$0	\$5,679,823
FTE	120.72	0.00	120.72

Department No. 313 - Veterans' Home - Detail of House Changes

	Adds Funding to Heat the Old Facility ¹	Removes Administrator's Housing Allowance ²	Total House Changes
Salaries and wages		(\$20,000)	(\$20,000)
Operating expenses	24,000		24,000
Capital assets			
New Veterans' Home			
Total all funds	\$24,000	(\$20,000)	\$4,000
Less estimated income	24,000	(20,000)	4,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

¹ Funding is added to continue heating the old Veterans' Home facility during the 2011-13 biennium.

² Funding included in the executive recommendation for a housing allowance for the administrator is removed. The allowance was provided because the administrator's home would lose its heat source on the Veterans' Home campus when the residents are moved to the new facility. If heat is maintained in the old facility, the administrator will not need to relocate.

Date: 2/11/11
Roll Call Vote # 3

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

House Appropriations Human Resources Division Committee

Check here for Conference Committee

Legislative Council Amendment Number .01001

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Rep. Metcalf Seconded By Rep. Kaldor

Representatives	Yes	No	Representatives	Yes	No
Chairman Chet Pollert		✓	Rep. Lee Kaldor	✓	
Vice Chairman Larry Bellew		✓	Rep. Ralph Metcalf	✓	
Rep. Gary Kreidt		✓			
Rep. Jon Nelson		✓			
Rep. Alon Wiedland		✓			

Total (Yes) 2 No 5

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
Establish museum in old vets facility and fund heating for the facility for \$4000 and \$20,000 from administrator's housing allowance

Motion Failed

Attachment TWO

11.8136.01002
Title.

Prepared by the Legislative Council staff for
Representative Pollert

February 9, 2011 - Feb 11, 2011

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1007

Page 1, line 2, after "affairs" insert "; and to provide for a legislative management study"

Page 3, after line 8, insert:

"SECTION 3. LEGISLATIVE MANAGEMENT STUDY - DISPOSITION OF THE OLD VETERANS' HOME FACILITY. During the 2011-12 interim, the legislative management shall consider studying all available options for the disposition of the old veterans' home facility. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Renumber accordingly

Date: 2/11/10
 Roll Call Vote # 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

House Appropriations Human Resources Division Committee

Check here for Conference Committee

Legislative Council Amendment Number .01002

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Rep. Bellew Seconded By Rep. Kreidt

Representatives	Yes	No	Representatives	Yes	No
Chairman Chet Pollert	✓		Rep. Lee Kaldor	✓	
Vice Chairman Larry Bellew	✓		Rep. Ralph Metcalf	✓	
Rep. Gary Kreidt	✓				
Rep. Jon Nelson	✓				
Rep. Alon Wiedland	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Encourages legislative mgmt to study options (including demolition) for disposition of the old Veterans' home and report on findings and recommendations

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1007

Page 1, replace line 16 with:

"Capital assets 259,906 400,594 660,500"

Page 1, replace line 18 with:

"Total all funds \$18,403,882 \$2,457,764 \$20,861,646"

Page 1, replace line 19 with:

"Less estimated income 13,677,293 1,631,030 15,308,323"

Page 1, replace line 20 with:

"Total general fund \$4,726,589 \$826,734 \$5,553,323"

Page 2, replace line 10 with:

"Grand total general fund \$5,758,076 \$932,466 \$6,690,542"

Page 2, replace line 11 with:

"Grand total special funds 13,677,293 1,631,030 15,308,323"

Page 2, replace line 12 with:

"Grand total all funds \$19,435,369 \$2,563,496 \$21,998,865"

Page 2, remove lines 26 through 28

Page 3, replace line 2, with:

"Total all funds \$15,183,138 \$37,593"

Page 3, replace line 4 with:

"Total general fund \$12,025,133 \$37,593"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1007 - Summary of House Action

	Executive Budget	House Changes	House Version
Veterans' Home			
Total all funds	\$20,831,646	\$30,000	\$20,861,646
Less estimated income	15,151,823	156,500	15,308,323
General fund	\$5,679,823	(\$126,500)	\$5,553,323
Department of Veterans' Affairs			
Total all funds	\$1,137,219	\$0	\$1,137,219
Less estimated income	0	0	0
General fund	\$1,137,219	\$0	\$1,137,219

Bill total			
Total all funds	\$21,968,865	\$30,000	\$21,998,865
Less estimated income	15,151,823	156,500	15,308,323
General fund	\$6,817,042	(\$126,500)	\$6,690,542

House Bill No. 1007 - Veterans' Home - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$13,936,861		\$13,936,861
Operating expenses	5,932,285		5,932,285
Capital assets	630,500	30,000	660,500
New Veterans' Home	332,000		332,000
Total all funds	\$20,831,646	\$30,000	\$20,861,646
Less estimated income	15,151,823	156,500	15,308,323
General fund	\$5,679,823	(\$126,500)	\$5,553,323
FTE	120.72	0.00	120.72

Department No. 313 - Veterans' Home - Detail of House Changes

	Changes Funding Source for Landscaping ¹	Changes Funding Source for Irrigation System Repair ²	Changes Funding Source for Regrade of Oxbow ³	Adds Funding to Demolish Administrator's Old Residence ⁴	Total House Changes
Salaries and wages					
Operating expenses					
Capital assets				30,000	30,000
New Veterans' Home					
Total all funds	\$0	\$0	\$0	\$30,000	\$30,000
Less estimated income	25,000	55,000	46,500	30,000	156,500
General fund	(\$25,000)	(\$55,000)	(\$46,500)	\$0	(\$126,500)
FTE	0.00	0.00	0.00	0.00	0.00

¹ The funding source of **one-time funding** for new home landscaping is changed from the general fund to special funds available from donated mineral lease income.

² The funding source of **one-time funding** for irrigation system repair is changed from the general fund to special funds available from donated mineral lease income.

³ The funding source of **one-time funding** for the reshaping and regrading of the oxbow is changed from the general fund to special funds available from donated mineral lease income.

⁴ Funding is added for the demolition of the administrator's old residence from special funds available from donated mineral lease income.

Date: 2/11/11
 Roll Call Vote # 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. 1007

House Appropriations Human Resources Division Committee

Check here for Conference Committee

Legislative Council Amendment Number .01003

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Rep. Nelson Seconded By Rep. Bellew

Representatives	Yes	No	Representatives	Yes	No
Chairman Chet Pollert	✓		Rep. Lee Kaldor		✓
Vice Chairman Larry Bellew		✓	Rep. Ralph Metcalf		✓
Rep. Gary Kreidt	✓				
Rep. Jon Nelson	✓				
Rep. Alon Wiedland	✓				

Total (Yes) 4 No 3

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Move three items (overtime funds to repair existing irrigation system; reshape and grade oxbow; overtime funds for landscaping) from general funds to special funds, available from donated mineral lease income

Date: 2/11/10
 Roll Call Vote # 4

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

House Appropriations Human Resources Division Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Rep. Nelson Seconded By Rep. Kreidt

Representatives	Yes	No	Representatives	Yes	No
Chairman Chet Pollert	✓		Rep. Lee Kaldor	✓	
Vice Chairman Larry Bellew	✓		Rep. Ralph Metcalf	✓	
Rep. Gary Kreidt	✓				
Rep. Jon Nelson	✓				
Rep. Alon Wiedland	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Rep. Kreidt to full committee

If the vote is on an amendment, briefly indicate intent:

VK
2/18/11
1083

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1007

Page 1, line 2, after "affairs" insert "; and to provide for a legislative management study"

Page 1, replace line 16 with:

"Capital assets	259,906	400,594	660,500"
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Page 1, replace line 18 with:

"Total all funds	\$18,403,882	\$2,457,764	\$20,861,646"
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Page 1, replace line 19 with:

"Less estimated income	<u>13,677,293</u>	<u>1,631,030</u>	<u>15,308,323"</u>
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Page 1, replace line 20 with:

"Total general fund	\$4,726,589	\$826,734	\$5,553,323"
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Page 2, replace line 10 with:

"Grand total general fund	\$5,758,076	\$932,466	\$6,690,542"
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Page 2, replace line 11 with:

"Grand total special funds	<u>13,677,293</u>	<u>1,631,030</u>	<u>15,308,323"</u>
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Page 2, replace line 12 with:

"Grand total all funds	\$19,435,369	\$2,563,496	\$21,998,865"
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Page 2, remove lines 26 through 28

Page 3, replace line 2 with:

"Total all funds	\$15,183,138	\$37,593"
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Page 3, replace line 4 with:

"Total general fund	\$12,025,133	\$37,593"
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Page 3, after line 8, insert:

"SECTION 3. LEGISLATIVE MANAGEMENT STUDY - DISPOSITION OF THE OLD VETERANS' HOME FACILITY. During the 2011-12 interim, the legislative management shall consider studying all available options, including demolition, for the disposition of the old veterans' home facility. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1007 - Summary of House Action

	Executive Budget	House Changes	House Version
Veterans' Home			
Total all funds	\$20,831,646	\$30,000	\$20,861,646
Less estimated income	15,151,823	156,500	15,308,323
General fund	\$5,679,823	(\$126,500)	\$5,553,323
Department of Veterans' Affairs			
Total all funds	\$1,137,219	\$0	\$1,137,219
Less estimated income	0	0	0
General fund	\$1,137,219	\$0	\$1,137,219
Bill total			
Total all funds	\$21,968,865	\$30,000	\$21,998,865
Less estimated income	15,151,823	156,500	15,308,323
General fund	\$6,817,042	(\$126,500)	\$6,690,542

House Bill No. 1007 - Veterans' Home - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$13,936,861		\$13,936,861
Operating expenses	5,932,285		5,932,285
Capital assets	630,500	30,000	660,500
New Veterans' Home	332,000		332,000
Total all funds	\$20,831,646	\$30,000	\$20,861,646
Less estimated income	15,151,823	156,500	15,308,323
General fund	\$5,679,823	(\$126,500)	\$5,553,323
FTE	120.72	0.00	120.72

Department No. 313 - Veterans' Home - Detail of House Changes

	Adjusts Funding Source of New Home Landscaping ¹	Adjusts Funding Source of Irrigation System Repair ²	Adjusts Funding Source of Regrade of Oxbow ³	Adds Funding for the Demolition of the Administrator's Old Residence ⁴	Total House Changes
Salaries and wages					
Operating expenses					
Capital assets				30,000	30,000
New Veterans' Home					
Total all funds	\$0	\$0	\$0	\$30,000	\$30,000
Less estimated income	25,000	55,000	46,500	30,000	156,500
General fund	(\$25,000)	(\$55,000)	(\$46,500)	\$0	(\$126,500)
FTE	0.00	0.00	0.00	0.00	0.00

¹ The funding source of **one-time funding** for new home landscaping is changed from the general fund to special funds available from donated mineral lease income.

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from donated mineral lease income.

A section is added to provide for a Legislative Management study of all available options, including demolition, for the disposition of the old Veterans' Home facility.

Date: 2/17
 Roll Call Vote #: 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. 1007

House Appropriations Committee

Legislative Council Amendment Number 01004

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Rep. Kreidt Seconded By Rep. Pollert

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer			Representative Nelson		
Vice Chairman Kempenich			Representative Wieland		
Representative Pollert					
Representative Skarphol					
Representative Thoreson			Representative Glassheim		
Representative Bellew			Representative Kaldor		
Representative Brandenburg			Representative Kroeber		
Representative Dahl			Representative Metcalf		
Representative Dosch			Representative Williams		
Representative Hawken					
Representative Klein					
Representative Kreidt					
Representative Martinson					
Representative Monson					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

voice vote carries

Date: 2/17
 Roll Call Vote #: 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. 1007

House Appropriations Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Rep. Kreidt Seconded By Rep. Pollert

Representatives	Yes	No	Representatives	Yes	No
Chairman Deizer	X		Representative Nelson	X	
Vice Chairman Kempenich	X		Representative Wieland	X	
Representative Pollert	X				
Representative Skarphol	X				
Representative Thoreson	X		Representative Glassheim	X	
Representative Bellew	X		Representative Kaldor	X	
Representative Brandenburg	X		Representative Kroeber	X	
Representative Dahl	X		Representative Metcalf	X	
Representative Dosch		X	Representative Williams	X	
Representative Hawken	X				
Representative Klein	X				
Representative Kreidt	X				
Representative Martinson	X				
Representative Monson	X				

Total (Yes) 20 No 1

Absent 0

Floor Assignment Rep. Kreidt

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1007: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). HB 1007 was placed on the Sixth order on the calendar.

Page 1, line 2, after "affairs" insert "; and to provide for a legislative management study"

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Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

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Operating expenses					
Capital assets				30,000	30,000
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Total all funds					
Less estimated income	25,000	55,000	46,500	30,000	156,500
General fund	(\$25,000)	(\$55,000)	(\$46,500)	\$0	(\$126,500)
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2011 SENATE APPROPRIATIONS

HB 1007

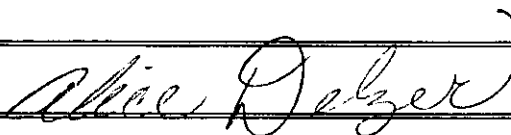
2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1007
03-03-2011
Job # 14922

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the veterans' home and department of veterans' affairs.

Minutes:

See attached testimony 1 – 7.

Chairman Holmberg called the committee to order on HB 1007. We will open the hearing on HB 1007, Veterans' Home and Department of Veteran Affairs. Sheila M. Sandness Legislative Council and Joe Morrissette, OMB were also present.

Cathy Halgunseth, Administrative Assistant for the Department of Veterans Affairs testified in favor of HB 1007 and provided Testimony attached # 1.

Senator Kilzer asks on your third paragraph, "Are all the Veteran Service Officers trained now?"

Cathy Halgunseth states that the majority did go through the accreditation training that our department offered, it's really just the 4 that have not received the accreditation training.

Senator Kilzer states that it is much more than the majority that is trained, correct?

Cathy Halgunseth states, "yes".

Senator Kilzer states that there won't be any by the end of the year that will be untrained?

Cathy Halgunseth states that there may be about 2-3 that will not have received training.

Lonnie Wangen, Commissioner of Veterans Affairs handed out Testimony attached # 2. From Lyle Schuchard, Chairperson ND Administrative Committee on Veterans' Affairs. He stated the committee supports HB 1007.

Lonnie Wangen, Commissioner of Veterans Affairs testified in favor of HB 1007 and presented Testimony attached # 3. I hope you will support our bill.

V. Chair Bowman asks, "Regarding the veterans, do they all understand the new technology that they are dealing with so that all that information is available to all of them? As a veteran I would have a hard time getting to that information. How much good would it do if it is out there but you can't understand how to get to it?"

Lonnie Wangen states if we could put all the different service organizations, under one umbrella of information, any county veteran service officer should be able to punch into that computer, what they need and have all those resources at their fingertips. This is where the town halls come in, we go through the list of things that we can provide and that is out there, questions come in and the next thing that happens is that people are knocking at our door.

Senator Robinson states, you referenced again, the issue of post traumatic stress. What kinds of numbers are there, what type of percentages are coming home that are impacted? Focusing on those you have actual contact with, what do the numbers look like?

Lonnie Wangen states that 20-30% of people return from war the first time, will have PTSD. It is rampant in ND. It is a stigma; it is a mark that they don't want people to know about. It affects their ability to perform and they are afraid it will affect their career in the military. It is a stigma and we have to get past it, to train our service men and women and our providers. It is not a mental illness, it is physical illness with mental side effects and symptoms and it can be treated. They can go on to a lot better life. It is admitting that they have it and getting into our organizations, which is where our education comes in. Our outreach is going to be very important. I can't tell you the exact number of veterans with PTSD but I can get back to you with that number. In ND, it is a high number.

Senator Robinson states if we are talking 30% on the average, of first deployment, soldiers coming back and struggling with this issue, we have a significant number who have had multiple deployments, correct?

Lonnie Wangen states that is correct.

Senator Robinson states that if 30% is the base, that number is significant in ND.

Lonnie Wangen states that it is very significant. PTSD is very big in Vietnam veterans. What they have been suppressing for years, now it is coming out, they are finally educated and realizing they have it. The VA is very busy with that issue.

Kristin Lunneborg, CFO at the ND Veterans' Home, testified in favor of HB 1007 and provided Testimony attached # 4. I am here today to discuss with you the audit findings from our June 30, 2009 audit and to provide you some insight into our 2009-2011 budget appropriation as well as our 2011-2013 budget needs. Our June 30, 2009, the audit, was performed by the State Auditor's Office. There were no significant audit findings, only 3 were identified. The first weakness related to in-state employee reimbursements that were incorrectly paid at \$28/day vs. the \$25/day rate established by the legislature. The second weakness related to four expenditures that the auditors felt should have been coded descriptively. The final weakness related to two expenditures that the auditors felt did not have adequate detail itemized documents. One recommendation, that has yet been implemented, is

for purchase of a new software program. Funding was approved during the last legislative session and we are working on that process and will award the contract soon.

Kristin Lunneborg continues on with testimony which includes the 2011-2013 budget requirements.

V. Chair Bowman asks about the grounds work with irrigation and I am trying to remember all the details. One of the roads was damaged by the big equipment coming in. We talked about that 2 years ago and they shouldn't have been on that road. Have those problems all been taken care of, so this appropriation will take care of everything you need?

Kristin Lunneborg states that in the last session, we had a bill requesting over \$1 million to cover a number of items. Those including funding for some road work, maintenance building, street lighting, landscaping but it did not include irrigation system. What we are asking for are the funds to actually complete this project.

Russell Handegard, Owners Representative of the ND Veterans Home testified in favor of HB 1007 and provided Testimony attached # 5. The existing home is heated by a steam boiler system. The reason, the heating system is so high, is that they have to convert from the steam heating system to a new system. Heating is a steam boiler system. One option is to heat the house and maintenance of existing facility and the other is to put in new system, do a complete conversion to hot water system, which would include re-piping the entire structure.

V. Chair Bowman asks about the other home they are looking at and the cost of moving it. How old of a house is that?

Russell Handegard, states he doesn't know exactly how old is but he thinks about 15 years old and in good condition, overall, but it was exposed to some flood damage but it was limited to the lower level. We have talked to a home mover, it could be moved, \$15 to \$25,000 to move. We have no idea how much the house will sell for.

V. Chair Bowman asks if the structure is sound and is the heating system good or does that have to be replaced?

Russell Handegard states we have not been inside to do a serious audit of the building but by all indications it is in good repair. It appears to be structurally sound and a well built home. It can be moved. There would additional expenses with a foundation but there would be those costs in a new home also.

V. Chair Bowman asks what would be the cost of tearing down the old house?

Russell Handegard states the house doesn't have any historical merit. It has been suggested by some House members that the house should be immediately torn down and we don't necessarily see the urgency of that. We think it would much more practical to demolish that structure at the same time as demolition would take place on the existing nursing home.

Norris Braaten, Chairman for the Governing Board of the NDVH, provided Testimony attached # 6. We would not request demolition until 2013 session and remain as the administrator's residence. I have an interest in a fair and equitable resolution of these issues. He deserves reward and it would decrease his spendable income for his service to the NDVH.

Senator Robinson states that you made reference to a couple of options. You did not made reference to the FEMA house?

Norris Braaten states that I have examined it, we were not able to get inside, it seems, it was built by someone who came in to run the radio station, It didn't work out, he left it. This would represent a satisfactory dwelling.

Senator Robinson states the community is buying out from FEMA about 18 homes, based on the upkeep on the outside; this might be worth looking into it.

V. Chair Bowman asks, is that we never discussed this house until this year. Did you have knowledge that you would need a new home before you came in and requested the new veteran's home, or is this after the fact, of once the home is built; now let's try to find a new home?

Norris Braaten, states no, this has come about, recently. About 6 months, Mr. Handegard, Mr. Ternes, a contractor, and myself went through house to analyze it and tried to determine, what is this house like? Does it have potential? However, it is 100 years old, 2 ½ stories and does it lend itself to accessibility? No handicap entrance etc. This came about from an examination we made of the home, to try to determine, what we should do for Mr. Johnson, to make this satisfactory. The conclusion of the three of us was that, it would not be worth it.

Mark Johnson, Administrator of the NDVH, asks for funding improvements to the oxbow. It is located behind the existing veteran's home and the administrator's residence was a channel of the Sheyenne River. Testimony attached #7

Chairman Holmberg states in the detail of House changes, they adjusted funding sources and one of the funding that is in the budget is \$46,500., regarding of the oxbow. Is that what you are talking about?

Mark Johnson states, yes, that is for the oxbow.

Chairman Holmberg states it sounded to me that you were asking us to add the money, but it appears the money is in the House bill to do the oxbow.

Mark Johnson states they (House) did some redirecting of some of our funds. We have mineral rights with some land around Williston. We received a payment for leasing that land, 120 acres and we received a check for \$258,000. They directed some of the dollars out of that fund. We were looking at utilizing some of those dollars for the FEMA house.

Chairman Holmberg states the budget that came from the governor's office included some funding for allowing the commandant to find his own housing. We had testimony, if we would

change the living arrangements, in that manner, we should consider putting more money in the fund so it wouldn't be a loss. At the same time you are asking this committee to look at the full housing picture, to see if we should do something. The governor recommended just paying the fee and that is fine. You are pleased with the whole Dept. of Veteran Affairs? Was there something else that I missed?

Mark Johnson states I think one question out there was the utilization of the \$258 000. I know that has gone in front of one of your attorneys from the Legislature that has been looking at some of that. Our attorney, Mike Mullen, has also looked at this. I know there was some question, in regards to, the individual that donated that. He donated it to the Veteran's Home so that we could look at improving some of our programs etc. His donation states, "To the Veteran's Home". It was not specific to programming. I know that was one of the questions, the utilization of the additional dollars that are already there.

Chairman Holmberg states we will utilized the same folks that worked on this budget 2 years ago and have them look at the other issues that have come up. That includes: Senator Kilzer, V. Chair Bowman and Senator Robinson. They have done telephone types of calls.

Senator Robinson states if you've been to the new home stop by. It is a beautiful facility. We can be very proud of that.

Mark Johnson states that we do have a power point presentation.

Chairman Holmberg asks that the power point presentation be sent to the committee.

John Jacobson, Chairman of the Legislative Committee of the ND Veterans Coordinating Council and we approve of this bill and ask for DO PASS. Testimony attached #8.

Chris Winger, Commander of the Disabled American Veterans in Jamestown. I am here as a citizen of ND. The facility is beautiful place. Thank you so much. I have a concern about the mineral rights of the veteran who contributed the money to nursing home. We would like to see all of it used in the nursing home for nursing home programs. We are looking at the same thing, as if an individual donates money, to another entity. That money is usually put in their budget and never questioned. This is the same reason, we would like to see veterans, who want to contribute money, to the veteran's home to be used for the veteran's home and not be used for other activities. I am also president of the ND Veteran Home Foundation. We have approximately \$145,000, that we earn interest on, and we do provide that to the nursing home for use of veterans care. I am not sure what the budget says but I would like to see that \$250,000 lined out and say this is donated funds by that veteran, and have that administrator responsibility, for using it as he sees fit.

Chairman Holmberg states Sheila will get information from the legal staff and share that with the committee and the subcommittee that will work on this.

Chairman Holmberg closes the hearing on HB 1007.

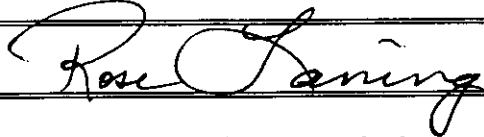
2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee Harvest Room, State Capitol

HB 1007 subcommittee
March 21, 2011
Job # 15738

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

This is a subcommittee hearing on the Veteran's home.

Minutes:

See attached testimony - # A.

Subcommittee Chairman Kilzer called the subcommittee hearing to order on HB 1007 – the Veteran's Home.

Members **Senator Bowman** and **Senator Robinson** were present.

Roxanne Woeste - Legislative Council; **Lori Laschkewitsch** - OMB.

Senator Kilzer said the amendments look good 11.8136.02003 – see attached # A.

There are five footnotes; the four in regard to the three things that the House had changed the funding from general funding to the lease money donation funding. That was the 1st three and the fourth one is not to demolish the old residence.

The 5th one is one that I've asked them to put on today. That follows an email from Mark; the one that has the pictures. It's on an email and it has 4 pictures of the house that is adjacent to the Veteran's grounds.

Senator Robinson: It's a nice rustic looking house with shakes on it and a fireplace.

Senator Kilzer: Mark sent an email and said they were able to find the owner of it. The guy has died and the widow is in a nursing home. The son pays the taxes and they were able to find him. There is a possibility that it may be up for rent. That's why I asked them to put on the number 5 footnote. The amendment transfers \$20,000 of special fund authority included in the Executive Recommendation for the administrator's housing allowance from the salaries and wage line item to the operating expense line item to allow the Veteran's Home to rent a home for the administrator. Down the road maybe they can buy it, but this was removed because of the necessity of doing something about the heat in the old house.

Senator Kilzer: While we were in session, I got another email from Mark Johnson, but it said, "Would you please discuss the resident workshop and the moving of the gazebo. I would like to be able to finish both of these projects this year. The amounts we talked about last week was \$100,000 for the workshop; \$50,000 for tools and \$75,000 for the gazebo. Let me know if you need any more information." If you add up those three items, it adds up to \$225,000

which would just about use up the oil lease of \$258,000, so my personal favorite would be to pass out this bill with the amendments .02003 and we'll talk about this latest thing in conference committee. Any objections to that – or disagreements? Does anyone need more time?

Senator Bowman: The three other items that they want to build that shop and the tools and using the other money that they said they wanted to use it for – the gazebo?

Senator Kilzer: The first three footnotes change what the House did. The House took it from general funds to oil lease money and we're putting it back in general funds. What Mark wants here would be to put it into the oil lease money. If you want to do that, I wouldn't object to putting this in.

Senator Bowman: Didn't they say they wanted to use that for the gazebo and the shop that he wanted to build because they thought that would be more appropriate for the donor.

Senator Kilzer: We can certainly do that, but it may take some more amendments, but...

Senator Bowman: If that's what his wishes are and that's what the Board is happy with.

Senator Robinson: We still have to take it to conference and still have to work with the House.

Senator Bowman: But if it's not in here then it's not an issue for the conference to discuss.

Senator Robinson: (asking **Lori Laschkewitsch**) I know this is a legislative issue, but does OMB have any concerns? We've been on a roller coaster with the Veteran's Home for a long time. We're not overlooking anything here, are we?

Lori Laschkewitsch: These projects would be consistent with the types of things they like to use their donations for but because this money is income from the mineral rights, it needs to go into their operating fund which does have to be appropriated. The only way for them to do these projects which is mineral money is for you to appropriate it to them.

Senator Robinson: I'm in favor of that and we would be that much further along with the conference committee and follow the letter of the law. I would say that I get to the Veteran's Home fairly regularly and I know the workshop issue has come up many times. I do know the gazebo is the most popular spot on the campus. The veterans just love that because it's roomy, has lots of windows and it's a gathering spot now and it will be if it's moved to the new building. It was controversial but it was one of those bad things that turned out so good in the end. The residents love that facility. It would be nice to get it over there and without this, it might not happen.

Senator Bowman: If we put it in there and there is a problem with that, then in conference we could take care of that, couldn't we? At least there's a direction to go by or start out with. I'd like to see that myself because that was their suggestion. It wasn't our suggestion. They said they'd like to use that funding for those three things. If that's their wish and we put it in the bill, you'd think they'd want to leave it in the bill because then they've got their guidance or

guidelines to go by. One more thing, none of us is exactly sure where we're going to go with this housing project, but if that house that borders the campus, if that would come up for sale between now and the next legislative session, could they come before the emergency commission and request funding for that? I'm not sure. I don't know what the rules would be on that, but we don't have anything to go by right now because they don't know for sure if that's going to be.....

Senator Robinson: I would think that there would have to be legislative authorization for the expenditure of funds. They wouldn't have the money at hand unless they have another gift because these three projects will take all of about \$30,000 of the gift money. I don't know what that home is going to sell for but if you look at the pictures, it is in Lisbon and I know there are variations in the housing market there. It's not going to be \$50-60,000. It's going to be \$160,000 - \$200,000 or in that range, so without authorization, I don't know where they would go.

Senator Kilzer: I think they can bring about anything before the emergency commission. The chairman of that committee may or may not accept it. They bring it to the budget section.

Roxanne Woeste: There would need to be a funding source – like if you decided not to use this mineral lease dollars for the other three purposed and just left it there in that fund, then they probably could come to the emergency commission and the budget section during the interim if something would happen and request to use that fund to purchase a home. But if we use those dollars now, they wouldn't have any dollars. They wouldn't have any dollars to purchase a home with. They would have to have another donation or try to request from the contingency fund that is available to the emergency commission.

Senator Kilzer: They've got two years. I don't think there's an emergency to buy the house if they're renting it. They can bring about almost anything before the emergency commission.

Senator Robinson: If we're comfortable including this language in the amendment that you have, there's two and a half they can mull over this house thing, but that's another separate issue. Unless your amendment includes rental income, we may have to adjust that or whatever, so we won't have to use dollars to \$25-30,000 to do some makeshift in the current house for heat.

Senator Kilzer: Can you put those amendments on about these oil lease funding things and we'll go into the conference committee with all those amendments; the five that are already on it and probably one more for the oil lease money.

Roxanne Woeste: I will.

Senator Kilzer closed the subcommittee hearing on HB 1007.

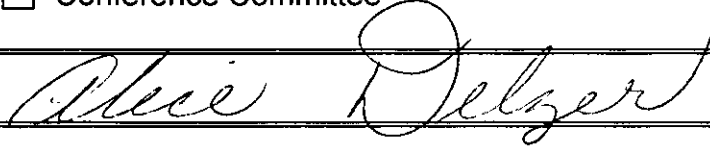
2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1007
03-14-2011
Job # 15416

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A SUBCOMMITTEE HEARING REGARDING THE VETERANS' HOME AND VETERANS' AFFAIRS. (DISCUSSION WAS HELD ON HB 1177, HB 1217, HB 1429, & HB 1468)

Minutes:

"Attached testimony."

Senator Kilzer called the subcommittee hearing to order on HB 1007 at 3:00 pm. Senator Bowman and Senator Robinson were present. Lori Laschkewitsch, OMB and Sheila M. Sandness, Legislative council were also present. The clerk called the roll: Senator Kilzer, Senator Bowman and Senator Robinson were present. A copy of one page from the NDCC relating to the Veterans was submitted to the committee for their review. Testimony # 1.

Commissioner Kalk, citizen, states he is in opposition to portions of HB 1007. Service to our country and state in the armed forces is a long standing and proud tradition for the men and women of ND. As one who said, the honor to serve America and ND is a US Marine, I know that I speak for all veterans saying we are proud to have allowed to have served this state. We have a long standing tradition of honoring and supporting our veterans when they return to civilian life. The most visible symbol of ND support to our veterans is the home in Lisbon. It has been a solid commitment to our state and our veterans for many decades. North Dakota's Veterans Home serves men and women from all wars. It attracts supporters from every generation. One such donor was Melvin Norgard, whose generous gift is potentially going to be used to pay for maintenance work. Legal or not, I believe it was not the intent of Mr. Norgard, in his generous gift, to be taken for these kind of costs. According to former American Legion commander and current veteran service officer, Jerry Samuelson, he believed that Mr. Norgard would not be pleased the way this gift would potentially being used. I do regret to this committee, that I have not expressed my concerns until today. I was not aware of this change until Thursday evening when the House bill was amended to move donated mineral lease income into the general fund. Since that time, I have been contacted by literally hundreds of ND veterans and groups either by email or phone calls. They are concerned and I would say, perhaps outraged, at the way this potentially could work out. I believe the right course of action is to reinstate the appropriate amount back into the Veteran's Home's budget and allow this contribution and all other gifts to the Home to go to support, above and beyond, what normally would allocated to the Veteran's Home. I do appreciate that this body and ND has committed to the Veteran's Home but do ask that you reinstate the gift.

V. Chair Bowman states, the section of law that deals with this is pretty implicit on what you can use the monies for. All monies received or accepted must be used to the specific purpose for what they were given or donated. So the questions is, was there anything, when the money was received, that specifically said what the money to be used for?

Commissioner Kalk stated, it is my understanding, it was not specifically designated. When Mr. Norgard passed away in 1992, he gave his mineral rights to the Veteran's Home. It wasn't until recently it was actually worth money. I am not disputing, it is well within the law, to do what is required but I also believe it was his intent that perhaps it was to above and beyond the basic services and I would recommend that the governor's initial budget did not call for what was changed in the House. If we would go back to the governor's recommended budget, that would be the position, I would think would be most appropriate and the calls I received is from someone who is very involved with veterans in the state was just that. They don't dispute it's the right, that as veterans organizations, we will do a much better job telling folks that please give these home but be sure to designate you gifts so this type of thing doesn't happen again.

V. Chair Bowman states, we have to go by what is the law. But if it was in the donation, we have to honor that, our job is to honor that. If the House used it for other purposes, they evidently see it the way, you and whoever contacted you would like to see it used for. Is that a fair assumption?

Commissioner Kalk states, all I ask if you go back to the original governor's budget and what was recommended. I believe the governor's budget followed the law.

Senator Kilzer states, would you like to see the 4 amendments removed that the House put on?

Commissioner Kalk states, I am not sure that I would say, remove those amendments. I believe that the \$250,000 that Mr. Norgard's assets gave, should go "above and beyond" what normally was going to be budgeted for the Veteran's Home. If that means, removing those amendments, then "yes" would be the answer. I believe the cost, the projects that were designated, are worthwhile projects. The question becomes, who should pay for them? I think the budget was set by the legislature so if it is their projects, it should be paid by state funds. Any monies for this should go "above and beyond" what normally would be budgeted. Then inside veterans organizations, make sure we do a better job of having folks designate their gifts, so we don't have this problem in the future.

Senator Kilzer states, let's continue on the portion related to the veteran's affairs. Could I ask the person who deals with this, to answer a question or two? I don't think that I saw in the testimony, how much is in the fund that you use to help out veterans? Has it gone down or holding even?

Lonnie Wangen, Commissioner of Veteran's Affair states, are you talking about the fund with the Veterans Home or the post war trust fund? He was told the post war trust fund. You want to know what the fund balance is? The balance being \$4.1M and it should be a little over that right now because of growth?

Senator Kilzer asks, how much are able to give out to assist veterans each year?

Lonnie Wangen states, this last biennium because of economic downturn, we have been budgeted only \$200,000 for the biennium, \$100,000 per year. Previous years, the last two biennium's, I believe we came close to \$400,000 in what we had for expenses and needs for the veterans. They were funded by the post war trust fund.

Senator Robinson asks, repeat the balance in the trust fund?

Lonnie Wangen states, that the post war trust fund should maintain a #4.1 million. I believe the last report I received from the treasurer it was closer to \$4.3M and that growth of the fund. That is not interest. We can't take anything over the \$4.1. We can only have the interest earnings.

Senator Kilzer states, that money is used from everything from hearing aids, eyeglasses, dentures etc. correct?

Lonnie Wangen states, yes that is actually one of the things it is used for in the grant program. It is also used for stand downs, buying vans and helping out in other places.

Senator Kilzer states, in reference to individual assistance, eyeglasses and that type of thing.

Lonnie Wangen states, that is correct.

DISCUSSION WAS CLOSED ON 1007 AND SEVERAL BILLS WERE DISCUSSED IN THIS HEARING. THEY ARE 1177, 1217, 1429, 1468

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DISCUSSION WAS HELD ON HB 1177 – VETERANS' AFFAIRS – STAND DOWN

Senator Kilzer asks, on the related legislation on the green sheet, there are 4 other bills mentioned. Tell me the status of each one of those House bills that are related here?

Lonnie Wangen states, HB 1177. Appropriations for stand downs. It started out at \$40,000. We were looking to start stand downs in communities throughout the state of ND. Currently we have stand down in Fargo and Bismarck. We want to hit the larger cities throughout the state, Grand Forks, Devils Lake, Minot, Williston, Dickinson and Jamestown. We would offer up to \$5,000.00 to establish a stand down. We wouldn't give any money out front. They would establish a stand down and they would get local charities, organizations and they would get federal VA, and raise the funds to put the stand down together. If you do not meet all your financial obligations to put this on, we will pay what you can't raise. This has worked out in Bismarck and Fargo. Fargo doesn't have to ask us for funds anymore. The last time in Bismarck, they did not have to come to us for funds.

Senator Kilzer asks, is the bill still alive?

Lonnie Wangen states it is in the Government and Veterans Affairs committee and says it's scheduled for this Friday.

DISCUSSION WAS CLOSED ON HB 1177.

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DISCUSSION BEGAN ON HB 1217 – BENEFITS FOR DISABLED VETERANS (Heard during the subcommittee hearing on 1007.)

Lonnie Wangen, Commissioner of Veterans' Affairs states HB 1217 has been heard and is still alive.

DISCUSSION WAS CLOSED ON HB 1217.

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DISCUSSION BEGAN ON HB 1429, A VETERANS' BILL (was never heard in Senate Appropriations Committee but addressed here in the 1007 subcommittee hearing.)

Lonnie Wangen, Commissioner of Veteran's Affairs, HB 1429 is scheduled for this Friday.

Senator Kilzer states, in the Government and Government and Veteran's Affairs Committee?

Lonnie Wangen, states, that is correct. I do not believe there is a fiscal note to that one.

Senator Kilzer asks, what is that about? Is that about the eligibility of the officers themselves?

Lonnie Wangen states, yes that is basically the recommendations on training for the county veterans service officers. It takes what we had last session, establish for this National Association of County Veterans Service Officers, which had a deadline date. It removes the deadline date and requires new service officers to attend this training. It also allows for the Dept. of Veterans Affairs to set some additional training requirements so that they can better serve their veterans.

Senator Kilzer asks, when this passes, is the training going to be pretty standard for all counties and veterans service officers?

Lonnie Wangen states, "Yes, it will be standard straight across"

DISCUSSION CLOSED ON HB 1429.

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DISCUSSION BEGAN ON HB 1468, OMB TRANSFER TO DEPT. OF VETERANS' AFFAIRS & AID FUND: (Heard during the 1007 subcommittee hearing.)

Lonnie Wangen Commissioner of Veteran's Affairs, HB 1468 in its original form, has changed quite a bit to what it is right now. It has not been heard in the Senate and it is scheduled for this week, on Friday. We originally asked for \$400,000 to fund our grant programs and the interest earnings of the post war trust funds for one biennium. The reason for this is, the post war trust fund as it works now, as interest earnings become available, that is what we use to spend to take care of the veterans. What we would like to see is for it to sit for a biennium and so at the end of the biennium, the interest earnings that have accumulated, that is our budget for the next biennium. So we do not run into the problem we had this last biennium, which was we had an economic downturn and all of a sudden we had about \$70,000 worth of grants applications that we could not approve. We want to have a budget we can work with, that we know we have that money for the year and if we do have an economic downturn, we have that whole biennium to make up for it and to prepare for that for the next biennium.

Senator Kilzer asks, is this part of the \$4.3M?

Lonnie Wangen states, what we wanted were that \$400,000 to actually go to the Dept. of Veteran's Affairs, to fund the programs from the Post War Trust Fund. So the Post War Trust Fund would not be used for the biennium so that it can actually grow and recover from the economic downturn and set us up for spending money, for after its been earned, rather than as it comes out. There is no chance for the fund to really grow good interest if we keep pulling out as soon as we get the interest, so we can better serve the veterans in the future and not just for the ones today. The other part of that was, we wanted to infuse the \$2M in there to ensure that we can handle taking care of our veterans in another economic downturn and to help grow the fund as our needs grow. We haven't increased the benefits and the services to our veterans for quite a while because the money earned from the Post War Trust Fund and programs we have now, we pretty much matched up. We were spending what was available and we want to be prepared with our new veterans coming back from Iraq and Afghanistan, the PTSD, the TBI and the burn problems. There are a lot of things we have to address and we want to be sure that we can take care of those in the interim, while they seek their help through the VA and looking down the road 10-20 years that this is going to be a viable fund and will be worth something. The last part, we wanted to add some more funds to our veteran's aid loan program. We have a program, where a veteran or eligible dependents, can borrow money at an 8% rate up to \$5000 and when they pay that off, they get half their interest back so it ends up being a 4% loan. It is a pretty good deal. It's taking care of itself. We have written off very few loans because of deaths. With the war going on, we have seen a big influx with the National Guard. When they get called up, the first thing they say is, I have to take care of everything at home. They take out a quick loan to pay for those things that need to be fixed before they leave. Plus, when you get called up, you have to buy all kinds of things to be prepared for a year of deployment. So they borrow that money. We have seen a bigger use of the fund. The last time we testified, we had about enough for about 8 loans left in it. That is why we are asking to increase that amount, so we don't run out of funding.

Senator Robinson asks, would it be possible to graphically show the demands on the Post War Trust Fund program because of the various things you are talking about? How they have increased over the last few years and the need to grow the Post War Trust Fund back to respond to this wave of veteran's coming home with a whole lot of special needs.

Lonnie Wangen states, as we look at the last two biennium's, we have almost doubled the demand for the grant programs. They have gone up that much. With the veteran's returning home with unknown problems and with PTSD and TBI, it has put in a big demand on what we are going to have to have for resources just out of our own office in other areas. They are calling our office for many different things now. We see in the future the demands for the Post War Trust Fund. The interest earnings we are making now will not be enough to meet them in the very near future. We need to infuse some principal in that so that we can make more interest.

Senator Robinson states, one brief moment about FTE's. You have 7?

Lonnie Wangen states, there are 7, including myself.

Senator Robinson asks, you are happy with that number?

Lonnie Wangen states, a few bienniums ago, they added a woman veteran coordinator, which most every state has that now. We added that one. She has been doing a great job of helping the women veterans out. What we are looking for, is one more person to help with training. 70% of their time would be for training and outreach and this is where we come into the problem of getting out in the communities and educating CVSO (County Veterans Service Officers) how to properly do their job and to provide assistance to them. Also to get out into the community and have town hall meetings, to educate the veterans and their families, about the help that is out there. We need to capture the active component when they come home. The Guard does a great job of taking care of their people when they come home. The active component we get, is a letter or we get a DD214, that they came back to our state and that may be a week ago or a year ago. We send a letter to them and contact the county veteran's service officer to meet with them but they have been home quite a while. We need to be able to get out there and educate the communities and the families so when their veteran comes home, they know what to expect and be prepared for and to know where the help is. There is a lot of help in ND but not everyone understands where it is at.

Senator Kilzer states, I finished my second tour of duty on Aug. 15, 1961 and I never had any contact with anyone. I still have my DD214. Will I be contacted on my 50th anniversary?

Lonnie Wangen states, Senator, I can get you a letter out of you would like. Welcome back.

V. Chair Bowman asks, you wanted one more FTE, was that in the budget?

Lonnie Wangen states, that was in our optional package. We asked for the FTE for those reasons, to get that outreach with the PTSD and the suicide rates and to address the training of the county service officers and that one was not approved in the House. There was no amendment made in the House. There was going to be but it was missed.

Senator Kilzer asks, in the last couple of years with the new change in training and doing it locally rather than sending people away. Would there be a time in the near future, when all the service officers, would have received their training and I know they need updates and there is turnover but would you need this person permanently for 10 years or more?

Lonnie Wangen states, this is a permanent job to constantly go out and help the veteran service officers and train them. There is turnover there also. So when a service officer retires or leaves his job and we must hire someone new, that is where our office has to be available to go out train when possible, so they can start helping their veterans. We have our training in the spring and fall and sometimes it would be pretty inconvenient for them to wait that long to wait for that training. The NASCO training is offered at least once a year, normally in the spring, so if they were hired after that, they would have to wait a whole year to get that accredited training. It is very important that we have someone to coordinate the training overall and be able to get out to that office and sit with that veteran's service officer to get him on the right path.

Senator Robinson asks, how many VVSO's across the state are part time and have other responsibilities in addition to their responsibilities working with our veterans?

Lonnie Wangen states, I could not give you an exact number on that but there is a report I can give to you and I would say that is significant. There is probably half of them that do wear more than one hat and maybe 3-4 hats. Also, we had a rent issue that we would like to ask for a bit more money for our rent for our Bismarck office.

Senator Kilzer states, we now will be seeing Kristin and Mark.

Senator Robinson states, he would like to make a couple of comments. Regarding this issue of the gift from diseased veteran, I happen to work at a foundation at a small college in Valley City. I reviewed the language in the statute and legally we can certainly direct these dollars, wherever we want. The gift was given to the veteran's home with no direct stipulations. I can assure you, that we would be making a mistake, if we do so. We, at our university, receive from time to time, gifts that are directed strictly to the VCSU foundation. The implication, I know it is not written out in the estate, is the implication and expectation from the donor, is that these dollars are to be used to enhance the overall service and programming at the veteran's home, to do something unique and to do something we have not been able to afford. If we would go down this road and appropriate these dollars, I would almost guarantee that serving any living veteran or friend that had intentions of including a gift in their estate or an outright gift, would think more than twice. We get these gifts and unfortunately people in their haste, will put together a will document and in our case, VCSU. We interpret that to support our scholarship programs and those types of things. In this case, there is no question about the need for these projects. To finish out, what is going to be a beautiful veteran's home, for the state of ND. The temptation would be the wrong one, in my opinion, for all of those reasons. I never knew this individual and I don't know if anyone in the room did. I have no way of proving it but I can tell you, that is the intention of a donor in these types of cases, to enhance that veteran's home. We can argue that a sprinkler system or road or whatever, is enhancement. That donor and I think most donors, would say that those are basic operational expenses. I know the House committee had other thoughts but I, like the Public Service Commissioner, received hundreds of emails saying it was "our home for our veterans". It would be a mistake if we go down this road, in my opinion.

V. Chair Bowman asks, if he willed mineral acres, and the mineral acres were in the Bakken and you happen be fortunate to hit one those wells, are we going to say, we can never use a penny of that for anything that may be necessary at the Veterans Home other than policy

issues? That would be an honor if the house we need at the Veterans Home, would have a plaque there honoring the veterans donation. Would that be bad for all the veterans to see that every day when they walk by?

Senator Robinson states, the precedent we would be setting here is one of great concern. We could have a gift to our institution or wherever and as we go down that road, you may be surprised of the number of gifts are not specific. The systems are getting much better to work with donors. To spell out the importance of being specific and if you intend to direct these dollars to be used for maintenance, lawns, roads, houses etc., then let's say that in the estate document. If you don't stipulate that, you're expecting, and implied expectation, that you are going to do something very special for the Home and the residents thereof. I know it is a touchy issue but we would have a precedent and the university system would become very concerned. We don't get the number of gifts like the big universities but we have our fair share. When we can, we try to go back to the family, to heirs, to do everything possible to honor the wishes of the donor. If you move away from that, you are going to quickly lose credibility and impact the number of future gifts. That is what will happen and I can guarantee that. The number of phone calls, represents the natural concern and reaction, that would support the comments that I am making.

Mark Johnson, Administrator, Veteran's Home. When we went through the House, there were different provisions that they had made. The governor's budget had one time funding for landscaping at \$25,000, funded \$55,000 for irrigation system, funded the oxbow for \$46.5 and those were all pieces that we had in our budget, when we submitted it. The other piece that they had put in the budget was removal of the administrator's home. What had happened is that they had used the donated dollars to fund those 3 pieces and that total came to \$126,500 with the additional \$30,000 to do the demolition on the house was a total of \$156,500. Currently, these are all projects that are needed to be done. The irrigation system, we will be planting grass, we were able to get grass last fall. We will begin to plant that this spring. If we do not get irrigation, we may burn up the new grass. The oxbow, when I introduced that during the hearing, the oxbow is simply an irrigation channel that catches all the overland floodwater from on top of the hill. Since they redid the grounds and hauled in all the dirt and we have re-landscaped and made ditches around the new veteran's home, we are probably dealing with overland flooding of 200 acres. These are things we have to look at. After two rains, last year, the oxbow had filled up about 6 feet. Right now the way the drainage is and because of all the dirt and things and no grass and lots of sediment and that sediment has built up, it now flows the wrong way. That is why we need to go in and landscape that whole area. So this is what we are really looking at with that piece.

Senator Kilzer asks, do you dredge the whole thing and remove the dirt or can you remove it all but relocate to get the correct drainage?

Mark Johnson states, they are trying to feather out the sides and look at starting and hoping to come in with a caterpillar and get the one side down about 5 feet and bring it back around to the other side, so we have adequate drainage. That is what the oxbow is all about.

Senator Kilzer asks, that is the \$46,500? The answer is correct.

Mark Johnson states, we have the irrigation system and part of the request is, we have left over FEMA dollars of about \$29,000, and we have matching dollars we have to match, to fix our existing irrigation system. We needed to come up with dollars to do some matching to get their \$29,000, otherwise, we will not be able to get those dollars.

Senator Kilzer asks, is that one to one?

Mark Johnson states, when we had the flood in 2009, we had a lot of damage done. That was on the backside. We are going to have use some dollars to do some matching in order to get their dollars.

Senator Kilzer states, I think those FEMA funds are 75/25 or 90/10.

Mark Johnson states, part of the issues we are running into is, when we had the 2009 flood, we had so much damage because the bobcats came in and pushed dirt and totally ripped up our existing sprinkler system. As Kristen alluded to, part of it is, that our system that we currently have, is obsolete. FEMA was willing to fund some of the things that they could see that had equitable value but they were not willing to fund some of the other pieces. That is what we need to do. We have dug in a line to relocate our pump house. The pump house is currently on the river and we have redone the location. So now it is on this side of the ditch or on the bank so we shouldn't have flooding to deal with after we get through this next flood.

Senator Kilzer states, so your irrigation system is \$55,000 and FEMA will pay for \$29,000. There would be \$26,000 you need to come up with?

Mark Johnson states, the \$55,000 is in addition to. We need to do the \$29,000 but we also need to do the \$55,000, to get the entire campus done. The new building has no irrigation at all. \$84,000 total. That is to get the old system running and also get the new building with irrigation.

Senator Kilzer states, it is not \$55,000 its really \$84,000? Kristen, is the \$126.5 still valid for the three projects? The landscaping, irrigation and oxbow?

Kristen Lunneborg, C.F.O., Veterans Home, states, it was actually put in by the House and we didn't request that. The House put it in there and funded it with oil and lease money.

Senator Kilzer asks, are FEMA funds only available for the irrigation, not available for landscaping and oxbow?

Mark Johnson states, it is only for the irrigation system. The oxbow is a whole different project. They did not fund anything for landscaping. Our guys have basically handled all the landscaping to this date. One of the things we had talked about concerning the house, we had asked and one of the recommendations that came out of the House, was to do a study on the existing home. Then when they would have that study, they would come in and demolish a part of it or all of it. One of the things we talked about was not to put the administrator's demolition to be funded at this time, wait until you get your idea about what you are going to do for the demolition from the two buildings. Then look at doing the demolition for the whole

campus. When we looked at that earlier, the dollars that we got for the demo and the house, was a whole lot less than what they have put in for the budget right now.

Senator Kilzer states, you don't want them to demolish you home then?

Mark Johnson states, not at this time, no.

Senator Kilzer asks, what are your ideas on buying that other home and moving it onto the grounds?

Mark Johnson states, when we presented to the House and when we presented to you, we had a FEMA house. It is a split level home. It is a very nice home. We don't know exactly how many dollars would be involved with that investment to get that home. I guess we haven't put a lot of study in to that house at this time. We contacted a house mover and he thought he could move the house for \$26,000. It would be the cost of purchasing the house and I don't know what FEMA homes go for? I know that the board was looking at having the administrator still live on the campus and that was simply because it is a recruitment tool. Housing is not a real easy thing in Lisbon. You have low end homes and you have high end homes. They wanted to have that as a recruitment tool and say this is what we can offer you for your package.

Senator Robinson asks, what type of window of opportunity do we have? They are going to want to move on those buy outs quickly. I haven't been in the home but I have been by the home and it looks like a very nice home and would be a fine addition to the campus. It's got to be one of the nicer homes in Lisbon and it's probably 25 years old?

Mark Johnson states, I believe the house is right around 11-15 years old. The window is getting very narrow because I heard on the news today that Lisbon was going to be meeting today, in regards to the buy outs from FEMA, as well as the city. I think the city is purchasing eight homes and they are looking at FEMA to purchase 22 homes.

Senator Kilzer asks, is it a 3 or 4 level split? I have seen pictures of it and it does look very nice.

Mark Johnson states, I think it is 3 levels. Downstairs, middle floor and upper floor with bedrooms and a big deck all back.

Senator Kilzer asks, do you like split levels? People in the real world don't like split levels. People, who have to be on crutches even for a brief period of time, have difficulty. Some people would not like to live in a split level.

Mark Johnson states, for myself, I am only going to live there 5-10 years, if that, and then it is someone else's. I know initially when the board talked about doing something at the home; they talked about building something different. They also talked of doing some remodeling to the existing home because our heat source is going to be lost. With the new home, we are looking at some ways of how we can get some kind of heat into the house. They were looking at various options. I think what was unique is that we heard about this house through the buys outs. That is why the board looked at it. They thought that, if anything, they could potentially

do some remodeling down the road to really make it adequately fit the needs for another administrator.

Senator Kilzer asks, does the board have any thoughts on funding?

Mark Johnson states, they were hoping to do was fund part of this through the mineral trust funds. They were looking at it from the standpoint, would this be a benefit to the Veteran's Home and they felt this would be a benefit from the standpoint, that they would be able to have the capabilities, of recruiting an administrator.

Senator Kilzer asks, do you have a gut feeling on the executive budget of housing allowance of \$20,000?

Mark Johnson states, I do feel they underfunded that. When I was hired and our agreement was they were going to provide housing and pay for my heat, electricity and water and funding it with what the market is right now. I do feel it is underfunded. I don't know what that number would be. If it comes back to me as a taxable piece then I am going to have to pay taxes on that as well. I am going to lose a few thousand dollars just having to pay the taxes on that additional income.

Senator Kilzer states, that would be considered the upper end of your income too. It would be in the higher brackets in addition to your payroll withholding etc. Is there anything you would like to talk about, the residence? If they would get the tri-level, that would be tricky on the basement building and things too. Do the grounds accommodate digging down very deep for a basement?

Mark Johnson states, the house that I live in right now, on the backside, is kind of 4 stories. It is dug into the ground 8 ft. We have never had water issues with the home. We have had some issues with the building. Even with the building, after they started providing adequate drainage, we did not see the water tables as high as they were when we had a number of problems with the rains etc.

Senator Kilzer asks, they have gone 100 years without sump pumps?

Mark Johnson states, I have been there 5 years and I am not going to say we have never had any water problems. I think in 1990's, when it flooded, I don't think the administrators home got any water, but I know we had water that came up in the elevator shafts in the building. It also came through our subbasement.

Senator Robinson states, that Mark needs to work with his board and I think it is important to get a handle on that house and price and that type of thing, ASAP, or that option will soon be off the table. Then you are limited to what is left. Your board should look at this aggressively.

Mark Johnson states, the difficulty with the home is that, if we don't have an allocation, I don't whether we can even put a bid in on the home. That is kind of the difficulty we are running into. I don't know if we have a window of 60 days. Things were going to happen today, so I will check into it and find out.

V. Chair Bowman states, before you put a bid on it, you have time to go inside and look at it. I understand you have only looked at the outside. Sometimes you could have mold and some other things that you haven't seen. In the testimony, no one has been inside of it. I hope someone would take the time to go in before a bid is put in on it, so you know exactly what you are getting. The cost could escalate considerably, if there was something major inside it, that you didn't see from the outside.

Mark Johnson states, that is what the boards intention was. What has to happen first is, the homeowners have to sign the papers and to work with FEMA and accept the buyout. I think there is 30 days that have to pass, once that happens, from there the house is open for people to go in and walk through homes and come up with a plan.

V. Chair Bowman asks, if there some way, we can put an emergency clause on for that house, if that was available so they can get the money? You have to do something like that if they can't bid on the house and it is heck of a buy and it's kind of foolish for us not to do that. They are going to do it anyway; the other house is 100 years old.

Senator Robinson states, the city of Lisbon has a company in town that builds homes and they do a great job and send them all over the country. Many of them have found their way to oil company in Williston. Their workmanship and prices are very competitive. I would guess a home that we are looking at would be \$250,000. I think I am in the ballpark. I think it may be a pretty good investment, depending on, if the inside is in decent condition. We have no way of knowing until we get inside. So it would certainly worth more exploration and research. We possibly could be saving a lot of money.

Mark Johnson states, it is my understanding and I did talk with one of the realtors in town. She put a bid on the house. The house has sat empty for about 3 years. My understanding is that they put a bid on the house for \$229,000. The gentleman that owns the house did not take the bid on the home. The house was estimated at \$260,000.

Senator Robinson states, that doesn't include any FEMA participation. There is a whole lot things that have changed in 3 years and the fact that he has not sold it in 3 years, would change things as well.

Senator Kilzer states, we could move pretty fast if we needed to here. I would be interested in hearing about today's proceedings. We would have to get concurrence of the House or conference committee and those can go pretty fast. As the original legislation, two sessions ago, when the federal money became available for their Veteran's Home happened. Are you going home tonight?

Mark Johnson states, we were thinking of going home or spending the night. We were just going to see where and what the committee had decided.

V. Chair Bowman states, if you are going home it would be nice if you could get contacted with somebody to check that house out because we have to make a decision fairly quick. If the house is solid and we know about how much it is going to cost to move it, you don't want to bid on it for the price of a brand new one. If you can buy it right and we can set up a fund to do that, it seems to me like it would take care of both problems.

Senator Robinson states, we could gather information and share this with the greater committee.

Senator Kilzer asks, who does inspections in Lisbon for homes and buildings and things? Does Duane do those?

Mark Johnson states, the thing we have tried to do is to get our project manager in, Russ Handegard. Russ was in the building trade. So Russ has been trying to get into the home. The whole issue we are running into is, I don't know if the owner has accepted what the FEMA buy out amount is at this time. Once he makes that acceptance, I think there is a 30 day period. Once that happens, then I think the public can go in and view the house and I think the house sells in about 60 days.

Senator Kilzer states, it would be nice to know the situation.

Mark Johnson states, I can check on that.

Senator Kilzer states, it won't be tomorrow. We do have a long day here and there are other subcommittees meeting that we all are on. Hopefully, by the end of the week, we could meet again.

Mark Johnson asks, the hearing you would be looking at possibly on Thursday, do you want to specifically look at the house piece or are there more things you would like to talk about with the budget?

Senator Kilzer asks, does Kristen have any particular topics? The alternatives referencing this estate gift, which other projects would be worthy of a gift like that rather than throwing it in the general appropriation.

Mark Johnson states, one of the things we have also talked about is utilizing some of the dollars for, we don't have any construction bids, is moving the gazebo over to the new building. We have some organizations that have funded the moving of that building. I think the moving of that building is going to cost around \$12,000 but we still are going to need to do footings and foundation and also we wanted to put a heating system/air conditioning in there. Our current system that is in there is 15-16 years old. So we just thought it would be time to upgrade that building. The other piece we talked about is building a resident workshop. That is one of the things we did not bring over to the new building. We just didn't know what was going to happen with the existing building and we kind of wanted to see how everything was going to play out and what some of those costs were. I don't know all the protocol, whether you can come to the emergency commission and get some of the dollars to do some projects in between but our goal right now is to get everyone moved over to the building. We are looking at moving our residents over probably around the second week of May. We will be moving 42 residents over and then we will be doing the DA survey. After that we will be moving the rest of them over. Then we were going to be looking at how we were going to be preparing the grounds and hopefully maybe next year or possibly this year to try and get the gazebo over there. We don't have the funding to move the gazebo at this time. We do have organizations that have worked diligently to put a number of dollars together. To fully fund it and put it in

there, we are probably looking at \$50,000-\$60,000. What has been raised is somewhere around \$20,000 at this time. It would be nice to have that piece complete. The other piece would be to have a nice resident workshop and what we were looking at how we can tie some of that together with the gazebo.

Senator Robinson states, I have been in the gazebo. It is the most popular square footage in the existing facility right now. They like it and use it a lot.

Senator Kilzer states, if we are going to change what the House has done, we will have to do it in this bill. It will be different amendments than what the House has. I don't think coming before the emergency commission, with a non emergency request, would be taken very kindly by the budget section. That is my experience from being on that section for awhile. They don't like to deal with things that should have been dealt with when the whole legislative assembly was in session. If we are going to change what the House has done, we will have to do it in this bill.

Mark Johnson states, that is some of the things that we were looking at, as an area where we proudly display a plaque of our donor, and that he was able to accomplish the workshop and he was able to bring the gazebo and able to move that gazebo over. We want to proudly display that this is a piece, that through his donation, he was able to complete this project and also build a wonderful workshop with state of the art tools. Our residents right now, in our workshop, they are down there every day.

Senator Kilzer states, we may see you on Thursday subject to call.

DISCUSSION WAS CLOSED ON HB 1468

THE SUBCOMMITTEE MEETING FOR HB 1007 WAS ADJOURNED.

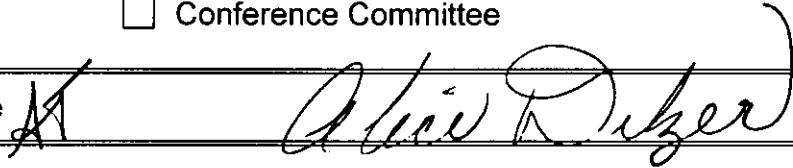
2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1007
03-17-2011
Job 15619

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A SUBCOMMITTEE HEARING ON VETERANS' HOME AND VETERANS' AFFAIRS

Minutes:

You may make reference to "attached testimony."

Chairman Kilzer called the subcommittee to order on Thursday, March 17 at 2:30 pm in reference to HB 1007. Present were Senators Bowman and Robinson. Lori Laschkewitsch, OMB and Sheila M. Sandness, Legislative Council were also present. Present from the Veterans' were Lonnie Wangen, Mark Johnson, Cathy Halgunseith, Lyle Schuchard, Jerry Samuelson, Robert Verke. Let the record show that all the subcommittee are present.

Mark Johnson, Administrator at the North Dakota Veterans Home. When we checked on the FEMA house and had the intention of the project manager was to look at the house, measure the house and then we were not able to get into the house. He did discover we had to demolish the existing foundation. We will have to terminate all the existing services to the site. We have to construct a new frost line foundation, pour slabs, entry way, driveway, sidewalk.

Chairman Kilzer asks, are you talking about the new site or old site?

Mark Johnson asks, did you want to talk about the FEMA house?

Chairman Kilzer asks, this is the one we talked about before, the FEMA house?

Mark Johnson states, yes, that is the one I am talking about.

Chairman Kilzer asks, is this the one that is available or might be available?

Mark Johnson states, yes, I am just putting some of the numbers together. I did send the information to you. I don't know if you received it. I sent it out in an email.

Chairman Kilzer states, he has not checked in the last little bit.

Mark Johnson states, he sent it about 2 days ago. We can photocopy what I have. Basically, when we started looking at the FEMA house, just the cost before we can even purchase the

house, is somewhere in the neighborhood of \$110,000-\$120,000. You really don't know what you are going to get. You are going to have to lift it. It is a split level house and so it probably wouldn't be feasible to look at that house. There is another house that is going to be opening up, that is right off the campus of the Veterans Home. I don't know what it is going to cost. It is not a real big home but the gentleman that used to live there passed away. Where this house is at right now is directly off the grounds. We mow right up to the edge of the house. That would be a possibility and we have been trying to get a hold of the son but we have not been able to catch him yet. That would probably be my maintenance or my plant supervisor that would take a look at it. He has been in the house, wired the house and he said it is a very well built home. The gentleman that passed away built the home. It is very well constructed and he said that would be a much better purchase. I don't know if it is 3 or 4 bedroom but it directly off the grounds. He felt that would be a much better fit for us or possibly building a new home, as we talked about at one time. I don't think the FEMA house is going to work out. The other piece the Board had recommended is putting a boiler system in the existing home. The existing home is not a bad home, I have lived there for 5 years, but it has to have some remodeling done to the home. There is no insulation in the home, brick, and built in 1907. Parts of the home are very decent but the issue we have is when the new building opens up, I will lose my heat. The existing boilers that we have right now, that heat the big plant, which will be shutting down, they also heat the house.

Senator Robinson states, that is the issue we see before us. Whether you look at FEMA home or this other home, you are going to be basically looking at the same costs of sidewalks etc. With your existing home, where do you stop? Window, heat, plumbing, handicap accessible, etc., although this would be expensive now, it is the urgency of the situation and we've got the heating problem to take care of.

Mark Johnson states we talked about this last session. We had a gentleman come in and do an appraisal on how much it was going to cost to fix the house. We were looking upwards to \$250,000 to \$300,000, just to fixing the existing home. It's an interesting house, an old home, just some of the things; it has its own character. The upstairs is decent but the closets are quite small. The board went on record, they wanted to build a new administrators home, and they wanted to have the ability to attract a future administrator. They looked at the market. The housing market fluctuates and in a really drastic way. That is why the Board wanted to have the administrator's residence on the grounds.

Senator Kilzer asks, how much is the heat situation going to cost because I assume they are going to cut off the heat this summer?

Cathy Halgunseith states, it's \$21,000 for a new system.

Senator Robinson asks, brief us on the discussion that the Board discussed on a rental home in the community temporarily? Depends on what happens to your gift income. If the Board would elect to set that aside for a resident and rent for the interim and depending on the market fluctuations, it might be an opportunity. You wouldn't be on the campus to buy a very attractive home at a very reasonable price in 6-8 months rather than putting any money into this older facility.

Mark Johnson states, we are looking at different options, electric heat, to tie us over until we have the ability to find a home. As far as the board sitting down and talking about rental properties, nothing has been done. The piece that has been discussed, in the governor's budget, they were recommending a stipend, a \$20,000 stipend. It becomes income and I get taxed on that. If we did a stipend, I would ask for a fair stipend.

Senator Kilzer asks, does a stipend have to be counted as income? He was told yes. When they furnish you a residence, like now, the value of that is not considered income?

Mark Johnson states, correct. I don't have to live in the vicinity, probably in the surrounding area. When the job was offered to me, it was all part of the package. The part of that package includes the housing, so it is not a taxable piece.

Chairman Kilzer states, you could live in Gwinner or someplace else?

Mark Johnson states, he doesn't know. I think I can live off the grounds.

Chairman Kilzer states, if they furnish you a home, buy it or rent it, I don't see a difference in the requirement. One situation you would be taxed, one you would not be taxed.

V. Chair Bowman states, when you mentioned this second house that might be available, right next to the campus, can you rent that until the decision can be made until we can buy it? We could make some kind of arrangement, if the house would work well for what you need it for. From what I understand the other house, the FEMA house, you don't want it. If you are satisfied with the second house and it is right next to the campus, we could try to figure out if the house is decent and to see if that would work for you. We'll have to do more discussing on that.

Senator Robinson states we have an option there. No one has been in the FEMA house?

Mark Johnson states, there was no way to get into the house. I don't know if he has signed over the house to FEMA. The house is a very nice home. The layout of the house and it's a split level home. One of the things they want to be sure a home would be somewhat handicap accessible. They don't know, it could be a disabled veteran as administrator that comes in next.

Senator Robinson states, that needs to be a consideration. They can do that fairly easy and some of those homes can be very attractive.

Chairman Kilzer states, we will have to make a decision for an allowance of some kind. There is no urgency until you will need heat by late summer.

Mark Johnson, states, yes. They are looking at doing a very minimal fix, not a big fix but we won't have heat at the end of the year.

Chairman Kilzer asks, is that what we are talking about? Is it enough to get you over the winter and it would be \$20,000?

Mark Johnson states, what is in the budget now will keep us functioning the way it is functioning now. They are putting in a boiler downstairs.

Chairman Kilzer, states, I thought the governor put in a housing allowance. That would mean that house was not going to be occupied?

Mark Johnson states, that is correct.

V. Chair Bowman states, the governor is proposing a change. How quick will you know about this second house?

Mark Johnson states, I am having difficulty getting a hold of this guy. His father passed away in November and I have staff working on it and we don't have an address. He was there on Monday and Bob was going to try and catch him, but missed him.

Senator Kilzer states, due to the taxes going out around Christmastime, I would think that your county would have an address. I would think that would be a good starting point. Check where the tax statements went to? Did you pursue that?

Mark Johnson states, no. I have not done that.

Senator Kilzer asks, what other items do we have here, committee members.

Senator Robinson asks, do you want to have any further discussion on the gift? What we do, what direction we take? He was told yes. The question is what our response will be to the House action, as far as the use of those funds, for landscaping, irrigation system and the oxbow?

V. Chair Bowman states, we could agree with the House, if we didn't want a million emails in the next two days. I understand the importance of it. You want to do with it what your board says. What it is going to be used for is a benefit to that home and that community. I don't have a problem doing nothing with it, just leave it, someday there will be something that it is needed for. This is what this is for and very important for the veterans to have it.

Senator Kilzer asks, would you like to reverse the house amendments? There are 4.

V. Chair Bowman states that would be my recommendation. The starting point is the House version or our version. If all three of us can decide that is what we want to do, that is what I would recommend.

Senator Kilzer asks, it will go to conference committee?

V. Chair Bowman states, yes, it will go to a conference committee but at least the other side of the story is told in our version.

Senator Kilzer states, we can agree, go back to reverse those 4 amendments that the House put on.

Senator Robinson states, this is something I will put on the table, at the core of this issue. I met with some folks on the House side and we talked through this issue. My counterpart in Valley City and Rep. Kaldor worked on this on the House side. They have put forth an amendment to look at. It would address the issue of future gifts of this type, to clarify so we are not back here in 6-8 and going over this again. I will hand this out, mull over this amendment in the next few days. These monies are property and any interest that is made on these monies are property of appropriations, on a continuing basis, to the governing board of the Veteran's Home. The thought would be to try to clear the air, in the event there is more gifts.

V. Chair Bowman asks, this is a policy issue more than an appropriation issue, isn't it?

Senator Robinson states, Tim Dawson drafted this. It is to prevent this from happening again, it is a policy issue, another gift, another time, down the road, and there wouldn't be a question.

V. Chair Bowman states, the law we first read, on that amendment on that law, unless it's otherwise stated.

Senator Robinson states, I received these at noon today, just looked at it. I would hope for the sake of the Veterans Home, whatever happens to the veteran's gift, we do a good job and pay some recognition to this donor and to enhance programming down the road.

Senator Kilzer states, I think most charitable receiving organizations do have policies and it may vary from one school or hospital to another. 501-3C, each one has their own policies regarding gifts and whether they even accept gifts. I am not so sure the appropriation committee is the proper route for this. We have existing law, I do agree with the other committee members to recognize gifts.

Senator Robinson states, there is a section of state law that governs these types of gifts and that is part of our problem right now. The way that is worded, it comes back without clarity. That is why the House did what they did. They thought it was their decision to make. That is the section 37.15.21. We can mull this over and it came back to the appropriations committee because of the existing law that we have.

Senator Kilzer states, the problem is not with the law, one of the underlined sentences states, 'all such monies received or accepted must be used for the specific purposes for which they were given or donated'. If there was no specific purpose, the fault, is with the drawing up of the will of the donor.

Senator Robinson states, based on my conversations with Rep. Kaldor, there is a problem here. It is Kaldor and Metcalf's opinions and House folks, we need to clarify this or we will be faced with this again. I know there will be future gifts that are not specific. I want to bring this to your attention.

V. Chair Bowman states, we reversed the amendments by the House and by doing that; it takes care of this problem at the moment. We are not going to use this money for what the House wanted to use it for. Does everyone agree on that? If we can draw up an amendment

to do that, we don't need to be spending a lot of time on this and this can be changed anytime. The Veteran's Home can have a policy drafted too. There has to be a governing board at the Veteran's Home.

Mark Johnson states, the difficulty we have, this is law, and the board can't supersede law. So that is where the issue is.

V. Chair Bowman states, we have two years to change this; if you get a gift don't tell us for two years.

Senator Kilzer states, I would rather see this go through the GVA policy committee. We are putting in these 4 amendments to take care of a specific situation here.

Mark Johnson states, I apologize, I did send a number of emails to you in the last couple of days. One of the pieces I did put in my email is, we are looking at adequate usage for these dollars. The one thing we do not have is a workshop in the new building. We have a \$100,000 building and then the other piece is look at tooling it with new saws, new equipment, \$50,000 for tools and equipment just to stock it. The moving of the gazebo, many organizations have donated to it and it will cost us because we have to dig in a foundation, about \$75,000 to move it and finish it out. One of things, the donor that donated the money, he was big into "outdoors" and he always wanted to be outside and was always outside and so one of the projects that needed to be done is, we could probably fund the \$25,000 for the landscaping. The two pieces you would have to look at with the general funds would be the finishing of the oxbow, for flood protection, and the other piece is to finish the sprinkler system.

Senator Kilzer asks, was that it was in executive budget?

Mark Johnson states, funded the oxbow and sprinkler system.

Senator Kilzer states, so if we reverse those that should take care of it.

Mark Johnson states, the house wasn't even in there. When you look at the existing building, you can do an evaluation and if you are going to tear down the entire campus or whatever you are going to do with the old building. That is something you would put in as a bid as well. In the executive budget, did he fund the landscaping too?

Lori Laschkewitsch states, yes, those 3 items that were funded by the House, with this donated money, and were funded by general funds in the governor's budget.

Senator Kilzer states, the governor had the housing on a stipend also. He did not have the heat included. I assume he thought that you would use the stipend, to go live somewhere else and not need to include the heat.

Mark Johnson states, that was my understanding.

Senator Kilzer asks, was the demolition included in the governor's budget and that was \$30,000 or so?

Mark Johnson states, the House put that in there. I don't think our donor should be paying to tear down the house.

Senator Kilzer states, any other items. Which other changes did the House make?

Mark Johnson states, just the four.

Senator Kilzer states, as far as the home (administrator residence) goes.

Mark Johnson states, correct. It's my understanding that the House agreed with the stipend and that is what the governor agreed to in the budget.

Senator Robinson states, with those changes we discussed, the Veterans Home, the budget would be in good condition to go into conference committee.

Mark Johnson states, I would say "yes". The House didn't have a problem with the budget. The only issue that they were looking at was those 4 issues that they made the recommendations.

Senator Robinson asks, what was the level of the stipend? Was that a concern?

Lori Laschkewitsch states, we included \$20,000 for the stipend. They requested \$20,000 for the heating system and their options and instead we gave them a stipend for the biennium.

Senator Robinson states, the problem is the taxation on it.

Mark Johnson states, Norris has some testimony regarding the stipend. Look at some of his testimony. He looked at what the market value, taxation of that stipend and what he proposed to the House as well as to the Senate when he gave his testimony, it was more. I don't know what it was. Norris is a banker and a realtor. He does house appraisals etc.

Senator Kilzer states, I have never lived in Lisbon, I use to sample water there 40 years ago. I wouldn't think that \$20,000 would be enough to live on after taxes. I don't know what rentals are and that wouldn't go very far.

Mark Johnson states, that is why the Board analyzed it and came up with different number. They just found it was underfunded. Right now the house, I have use of the house, they pay for all my heat, electricity and all the other various things.

Senator Kilzer states, I agree with V. Chair Bowman about looking at this second house. I am opposed to split level houses; it just didn't work out with all those steps. You are much better off with a ranch style home or two story where you don't need to go upstairs. I hope that your Board looks at the one that V. Chair Bowman talked about. Maybe you can get it finalized before fall.

V. Chair Bowman asks, will there be any acreage with that home?

Mark Johnson states, it's right off the campus, it's right there. You wouldn't even move it. The back road goes by the building, there is the back gate and the house is right there. You cross the road and the house is there. It is a ranch style home, double car garage, not a big home, very nice home, very well built home.

V. Chair Bowman states that look like an awfully good option. If you didn't have to move that, it's close enough, no moving expenses, eventually we could take care of the old house and demolish it. We can work that into the next budget some way. It's a win win deal for everybody if the house is good enough to live in.

Senator Kilzer states, it sounds like the best alternative. The stipend isn't enough. The house sounds like the better deal.

Senator Kilzer closes the hearing on HB 1007. (Veteran's Home)

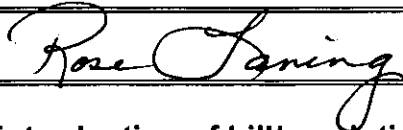
2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee Harvest Room, State Capitol

HB 1007 subcommittee
March 24, 2011
Job # 15916

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

This is a subcommittee hearing of HB 1007 – the Veteran's Home and Veteran's Affairs.

Minutes:

See attached testimony # B.

Subcommittee Chairman Kilzer called the subcommittee hearing to order on HB 1007 – the Veteran's Home and Veteran's Affairs.

Members **Senator Bowman** and **Senator Robinson** were present.

Sheila M. Sandness - Legislative Council; **Lori Laschkewitsch** - OMB.

Senator Kilzer called the subcommittee hearing to order on HB 1007. He asked for amendments to be prepared and all the changes are incorporated into amendment 11.8136.02004 – see attached # B.

He briefly stated the changes:

Dept. of Veteran's Affairs - No changes from what the House had. There are 6 FTEs and there had been a request to raise it to 7, but the House kept it at 6 and we are also keeping it at 6.

There was a late request to consider moving into new space which was larger and would cost \$200/month more and we did not consider that.

Veteran's Home - All 8 footnotes relate to the Veteran's Home.

The 1st 3 items relate to changing from special funds to general funds for the 3 purposes that was included in the Executive Budget. That reverses the changes of what the House made.

On footnote #4 – we removed the \$30,000 for the demolition of the present administrator's home and that changes what the House had done.

Footnote #5 relates to the \$20,000 for a stipend for the housing allowance. The housing situation is very much in the air because there is a possibility that they would either rent or purchase a home just across the road from the Veteran's Home. We are not sure what will happen there.

Senate Appropriations Committee

HB 1007 subcommittee

March 24, 2011

Page 2

Footnotes #6, 7, 8 relates to the use of the funds of the \$258,000 from a donor's estate. That includes building a workshop for the veterans for \$100,000; also adding tools and moving the gazebo. I earlier mentioned there was landscaping in this, but there is not.

Senator Robinson: I think we have everything in this amendment that we talked about and would move the amendment if ready.

Senator Robinson moved to adopt amendment 11.8136.02004.

Senator Bowman seconded.

A Roll Call vote was taken 3 – 0 – 0

Amendment carried and will be presented to the full committee.

Senator Kilzer thanked the subcommittee and all involved and closed the hearing on HB 1007.

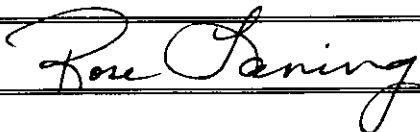
2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee Harvest Room, State Capitol

HB 1007
March 24, 2011
Job # 15942

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

This hearing is a committee vote on HB 1007.

Minutes:

You may make reference to "attached testimony."

Chairman Holmberg called the committee hearing to order on HB 1007.
Senators Kilzer, Bowman, and Robinson were the subcommittee members.

Senator Kilzer presented amendment 11.8136.02004 that was adopted by the subcommittee. He went on to explain that the bill was composed of two parts which are separate from each other which are the Dept. of Veteran's Affairs and the Veteran's Home. We made no changes at all in the Dept. of Veteran's Affairs. They have 6 FTEs and we're keeping it at 6. They also came in very late requesting a change in their location which would be larger and cost \$200/month more. We did not adopt that on our subcommittee.

Going over to the Home, we put on the 8 footnotes; the first three have to do with reversing what the House did; the landscaping, the irrigation, and the Oxbow which is a result of the dirt that had been moved around during the construction and also during the flooding last year. It involves quite a few acres – on footnote #3. That's why the money is kind of high on that, but it will change the drainage pattern. We reversed those three funding sources from special funds to general funds.

#4 is the funding the \$258,000 from the donor.

#6, 7, & 8 relate to that fund about providing a workshop, some tools and moving the gazebo.

#5 – the \$20,000 that had been put in for a stipend for the administrator to find some housing to rent because when they closed the old Veteran's Home the heat will be lost to the administrator's house, so they are still up in the air as to what they are going to do for a residence for an administrator – whether to put in heat in the old house or to remodel the old house which would take a couple hundred thousand dollars or to be looking for a house that needs to be moved or even to build a new house. There are a couple possibilities and they have over the summer to decide. Instead of giving the administrator a stipend to go find his own rental, it puts it in the operating fund that the housing will be provided by the home and will not add to the personal income tax of the administrator.

Those are the eight amendments that your subcommittee put on the bill.

**Senator Kilzer moved amendment 11.8136.02004.
Senator Robinson seconded.**

Discussion:

Senator Warner: We had testimony in Corrections that there was no compelling reason for the warden to live at the prison anymore. I don't know of a single nursing home that provides an onsite residence for its administrator. Why don't we just make some salary adjustments and tell this guy to start building some equity in a property. This seems really outdated to provide housing for an administrator in a facility given modern transportation and modern communication abilities. There's really no compelling reason for him to have to be on site 24/7 365.

Senator Robinson: There is certainly an argument for the commandant to get away from the home and be able to go home to the other side of town or whatever. But the board at the facility spoke and they are of the opinion that the Home and the location – either on the campus or in very close proximity if they can provide housing, they might be able to attract a better qualified candidate. The package of compensation would be more attractive and that's kind of where we are. I don't know that the committee disagrees with you, but that's where the board was coming from. Even some of our college presidents don't live on college campus.

Senator Warner: How does the board explain to its current commandant that we're doing this so that we can find somebody better for the job?

Senator Robinson: They're looking down the road and they have identified a home right across the street from the campus that might well be available for rent and or sale. They're doing some research on it, but from what I read, the folks at the Veteran's Home are happy. This is what they asked for.

Senator Christmann: I plan to vote for it, but I'd like to send the message that I hope, if it's a bargaining point in conference committee, I really hope we get out of this housing business. I don't know what this house is worth, but if it's any less than \$20,000, it's going to cost us \$20,000. I just think Senator Warner is right and we're passed the days of providing housing for leaders of various state institutions.

Senator Kilzer: That's correct and we did not even come up with any figure to suggest to buy the house because that immediately becomes a minimum.

**Senator Kilzer moved to approve amendment 11.8136.02004
Senator Robinson seconded.**

**A Roll Call vote was taken. Yea: 13 Nay: 0 Absent: 0
Amendment carried.**

Senate Appropriations Committee

HB 1007 vote

March 24, 2011

Page 3

**Senator Robinson moved DO PASS as Amended on HB 1007
Senator Kilzer seconded.**

A Roll Call vote was taken. Yea: 13 Nay: 0 Absent: 0

Senator Kilzer will carry the bill.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1007

Page 1, replace lines 14 through 16 with:

"Salaries and wages	\$11,538,855	\$2,378,006	\$13,916,861
Operating expenses	4,561,857	1,440,428	6,002,285
Capital assets	259,906	545,594	805,500"

Page 1, replace lines 18 through 20 with:

"Total all funds	\$18,403,882	\$2,652,764	\$21,056,646
Less estimated income	<u>13,677,293</u>	<u>1,699,530</u>	<u>15,376,823</u>
Total general fund	\$4,726,589	\$953,234	\$5,679,823"

Page 2, replace lines 10 through 12 with:

"Grand total general fund	\$5,758,076	\$1,058,966	\$6,817,042
Grand total special funds	<u>13,677,293</u>	<u>1,699,530</u>	<u>15,376,823</u>
Grand total all funds	\$19,435,369	\$2,758,496	\$22,193,865"

Page 2, after line 25, insert:

"New home landscaping	0	25,000
Repair irrigation system	0	55,000
Reshape and grade oxbow	0	46,500"

Page 2, replace line 30 with:

"Total all funds	\$15,183,138	\$164,093"
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Page 3, replace line 1 with:

"Total general fund	\$12,025,133	\$164,093"
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Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1007 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Veterans' Home				
Total all funds	\$20,831,646	\$20,861,646	\$195,000	\$21,056,646
Less estimated income	<u>15,151,823</u>	<u>15,308,323</u>	<u>68,500</u>	<u>15,376,823</u>
General fund	\$5,679,823	\$5,553,323	\$126,500	\$5,679,823

Department of Veterans' Affairs

Total all funds	\$1,137,219	\$1,137,219	\$0	\$1,137,219
Less estimated income	0	0	0	0
General fund	\$1,137,219	\$1,137,219	\$0	\$1,137,219
Bill total				
Total all funds	\$21,968,865	\$21,998,865	\$195,000	\$22,193,865
Less estimated income	15,151,823	15,308,323	68,500	15,376,823
General fund	\$6,817,042	\$6,690,542	\$126,500	\$6,817,042

House Bill No. 1007 - Veterans' Home - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$13,936,861	\$13,936,861	(\$20,000)	\$13,916,861
Operating expenses	5,932,285	5,932,285	70,000	6,002,285
Capital assets	630,500	660,500	145,000	805,500
New Veterans' Home	332,000	332,000		332,000
Total all funds	\$20,831,646	\$20,861,646	\$195,000	\$21,056,646
Less estimated income	15,151,823	15,308,323	68,500	15,376,823
General fund	\$5,679,823	\$5,553,323	\$126,500	\$5,679,823
FTE	120.72	120.72	0.00	120.72

Department No. 313 - Veterans' Home - Detail of Senate Changes

	Adjusts Funding Source of New Home Landscaping ¹	Adjusts Funding Source of Irrigation System Repair ²	Adjusts Funding Source of Regrade of Oxbow ³	Remove Funding for Demolition of Administrator's Old Residence ⁴	Adjusts Funding for Administrator's Housing Allowance ⁵	Adds Funding for a Resident Workshop ⁶
Salaries and wages					(\$20,000)	
Operating expenses					20,000	
Capital assets				(30,000)		100,000
New Veterans' Home						
Total all funds	\$0	\$0	\$0	(\$30,000)	\$0	\$100,000
Less estimated income	(25,000)	(55,000)	(46,500)	(30,000)	0	100,000
General fund	\$25,000	\$55,000	\$46,500	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	Adds Funding for Resident Workshop Tools ⁷	Adds Funding to Move Gazebo ⁸	Total Senate Changes			
Salaries and wages			(\$20,000)			
Operating expenses	50,000		70,000			
Capital assets		75,000	145,000			
New Veterans' Home						
Total all funds	\$50,000	\$75,000	\$195,000			
Less estimated income	50,000	75,000	68,500			
General fund	\$0	\$0	\$126,500			
FTE	0.00	0.00	0.00			

¹ The funding source of one-time funding for new home landscaping is changed from special funds available from donated mineral lease income to the general fund, as provided in the executive recommendation. The House provided this funding from special funds available from donated mineral lease income.

² The funding source of one-time funding for irrigation system repair is changed from special funds

available from donated mineral lease income to the general fund, as provided in the executive recommendation. The House provided this funding from special funds available from donated mineral lease income.

³ The funding source of one-time funding for the regrading of the oxbow is changed from special funds available from donated mineral lease income to the general fund, as provided in the executive recommendation. The House provided this funding from special funds available from donated mineral lease income.

⁴ Funding from special funds available from donated mineral lease income for the demolition of the administrator's old residence is removed.

⁵ This amendment transfers \$20,000 of special fund authority included in the executive recommendation for the administrator's housing allowance from the salaries and wages line item to the operating expenses line item to allow the Veterans' Home to rent a home for the administrator.

⁶ Special funds available from donated mineral lease income are provided to construct a workshop for Veterans' Home residents.

⁷ Special funds available from donated mineral lease income are provided to purchase tools for a resident workshop.

⁸ Special funds available from donated mineral lease income are provided to move the gazebo.

Date: 3-24-11
Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1009

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number 11.8136.02004

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Kilzer Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Warner	✓	
Senator Bowman	✓		Senator O'Connell	✓	
Senator Grindberg	✓		Senator Robinson	✓	
Senator Christmann	✓				
Senator Wardner	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Krebsbach	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 3-24-11
Roll Call Vote # 2

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Robinson Seconded By Kilger

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Warner	✓	
Senator Bowman	✓		Senator O'Connell	✓	
Senator Grindberg	✓		Senator Robinson	✓	
Senator Christmann	✓				
Senator Wardner	✓				
Senator Kilger	✓				
Senator Fischer	✓				
Senator Krebsbach	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Kilger

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1007, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1007 was placed on the Sixth order on the calendar.

Page 1, replace lines 14 through 16 with:

"Salaries and wages	\$11,538,855	\$2,378,006	\$13,916,861
Operating expenses	4,561,857	1,440,428	6,002,285
Capital assets	259,906	545,594	805,500"

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Re-number accordingly

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General fund	\$5,679,823	\$5,553,323	\$126,500	\$5,679,823
Department of Veterans' Affairs				
Total all funds	\$1,137,219	\$1,137,219	\$0	\$1,137,219
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$1,137,219	\$1,137,219	\$0	\$1,137,219

Bill total				
Total all funds	\$21,968,865	\$21,998,865	\$195,000	\$22,193,865
Less estimated income	15,151,823	15,308,323	68,500	15,376,823
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House Bill No. 1007 - Veterans' Home - Senate Action

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FTE	120.72	120.72	0.00	120.72

Department No. 313 - Veterans' Home - Detail of Senate Changes

	Adjusts Funding Source of New Home Landscaping ¹	Adjusts Funding Source of Irrigation System Repair ²	Adjusts Funding Source of Regrade of Oxbow ³	Removes Funding for Demolition of Administrator's Old Residence ⁴	Adjusts Funding for Administrator's Housing Allowance ⁵	Adds Funding for a Resident Workshop ⁶
Salaries and wages					(\$20,000)	
Operating expenses					20,000	
Capital assets				(30,000)		100,000
New Veterans' Home						
Total all funds	\$0	\$0	\$0	(\$30,000)	\$0	\$100,000
Less estimated income	(25,000)	(55,000)	(46,500)	(30,000)	0	100,000
General fund	\$25,000	\$55,000	\$46,500	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Resident Workshop Tools ⁷	Adds Funding to Move Gazebo ⁸	Total Senate Changes
Salaries and wages			(\$20,000)
Operating expenses	50,000		70,000
Capital assets		75,000	145,000
New Veterans' Home			
Total all funds	\$50,000	\$75,000	\$195,000
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FTE	0.00	0.00	0.00

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⁵ This amendment transfers \$20,000 of special fund authority included in the executive recommendation for the administrator's housing allowance from the salaries and wages line item to the operating expenses line item to allow the Veterans' Home to rent a home for the administrator.

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⁸ Special funds available from donated mineral lease income are provided to move the gazebo.

2011 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE

HB 1007

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Roughrider Room, State Capitol

HB 1007
April 11, 2011
16493

Conference Committee

Committee Clerk Signature

Julia Yigle

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the veterans' home (budget no. 313) and department of veterans' affairs (budget no. 321); and to provide for a legislative management study

Minutes:

Chairman Kreidt called conference committee to order. Clerk took role and quorum declared. Representative Kreidt called committee's attention to the proposed amendments (.02004) that the Senate adopted.

Chairman Kilzer: (went through amendment .02004) There was the oil lease gift for \$258,000 to the home and it could be more if they find oil. The House had used that money for general purposes. There was request from the Veterans' Home that this money be kept identified so that in the future, it would be identified as coming from this Veteran as well as to encourage future bequests to the home from other Veterans. The Senate chose to use the \$258,000 for the workshop, the tools in the workshop, and for the moving of the gazebo. The rest of the needed items, the Senate put in from the general fund. The other item is regarding item 5, the administrator's home. The old one is ready to be demolished, but the administrator needs a place to live. The governor put in a stipend for being able to rent a residence, but there are a couple of possibilities that have come up that might be a better deal, from Mr. Mark Johnson (administrator)'s point of view because the \$20,000 stipend would be taxable to him, so they weren't ready to move on these other possibilities so we left it in as an allowance in the operating budget rather than the salary budget.

Chairman Kreidt: in regards to the workshop, when the budget was being looked at by House Appropriations Human Resources Division, there was no mention of looking at a workshop. The direction that they came forward with was the possibility of building a new home or they thought they had an opportunity for a FEMA house, which they would move and locate on the grounds. That was the discussion that we had, thus we were surprised when we had a workshop all of the sudden that was never mentioned when we were looking at the bill.

Chairman Kilzer: A FEMA house would be completely different from a workshop.

Chairman Kreidt: There was a possibility of a FEMA home that was going to come up for sale and they were thinking about bidding on that FEMA house or building a new house for the commandant. There was no mention of a workshop.

Chairman Kilzer: We were looking at the workshop as a place to park part of the estate of the \$258,000.

Representative Kreidt: I understand that. In switching gears, last session we discussed the gazebo and they were in the process of building the new home at that time. We were assured to a certain degree by the administrator that through donations from the community and some other help; they were going to be able to handle that gazebo by themselves. They didn't seem interested in being provided funds for the gazebo. I'm surprised to see the gazebo back on the table for discussion. I don't recall the prices that they were thinking about as far as the cost to move the gazebo. I am also interested in the administrator's residence as there are concerns with it. We had discussion of tearing it down and getting rid of it which was for the up to \$30,000 that we included. I am wondering what the intent of the Senate is as far as the administrator's home. Are we going to let it set there? It's unlivable. It's not located on any historical grounds, thus the home could be gone and I think it would improve the grounds of the facility.

Senator Bowman: we were in a conversation about a home that was right across the road from the facilities. It is right along the fence line. They sent us pictures of that, but no one was ready to make a decision on what they were going to do which puts us in a precarious situation because you can't base it on assumptions, but rather facts. The face was is that they hadn't got a hold of the person that owned the house to find out if there was a possibility of renting it or buying it. It fit so well with the home. We thought it had a lot of merit to it. However we couldn't help them with that the decision until they do their homework. As far as the old house, didn't they take the heater out and have to put a new one in?

Chairman Kilzer: The residence of the present administrator will lose its heat when the when the old home is not used.

Senator Robinson: The house right across the street wouldn't have to be moved to be located. That is something that surfaced late in the discussion. The proposal that the House laid on the table caused the veterans' committee, the folks at the home and other veterans to regroup and think about where they are going with that gift and other gifts, which contributed to what the Senate did. The hope is that the proposal to do the workshop, tools and moving the gazebo would be high profile type projects to improve the quality of life for the residents and recognize the donor. Also, it's an enticement for others to think about what they could do to help out down the road with an estate gift to the home. I don't recall the details of the history of the discussion regarding the gazebo, but I do know that it's one of the most popular areas in the present home and I'd like to believe it will continue to be a gathering spot for our veterans. I get down there somewhat often and there are always veterans in the gazebo, enjoying the facility. The FEMA home is a possibility, but there are costs involved (moving, relocation, etc) and it's a split entry thus is not handicap accessible and we could have a commandant that has physical restraints, in turns of getting up and

down stairs, etc. This other home became more attractive, especially since it's right across the street.

Representative Metcalf: let's start with the FEMA home. I am referring to the second FEMA home; not the first one. They saw that it was not at all capable of being handicap accessibility, which is a barrier as in the future the administrator may need a home with these sorts of accommodations. As far as they're concerned, this second FEMA is off the list. There was an organization in Fargo that offered to move that gazebo for \$90,000, but when it came down to it, the Veterans' Home didn't have 25% of the money needed to do the move. Thus they feel it would be better to fund the move through the donations received. They also want to put a foundation underneath of it as well as replace the windows, add two bathrooms and an air conditioner unit so it is 100% ready for the veterans at any time of the year. They are looking at \$90,000 to do the upgrading. We'll move onto the \$20,000 to rent a home. When I spoke to the commandant initially, he didn't feel that was sufficient as his intention at that time was to buy however, when I spoke to him 4 days ago, he did agree that the \$20,000 would be adequate at this time.

Chairman Kilzer: I was under the impression that there was only one FEMA home which was the spilt level home that would have to be moved. I didn't realize that the home across the street that Senator Bowman talked about was a FEMA home.

Representative Metcalf: I was told that they are both FEMA homes.

Chairman Kilzer: A FEMA home has to be moved and Senator Bowman accurately described that it wouldn't have to be moved.

Representative Metcalf: regardless of whether it's a FEMA home or not, it is not a home that you would want to buy as it is not handicap accessible.

Chairman Kilzer: As far as this home goes, the owners were an elderly couple and he had died and she was in a nursing home and so we suggested that they get in contact with whoever was paying the taxes. This turned out to be a son and he wasn't able to make up his mind and by that time we were done with the bill and had to move it on.

Chairman Kreidt: we explored the options for homes in the city of Lisbon and came up with a number of homes that were for sale in Lisbon. Some of these seemed quite nice and would have easily fallen into the amount that the administrator would have been able to pay. We had pictures and went through a realtor that works in the area. We thought it would be best to provide the funds for the administrator and let him pick the home.

Office of Management and Budget: I believe that the home adjacent to the property is the home Senator Kilzer is describing with the owner recently passing away. I don't know if the Veteran's home has been able to get anymore firm information, but the latest is that they would be able to rent it. I will print pictures and get them to the committee (the House side).

Representative Nelson: it appears that we are talking two different sessions. On the House side, there was nothing mentioned about the gazebo, workshop or tools. The funding that we decided was a use of funds for the landscaping, irrigation, and oxbow is for

the completion for the new Veterans' home (\$40M). This isn't operations, but rather a new irrigation system; completing the landscaping around the building; and regrading the oxbow. I think it is an appropriate use of those funds. The funding for the residence is an area that we are going to cover at some point in time. The other issue that seems to be a point of contention is the housing situation. I thought there was only the one house (split level) and there was issues with that house (flood damage).

Senator Robinson: I think it was our feeling that we could go ahead and demolish the house. We could save a lot of money if we wait and do both the home and the house at the same time. That was what we were told by the Veterans' committee. The reason why you didn't hear about the workshop, gazebo, and the tools is when the proposal coming from the House elected to use the dollars in this area, there was reflection from the Veterans' community and the board and from their standpoint, they thought if we do this, what type of message are we sending to future, potential donors. Donors like to be recognized and they thought that the enhanced to the facility by building this workshop would be marketable in the sense of showing that this is the result of a deceased Veteran. The second house that we are talking about came late because the nature of the death of the individual and the family trying to find a renter for the home. That didn't develop until the bill go over on the Senate side. We didn't specify that had to be the home, but it seemed to be very appealing because of its location and the ability to rent and resolve this issue permanently in the 2013 session.

Representative Nelson: that is something that we will have to look at. Regarding the demolition of the residence, we had purposefully not combined the home and the residence because there is a group that would like to explore the possibility of turning that into a museum and that is going to take time to find the best use of that facility. We thought removing the residence would make the ground more attractive in the meantime.

Chairman Kreidt: in regards to the minerals money that is coming in, we felt that this was an appropriate use of the dollars as what we were doing would benefit the residents most. With the uses we are proposing, most residents are going to enjoy looking out and seeing that than those who are going to be participating in a workshop. On the other side of the coin, we believe there will be continuous money coming in. Hopefully things work out well for the Veterans' Home and they hit an oil well. At that point, there would be millions of dollars coming into that facility. We took that into consideration too, in appropriating those dollars and maybe at some point, the home will be able to use some of that money to enhance the general operation of the facility. Those are all in the long range plan for the home.

Representative Nelson: on that note, I did do some checking on that particular area and the lease that was signed is a 3 year lease. We are about 1 year in. There are working wells one section away from this property, thus there is large potential for a well. This is just the beginning of this endowment. I don't disagree with what you are saying, Senator Robinson, but it wasn't specified in the will and if it wasn't specified, in Century Code, it's to go to the operations.

Chairman Kreidt: we felt that we had to follow the law and that was the direction we took.

Senator Robinson: What often happens is that we will act on a bill and when it goes to the other side, the parties impacted will have a different feeling on what should happen. We can quite an outpouring of resistance to the House amendments from the Veterans' community. After they had a chance to analyze it, they wanted timeout. Thus our proposals came at their recommendation.

Senator Bowman: Let's say there was no oil and they come in and ask for general fund money to do these 3 things. We probably would have given it to them. 2 years from now, they ask us for money for the gazebo, the building and the tools. If we all par with what we've done, we probably would have built it, but think about how lucky we are that this endowment came there and they made a special attempt to bring their wishes. Their wishes hold our general fund harmless because they are putting up the money to build the 3 things that they think is extremely important for the Veterans and the Veteran's home, so it's really kind of wash as far as general fund money.

Chairman Kreidt closed hearing.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Roughrider Room, State Capitol

HB 1007
April 13, 2011
16545

Conference Committee

Committee Clerk Signature

Julia Yeigo

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the veterans' home (budget no. 313) and department of veterans' affairs (budget no. 321); and to provide for a legislative management study

Minutes:

Chairman Kreidt opened conference committee meeting, stating let the record show that we have all our conferees present. He opened the hearing for HB 1007.

Representative Metcalf: I had a discussion with the administrator and got his ideas on several matters. He has no problems with staying in his current residence as long as we would like him too. However, he wants to spend \$100,000 for a wood working shop that will also include a garage, \$50,000 for tools as well as move the gazebo. He has a man down there that is construction specialist and has been observing the construction of the Veterans' Home to make sure that it's being done properly. He went out and looked at where they intend to put the gazebo and came back with cost of \$75-80,000 for moving the gazebo. That leaves \$33,000 left. In talking with the administrator down there, he would love to see that left so he could use it for incidentals (benches, other items for the yard). He stated that he knows there are going to be some things forgotten and requested to we use that \$33,000 to fill in the areas where there is a shortage. He and I feel that this money should be earmarked for the Veterans' Home with the governing committee of the Veterans' Home making the decisions on how it will actually be used. We can demand that it used for the workshop, tools and moving the gazebo and beyond that, there will be \$33,000 remaining.

Chairman Kreidt: I did pull some numbers together and I was mainly concerned with regards to the gazebo. The \$75,000 mentioned is in line with what I received in regards to doing the moving of the gazebo and putting in hook ups, a deck, bathrooms, etc. We did have discussion at the last meeting that we thought this was going to happen. We received information last session that they were going to have this done through donations and in kind people helping move that, but that didn't happen so that is why we are where we are today with having the \$75,000 figure to do this. The gazebo is a large building, so that figure is probably in line with what they want to do.

Chairman Kilzer: With Representative Metcalf's first suggestion that the administrator is happy to stay in the current home, as I recall, they are going to have to find a source of heat for that home this fall because the heat goes when they move out of the present Veterans' Home and that was around \$20,000.

Representative Metcalf: I was told that we were going to lose the heat as well. However, I was reassured by the administrator last evening that they have their own heating system within the house and they don't need to depend on the Home for any heat. I will swear to that. I also asked about keeping the main building warm (cost \$4,000 a year) and he told me that they could take care of it within their budget. He indicated that there is no demand whatsoever as far as heat is concerned.

Chairman Kreidt: Office of Management and Budget can walk us through the numbers with regards to the heating issue.

Office of Management and Budget: They have 2 maintenance buildings that they need to retain heat for and so they can switch one of the boilers to electric instead of propane that I believe it's on. That boiler would be used to keep the heat in the 2 maintenance buildings as well as heat the house.

Chairman Kreidt: they do have enough money in their operating budget at this time that they wouldn't need any additional dollars to go ahead and do that?

Office of Management and Budget: there was no request for additional money to do that so I believe that it's something their maintenance staff can internally handle.

Representative Nelson: In looking at the bars report, there is a \$280,000 increase in utilities and that was for the new additional coming on. However, with the geothermal heating system, there are some savings that are accounted for. We did understand that there was a need for the existing system to continue so that's where the increase comes from. I make a motion that we remove the \$20,000 that was moved into the operating line from the housing expense because there is not going to be a need for the housing expense. That \$20,000 is covered in the existing operating.

Representative Metcalf: Second

Chairman Kilzer: is the \$20,000 in the operating part or is it as a salary stipend?

Office of Management and Budget: it was a salary stipend and then in the Senate, the money was moved to the operating line so that they could have paid rent at this house that they were considering renting, so as it stands right now with the Senate amendments it is in the operating line.

Roll call vote taken, resulting in 7 yes, 0 no, 0 absent thus motion carries

Senator Robinson: I'd like the committee to have discussion on the workshop and the tools that the Senate put in the bill. On the Senate side, we felt that this would be a great investment as it would provide opportunity for the residents to have a workshop there and

new tools as the tools now are dated. I believe by using the gift to the Home in this way, it would enhance the quality of life for the residents and it would set the stage for future donors as well as recognize the current donor. On the Senate side, we felt strongly about that package.

Representative Nelson: At this point in time, I can't support that. The new home is stretched out over 3 biennia. The priority should be finishing the project for the new Home. The regrading of the oxbow, landscaping, and irrigation are crucial to the finishing of the new Veteran's home. We think it is an appropriate use of the estate funds. I would be okay with packaging the moving of the gazebo in that as well. I have no problem and there is a place for it. I am reluctant to jump into a project that is half done and there are no plans with how this is going to fit as far as the long term use and convenience of where this goes like how do we get people in and out in the winter time. I don't think any of that has been done.

Senator Robinson: I disagree with Representative Nelson. I, for one, believe if there is anything we can do to enhance quality of life for our Veterans, it is something that we should be doing. If we don't use this money for this purpose, we'll have the same request from the general fund at some point. We can work through those issues you mentioned as they have a governing board. The Home is almost complete with people moving into it in the next several of weeks. I believe we should not wait for 24 months and leave the money sit there.

Chairman Kreidt: when the amendments came over from the Senate, there was added funding of \$100,000 and it mentioned resident workshop, gazebo, and tools and now it's up to \$225,000. I'm in agreement with the gazebo, but it's exploded to \$225,000 and we've got \$100,000 was appropriated from the Senate. Where are we ending here?

Senator Bowman: if you have something for the people to do, the aging process is much better for the people because their minds are occupied and they are working with other people. That is precious time. I don't know if you put a value on that or not. My concern is that the group that made the decision to do that would let us know if they are willing to sign a piece of paper to do it. Some of the things that they were going to do didn't happen. We need accountability. I think we need to send them a letter and have them sign it so we know exactly where that money is going to go. If we don't do that, they can decide to change their mind as soon as the bill is signed. We are basing our decision on testimony. It makes sense to me to give them that opportunity, providing that they do what they say they are going to do.

Chairman Kreidt: I'm surprised and irritated that none of this came up during the testimony we heard. The gazebo didn't even come up and we assumed it had happened.

Representative Nelson: Whatever money that isn't expended from this fund, I have no problem putting in a separate fund for future development for continuing to make the lives more productive for the residents. History shows us that projects getting complete haven't been successful. I am concerned about going in with another project at the 11th hour with no plans. For instance, how big is the workshop? Where is it going to be?

Senator Robinson: The confines would be \$100,000. They will have to work through that. We have had challenges at the Vets Home, but we have had challenges with every budget we've worked on. Our Vets never say no to us. They are in harm's way and coming home with PTSD. Who are we to stand up and say "I don't know if you need this." I've been down there and they are sitting around with nothing to do, but drink. We could look for all kinds of reason not to this, but I would ask the committee to ask why we should do this. It is the right thing to do. It's the right time. It's not general fund money. I don't know why we have to scrutinize a gift to the Veterans' Home. We don't scrutinize other gifts given to other state govt agencies. We need to reflect on what the Vets have done for us.

Chairman Kreidt: Let's go back in time a little bit. I don't think there was any other committee (House Appropriations Human Resources Division) that fought harder than anyone to see that new home is built down there. We stood by the Veterans' Home and the Vets. I stood up against opposition. We did the right thing. However, this is a project coming in at the 11th hour with things we never heard about.

Senator Robinson: I understand that and I get frustrated too. But we need to look at the circumstances here. This is not general fund money and we can provide all sorts of legislative intent that these not surpass \$100,000. This was a gift from a private individual through an estate to the home and it's an investment and an enhancement to what we have there. It wouldn't be right to put it on the back burner for another 2 years as some of the residents won't be around for another 2 years. The sooner we start this, but sooner we provide the residents with something to do.

Senator Bowman: the reason that I brought the idea of having them sign a letter saying they would do the things they told the Senate that they would do with that money, and then we are assured that they are going to actually use that money. I would like to see it in writing so that you can accept the same things that we heard. Now they have committed themselves with that money to what they think is important and how they wanted to use it in a memorial for the gentleman that left the money for them.

Chairman Kreidt closed hearing.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Roughrider Room, State Capitol

HB 1007
April 14, 2011
16607

Conference Committee

Committee Clerk Signature

Julia Grife

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the veterans' home (budget no. 313) and department of veterans' affairs (budget no. 321); and to provide for a legislative management study

Minutes:

Chairman Kreidt called conference committee to order noting to let the record show that all conferees are present. He opened hearing on SB 1007.

Senator Bowman: would it be advisable to put together a letter and accept the plan, but only after it is reviewed by the budget section? We would make out a list of the things that we want to see in that including how much money we would want them to spend and then they would have to bring that to the budget section before it could be approved. They are not ready for this yet. Thus as they are preparing for this, they will prepare the report to give to us. The money will be there for them up to whatever level we decide to allow and they will then be able to make their plans and bring it forward. We can accept it or reject it and if we accept it, they can go ahead and start building.

Chairman Kreidt: Regarding, the landscaping last session, I'm assuming this money is being held by the facility in the amount of \$70,000. At that time they were asking for \$125,000. Now they are asking for another \$25,000 for landscaping (\$95,000). Is the \$70,000 still in their budget?

Office of Management and Budget: They plan to spend that \$70,000 yet this biennium, but it's just that they haven't gotten far enough in the project to start the landscaping. With the estimates that they have gotten, they need the \$70,000 plus the \$25,000.

Chairman Kreidt: they did have somebody come out (professional) to look at the grounds and this is the estimated cost they would need to do this?

Office of Management and Budget: Yes, that is my understanding.

Chairman Kreidt: Last session, the estimated cost of the gazebo was \$50,000 and now it's \$75,000. We did some mili levy last time and moved the garage. Last time they used \$515,000 for irrigation and this time they are requesting \$55,000 for irrigation.

Senator Robinson: I think there is merit in Senator Bowman's proposal. Is there interest from the House about this? We would draft language about this that is agreeable to the group. Once the VA is ready, they could come to the budget section and make their request subject to the approval of the budget section.

Representative Metcalf: I'd like to know exactly what we are talking about. The landscaping is done and is already in the budget. The irrigation and oxbow are both covered in the budget as well. We're looking at the workshop, tools and gazebo, right?

Senator Robinson: All of us know the gazebo is going to be moved over to be attached and we're all in support of that. The questions from yesterday is how large is the workshop, where will it be located, how is it going to be attached, are there blueprints, and can we get a breakdown of the workshop costs? With that package proposal that's put together, we're positioned to say that it's a great plan and get behind it. Although it won't be completed, we can start visualizing what they are talking about and perhaps a schematic from an architect.

Senator Bowman: Yes. If we had accountability in a report so we could follow the dollars, it would be a win-win deal. If there is carryover dollars, we'll know about it because we'll know exactly what those costs are.

Chairman Kreidt: I do have the breakdown of what is going to happen with the gazebo. My concern was the workshop as we're taking a guess with the woodworking workshop.

Representative Metcalf: the only thing that we need to have confirmed at this time is the workshop and tools?

Chairman Kreidt: I'm not sold on the workshop and tools.

Representative Nelson: There is another issue that we should address. The gift that was donated will turn into a royalty check at some point. I think we should look at this from a longer term perspective as to how do we address this money in the future. I don't think this is the session to build this workshop. I think it needs time to be planned. I'd like to see us designate this gift in a special fund and the legislature can do what the will didn't do which is designate that for a purpose. I am okay with funding the workshop following planning, but I feel like they are just throwing something up now to utilize this gift. We've heard rumors about them wanting to build a pool and if there are other projects, why don't we incorporate all of them into a building, if that's doable. We need some long range planning in this. I **make a motion** that would restore the funding from the mineral lease for the landscaping, irrigation, and regrading of the oxbow for this session and the remaining money would be put away in a trust fund for the next 2 years and all royalty money from that particular endowment would flow into that trust fund after that.

Senator Robinson: You are suggesting that we remove our amendments using general fund money and go back using the gift to fund these projects. I would be in opposition to doing that.

Chairman Kreidt: when we did the amendment on the House side, the discussion was that the money should be spent for the betterment of the residents. I agree with that. Original discussion was we'll use this money to build buy a house, but I don't see how that would have benefitted the residents. However, those 3 projects that Representative Nelson is referring to DO benefit the residents. Those projects beautify the grounds. Putting this money aside in a trust fund and giving the facility time to do a little bit of long range planning is a good idea. There is going to be additional money coming into that going forward at that time with their workshop and tools. I would assume in that new facility there will be an area for recreation that they could still do some of the handy work in their activity dept. that was mentioned as the purpose for the workshop.

Representative Metcalf: Second

Representative Nelson: This would set up a fund that could be continued to be built on. It would be set aside so the Veterans could decide what they want to do in the future.

Senator Robinson: I would argue to the contrary. I think there are many Veterans, who won't be around much longer, that could benefit from the workshop in the next 24 months. The winter is a long, cold winter in ND. I think the workshop would be an excellent use of the funds as this would provide great activities during this winter that 2-3 of them could work on together, like a bench, table, etc. It would be therapeutic for the residents. If we elect to go down this road, we could only go forward if the budget section accepted their proposal. I don't think kicking the can further down the road is the answer.

Representative Metcalf: I have concern of who down there is going to make the recommendation of the projects they should accept. I would like to see this motion attached to the governing board so that the recommendation is made by the governing board.

Chairman Kreidt: the understanding I have is that the workshop will not be attached to the present facility. If I were a resident, I would just as soon go to the activity center versus walking outside during 40 degree below weather to go to the workshop. This is a nice, new home and it wouldn't look nice to have some kind of shop sitting beside this facility. No matter where it sets, you are going to look out the window and see this shop. It's too bad it couldn't have been incorporated into the existing facility somehow.

Chairman Kilzer: I would vote no on the motion. It should be up to the governing board and it should be identifiable. I don't think if it's going to be used for landscaping, irrigation or correction of the oxbow, that that would be identifiable.

Roll call vote taken on motion for Senate to recede from Senate amendments and further amend, resulting in 2 yes, 4 no, 0 absent, thus **motion fails**.

Chairman Kreidt closed hearing.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division
Roughrider Room, State Capitol

HB 1007
April 15, 2011
16678

Conference Committee

Committee Clerk Signature

Julia J. Graft

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the veterans' home (budget no. 313) and department of veterans' affairs (budget no. 321); and to provide for a legislative management study

Minutes:

Chairman Kreidt called conference committee to order noting that all conferees present for the record. He opened the hearing on HB 1007. Information was provided to the committee members from Mark Johnson (Administrator of the ND Veterans Home) about details of the new Veterans' Home (labeled as attachment **ONE**).

Representative Metcalf proposed amendment .02008 (attachment **TWO**). I make a motion to move amendment .02008.

Representative Nelson: Second

Representative Metcalf: as you can see, we've created a fund which we named the Melvin Norgard Memorial fund. Basically the money that has come in from the royalties/sales of the mineral rights would go into this fund. It would be invested for some kind of interest while they are sitting there and the investments will be put right back into the fund. The intention is that the moneys are available subject to legislative appropriations. We got the feeling that the legislature wants to remain in charge of this fund so this is the purpose of putting them in there. They will work with the Veterans' Home governing board as far as projects that they would like to accomplish. The money will be maintained in this fund (Melvin Norgard Memorial fund) and the Veterans' Home will determine how the income from the money in that fund will be used. I think it's a good compromise.

Chairman Kilzer: has the governing board had an action or reaction to this?

Representative Metcalf: I regret to say that the governing board has not been informed of the specific amendment, although they are familiar with the request.

Chairman Kilzer: How long has the governing board known about this request?

Representative Metcalf: since last July

Chairman Kilzer: Since July, has the governing board expressed any ideas on how they wanted this to be done?

Representative Metcalf: They have made multiple suggestions. They have proposed that the money be used for the oxbow, landscaping and sprinkler system. They requested that this money be used for the movement of the gazebo. In the near future, they have also asked the money be used to build a new woodshed for the residents.

Senator Bowman: If we approve this, are we going to have another motion to move the projects like the gazebo from general funds to special funds. We are going to have a motion to move landscaping, irrigation and moving the gazebo that's now general funds to special funds.

Representative Metcalf: that is exactly right

Senator Bowman: the balance would stay in this memorial fund until they see that they want to build the woodshed for instance. Do we have oversight on that?

Representative Metcalf: Yes, you would definitely have oversight because it's going to be developed with the legislative assembly and the governing board.

Representative Nelson: It was apparent that the veterans want ownership in the projects that are created by this fund. This is much bigger than the initial mineral lease. (recorder glitch – missed about 20 seconds) The will didn't specify that. I think it would be in all of our best interest to have this money and fund established. The legislature has responsibility for oversight. I look at this as a compromise and a continuation of being able to deal with projects in a manner that benefits both the state of ND and the residents of the home.

Representative Metcalf: the assembly won't be able to use this for anything other than the Veterans' Home. Having said that, I would like to give them the authority to hire an architect to design a workshop so it fits into the architectural design of that area.

Chairman Kilzer: I agree with that. Who is going to manage the money in this account?

Representative Metcalf: The Veterans' Home governing board would be in charge of spending the money from out of this account. I am not sure who is entirely in charge of managing the account, as far as investments go. That would likely be by the investment board from the legislature.

Office of Management and Budget: It would be the same as the other funds with the Veterans' Home which would be through the ND State Treasurer.

Chairman Kilzer: Would there be taxes involved if this evolves into several million dollars? The taxes I am concerned about are the oil taxes.

Representative Nelson: all oil is subject to an extraction and production tax so this would be the net of whatever drilling company ultimately starts producing oil. The royalty is a net number when it's paid.

Senator Bowman: I believe that the tax we should be concerned about is the income tax. The other taxes are extracted immediately and go to the state and are distributed. Is the income tax received from this gift taxable?

Sheila Peterson, Office of Management and Budget: No, I don't believe any income tax is being assessed on the Veterans' Home.

Senator Robinson: within the Veterans' Home they have a 501(3)c. Does the board have a 501(3)c?

Chairman Kreidt: I would think that would include the facility also. It would be the facility that would have the 501(3)c status.

Senator Robinson: I have a few questions. One is whether the board is fully aware of this. If we do the oxbow, moving the gazebo, landscaping, irrigation, we are at \$234,000 which would leave about \$32,000 remaining. There would be architectural fees on that. Are we going to provide an allowance for some tools on this workshop?

Chairman Kreidt: We are working off .02008 at this point. Representative Metcalf is talking about the landscape, irrigation, oxbow and gazebo and this did not include the workshop

Representative Metcalf: I will bring up the workshop later on.

Chairman Kreidt: those items would come to \$201,500.

Roll call vote taken to adopt **amendment .02008**, resulting in 6 yes, 0 no, 0 absent, thus **motion carries**.

Representative Metcalf: I make a motion that we authorize the ND Veterans' governing board to hire an architect with the idea of building a workshop and we'll go with whatever prices are available.

Chairman Kreidt: Could you provide us with a dollar amount? If we are going to use the money out of the estate, we have about \$56,000 left in that fund. We wouldn't want to exceed that. If we are going to do something like that, it needs to coordinate with the existing and new facility.

Representative Metcalf: Most architects work on a percentage of the bill. This would be a small project for them. I would recommend a 10% fee (\$5,000) for the architect.

Representative Nelson: these plans would be brought forward at the next session and funded at that point in time. The project would be funded in the next biennium with potentially new money in the account. I don't think we would want to limit what this facility would be at this point in time. We would authorize the governing board to begin the process

of developing a long range plan for this project. At the beginning of next biennium, they would bring that to the next legislative session and the funding for that would be developed between the House and the Senate appropriations committees and authorized for construction.

Senator Robinson: as far as the motion goes, I didn't understand the original motion as it relates to the workshop when we adopted this amendment. I thought we were talking about a package now rather than potentially in 2 years. If nothing develops on the oil, there is no workshop. We hope it does and possibilities are high, but there are no guarantees.

Chairman Kreidt: I think that they can still come forward with a plan regardless of having the mineral estate money or not. I would believe that the next session would be more than willing to look at that. We want them to have this workshop. If they go through the proper procedures like the architect, it will get built.

Senator Bowman: there are some things I like about this idea. The most important thing is that this happened fast. Now it will give that group the time to plan and plan it right. Sometimes fast decisions aren't the best decisions. I know if we are going to build something that compliments the facility that we just spent a lot of money on, I don't think any of us would mind waiting to make sure that that is going to be a nice tribute to this gentlemen. It's going to be awfully nice for the Veterans to have the use. We are going to be able to finish all of the other projects so that if they are finished and we'll find out what the cost is going to be, they can use part of their money and we can use part of our general fund money. Right now, they are saying that they'll use this money for these projects so they can get them done and in return we'll bring you a plan that says, it's going to cost this money.

Senator Robinson: It does not accomplish our objective of having identifiable to for Melvin Norgard. It's hard to identify with irrigation, oxbow and irrigation. We were hoping to have something that we could celebrate and market.

Chairman Kreidt: I feel it still relates to the giver and beautifies the yard. We have a new facility which we spend a lot of money on and having these other items included are more than appropriate.

Representative Nelson: I would look seriously at the woodworking shop next session. Whether or not that is special or general funded, I think it would only be appropriate that the woodshop would be named after Mr. Norgard. I would second the Representative Metcalf's motion.

Chairman Kilzer: Do we have any limitation on the architectural fee?

Chairman Kreidt: At this point we don't. We are assuming that it will be based on a percentage and we have a rough idea of what that percentage will be.

Roll call vote taken on motion to **hire an architect** to design a woodworking shop, resulting in 6 yes, 0 no, 0 absent, thus **motion carries**.

Chairman Kreidt: distributed amendment .02005 (attachment **THREE**). This is for a legislative management study for the delivery of services for Veterans.

Representative Nelson: I will move amendment .02005

Representative Metcalf: Second

Roll call vote taken on **amendment .02005**, resulting in 6 yes, 0 no, 0 absent, thus **motion carries**.

Chairman Kreidt adjourned hearing with plan to reschedule once more to solidify content of what committee agreed upon.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Human Resources Division Roughrider Room, State Capitol

HB 1007
April 18, 2011
16741

Conference Committee

Committee Clerk Signature

Julia Yeagle

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the veterans' home (budget no. 313) and department of veterans' affairs (budget no. 321); and to provide for a legislative management study

Minutes:

Chairman Kreidt: Called the meeting to order. Roll was called and a quorum was declared. He distributed amendment .02009 which was a result of meeting on April 15. I had Legislative Council prepare amendment .02009 which consists of amendments Representative Metcalf and I brought forward that were passed. .02009 covers everything discussed on Friday, except one thing we ran out of time to discuss which is the funding on the design work for the workshop. We didn't have a dollar figure in there. We talked about \$50-100,000 for the workshop. We did add \$10,000 there to do that design work and move forward with the start of that project.

Representative Metcalf: This is exactly what I had asked for in a previous motion. Since then there has been further discussion about what it really should say...

(recorder glitch – missed about 20 seconds)

Representative Nelson: Before we vote on this, it has come to our attention that the memorial fund can only be invested with the Bank of North Dakota. We all know that this is not a good rate of return. There is someone here from State Treasurer's that can provide insight if we want to allow for that to be invested for potentially more earnings.

Carlee McCloud, Deputy State Treasurer: The way this is worded, it would be pooled with other state investments, currently at .20%. With some other language, we could invest the monies the way we do some other funds (i.e. agricultural commodities, Veterans' cemetery) through BidND. This is where we send out bids to all the banks across ND. They submit their highest CD rates and then we invest them in CDS. Currently we are above the 1% mark with that. The highest bid we received last week was 1.45%, but most are closer to 1%.

Senator Robinson: I'm familiar with the program. What is the term of these types of investments? How long of a term would you request when you go out on the BidND network?

McCloud: Whenever we invest things out in CDs, we work with the department responsible for those monies, so we would have to talk with them about what their immediate cash flow needs would be. We have invested out past one year, but they are usually a year.

Representative Nelson: Do you have language to present to us?

Sheila Sandness, Legislative Council: I do have some language, not in the amendment, which we could use. If the committee agrees, we can add language that says the State Treasurer, notwithstanding any other provision of law, shall invest, in accordance with section 21-10-07 of the Century Code. The section has to do with prudent investor rules.

Representative Nelson: I move amendment .02009

Senator Bowman: I know where we're trying to go, but what is the bottom line to investment? The amendment that was presented by Representative Metcalf said we were going to use money from the gazebo from special funds. We were going to use this landscaping, irrigation, and the oxbow for the new home with special funds. This was almost a 360 degree swing from when we discussed this before. I don't know what the total of those things are, and we may not have any money left to invest; perhaps half the price of the workshop. If we would have left those under general fund, except for the gazebo, which was a fairly large amount of money, that would have given the Veterans more money to invest and as they decided to get an architect in there to design the building so we are all happy that we are doing it right. That would have allowed them to draw more interest on it until they were ready to present that. I have reservations that we might be making a mistake in doing what we did on Friday (April 15). I would like a comment from Representative Metcalf because I didn't understand how you could switch 190 degrees in a short period of time like that.

Representative Metcalf: You are right, we did switch, but there was a reason for the switch. If you look at what is being done at the Veterans' Home, the landscaping and lighting is part of the new construction. It needs to be done, so we decided to put those as definite payers out of this fund. Once the oxbow is fixed up, it's going to look 100% better, but it's not new construction. We determined this would be the best way of getting this bill through (making it part of the construction). That's why we feel we can use this fund (this donation) for this purpose. We have the authority to decide which is best as far as we are concerned. If you feel that it would be better off coming out of the general fund, then you should say that.

Senator Bowman: The reason I ask is I wanted to make sure it was clear we were going to use the special fund for these projects.

Representative Nelson: I think it's important to know we do understand there will be around \$40,000 left for this biennium, which doesn't warrant a discussion about two

different investment patterns. By setting up this memorial fund, we're looking to the future and the potential for that fund to grow to a significant level, and we wanted to have things in place. In the House, there is not total agreement as to the creation of this fund. The way this is worded: to set this fund up, to bring in the governing board and to recommend projects from there, wasn't not an easy sell. We've discussed this at length, that by funding these remaining items on the new Veterans' Home, this was what swung the deal to allow this fund to be set up and be used in the future. At the end of the day, this is much bigger for future use than this particular issue today. You are correct on your analysis of this biennium, but I think going forward, it's important that we have this fund set up and it's got a lot of ability in the future.

Senator Robinson: I was of the opinion that we went too far, and was defending the position of the Senate when I voted it against it last Friday. As I indicated, it's hard to put a Melvin Norgard memorial on a sprinkler system. We want to get some recognition to the donor for something that enhances the quality of life. The argument coming out of the Senate was it's a general fund thing; that we don't use gift money that should be part of the ongoing maintenance of an old facility, new facility or what have you. I was trying to protect the Senate version of the bill.

Representative Metcalf: I have talked over this plan with several veterans. They would have preferred it as it came through the Senate, but knowing the feeling of the House, I didn't feel we could get that Senate level of funding. Built into this is a fund that has a special method of going to the governing board and get their permission. After that they have to go through the legislature and get the money appropriated. To me, this is a done deal because the only people that can spend it are those on the governing board. We gave a little bit, and we took a little bit, and I feel this is a good change and agreement between the House of Representatives and the Veterans' Home.

Chairman Kreidt: As far as if landscaping something you want to donate money towards, I think it can be if you are talking about beautifying a new facility. I didn't think it was appropriate to build a new administrator's house with the funds. That was the original intent and that came from the board at the Veterans' Home. I think the House headed it in a good direction. If I was a resident in that facility, I would prefer to look at a nice pond versus a new home for the administrator. We are quibbling about 1.5% of interest on a few dollars. We have to look ahead to the big picture. What we've put together here is a sound and progressive idea that benefits our veterans in Lisbon very much.

Representative Metcalf: Second

Representative Nelson: I understand for this session that the issue about the investment isn't a big deal. I think it's important that we set this fund up right and have that in a position that when the funds flow into this account, they have the ability to invest them. I will further amend to add the language to allow that investment in the BidND program.

Representative Metcalf: Second.

Roll call vote taken to adopt **amendment .02009 including language** to allow investing in BidND, resulting in 6 yes, 0 no, 0 absent, **thus motion carries**

Representative Nelson: I make a motion that the Senate recede from Senate amendments and amend as follows with amendments adopted

Senator Kilzer: Second

Roll call vote taken on **Senate recede from Senate amendments and amend as follows**, resulting in 5 yes, 1 no, 0 absent, thus **motion carries**.

Chairman Kreidt adjourned hearing.

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: House Appropriations Human Resources
Division

Bill/Resolution No. HB 1007 as (re) engrossed

Date: 4/13/11

Roll Call Vote #: 1

- Action Taken**
- HOUSE accede to Senate amendments
 - HOUSE accede to Senate amendments and further amend
 - SENATE recede from Senate amendments
 - SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: _____ Seconded by: _____

Representatives				Senators			
	<u>4/11</u>	Yes	No		<u>4/11</u>	Yes	No
<u>Chairman</u> Representative Kreidt	✓	✓		<u>Chairman</u> Senator Kilzer	✓	✓	
Representative J. Nelson	✓	✓		Senator Bowman	✓	✓	
Representative Metcalf	✓	✓		Senator Robinson	✓	✓	

Vote Count Yes: 7 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Reverse Senate amendment - transfers \$20,000 from operating line to salary and wages (as it was in executive recommendation)
MOTION Carries

11.8136.02008
Title.

Prepared by the Legislative Council staff for
Representative J. Nelson

April 15, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1007

That the Senate recede from its amendments as printed on pages 1174-1176 of the House Journal and pages 853-855 of the Senate Journal and that Engrossed House Bill No. 1007 be amended as follows:

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 37-15 of the North Dakota Century Code, relating to a memorial fund;"

Page 3, after line 5, insert:

"**SECTION 3.** A new section to chapter 37-15 of the North Dakota Century Code is created and enacted as follows:

Melvin Norgard memorial fund - Creation.

There is created in the state treasury the Melvin Norgard memorial fund. All income related to a bequest made to the veterans' home by Melvin Norgard, including mineral lease income, royalties, and sale proceeds, must be transferred or deposited into the Melvin Norgard memorial fund. Investment income of the fund must be retained in the fund. Moneys in the fund are available, subject to legislative appropriations, for projects and programs to benefit and serve the residents of the veterans' home. The legislative assembly shall consider recommendations of the governing board of the veterans' home when determining appropriations from this fund for projects and programs to benefit and serve the residents of the veterans' home."

Renumber accordingly

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: House Appropriations Human Resources
Division

Bill/Resolution No. HB 1007 as (re) engrossed

Date: 4/15/11

Roll Call Vote #: 1

- Action Taken**
- HOUSE accede to Senate amendments
 - HOUSE accede to Senate amendments and further amend
 - SENATE recede from Senate amendments
 - SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Metcalf Seconded by: Rep. Nelson

Representatives	Y	N	A	P	Senators	Y	N	A	P
Chairman (Representative) Kreidt	✓				Chairman (Senator) Kilzer	✓			
Representative J. Nelson	✓				Senator Bowman	✓			
Representative Metcalf	✓				Senator Robinson	✓			

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

adopt amendment.02008

Motion carries

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: House Appropriations Human Resources
Division

Bill/Resolution No. HB 1007 as (re) engrossed

Date: 4/15/11

Roll Call Vote #: 2

- Action Taken**
- HOUSE accede to Senate amendments
 - HOUSE accede to Senate amendments and further amend
 - SENATE recede from Senate amendments
 - SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) ..

- Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Metcalf Seconded by: Rep. Nelson

Representatives	Yes	No		Senators	Yes	No
Chairman Kreidt	✓			Chairman Kilzer	✓	
Representative J. Nelson	✓			Senator Bowman	✓	
Representative Metcalf	✓			Senator Robinson	✓	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Authorize ND Veterans' governing board to hire an architect to design washshed

Motion carries

11.8136.02005
Title.

* April 15, 2011
* Rep. Kreidt
Prepared by the Legislative Council staff for
Representative Grande

April 5, 2011

* Attachment
THREE

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1007

That the Senate recede from the Senate amendments as printed on pages 1174-1176 of the House Journal and pages 853-855 of the Senate Journal and that Engrossed House Bill No. 1007 be amended as follows:

Page 1, line 2, remove "a"

Page 1, line 2, replace "study" with "studies"

Page 3, after line 11, insert:

"SECTION 4. LEGISLATIVE MANAGEMENT STUDY - DELIVERY OF SERVICES TO VETERANS. During the 2011-12 interim, the legislative management shall consider studying the delivery of services to veterans, including the consistency in training and of the provision of services by county veterans' service officers. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Renumber accordingly

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: House Appropriations Human Resources Division

Bill/Resolution No. HB 1007 as (re) engrossed

Date: 4/15/11

Roll Call Vote #: 3

- Action Taken**
- HOUSE accede to Senate amendments
 - HOUSE accede to Senate amendments and further amend
 - SENATE recede from Senate amendments
 - SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Nelson Seconded by: Rep. Metcalf

Representatives					Senators			
		Yes	No				Yes	No
Chairman Kreidt					Chairman Kilzer			
Representative J. Nelson	-				Senator Bowman			
Representative Metcalf					Senator Robinson			

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Amendment .02005-

Motion carries

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1007

That the Senate recede from its amendments as printed on pages 1174-1176 of the House Journal and pages 853-855 of the Senate Journal and that Engrossed House Bill No. 1007 be amended as follows:

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 37-15 of the North Dakota Century Code, relating to a memorial fund;"

Page 1, line 2, remove "a"

Page 1, line 2, replace "study" with "studies"

Page 1, replace lines 14 through 16 with:

"Salaries and wages	\$11,538,855	\$2,378,006	\$13,916,861
Operating expenses	4,561,857	1,380,428	5,942,285
Capital assets	259,906	445,594	705,500"

Page 1, replace lines 18 and 19 with:

"Total all funds	\$18,403,882	\$2,492,764	\$20,896,646
Less estimated income	<u>13,677,293</u>	<u>1,666,030</u>	<u>15,343,323"</u>

Page 3, after line 5, insert:

"SECTION 3. A new section to chapter 37-15 of the North Dakota Century Code is created and enacted as follows:

Melvin Norgard memorial fund - Creation.

There is created in the state treasury the Melvin Norgard memorial fund. All income related to a bequest made to the veterans' home by Melvin Norgard, including mineral lease income, royalties, and sale proceeds, must be transferred or deposited into the Melvin Norgard memorial fund. Investment income of the fund must be retained in the fund. Moneys in the fund are available, subject to legislative appropriations, for projects and programs to benefit and serve the residents of the veterans' home. The legislative assembly shall consider recommendations of the governing board of the veterans' home when determining appropriations from this fund for projects and programs to benefit and serve the residents of the veterans' home."

Page 3, after line 11, insert:

"SECTION 5. LEGISLATIVE MANAGEMENT STUDY - DELIVERY OF SERVICES TO VETERANS. During the 2011-12 interim, the legislative management shall consider studying the delivery of services to veterans, including the consistency in training and of the provision of services by county veterans' service officers. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1007 - Summary of Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Veterans' Home						
Total all funds	\$20,831,646	\$20,861,646	\$35,000	\$20,896,646	\$21,056,646	(\$160,000)
Less estimated income	15,151,823	15,308,323	35,000	15,343,323	15,376,823	(33,500)
General fund	\$5,679,823	\$5,553,323	\$0	\$5,553,323	\$5,679,823	(\$126,500)
Department of Veterans' Affairs						
Total all funds	\$1,137,219	\$1,137,219	\$0	\$1,137,219	\$1,137,219	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$1,137,219	\$1,137,219	\$0	\$1,137,219	\$1,137,219	\$0
Bill total						
Total all funds	\$21,968,865	\$21,998,865	\$35,000	\$22,033,865	\$22,193,865	(\$160,000)
Less estimated income	15,151,823	15,308,323	35,000	15,343,323	15,376,823	(33,500)
General fund	\$6,817,042	\$6,690,542	\$0	\$6,690,542	\$6,817,042	(\$126,500)

House Bill No. 1007 - Veterans' Home - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$13,936,861	\$13,936,861	(\$20,000)	\$13,916,861	\$13,916,861	
Operating expenses	5,932,285	5,932,285	10,000	5,942,285	6,002,285	(60,000)
Capital assets	630,500	660,500	45,000	705,500	805,500	(100,000)
New Veterans' Home	332,000	332,000		332,000	332,000	
Total all funds	\$20,831,646	\$20,861,646	\$35,000	\$20,896,646	\$21,056,646	(\$160,000)
Less estimated income	15,151,823	15,308,323	35,000	15,343,323	15,376,823	(33,500)
General fund	\$5,679,823	\$5,553,323	\$0	\$5,553,323	\$5,679,823	(\$126,500)
FTE	120.72	120.72	0.00	120.72	120.72	0.00

Department No. 313 - Veterans' Home - Detail of Conference Committee Changes

	Removes Funding for Demolition of Administrator's Old Residence ¹	Removes Funding for Administrator's Housing Allowance ²	Adds Funding for Resident Workshop Design ³	Adds Funding to Move Gazebo ⁴	Total Conference Committee Changes
Salaries and wages		(\$20,000)			(\$20,000)
Operating expenses			10,000		10,000
Capital assets	(30,000)			75,000	45,000
New Veterans' Home					
Total all funds	(\$30,000)	(\$20,000)	\$10,000	\$75,000	\$35,000
Less estimated income	(30,000)	(20,000)	10,000	75,000	35,000
General fund	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding from special funds available from donated mineral lease income for the demolition of the administrator's old residence is removed, the same as the Senate version.

² This amendment removes \$20,000 of special fund authority included in the executive recommendation

for the administrator's housing allowance. The House did not change the executive recommendation, but the Senate transferred the funding from the salaries and wages line item to the operating expenses line item to allow the Veterans' Home to rent a home for the administrator.

³ Special funds available from donated mineral lease income are provided to hire an architect to design a workshop for the Veterans' Home. The House version did not provide for this project, and the Senate version included \$100,000 from special funds for a workshop.

⁴ Special funds available from donated mineral lease income are provided to move the gazebo, the same as the Senate version.

A section is added to create and enact a new section to Chapter 37-15 relating to the Melvin Norgard memorial fund. This section was not provided by the House or the Senate.

House Bill No. 1007 - Department of Veterans' Affairs - Conference Committee Action

The conference committee added a section to provide for a Legislative Management study of the delivery of services to veterans, including the consistency in training and of the provision of services by county veterans' service officers. This section was not included in the House or the Senate versions.

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: House Appropriations Human Resources Division

Bill/Resolution No. HB 1007 as (re) engrossed

Date: 4/18

Roll Call Vote #: 1

- Action Taken**
- HOUSE accede to Senate amendments
 - HOUSE accede to Senate amendments and further amend
 - SENATE recede from Senate amendments
 - SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) 1174 - 1176

- Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Nelson Seconded by: Rep. Metcalf

Representatives			Yes	No		Senators			Yes	No
Chairman Kreidt	X		X			Chairman Kilzer	X		X	
Representative J. Nelson	X		X			Senator Bowman	X		X	
Representative Metcalf	X		X			Senator Robinson	X		X	

Vote Count Yes: 6 No: 0 Absent: _____

House Carrier _____ Senate Carrier _____

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment . 02009 + further amend
add language to allow investing in Bid ND

VK
4/19/11
1083

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1007

That the Senate recede from its amendments as printed on pages 1174-1176 of the House Journal and pages 853-855 of the Senate Journal and that Engrossed House Bill No. 1007 be amended as follows:

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 37-15 of the North Dakota Century Code, relating to a memorial fund;"

Page 1, line 2, remove "a"

Page 1, line 2, replace "study" with "studies"

Page 1, replace lines 14 through 16 with:

"Salaries and wages	\$11,538,855	\$2,378,006	\$13,916,861
Operating expenses	4,561,857	1,380,428	5,942,285
Capital assets	259,906	445,594	705,500"

Page 1, replace lines 18 and 19 with:

"Total all funds	\$18,403,882	\$2,492,764	\$20,896,646
Less estimated income	<u>13,677,293</u>	<u>1,666,030</u>	<u>15,343,323"</u>

Page 3, after line 5, insert:

"SECTION 3. A new section to chapter 37-15 of the North Dakota Century Code is created and enacted as follows:

Melvin Norgard memorial fund - Creation.

There is created in the state treasury the Melvin Norgard memorial fund. All income related to a bequest made to the veterans' home by Melvin Norgard, including mineral lease income, royalties, and sale proceeds, must be transferred or deposited into the Melvin Norgard memorial fund. Notwithstanding any other provision of law, the state treasurer shall invest moneys in the fund in accordance with section 21-10-07. Investment income of the fund must be retained in the fund. Moneys in the fund are available, subject to legislative appropriations, for projects and programs to benefit and serve the residents of the veterans' home. The legislative assembly shall consider recommendations of the governing board of the veterans' home when determining appropriations from this fund for projects and programs to benefit and serve the residents of the veterans' home."

Page 3, after line 11, insert:

"SECTION 5. LEGISLATIVE MANAGEMENT STUDY - DELIVERY OF SERVICES TO VETERANS. During the 2011-12 interim, the legislative management shall consider studying the delivery of services to veterans, including the consistency in training and of the provision of services by county veterans' service officers. The legislative management shall report its findings and recommendations, together with

any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1007 - Summary of Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Veterans' Home						
Total all funds	\$20,831,646	\$20,861,646	\$35,000	\$20,896,646	\$21,056,646	(\$160,000)
Less estimated income	15,151,823	15,308,323	35,000	15,343,323	15,376,823	(33,500)
General fund	\$5,679,823	\$5,553,323	\$0	\$5,553,323	\$5,679,823	(\$126,500)
Department of Veterans' Affairs						
Total all funds	\$1,137,219	\$1,137,219	\$0	\$1,137,219	\$1,137,219	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$1,137,219	\$1,137,219	\$0	\$1,137,219	\$1,137,219	\$0
Bill total						
Total all funds	\$21,968,865	\$21,998,865	\$35,000	\$22,033,865	\$22,193,865	(\$160,000)
Less estimated income	15,151,823	15,308,323	35,000	15,343,323	15,376,823	(33,500)
General fund	\$6,817,042	\$6,690,542	\$0	\$6,690,542	\$6,817,042	(\$126,500)

House Bill No. 1007 - Veterans' Home - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$13,936,861	\$13,936,861	(\$20,000)	\$13,916,861	\$13,916,861	
Operating expenses	5,932,285	5,932,285	10,000	5,942,285	6,002,285	(60,000)
Capital assets	630,500	660,500	45,000	705,500	805,500	(100,000)
New Veterans' Home	332,000	332,000		332,000	332,000	
Total all funds	\$20,831,646	\$20,861,646	\$35,000	\$20,896,646	\$21,056,646	(\$160,000)
Less estimated income	15,151,823	15,308,323	35,000	15,343,323	15,376,823	(33,500)
General fund	\$5,679,823	\$5,553,323	\$0	\$5,553,323	\$5,679,823	(\$126,500)
FTE	120.72	120.72	0.00	120.72	120.72	0.00

Department No. 313 - Veterans' Home - Detail of Conference Committee Changes

	Removes Funding for Demolition of Administrator's Old Residence ¹	Removes Funding for Administrator's Housing Allowance ²	Adds Funding for Resident Workshop Design ³	Adds Funding to Move Gazebo ⁴	Total Conference Committee Changes
Salaries and wages		(\$20,000)			(\$20,000)
Operating expenses			10,000		10,000
Capital assets	(30,000)			75,000	45,000
New Veterans' Home					
Total all funds	(\$30,000)	(\$20,000)	\$10,000	\$75,000	\$35,000
Less estimated income	(30,000)	(20,000)	10,000	75,000	35,000
General fund	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding from special funds available from donated mineral lease income for the demolition of the

administrator's old residence is removed, the same as the Senate version.

² This amendment removes \$20,000 of special fund authority included in the executive recommendation for the administrator's housing allowance. The House did not change the executive recommendation, but the Senate transferred the funding from the salaries and wages line item to the operating expenses line item to allow the Veterans' Home to rent a home for the administrator.

³ Special funds available from donated mineral lease income are provided to hire an architect to design a workshop for the Veterans' Home. The House version did not provide for this project, and the Senate version included \$100,000 from special funds for a workshop.

⁴ Special funds available from donated mineral lease income are provided to move the gazebo, the same as the Senate version.

A section is added to create and enact a new section to Chapter 37-15 relating to the Melvin Norgard memorial fund. This section was not provided by the House or the Senate.

House Bill No. 1007 - Department of Veterans' Affairs - Conference Committee Action

The conference committee added a section to provide for a Legislative Management study of the delivery of services to veterans, including the consistency in training and of the provision of services by county veterans' service officers. This section was not included in the House or the Senate versions.

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: House Appropriations Human Resources
Division

Bill/Resolution No. HB 1007 as (re) engrossed

Date: 4/18

Roll Call Vote #: 2

- Action Taken**
- HOUSE accede to Senate amendments
 - HOUSE accede to Senate amendments and further amend
 - SENATE recede from Senate amendments
 - SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) 1174 - 1176

- Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) _____ was placed on the Seventh order of business on the calendar

Motion Made by: Rep. Nelson Seconded by: Sen. Kilzer

Representatives				Senators			
		Yes	No			Yes	No
Chairman Kreidt		X		Chairman Kilzer		X	
Representative J. Nelson		X		Senator Bowman		X	
Representative Metcalf		X		Senator Robinson			X

Vote Count Yes: 5 No: 1 Absent: _____

House Carrier _____ Senate Carrier _____

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

REPORT OF CONFERENCE COMMITTEE

HB 1007, as engrossed: Your conference committee (Sens. Kilzer, Bowman, Robinson and Reps. Kreidt, J. Nelson, Metcalf) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1174-1176, adopt amendments as follows, and place HB 1007 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1174-1176 of the House Journal and pages 853-855 of the Senate Journal and that Engrossed House Bill No. 1007 be amended as follows:

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 37-15 of the North Dakota Century Code, relating to a memorial fund;"

Page 1, line 2, remove "a"

Page 1, line 2, replace "study" with "studies"

Page 1, replace lines 14 through 16 with:

"Salaries and wages	\$11,538,855	\$2,378,006	\$13,916,861
Operating expenses	4,561,857	1,380,428	5,942,285
Capital assets	259,906	445,594	705,500"

Page 1, replace lines 18 and 19 with:

"Total all funds	\$18,403,882	\$2,492,764	\$20,896,646
Less estimated income	<u>13,677,293</u>	<u>1,666,030</u>	<u>15,343,323"</u>

Page 3, after line 5, insert:

"SECTION 3. A new section to chapter 37-15 of the North Dakota Century Code is created and enacted as follows:

Melvin Norgard memorial fund - Creation.

There is created in the state treasury the Melvin Norgard memorial fund. All income related to a bequest made to the veterans' home by Melvin Norgard, including mineral lease income, royalties, and sale proceeds, must be transferred or deposited into the Melvin Norgard memorial fund. Notwithstanding any other provision of law, the state treasurer shall invest moneys in the fund in accordance with section 21-10-07. Investment income of the fund must be retained in the fund. Moneys in the fund are available, subject to legislative appropriations, for projects and programs to benefit and serve the residents of the veterans' home. The legislative assembly shall consider recommendations of the governing board of the veterans' home when determining appropriations from this fund for projects and programs to benefit and serve the residents of the veterans' home."

Page 3, after line 11, insert:

"SECTION 5. LEGISLATIVE MANAGEMENT STUDY - DELIVERY OF SERVICES TO VETERANS. During the 2011-12 interim, the legislative management shall consider studying the delivery of services to veterans, including the consistency in training and of the provision of services by county veterans' service officers. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1007 - Summary of Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Veterans' Home						
Total all funds	\$20,831,646	\$20,861,646	\$35,000	\$20,896,646	\$21,056,646	(\$160,000)
Less estimated income	15,151,823	15,308,323	35,000	15,343,323	15,376,823	(33,500)
General fund	\$5,679,823	\$5,553,323	\$0	\$5,553,323	\$5,679,823	(\$126,500)
Department of Veterans' Affairs						
Total all funds	\$1,137,219	\$1,137,219	\$0	\$1,137,219	\$1,137,219	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$1,137,219	\$1,137,219	\$0	\$1,137,219	\$1,137,219	\$0
Bill total						
Total all funds	\$21,968,865	\$21,998,865	\$35,000	\$22,033,865	\$22,193,865	(\$160,000)
Less estimated income	15,151,823	15,308,323	35,000	15,343,323	15,376,823	(33,500)
General fund	\$6,817,042	\$6,690,542	\$0	\$6,690,542	\$6,817,042	(\$126,500)

House Bill No. 1007 - Veterans' Home - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$13,936,861	\$13,936,861	(\$20,000)	\$13,916,861	\$13,916,861	
Operating expenses	5,932,285	5,932,285	10,000	5,942,285	6,002,285	(60,000)
Capital assets	630,500	660,500	45,000	705,500	805,500	(100,000)
New Veterans' Home	332,000	332,000		332,000	332,000	
Total all funds	\$20,831,646	\$20,861,646	\$35,000	\$20,896,646	\$21,056,646	(\$160,000)
Less estimated income	15,151,823	15,308,323	35,000	15,343,323	15,376,823	(33,500)
General fund	\$5,679,823	\$5,553,323	\$0	\$5,553,323	\$5,679,823	(\$126,500)
FTE	120.72	120.72	0.00	120.72	120.72	0.00

Department No. 313 - Veterans' Home - Detail of Conference Committee Changes

	Removes Funding for Demolition of Administrator's Old Residence ¹	Removes Funding for Administrator's Housing Allowance ²	Adds Funding for Resident Workshop Design ³	Adds Funding to Move Gazebo ⁴	Total Conference Committee Changes
Salaries and wages		(\$20,000)			(\$20,000)
Operating expenses			10,000		10,000
Capital assets	(30,000)			75,000	45,000
New Veterans' Home					
Total all funds	(\$30,000)	(\$20,000)	\$10,000	\$75,000	\$35,000
Less estimated income	(30,000)	(20,000)	10,000	75,000	35,000
General fund	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding from special funds available from donated mineral lease income for the demolition of the administrator's old residence is removed, the same as the Senate version.

² This amendment removes \$20,000 of special fund authority included in the executive recommendation for the administrator's housing allowance. The House did not change the executive recommendation, but the Senate transferred the funding from the salaries and wages line item to the operating expenses line item to allow the Veterans' Home to rent a home for the administrator.

³ Special funds available from donated mineral lease income are provided to hire an architect to design a workshop for the Veterans' Home. The House version did not provide for this project, and the Senate version included \$100,000 from special funds for a workshop.

⁴ Special funds available from donated mineral lease income are provided to move the gazebo, the same as the Senate version.

A section is added to create and enact a new section to Chapter 37-15 relating to the Melvin Norgard memorial fund. This section was not provided by the House or the Senate.

House Bill No. 1007 - Department of Veterans' Affairs - Conference Committee Action

The conference committee added a section to provide for a Legislative Management study of the delivery of services to veterans, including the consistency in training and of the provision of services by county veterans' service officers. This section was not included in the House or the Senate versions.

Engrossed HB 1007 was placed on the Seventh order of business on the calendar.

2011 TESTIMONY

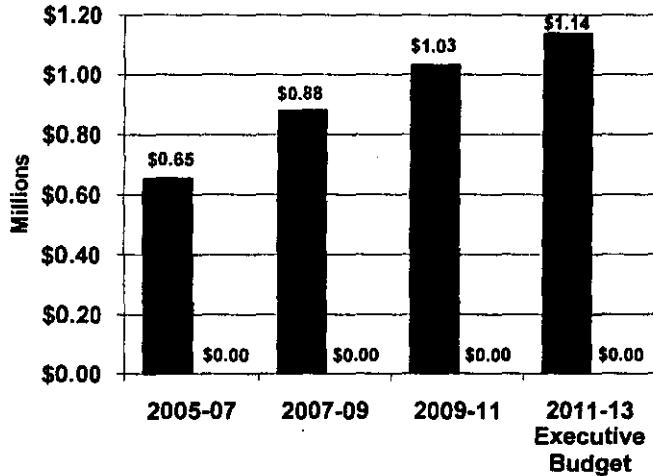
HB 1007

**Department 321 - Department of Veterans' Affairs
 House Bill No. 1007**

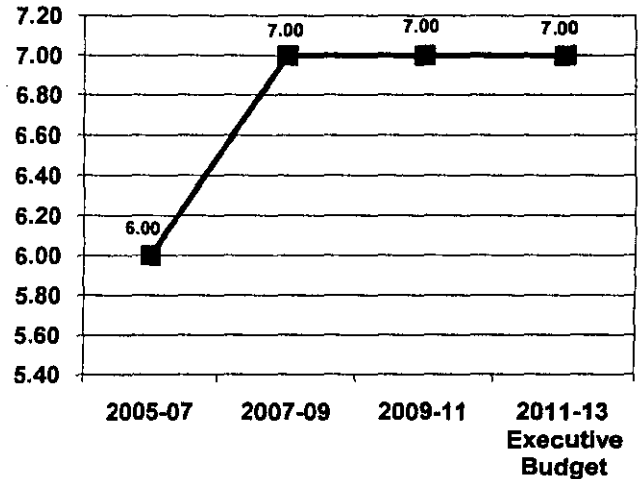
	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	7.00	\$1,137,219	\$0	\$1,137,219
2009-11 Legislative Appropriations	7.00	1,031,487	0	1,031,487 ¹
Increase (Decrease)	0.00	\$105,732	\$0	\$105,732

¹The 2009-11 appropriation amounts do not include \$9,350 from the general fund for the continuation of an information technology project.

Agency Funding



FTE Positions



■ General Fund □ Other Funds

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	\$1,099,626	\$37,593	\$1,137,219
2009-11 Legislative Appropriations	1,031,487	0	1,031,487
Increase (Decrease)	\$68,139	\$37,593	\$105,732

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides one-time funding for temporary salaries to continue converting veterans' records to an electronic format	\$22,000		\$22,000
2. Increases funding for operating expenses	\$2,286		\$2,286
3. Removes funding provided in the 2009-11 biennium for accreditation training for all county veterans' service officers	(\$20,000)		(\$20,000)
4. Provides funding for training of county veterans' service officers on emerging issues	\$30,000		\$30,000
5. Provides one-time funding to purchase software to customize and update the agency's website	\$15,593		\$15,593

Continuing Appropriations

Veterans' aid fund - North Dakota Century Code Section 37-14-03.3 - The purpose of the veterans' aid fund is to make loans or advancements to any veteran and to a surviving spouse of a veteran if the spouse has not remarried.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

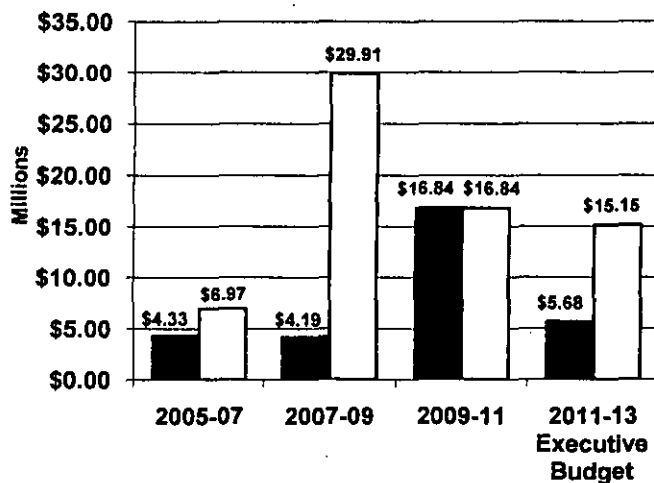
House Bill No. 1177 provides \$40,000 from the general fund to the Department of Veterans' Affairs to hold "stand down" events to coordinate benefits and provide services to needy veterans in the state.

**Department 313 - Veterans' Home
 House Bill No. 1007**

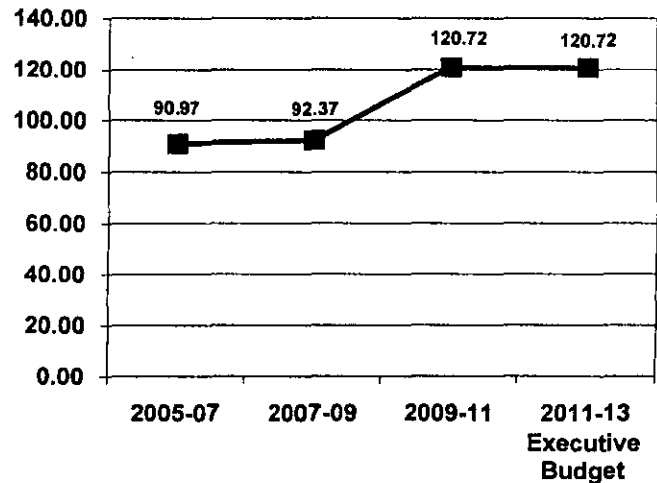
	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	120.72	\$5,679,823	\$15,151,823	\$20,831,646
2009-11 Legislative Appropriations	120.72	16,841,722	16,835,298	33,677,020 ¹
Increase (Decrease)	0.00	(\$11,161,899)	(\$1,683,475)	(\$12,845,374)

¹The 2009-11 appropriation amounts include \$90,000 from the general fund for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for executive branch employees. The 2009-11 appropriation amounts do not include \$1,901 from the general fund for the agency's share of an internship program, \$862,574 of additional special funds authority resulting from the continuation of a Bank of North Dakota line of credit remaining for flood expenses incurred during the 2007-09 biennium, \$16,892,484 of additional special funds authority carryover for the construction of the new Veterans' Home facility from the 2007-09 biennium, and \$75,000 of additional special funds authority resulting from Emergency Commission action during the 2009-11 biennium.

Agency Funding



FTE Positions



■ General Fund □ Other Funds

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	\$5,553,323	\$126,500	\$5,679,823
2009-11 Legislative Appropriations	4,816,589	12,025,133	16,841,722
Increase (Decrease)	\$736,734	(\$11,898,633)	(\$11,161,899)

Executive Budget Highlights

	General Fund	Other Funds	Total
Salaries and wages			
1. Provides a housing allowance for the administrator		\$20,000	\$20,000
2. Removes one-time funding provided for new facility positions in the 2009-11 biennium	(\$502,240)		(\$502,240)
Operating expenses			
3. Increases funding for operating expenses due to the increase in the number of residents in the new facility, including the following major increases (decreases):	(\$148,544)	\$1,518,972	\$1,370,428

	Increase (Decrease)	Total Provided
Information technology - Communications	(\$31,208)	\$58,000
Information technology - Contractual services	\$33,900	\$97,000
Travel	\$19,300	\$182,400
Fees - Professional services	\$332,000	\$785,500
Utilities	\$252,360	\$954,310

Food and clothing	\$277,226	\$1,165,000
Medical, dental, and optical	\$459,000	\$1,650,550
Professional development	\$22,000	\$76,700
Miscellaneous supplies	\$25,350	\$147,000

Capital assets

- | | | | |
|--|-------------|------------|-------------|
| 4. Removes one-time funding provided for an electronic health records system in the 2009-11 biennium | (\$98,400) | | (\$98,400) |
| 5. Removes funding provided for capital assets in the 2009-11 biennium | (\$140,955) | (\$20,551) | (\$161,506) |
| 6. Provides funding from the Veterans' Home operating fund for a computer server | | \$13,600 | \$13,600 |
| 7. Provides funding from the Veterans' Home operating fund for equipment as follows: | | \$43,400 | \$43,400 |

	Total Provided
Manlift	\$12,000
Resistance weight machine	10,000
Treadmill	6,000
Balance trainer	8,900
Recumbent cross trainer	6,500
Total	\$43,400

- | | | | |
|---|----------|-----------|-----------|
| 8. Provides funding from the Veterans' Home operating fund for siding and shingles for the three-stall garage | | \$7,000 | \$7,000 |
| 9. Provides funding for bond and interest payments | | \$403,000 | \$403,000 |
| 10. Provides funding for lawnmowers | | \$26,000 | \$26,000 |
| 11. Provides funding from the Veterans' Home operating fund for a heated storage area | | \$6,000 | \$6,000 |
| 12. Provides one-time funding to repair the existing irrigation system | \$55,000 | | \$55,000 |
| 13. Provides one-time funding to reshape and grade oxbow | \$46,500 | \$30,000 | \$76,500 |

Federal stimulus funds

- | | | | |
|--|--|---------------|---------------|
| 14. Removes federal fiscal stimulus funding provided in the 2009-11 biennium for the installation of a geothermal heating system in the new facility, an electronic health records system, and equipment | | (\$3,158,005) | (\$3,158,005) |
|--|--|---------------|---------------|

New Veterans' Home

- | | | | |
|---|---------------|----------------|----------------|
| 15. Removes one-time funding for a construction project manager | (\$90,088) | | (\$90,088) |
| 16. Removes one-time funding provided for the new Veterans' Home facility | (\$7,944,991) | (\$19,536,388) | (\$27,481,379) |
| 17. Removes one-time funding provided for the new Veterans' Home facility exterior projects | (\$350,000) | | (\$350,000) |
| 18. Removes one-time funding provided for the installation of a geothermal heating system in the new facility | (\$3,039,414) | | (\$3,039,414) |
| 19. Provides funding for road repair and to pave a delivery road | | \$65,000 | \$65,000 |
| 20. Provides funding from the Veterans' Home operating fund for streetlighting | | \$55,000 | \$55,000 |
| 21. Provides funding from the Veterans' Home operating fund for an irrigation system at the new site | | \$187,000 | \$187,000 |
| 22. Provides one-time funding for landscaping | \$25,000 | | \$25,000 |

Continuing Appropriations

Custodial funds - North Dakota Century Code Section 37-15-21 - The Veterans' Home may accept gifts, donations, or bequests, and any money received must be used for the specific purposes as designated by the donor or grantor.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

At this time, no major legislation has been introduced affecting this agency.

- Kristin Lunneborg
- Attachment ONE

TESTIMONY ON HB 1007
HOUSE HUMAN RESOURCES COMMITTEE
THURSDAY, JANUARY 13, 2011

Chairman Pollert and members of the Human Resources Committee, I am Kristin Lunneborg, CFO at the North Dakota Veterans Home. I am here today to discuss with you the audit findings from our June 30, 2009 audit and to provide you some insight into our 2009-2011 budget appropriation as well as our 2011-2013 budget needs.

Our June 30, 2009 Audit

Our biennium end June 30, 2009 audit was performed by the State Auditor's Office. The auditors identified three findings in the audit. The first related to in-state employee meal reimbursements that we incorrectly reimbursed at \$28 per day, rather than the \$25 per day rate established by the legislature. It was not our intent to pay a rate higher than what was set in the North Dakota Century Code, unfortunately, we were unaware that the rate was suppose to be \$25 per day. We discovered the error while doing paperwork for the 2009 flood and immediately changed our travel reimbursement forms and payments to reflect the correct rate.

The second finding related to four expenditures that should have been coded more descriptively. Three expenditures totaling around \$40,000, relating to the transport of residents during the 2009 flood were coded to employee in-state travel when they should have been coded to non-employee in-state travel. The other expenditure for around \$600 was coded to in-state lodging instead of out-of-state lodging. We agreed to ensure that invoices are coded more descriptively in the future; however, all four of these items were coded to the correct line item detail.

The final finding related to two expenditures that the auditors felt did not have adequate detailed itemized documents. The expenditures, which were for contract nursing staff, included an invoice and an itemized sheet detailing the individual that worked, the hours they worked

and the mileage they incurred. Because timecards were sometimes sent to us from the staffing agencies, the auditors felt that we should make sure to obtain time cards from each individual working for the contracted agency. We agreed that we would try to get copies of all timecards to attach with the other paperwork but we argued that there were adequate controls in place to ensure that the invoices were accurate. Prior to the department supervisor approving the invoices for payment, the staff person responsible for the nursing schedule would double check to make sure that each individual listed on the itemized sheet worked the shift and hours indicated.

The audit report also identified one prior recommendation that has not yet been implemented. This recommendation was to purchase a new software system that would have better internal controls for resident billing and accounting. Funding for a new electronic health records system was approved last legislative session. We issued an RFP for the health records software system in December with a proposal deadline of Friday, January 14th. We hope to award this contract in February and have the system in place by the end of the biennium.

Our 2009 – 2011 Budget Appropriation

Our current appropriation of \$51,433,978 includes \$16,452,519 for our operating budget, \$27,921,467 to complete construction of the new veterans home, a \$862,574 line of credit to help cover 2009 flood expenses, \$3,158,000 for projects under the federal stimulus package and a contingent appropriation of \$3,039,414 in general funds for a geo-thermal heating system for the new veterans home.

As you may be aware, there have been some delays in construction of the new veterans home that will have an impact on our operating budget for this biennium. The budget was prepared using an estimated completion date of October 1, 2010. Current construction schedules show that the building may be turned over to us by April 1, 2011. The delay in completion will cause our revenues to fall short of projections by approximately \$300,000 - \$350,000 as we will be

unable to generate all of the additional rent revenue we anticipated from the increase of 14 skilled nursing home beds and 30 additional basic care beds.

The construction delay will also have a significant impact on our salary and operating expenses. Our current budget included approximately \$884,000 in additional funding for the hiring of 24 FTE employees to help care for the increase in residents. Due to the delay in moving to the new facility, none of the 24 FTE have been hired. The increase in salaries was calculated using an approximate hire date of July 1, 2010 and the actual hire dates will probably begin the end of January and into February. Based on this, I am anticipating that we will not use approximately \$445,000 of the appropriation for salaries and benefits.

The impact on the operating budget will be a little harder to predict. Besides not knowing the costs to operate the new building we have incurred increased costs for legal fees relating to the new veterans home, increased professional development fees as we did not anticipate the amount of staff training that would be involved with moving to the new household/neighborhood design, increased fees to keep our owner's representative working on the construction project and several other increased fees such as ITD communications fees which increase approximately \$5,000 for each month the project is delayed. What we do know is that the delay in admitting additional residents will decrease our expenses for food and medical supplies, medications and primary care. I am estimating that we will not use approximately \$500,000 of appropriation authority for operating expenses but the uncertainty of what is yet to come makes it very difficult to predict this number.

Our capital assets budget is on target with only two big items remaining to be purchased, the electronic health records system and the telephone system for the new building. We are currently in the process of accepting proposals for the health records system and the architect is working on the bid documents for the telephone system. We anticipate using all of our capital asset appropriation authority.

Of the \$27.9 million in appropriation authority to complete construction of the new veterans home, there is \$6,137,000 in appropriation authority remaining. As of December 31, 2010, the project is approximately 93% complete. We anticipate using all the appropriation authority for the new veterans home.

The \$862,574 in appropriation authority for 2009 flood expenses was not part of our 2009-2011 biennium appropriation. This line of credit was granted after session by the Emergency Commission pursuant to NDCC 54-16-13 and relates to a \$1,000,000 line of credit that was extended to us from the Bank of North Dakota to cover expenses that we were to incur during the flood of 2009. In the end, we borrowed \$152,232 from the Bank of North Dakota to help cover expenses. We received \$163,939 in settlements from FEMA and recently finished paying \$154,934 back to the Bank of North Dakota.

Included in our current appropriation is \$3,158,000 in federal stimulus funds for a thermal imager, electronic health records system, bobcat utility vehicle and geothermal heating system. We will not be using any of this appropriation authority as we learned thru previous conversations with the Department of Commerce and OMB that we would be unable to secure federal stimulus funds for any of these projects.

The final appropriation item in our 2009-2011 biennium budget provided a contingent appropriation of \$3,039,414 in general funds for the geothermal heating system for the new veterans home. This appropriation authority was only to be used if we were unable to secure federal stimulus funds for the geothermal system. Since we were not eligible for federal stimulus funds, 100% of this appropriation authority was expended to pay for the geothermal heating system in the new home.

2011-2013 Budget Needs & One-time spending needs

Putting together our budget for the 2011-2013 biennium was a challenge. Budgets are usually built by taking into consideration past history but we are charting new territory here since we are budgeting for a new building we have yet to occupy that is significantly larger and is built in a new design. The majority of the changes to our budget are the direct result of the increased number of residents we will be caring for in the new home.

With the change to the household/neighborhood concept we will see changes to the job descriptions for a majority of our staff. The majority of the care in this facility will be provided by “resident living specialists” that will provide C.N.A., dietary and housekeeping services as well as activities for the residents. Under the new model of care there is a “flattening” of the management structure and other staff are empowered to help in the decision making process.

A large portion of the increase in salaries and benefits can be attributed to the funding needed to cover the salaries and benefits of the 24 FTE positions yet to be hired, as well as some changes to salaries as staff shift into other roles. The governor’s recommendations also add roughly \$711,000 in salary and benefits adjustments.

The roughly \$1.5 million increase in our operating budget is attributed to increased expenses for medical supplies, food, medications, primary care appointments and utilities. The majority of these expenses also tie directly to the increase in the number of residents we will care for in the new home.

Part of the funding for the new veterans home includes \$2.5 million in bonding that we will start repaying in the 2011-2013 biennium. The projected bond and interest payments for the 2011-2013 biennium are \$403,000. We are also requesting \$341,000 in capital asset appropriations to finish out several projects relating to the new veterans home. All of which are one-time funding needs. They include:

appropriations to finish out several projects relating to the new veterans home. All of which are one-time funding needs. They include:

- \$7,000 for siding and shingles for the three stall garage that was relocated during construction
- \$65,000 for mill and overlay work to the existing road around the new home and the addition of a new truck route to the back of the new home
- \$187,000 for an irrigation system around the perimeter of the new home
- \$6,000 for materials to build a heated storage area in the new maintenance building
- \$21,000 for a heating source for the Administrator's house


Additional one-time funding needs included in our operating budget request include funding for a new computer server, a man lift, and several pieces of equipment for the PT/OT room.

Included in our optional package are several other one-time funding items. They include:

- \$55,000 to repair the existing irrigation system damaged during the 2009 flood
- \$25,000 to finish out the landscaping around the new veterans home
- \$76,500 to reshape and grade the oxbow on the veterans home grounds
- \$450,000 to build a new Administrator's house on the veterans home grounds
- \$20,000 to remove asbestos and demolish the existing Administrator's house

Also included in our optional request was funding for a medication distribution system. We have opted to not pursue this at the present time as the system is too new and not enough information is available to determine if this is a good solution for medication distribution.


One of the areas we were asked to address in our testimony was to explain major variances. In looking at comparisons from last year's budget to this biennium's request, there really is not much that hasn't changed. Besides the reduction in funding sources for the new veterans home, salaries increased overall primarily due to the increase in FTE needed for the new home.



Operating costs increased due to the increased number of residents we will be caring for in the new facility and our capital asset request is higher as we are requesting additional one-time funding to complete all projects related to the new veterans home.

There are also many changes in the department detail. For example, the majority of the staff currently working in dietary, housekeeping and activities will be categorized as nursing department staff due to the new blended role of the resident living specialists. While some departments are seeing a major change in their salaries due to the shifting of roles, other departments are seeing salary increases due to additional staff that will be hired.

Operating expenses for each department also change significantly as we look at the funding needed to care for the increase in residents.



Although we are asking for additional funding for the 2011-2013 biennium, the additional special fund revenue that we will see from the increase in residents more than covers the increase we are requesting in our budget. The only increase in general funds in our budget are for the governor's proposed salary and benefit increases and the funding requested for the items in our optional package.

We hope that you will support our 2011-2013 budget request and help us to provide the care that our veterans deserve.

Kristin Lunneborg
North Dakota Veterans Home CFO
701-683-6503
klunneborg@nd.gov

NORTH DAKOTA VETERANS HOME

	2009-2011 Appropriation	2011-2013 Budget Request	Increase (Decrease) from 2009-11	
MAJOR PROGRAMS				
Administration	1,776,265	1,891,426	115,161	6.5%
Plant Operations	1,725,532	2,176,758	451,226	26.1%
New Veterans Home	34,000,295	307,000	(33,693,295)	-99.1%
Dietary	2,289,629	1,713,053	(576,576)	-25.2%
Nursing Services	7,100,628	10,579,683	3,479,055	49.0%
Resident Services	541,279	113,153	(428,126)	-79.1%
Social Services	724,096	931,175	207,079	28.6%
Housekeeping	941,427	461,263	(480,164)	-51.0%
Laundry	213,495	246,965	33,470	15.7%
Pharmacy	1,258,759	1,694,456	435,697	34.6%
2009 Flood Expenses	862,574	-	(862,574)	-100.0%
TOTAL	51,433,979	20,114,932	(31,319,047)	-60.9%
LINE ITEMS				
Salaries and Wages	11,630,756	13,205,883	1,575,127	13.5%
Operating Expenses	4,561,857	6,082,049	1,520,192	33.3%
Capital Assets	259,906	520,000	260,094	100.1%
New Veterans Home	27,921,467	307,000	(27,614,467)	-98.9%
2009 Flood Expenses	862,574	-	(862,574)	-100.0%
Federal Stimulus Funds - 2009	3,158,005	-	(3,158,005)	-100.0%
Contingent Appropriation	3,039,414	-	(3,039,414)	-100.0%
TOTAL	51,433,979	20,114,932	(31,319,047)	-60.9%
General	17,842,187	4,992,140	(12,850,047)	-72.0%
Federal	16,843,623	-	(16,843,623)	-100.0%
Special	16,748,169	15,122,792	(1,625,377)	-9.7%
TOTAL	51,433,979	20,114,932	(31,319,047)	-60.9%
Full Time Equivalent	120.72	120.72	0.00	0.0%

Testimony on HB 1007
House Appropriations Committee
Department of Veterans Affairs
January 13, 2011

-Cathy Halgunseth
-Attachment TWO

Chairman Pollert and Committee Members:

My name is Cathy Halgunseth and I am the Administrative Assistant for the Department of Veterans Affairs. I will briefly outline our agency's current budget and our proposed 2011-2013 budget.

First, I would like to explain that our budget is referred to as a "lump sum" budget, meaning we have no line items. This allows us great flexibility in meeting our agency's needs throughout the biennium.

Our present budget contains one-time funding for our Technology Project (\$9,350) and Accreditation Training (\$20,000). The Technology Project is what we refer to as our Discharge Project. This involves converting paper DD 214's into an electronic document. A DD 214 is a record of military service. This document enables an individual (and in certain cases, next-of-kin) to obtain federal and state benefits based on service to our county. Because of the type of paper used, many of the older DD 214's are losing their integrity. Our goal is to not only have an electronic copy of the current discharges but to preserve as many of the older discharges as possible. This funding helps pay for temporary employees to do the inputting.

Accreditation training was offered to county veterans service officers to enable them to become compliant with North Dakota Century Code 37-14-18. The funding covered the expenses of contracting with the National Association of County Veterans Service Officers for three instructors along with incidental costs such as printing, postage, equipment, and miscellaneous supplies.

The increase in budget dollars for the 2011-2013 biennium reflect the Governor's proposed salary and benefit package along with funding for the Discharge Project, training for county veterans service officers and upgrading our agency's website . The funding for the Discharge Project (\$22,000) will again enable us to hire a temporary employee for inputting DD214's. The software upgrade (\$15,593) will convert our website to the Drupal Web Content Management system which will allow agency personnel to upload changes on our website rather than going through ITD. This is the same system ITD converted its website to for easier management. With this conversion, we will be able to use our resources to make substantial changes to our website to better serve North Dakota's veteran population and the county veterans service officers who assist the veterans and their families.

The Commissioner will discuss the funding for training of Service Officers (\$30,000) and our request for an additional position to the Department.

I hope you look favorably upon our proposed 2011-2013 budget.

If you have any questions, I will do my best to answer them as thoroughly as possible.

CHANGE PACKAGE SUMMARY

321 Department of Veterans Affairs

Biennium: 2011-13

#: HB1007

Date: 9/22/2010

Time: 14:47:19

Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
Base Budget Changes					
One Time Budget Changes					
R-B 1 Discharge Project	0.00	22,000	0	0	22,000
R-B 2 Website	0.00	15,593	0	0	15,593
A-E 1 Technology Project Carryover - Payroll	0.00	(7,579)	0	0	(7,579)
A-E 2 Technology Project Carryover - Expenses	0.00	(1,771)	0	0	(1,771)
A-E 3 Accreditation Training	0.00	(20,000)	0	0	(20,000)
Total One Time Budget Changes	0.00	8,243	0	0	8,243
Ongoing Budget Changes					
A-A 1 Base Budget Changes	0.00	2,286	0	0	2,286
R-A 1 Training	0.00	30,000	0	0	30,000
Base Payroll Change	0.00	12,313	0	0	12,313
Compensation Changes	0.00	43,540	0	0	43,540
Total Ongoing Budget Changes	0.00	88,139	0	0	88,139
Total Base Budget Changes	0.00	96,382	0	0	96,382

RECOMMENDATION DETAIL BY PROGRAM

321 Department of Veterans Affairs

Biennium: 2011-2013

#: HB1007

Date: 2/22/2010

Time: 14:47:19

Program: Veterans Affairs Administration			Reporting Level: 00-321-100-00-00-00-00000000					
Description	Expenditures Prev Biennium 2007-2009	Present Budget 2009-2011	2011-2013 Requested		Requested Budget 2011-2013	2011-2013 Recommended		Executive Recommendation 2011-2013
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
Technology Project Carry								
Temporary Salaries	0	7,579	(7,579)	(100.0%)	0	(7,579)	(100.0%)	0
IT - Data Processing	0	621	(621)	(100.0%)	0	(621)	(100.0%)	0
IT Contractual Svcs and Rprs	0	1,150	(1,150)	(100.0%)	0	(1,150)	(100.0%)	0
Total	0	9,350	(9,350)	(100.0%)	0	(9,350)	(100.0%)	0
Technology Project Carry								
General Fund	0	9,350	(9,350)	(100.0%)	0	(9,350)	(100.0%)	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total	0	9,350	(9,350)	(100.0%)	0	(9,350)	(100.0%)	0
Veterans' Affairs Administration								
Salaries - Permanent	431,967	518,778	5,822	1.1%	524,600	5,822	1.1%	524,600
Temporary Salaries	4,053	0	0	0.0%	0	20,000	100.0%	20,000
Fringe Benefits	178,764	223,807	6,491	2.9%	230,298	8,491	3.8%	232,298
Travel	61,964	104,613	(6,746)	(6.4%)	97,867	(6,746)	(6.4%)	97,867
Supplies - IT Software	2,014	7,398	(698)	(9.4%)	6,700	(698)	(9.4%)	6,700
Supply/Material-Professional	1,733	1,140	(150)	(13.2%)	990	(150)	(13.2%)	990
Food and Clothing	163	300	0	0.0%	300	0	0.0%	300
Bldg, Ground, Maintenance	1,633	386	98	25.4%	484	98	25.4%	484
Miscellaneous Supplies	1,291	850	150	17.6%	1,000	150	17.6%	1,000
Office Supplies	8,850	7,483	(1,783)	(23.8%)	5,700	(1,783)	(23.8%)	5,700
Postage	6,284	4,100	(200)	(4.9%)	3,900	(200)	(4.9%)	3,900
Printing	2,305	5,183	(7)	(0.1%)	5,176	(7)	(0.1%)	5,176
IT Equip Under \$5,000	3,170	23,752	(12,152)	(51.2%)	11,600	(12,152)	(51.2%)	11,600
Other Equip Under \$5,000	355	500	0	0.0%	500	0	0.0%	500
Office Equip & Furn Supplies	39,444	600	(160)	(26.7%)	440	(160)	(26.7%)	440
Utilities	2,830	5,280	700	13.3%	5,980	700	13.3%	5,980
Insurance	1,407	1,482	0	0.0%	1,482	0	0.0%	1,482
Rentals/Leases-Equip & Other	6,210	7,791	(1,118)	(14.3%)	6,673	(1,118)	(14.3%)	6,673
Rentals/Leases - Bldg/Land	56,154	65,474	737	1.1%	66,211	737	1.1%	66,211
Repairs	1,169	800	0	0.0%	800	0	0.0%	800
Salary Increase	0	0	0	0.0%	0	23,843	100.0%	23,843
Benefit Increase	0	0	0	0.0%	0	4,033	100.0%	4,033
Health Increase	0	0	0	0.0%	0	10,189	100.0%	10,189
Retirement Increase	0	0	0	0.0%	0	5,456	100.0%	5,456
EAP Increase	0	0	0	0.0%	0	19	100.0%	19
IT - Data Processing	9,849	18,238	4,420	24.2%	22,658	4,420	24.2%	22,658
IT - Communications	15,046	15,181	0	0.0%	15,181	0	0.0%	15,181

RECOMMENDATION DETAIL BY PROGRAM

321 Department of Veterans Affairs

Biennium: 2011-2013

Bill #: HB1007

Date: 2/22/2010

Time: 14:47:19

Program: Veterans Affairs Administration			Reporting Level: 00-321-100-00-00-00-00000000					
Description	Expenditures Prev Biennium 2007-2009	Present Budget 2009-2011	2011-2013 Requested		Requested Budget 2011-2013	2011-2013 Recommended		Executive Recommendation 2011-2013
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
IT Contractual Svcs and Rprs	11,621	5,000	2,500	50.0%	7,500	2,500	50.0%	7,500
Professional Development	5,290	9,901	(5,205)	(52.6%)	4,696	(5,205)	(52.6%)	4,696
Operating Fees and Services	5,406	350	0	0.0%	350	0	0.0%	350
Fees - Professional Services	3,528	3,100	1,900	61.3%	5,000	31,900	1,029.0%	35,000
IT Equip/Sftware Over \$5000	0	0	0	0.0%	0	15,593	100.0%	15,593
Total	862,500	1,031,487	(5,401)	(0.5%)	1,026,086	105,732	10.3%	1,137,219
Veterans' Affairs Administration								
General Fund	862,500	1,031,487	(5,401)	(0.5%)	1,026,086	105,732	10.3%	1,137,219
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total	862,500	1,031,487	(5,401)	(0.5%)	1,026,086	105,732	10.3%	1,137,219
Total Expenditures	862,500	1,040,837	(14,751)	(1.4%)	1,026,086	96,382	9.3%	1,137,219
Funding Sources								
General Fund								
Total	862,500	1,040,837	(14,751)	(1.4%)	1,026,086	96,382	9.3%	1,137,219
Total Funding Sources	862,500	1,040,837	(14,751)	(1.4%)	1,026,086	96,382	9.3%	1,137,219
FTE Employees	7.00	7.00	0.00	0.0%	7.00	0.00	0.0%	7.00

Training Position

Salaries - Permanent	66,456
Fringe Benefits	31,454
Travel	7,500
Supplies - IT Software	300
Supply/Material-Professional	350
Office Supplies	300
Printing	450
IT Equip Under \$5000	1,275
IT - Data Processing	2,095
IT - Communications	600
Professional Development	700
	<hr/>
	111,480

In an attempt to provide more training, we are proposing one new FTE to act as the training officer & benefits specialist. 70% of the time would be spent attending training, producing training programs, creating training kits and binders and conducting training with CVSO's. This would include complete initial training for new CVSO's as well as continued training on basic and advanced levels of knowledge for current CVSO's. 30% of the position's time would be spent doing hands on work helping veterans obtain benefits such as filing claims, as they need to be proficient at what they are instructing and changes happen frequently.

**TESTIMONY ON HB 1007
HOUSE APPROPRIATIONS COMMITTEE
LYLE SCHUCHARD, CHAIRPERSON
ND ADMINISTRATIVE COMMITTEE ON VETERANS' AFFAIRS**

January 13, 2011

GOOD MORNING CHAIRMAN POLLERT AND COMMITTEE MEMBERS. I AM LYLE SCHUCHARD, CHAIRPERSON OF THE ADMINISTRATIVE COMMITTEE ON VETERAN'S AFFAIRS.

THE ADMINISTRATIVE COMMITTEE ON VETERANS' AFFAIRS IS A 15 MEMBER COMMITTEE APPOINTED BY THE GOVERNOR FROM NAMES SUBMITTED BY EACH OF THE STATE'S 5 MAJOR VETERANS ORGANIZATIONS. THE FIVE ARE THE AMERICAN LEGION, DISABLED AMERICAN VETERANS, (DAV), VETERANS OF FOREIGN WARS (VFW), VIETNAM VETERANS OF AMERICA (VVA), AND THE AMERICAN VETERANS (AMVETS). WE ARE RESPONSIBLE FOR OVERSEEING THE OPERATIONS OF THE NORTH DAKOTA DEPARTMENT OF VETERANS AFFAIRS.

OUR COMMITTEE IS RESPONSIBLE FOR ASSURING COMPLIANCE WITH FEDERAL AND STATE LAWS IN THE ADMINISTRATION OF THE DEPARTMENT OF VETERANS AFFAIRS. FOR EXAMPLE WE OVERSEE THE EMERGENCY HARDSHIP GRANTS PROGRAM, VETERANS AID LOAN PROGRAM, AND VAN TRANSPORTATION PROGRAM RUN BY THE DEPARTMENT OF VETERANS' AFFAIRS.

THESE PROGRAMS, AS WILL BE REPORTED IN LATER TESTIMONY, HAVE HELPED MANY OF THE STATE'S VETERANS AND THEIR DEPENDENTS. THESE PROGRAMS ARE FUNDED BY INTEREST EARNED ON THE VETERANS' POST WAR TRUST FUND.

OUR MISSION IS TO HELP OUR STATE'S 60,000+ VETERANS, THEIR SPOUSES AND DEPENDENTS. WORKING TOGETHER WITH THE COUNTY VETERANS' SERVICE OFFICERS, NUMEROUS FEDERAL,

STATE, TRIBAL AND LOCAL AGENCIES, AS WELL AS COMMUNITY AND PROFESSIONAL GROUPS THE DEPARTMENT OF VETERANS AFFAIRS HAS BEEN ABLE TO ASSIST OUR VETERANS IN OBTAINING THE BENEFITS AND SERVICES TO WHICH THEY ARE ENTITLED.

I WANT TO RESPECTFULLY ASK FOR THE COMMITTEE'S CONSIDERATION TO SUPPORT HB 1007 AND THE DEPARTMENT OF VETERANS' AFFAIRS REQUEST FOR FUNDING FOR THE NEXT BIENNIUM.

I WOULD ALSO ASK FOR CONTINUED SUPPORT TO ADEQUATELY FUND STATE EMPLOYEES SALARIES AND EQUITY INCREASES THAT ARE SO NECESSARY IN ORDER TO RECRUIT AND RETAIN QUALIFIED EMPLOYEES IN THE DEPARTMENT OF VETERANS'

THE ADMINISTRATIVE COMMITTEE ON VETERANS' AFFAIRS HAS VOTED TO APPROVE THIS BILL.

THANK YOU FOR ALLOWING ME TO TESTIFY TODAY.

IF THERE ARE NO QUESTIONS THE ND COMMISSIONER OF VETERANS' AFFAIRS. LONNIE WANGEN, AND HIS ADMINISTRATIVE ASSISTANT CAHTY HALGUNSETH, WILL PRESENT THE BUDGET FOR THE DEPARTMENT OF VETERANS' AFFAIRS.

NORTH DAKOTA STATE AGENCY AND INSTITUTION VACANT POSITIONS
AS OF DECEMBER 31, 2010, INCLUDED IN THE 2011-13 EXECUTIVE BUDGET

Agency/Position No./Description	Date Vacated	Number of Months Vacant January 2011	Date Expected to Be Filled	Current Status/Agency Response	Salary and Fringe Benefit Amounts Included in the 2011-13 Executive Budget		
					General Fund	Special Funds	Total
GENERAL GOVERNMENT							
101 - Governor							
1 1.00 Nonclassified	12/10	1	04/11	Search ongoing	\$199,248		\$199,248
108 - Secretary of State							
44 1.00 Business communications specialist	10/09	15	Unknown	Will advertise position soon	\$110,425		\$110,425
110 - Office of Management and Budget							
155 1.00 Administrative assistant III	08/06	53	02/11	Reclassified as a printing manager and filled	\$25,040	\$100,162	\$125,202
150 1.00 Printing equipment operator III	12/08	25	07/12	Reclassified as a systems mechanic for the Heritage Center expansion for the last year of the 2011-13 biennium	69,369		69,369
160 1.00 Graphic artist I	06/10	7	07/12	Reclassified as a custodian for the Heritage Center expansion for the last year of the 2011-13 biennium	39,275		39,275
86 1.00 Plumber II	12/10	1	01/11	Filled	158,434		158,434
120 1.00 Custodian	09/09	16	03/11	Readvertising	68,693		68,693
144 1.00 Nonclassified	12/10	1	01/11	Filled	138,706		138,706
					<u>\$499,517</u>	<u>\$100,162</u>	<u>\$599,679</u>
112 - Information Technology Department							
196 1.00 Programmer/analyst III	11/10	2	01/11	Filled		\$169,665	\$169,665
222 1.00 System administrator II	11/10	2	01/11	Interviewing		171,336	171,336
226 1.00 Senior programmer/analyst	12/08	25	04/11	Position is for the quality assurance program which begins in April 2011		208,123	208,123
228 1.00 Programmer/analyst II	04/09	21	02/11	Interviewing		202,207	202,207
273 1.00 Telecom analyst III	08/09	17	02/11	Interviewing		225,873	225,873
278 1.00 Customer technical support III	08/09	17	05/11	Position will be filled when workload increases		169,665	169,665
311 1.00 Programmer/analyst III	07/09	18	04/11	Position is for the quality assurance program which begins in April 2011		178,540	178,540
365 1.00 System administrator I	09/10	4	01/11	Interviewing		148,395	148,395
386 1.00 Programmer/analyst II	01/10	12	07/11	Position will be filled when system is implemented		132,597	132,597
397 1.00 Information systems security analyst	06/08	31	01/12	Position will be needed for the new MMIS system		169,591	169,591
24045 1.00 Programmer/analyst II	11/10	2	01/11	Interviewing		148,557	148,557
25503 1.00 Project manager II	07/08	30	02/11	Interviewing		202,207	202,207
25508 1.00 Programmer	06/08	31	07/11	Position will be filled when system is implemented		132,597	132,597
26959 1.00 PowerSchool specialist	10/10	3	01/11	Filled		149,992	149,992
26977 1.00 System administrator III	07/09	18	02/11	Interviewing		202,207	202,207
Center for Distance Education							
323-2 0.30 Teacher VI	08/06	53	Unknown	Will fill when there is a customer need		37,164	37,164
325-2 0.30 Teacher I	07/10	6	Unknown	Will fill when there is a customer need		43,384	43,384
326 1.00 Teacher IV	07/10	6	Unknown	Will fill when there is a customer need		113,106	113,106
329-1 0.50 Teacher I	07/10	6	Unknown	Will fill when there is a customer need		74,419	74,419
329-2 0.50 Teacher I	07/10	6	Unknown	Will fill when there is a customer need		74,419	74,419
335 1.00 Office assistant III	07/08	30	Unknown	Will fill when there is a customer need		88,765	88,765
337 0.80 Graphic artist I	11/07	38	Unknown	Will fill when there is a customer need		75,192	75,192
339 0.30 Teacher I	06/08	31	Unknown	Will fill when there is a customer need		12,447	12,447
424-2 0.50 Teacher III	07/10	6	Unknown	Will fill when there is a customer need		79,040	79,040
425-2 0.40 Teacher III	02/06	59	Unknown	Will fill when there is a customer need		44,357	44,357
427-2 0.50 Administrative assistant II	07/10	6	Unknown	Will fill when there is a customer need		71,476	71,476
428-2 0.10 Teacher III	10/08	27	Unknown	Will fill when there is a customer need		10,225	10,225
429-2 0.90 Teacher I	07/10	6	Unknown	Will fill when there is a customer need		111,918	111,918
438-2 0.50 Teacher III	07/10	6	Unknown	Will fill when there is a customer need		72,797	72,797

- Legislative Council
 - January 26, 2011
 - Attached + ON F
 * Requester info. by Co. name
 (placed with HB 1007 request)

11.9055.01

2011

10224	0.50	Custodian	07/08	30	Unknown	Will fill when there is a customer need		42,253	42,253
22892-2	0.50	Programmer analyst I	07/11	6	Unknown	Will fill when there is a customer need		65,632	65,632
	<u>23.60</u>							<u>\$3,529,144</u>	<u>\$3,529,144</u>
117 - State Auditor									
562	1.00	Auditor I	08/10	5	01/11	Filled	\$122,332		\$122,332
541	1.00	Auditor II	05/08	32	04/11	Vacant		\$119,373	119,373
531	1.00	Auditor II	05/08	32	04/11	Vacant		119,373	119,373
	<u>3.00</u>						<u>\$122,332</u>	<u>\$239,746</u>	<u>\$351,078</u>
120 - State Treasurer									
No vacant positions									
125 - Attorney General									
10286	1.00	Identification technician	04/10	9	03/11	Advertising	\$92,675		\$92,675
26618	1.00	Identification technician	12/10	1	03/11	Advertising	92,675		92,675
	<u>2.00</u>						<u>\$185,350</u>		<u>\$185,350</u>
127 - Tax Commissioner									
825	1.00	Project manager	06/10	7	05/11	Reviewing staffing needs and possible reclassification	\$139,712		\$139,712
793	1.00	Information technology manager	12/10	1	01/11	Advertising	216,096		216,096
	<u>2.00</u>						<u>\$355,808</u>		<u>\$355,808</u>
140 - Office of Administrative Hearings									
No vacant positions									
160 - Legislative Council									
7000620	1.00	Research librarian	10/10	3	05/11	Filled with temporary employee	\$180,598		\$180,598
849	1.00	Information processing supervisor	12/10	1	06/11	Filled with temporary employee	126,754		126,754
287219	1.00	Legislative services specialist	10/10	3	05/11	Filled with temporary employee	86,855		86,855
511593	1.00	Manager, information technology	10/10	3	02/11	Interviewing	201,680		201,680
	<u>4.00</u>						<u>\$595,887</u>		<u>\$595,887</u>
180 - Judicial branch									
No vacant positions									
188 - Commission on Legal Counsel for Indigents									
1588	1.00	Clerk III	11/10	2	01/11	Interviewing	\$88,494		\$88,494
190 - Retirement and Investment Office									
No vacant positions									
192 - Public Employees Retirement System									
1233	1.00	Office assistant III	09/10	4	02/11	Interviewing		\$97,467	\$97,467
EDUCATION									
201 - Department of Public Instruction									
1283	0.75	Office assistant III	11/10	2	01/11	Offer pending	\$29,948	\$29,948	\$59,896
1286	1.00	Director/primary secondary educ programs	09/10	4	07/11	Offer pending		185,009	185,009
1308	0.50	Administrative assistant III	10/09	15	01/11	Offer pending	41,418	12,372	53,790
	<u>2.25</u>						<u>\$71,366</u>	<u>\$228,329</u>	<u>\$298,695</u>
226 - Land Department									
1300	1.00	Revenue compliance director	09/10	4	02/11	Advertising		\$187,415	\$187,415
1479	1.00	Mineral title specialist	07/09	18	01/11	Filled		195,408	195,408
1468	1.00	Mineral title specialist	11/10	2	04/11	Position being reclassified		137,124	137,124
	<u>3.00</u>							<u>\$520,947</u>	<u>\$520,947</u>

NOTE: The institutions of higher education are not included in this report since the North Dakota University System receives a "block grant" general fund appropriation.

250 - State Library

No vacant positions

252 - School for the Deaf

153	1.00	Superintendent	06/09	19		Shared position with North Dakota Vision Services - School for the Blind	\$162,405		\$162,405
1534	0.83	Faculty	07/09	18	01/11	Filed	131,664		131,664
1568	0.83	Faculty	08/07	41	01/11	Outreach position to be filled in January 2011	131,664		131,664
1551	0.75	Faculty	07/10	6	06/11	Position designated for future services plan	154,874		154,874
	<u>3.41</u>						<u>\$580,607</u>		<u>\$580,607</u>

253 - North Dakota Vision Services - School for the Blind

1589	0.75	Maintenance worker I	11/10	2	01/11	Filled		\$63,658	\$63,658
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270 - Department of Career and Technical Education

1614	1.00	Programmer analyst II	09/10	4	Unknown	Pending	\$105,838	\$35,279	\$141,117
1642	0.50	Trainee position	07/02	102	Unknown	Pending	57,084		57,084
1640	1.00	Administrative assistant II	08/10	5	Unknown	Pending	108,501		108,501
	<u>2.50</u>						<u>\$271,423</u>	<u>\$35,279</u>	<u>\$306,702</u>

HEALTH AND WELFARE

301 - State Department of Health

1770	1.00	Environmental engineer II	11/10	2	02/11	Offer pending	\$32,370	\$97,111	\$129,481
1780	1.00	Epidemiologist II	12/10	1	02/11	Offer pending	29,392	88,177	117,569
1910	1.00	Health care facility surveyor III	11/10	2	03/11	Advertised "open until filled"	39,303	117,908	157,211
1932	1.00	Health care facility surveyor II	05/10	8	03/11	Advertised "open until filled"	13,801	124,210	138,011
1954	1.00	Microbiologist II	11/10	2	01/11	Offer pending		118,841	118,841
28660	1.00	Performance improvement coordinator	12/10	1	03/11	Interviewing		174,103	174,103
1740	1.00	Environmental scientist (class pending)	09/07	40	03/11	Advertising	70,285	70,285	140,570
1778	1.00	Administrative assistant II	11/10	2	04/11	Preparing to advertise		94,864	94,864
	<u>8.00</u>						<u>\$185,151</u>	<u>\$885,499</u>	<u>\$1,070,650</u>

305 - Tobacco Prevention and Control Committee

No vacant positions

313 - Veterans' Home

3044	1.00	Activity assistant II	12/10	1	01/11	Filled		\$87,749	\$87,749
3051	0.60	Health care orderly II	04/10	9	01/11	Advertising		57,749	57,749
3061	1.00	Administrative assistant III	11/10	2	02/11	Position being reclassified		88,626	88,626
3077	1.00	Health care orderly II	12/10	1	01/11	Advertising		80,502	80,502
	<u>3.60</u>							<u>\$314,626</u>	<u>\$314,626</u>

316 - Indian Affairs Commission

No vacant positions

321 - Department of Veterans' Affairs

No vacant positions

325 - Department of Human Services

Administration/Support

3187	1.00	Administrative staff officer I	12/10	1	04/11	Difficult to fill during session	\$110,317	\$26,570	\$136,887
3300	1.00	Deputy - Not classified	08/05	65	Unknown	Retaining for use in future administration	36	8	44

Children and Family Services

27069	0.50	Human service program specialist	12/10	1	03/11	Assessing	42,079	18,896	60,975
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Medical Services

3777	1.00	Human service program administrator VI	11/10	2	03/11	Recruiting	108,389	92,072	200,461
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Child Support

3197	1.00	Office assistant III	11/10	2	05/11	Assessing	29,010	54,568	83,578
4378	1.00	Human service program administrator V	11/10	2	05/11	Assessing	75,053	141,176	216,229
25705	1.00	Child support investigator I	11/10	2	03/11	Recruiting	33,868	65,744	99,612
25738	1.00	Attorney I	10/10	3	01/11	Filed	49,810	96,691	146,501
25794	0.50	Paralegal	07/07	42	As soon as possible	Assessing	23,700	44,581	68,281
25822	1.00	Regional child support program administrator	12/10	1	07/11	Assessing	22,092	125,681	147,773
25827	1.00	Administrative assistant I	09/10	4	02/11	Recruiting	29,845	57,934	87,779

Vocational Rehabilitation									
3481	1.00	Client assistance program administrator II	09/10	4	04/11	Assessing		161,096	161,096
North Central Human Service Center									
3499	1.00	Human service aide II	12/10	1	03/11	Recruiting	100,540	49,496	143,036
Lake Region Human Service Center									
3509	1.00	Vocational rehabilitation counselor II	12/10	1	03/11	Recruiting	24,625	90,913	115,538
3761	1.00	Addiction counselor II	12/10	1	04/11	Recruiting	61,230	81,297	142,527
3946	1.00	Addiction counselor II	09/09	16	04/11	Recruiting	55,092	73,147	128,239
4264	1.00	Human service aide II	10/10	3	02/11	Recruiting	58,483	31,741	90,224
Southeast Human Service Center									
4110	0.50	Human service aide II	12/10	1	03/11	Assessing	23,934	28,071	51,995
4212	1.00	Human relations counselor	11/10	2	02/11	Recruiting	5,270	114,230	119,500
4228	0.10	Registered nurse II	01/06	60	07/11	Assessing; will likely add to part-time position	6,916	2,719	9,535
24921	1.00	MI case manager II	11/10	2	02/11	Recruiting	55,155	56,957	113,122
South Central Human Service Center									
3263	1.00	Administrative assistant I	12/10	1	02/11	Recruiting	76,055	10,915	85,970
3916	1.00	Development disabilities case manager II	12/10	1	02/11	Recruiting	61,570	53,389	114,959
4304	1.00	Physician	09/03	88	As soon as possible	Recruiting	398,555	145,324	543,880
24846	0.50	Development disabilities case manager II	07/10	6	02/11	Recruiting	35,524	30,802	66,326
West Central Human Service Center									
3780	1.00	Unclassified	04/10	9	06/11	Filled	395,456	86,968	483,424
4040	1.00	Human relations counselor	10/10	3	02/11	Recruiting	16,507	102,590	119,097
Badlands Human Service Center									
3969	1.00	Psychiatrist	01/09	24	As soon as possible	Recruiting	421,222	174,313	595,535
4102	1.00	Human relations counselor	08/10	5	04/11	Assessing	42,137	82,345	124,482
State Hospital									
2540	1.00	Office assistant III	12/10	1	01/11	Recruiting	82,073		82,073
2549	1.00	Treatment unit director	11/10	2	03/11	Recruiting	94,366	82,085	176,451
2567	1.00	Plumber II	12/10	1	02/11	Recruiting	128,526		128,526
2577	1.00	Equipment operator II	12/10	1	02/11	Recruiting	92,138		92,138
2656	1.00	Physician - Medical director	12/10	1	04/11	Filled	673,456	34,774	708,230
2700	1.00	Industries specialist I	12/10	1	02/11	Recruiting	55,787	55,787	111,574
2715	1.00	Therapeutic rec specialist II	12/10	1	02/11	Recruiting		131,218	131,218
2746	1.00	Registered nurse II	11/10	2	02/11	Recruiting	111,346	56,318	167,664
2755	0.80	Registered nurse II	01/10	12	02/11	Recruiting	69,556	35,180	104,736
2767	1.00	Registered nurse II	09/10	4	02/11	Recruiting	90,305	45,676	135,981
2772	1.00	Behavioral health technician II	12/10	1	01/11	Filled	44,069	45,229	89,298
2789	1.00	Behavioral health technician II	12/10	1	01/11	Filled	47,665	49,125	96,990
2792	1.00	Licensed practical nurse II	09/10	4	01/11	Filled	49,573	50,878	100,451
2866	0.50	Registered nurse II	10/10	3	02/11	Recruiting	1,535	85,663	87,198
2879	1.00	Behavioral health technician I	12/10	1	01/11	Filled	58,595	29,637	88,233
2896	1.00	Licensed practical nurse II	12/10	1	02/11	Recruiting	70,030	35,421	105,451
2897	1.00	Behavioral health technician I	12/10	1	02/11	Recruiting		91,458	91,458
2942	1.00	Behavioral health technician II	11/10	2	01/11	Filled	89,594		89,594
2981	0.50	Licensed practical nurse II	12/10	1	02/11	Recruiting	42,463	21,478	63,941
24588	1.00	Behavioral health technician II	12/10	1	01/11	Filled	99,948		99,948
24600	1.00	Behavioral health technician II	12/10	1	02/11	Recruiting	91,724		91,724
27137	0.50	Registered nurse II	06/10	7	02/11	Recruiting	35,411	37,370	73,781
27386	1.00	Registered nurse II	10/10	3	02/11	Recruiting	88,910	44,970	133,880
Developmental Center									
2016	1.00	Assistant residential supervisor	10/10	3	03/11	Recruiting	39,194	63,920	103,114
2024	1.00	Direct training technician	12/10	1	02/11	Recruiting	28,281	47,263	75,544
2126	1.00	Behavioral modification specialist II	06/10	7	02/11	Recruiting	45,490	74,190	119,680
2157	1.00	Human resource officer II	08/10	5	07/11	Assessing	50,277	98,305	158,582
2168	1.00	Direct training technician II	11/10	2	03/11	Recruiting	28,951	47,254	76,205
2240	1.00	Direct training technician	12/10	1	01/11	Filled	28,951	47,253	76,204
2244	1.00	Assistant residential supervisor	08/10	5	03/11	Recruiting	32,345	52,753	85,098
2251	1.00	Direct training technician II	01/10	12	03/11	Recruiting	34,795	55,732	91,517
2272	1.00	Direct training technician II	11/10	2	03/11	Recruiting	37,350	50,912	88,262
2292	1.00	Unit program coordinator	08/10	5	03/11	Recruiting	49,077	78,408	127,485
2318	1.00	Senior residential supervisor	12/10	1	03/11	Recruiting	36,551	59,511	96,062
2328	1.00	Behavioral modification specialist II	09/09	16	03/11	Recruiting	50,135	81,763	131,898
2330	1.00	Direct training technician	11/10	2	01/11	Recruiting	30,019	48,960	78,979

11,9055.0

2011

233	1.00	Direct training technician	11/10	2		Recruiting	27,987	45,641	73,631
234	1.00	Unit program coordinator	09/10	4		Recruiting	54,790	89,354	144,146
2366	1.00	Direct training technician	11/10	2	03/11	Recruiting	31,607	51,548	83,155
2378	1.00	Direct training technician	09/10	4	03/11	Recruiting	35,651	58,144	93,795
2384	1.00	Direct training technician	11/10	2	03/11	Recruiting	28,981	47,263	76,244
2401	1.00	Assistant residential supervisor	10/10	3	03/11	Recruiting	38,114	62,160	100,274
2451	0.75	Direct training technician	12/10	1	03/11	Recruiting	28,664	46,747	75,411
2455	1.00	Direct training technician	12/10	1	03/11	Recruiting	30,019	48,960	78,979
2457	1.00	Direct training technician	10/10	3	02/11	Recruiting	30,191	49,238	79,429
10199	0.50	Cook I	09/10	4	03/11	Recruiting	18,074	29,478	47,552
10207	1.00	Direct training technician II	08/10	5	03/11	Recruiting	35,112	57,263	92,375
	<u>70.65</u>						<u>\$5,342,988</u>	<u>\$4,434,633</u>	<u>\$9,777,621</u>

360 - Protection and Advocacy Project
No vacant positions

380 - Job Service North Dakota

4611	1.00	Customer service specialist	12/10	1	02/11	Recruiting		\$111,297	\$111,297
4790	1.00	Program administrator I	04/10	9	03/11	Assessing position		122,199	122,199
4862	1.00	Manager of workforce programs	12/10	1	02/11	Recruiting	\$6,770	191,177	197,947
23007	1.00	Customer service specialist	12/10	1	02/11	Recruiting		121,725	121,725
	<u>4.00</u>						<u>\$6,770</u>	<u>\$546,398</u>	<u>\$553,168</u>

REGULATORY

401 - Insurance Commissioner

4872	1.00	Administrative assistant	12/10	1	02/11	Recently vacated		\$104,850	\$104,850
4885	1.00	Attorney	06/10	7	07/11	Reclassified and attempting to fill		169,665	169,665
	<u>2.00</u>							<u>\$274,515</u>	<u>\$274,515</u>

405 - Industrial Commission

4977	1.00	Loan officer I	08/01	113	Unknown	Under review		\$110,996	\$110,996
4940	1.00	Other not classified	12/10	1	02/11	Advertising	\$128,246	12,684	140,930
27608	0.31	Budgeted pending classification	07/09	18	Unknown	Retaining for use in future administration		20,668	20,668
	<u>2.31</u>						<u>\$128,246</u>	<u>\$144,348</u>	<u>\$272,594</u>

406 - Labor Commissioner

No vacant positions

408 - Public Service Commission

5037	1.00	Environmental scientist III	07/10	6	03/11	Readvertising	\$61,782	\$109,836	\$171,618
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412 - Aeronautics Commission

5041	1.00	Public information specialist I	08/10	5	03/11	Developing job description		\$122,295	\$122,295
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413 - Department of Financial Institutions

No vacant positions

414 - Securities Commissioner

5070	1.00	Examiner/investigator II	10/10	3	03/10	Position being reclassified	\$148,491		\$148,491
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471 - Bank of North Dakota

10382	1.00	Admin assistant III	12/10	1	02/11	Recruiting		\$123,525	\$123,525
10522	1.00	Computer operator I	10/10	3	2011	Staffing plan is being reviewed		104,407	104,407
10400	1.00	SVP/banking services	09/10	4	2011	Staffing plan is being reviewed		281,147	281,147
10457	1.00	Auditor II	08/10	5	2011	Staffing plan is being reviewed		145,219	145,219
25422	0.50	Admin assistant I	08/10	5	2011	Staffing plan is being reviewed		59,427	59,427
10443	1.00	Programmer analyst III	07/10	6	2011	Staffing plan is being reviewed		172,524	172,524
10360	1.00	Bank op processing technician	06/10	7	2011	Staffing plan is being reviewed		90,206	90,206
10507	1.00	Accounting manager	04/10	9	2011	Staffing plan is being reviewed		189,121	189,121
10434	0.33	Investment professional	04/10	9	2011	Staffing plan is being reviewed		88,280	88,280
10513	1.00	SVP/director student loans	04/10	9	2011	Staffing plan is being reviewed		346,783	346,783
10520	0.75	Account tech II	10/09	15	2011	Staffing plan is being reviewed		84,366	84,366
10404	0.50	Office assistant II	10/09	15	2011	Staffing plan is being reviewed		53,203	53,203
10396	0.65	Bank op processing technician	02/09	23	2011	Staffing plan is being reviewed		66,113	66,113

10445	1.00	Programmer analyst III	06/08	31	Unknown	Recruiting	172,525	172,525
	<u>11.73</u>						<u>\$1,976,846</u>	<u>\$1,976,846</u>

473 - Housing Finance Agency

57	1.00	Housing program administrator II	Never filled	18	Unknown	Will fill as needed	\$157,713	\$157,713
58	1.00	Rental housing program representative	Never filled	18	Unknown	Will fill as needed	125,763	125,763
59	1.00	Home ownership specialist I	Never filled	18	Unknown	Will fill as needed	115,325	115,325
	<u>3.00</u>						<u>\$398,801</u>	<u>\$398,801</u>

475 - Mill and Elevator Association

7	1.00	Utility worker - Milling	11/10	2	01/11	Returning military leave employee	\$91,922	\$91,922
2063	1.00	Utility worker - Terminal	12/10	1	01/11	Filled by moving a temporary employee to full time	91,922	91,922
	<u>2.00</u>						<u>\$183,856</u>	<u>\$183,856</u>

485 - Workforce Safety and Insurance

5207	1.00	Staff counsel	01/08	36	04/11	Pending pharmacy-related legislation	\$189,237	\$189,237
5282	1.00	Underwriter	05/08	32	06/11	Pending new program development	189,237	189,237
DISC-1-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation	138,492	138,492
DISC-2-1	1.00	Senior vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation	158,202	158,202
DISC-3-1	1.00	Senior vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation	158,202	158,202
DISC-4-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation	121,814	121,814
DISC-5-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation	121,814	121,814
DISC-6-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation	121,814	121,814
DISC-7-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation	121,814	121,814
DISC-8-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation	121,814	121,814
DISC-9-1	1.00	Vocational rehabilitation consultant	Never filled	18	07/11	Pending return to work and voc. rehabilitation legislation	121,814	121,814
	0.59	Other			Unknown	Position on hold		
	<u>11.59</u>						<u>\$1,564,254</u>	<u>\$1,564,254</u>

PUBLIC SAFETY

504 - Highway Patrol

5455	1.00	Administrative assistant II	09/10	4	01/11	Conducting background investigation	\$88,593	\$13,238	\$101,831
5442	1.00	Highway Patrol officer	01/10	12	07/11	Accepting applications	123,856	18,507	142,363
5477	1.00	Highway Patrol officer	07/10	6	07/11	Accepting applications	123,856	18,507	142,363
5521	1.00	Highway Patrol officer	10/10	3	07/11	Accepting applications	156,139	23,331	179,470
5545	1.00	Highway Patrol officer	05/10	8	07/11	Accepting applications	123,856	18,507	142,363
25866	1.00	Highway Patrol officer	12/10	1	07/11	Accepting applications	126,349	18,880	145,229
	<u>6.00</u>						<u>\$742,649</u>	<u>\$110,970</u>	<u>\$853,619</u>

530 - Department of Corrections and Rehabilitation

Juvenile Services

223-1457	1.00	Juvenile institutional resident specialist II	12/10	1	01/11	Filled	\$115,603		\$115,603
224-6074	1.00	Senior juvenile correctional specialist	09/10	4	03/11	Determining position responsibilities	148,306		148,306
224-6073	0.50	Juvenile correctional specialist	09/10	4	03/11	Position is half time with no medical benefits	63,784		63,784

Adult Services

518-5679	1.00	Correctional program administrator	09/10	4	03/11	Organization restructuring in Education Unit	126,868		126,868
518-5685	1.00	Human relations counselor	10/10	3	02/11	Advertising	116,048		116,048
518-5681	1.00	Addiction counselor I	10/10	3	02/11	Filled	111,209		111,209
518-5689	1.00	Correctional unit manager	12/10	1	01/11	Filled	157,494		157,494
518-5751	1.00	Correctional officer I	12/10	1	02/11	Advertising	101,138		101,138
519-5957	1.00	Correctional officer II	12/10	1	01/11	Filled	120,922		120,922
517-6015	1.00	Correctional caseworker	12/10	1	01/11	Filled	132,450		132,450
502-6052	1.00	Correctional program administrator	07/10	6	02/11	Interviewing	91,306		91,306
520-0351	1.00	Assistant director Roughrider Industries	07/09	18	Unknown	Vacant			
	<u>11.50</u>						<u>\$1,285,135</u>	<u>\$105,772</u>	<u>\$1,390,907</u>

540 - Adjutant General, including National Guard and Department of Emergency Services

6169	1.00	Public information specialist III	12/10	1	03/10	Screening applications	\$145,569		\$145,569
6208	1.00	National Guard security/firefighter	09/09	16	04/10	Reclassification	118,225		118,225
6223	1.00	National Guard security/firefighter	10/10	3	10/11	Pending advertisement	124,563		124,563
6225	1.00	National Guard security/firefighter	06/10	7	10/11	Pending advertisement	124,563		124,563
6226	1.00	National Guard security/firefighter	02/10	11	04/10	Reclassification	118,225		118,225
6231	1.00	National Guard security/firefighter	12/10	1	03/10	Pending advertisement	154,769		154,769
	<u>7.00</u>						<u>\$785,916</u>		<u>\$785,916</u>

AGRICULTURE AND ECONOMIC DEVELOPMENT

601 - Department of Commerce

No vacant positions

602 - Agriculture Commissioner

6311	1.00	Agriculture program specialist	12/10	1	02/11	Advertising	\$127,361		\$127,361
6336	1.00	Grants/contracts officer	5/09	20	02/11	Reviewing applications	119,299		119,299
6355	1.00	Administrative assistant	12/10	1	02/11	Advertising		\$102,200	102,200
12626	0.50	Veterinarian I	01/10	12	07/11	Position was budgeted with federal funds for the 2009-11 biennium. Due to a reduction in federal funds, the position has been unfilled. The executive budget reclassifies the position and moves the position to the Business Development program area.	71,017		71,017
27697	1.00	Pending classification	Never filled	18	02/11	Advertising (new position added by 2009 Legislative Assembly)	54,383	50,199	104,582
	1.00	Not classified	Never filled	6	05/11	Position added by the 2009 Legislative Assembly with a July 1, 2010, start date	54,383	50,199	104,582
	1.00	Not classified	Never filled	18	07/11	Position added by the 2009 Legislative Assembly without funding for the 2009-11 biennium		104,582	104,582
	<u>6.50</u>						<u>\$426,443</u>	<u>\$307,180</u>	<u>\$733,623</u>

616 - State Seed Department

6386	1.00	Director of field seeds programs	03/05	70	07/11	Evaluating strategic plan, possible reassignment		\$129,550	\$129,550
6392	1.00	Laboratory technician II	05/10	8	07/11	Evaluating area		82,200	82,200
6393	0.50	Seed analyst I	05/05	68	07/11	Fill upon impending retirement in seed lab		51,494	51,494
6398	1.00	Senior seed analyst	06/09	19	07/11	Fill upon impending retirement in seed lab		97,807	97,807
6407	1.00	Seed production & lab specialist	10/10	3	03/11	Reorganizing - Plan is to reduce to .5 and fill		154,785	154,785
6410	0.50	Seed inspector I	09/99	136	Unknown	Fill depending on retirement or resignation in program		25,743	25,743
6411	1.00	Senior seed inspector	08/04	77	07/11	Planned internal promotion		105,174	105,174
6414	1.00	Seed inspector II	08/10	5	04/11	Filing with field seed/regulatory inspector		121,918	121,918
	<u>7.00</u>							<u>\$768,671</u>	<u>\$768,671</u>

627 - Upper Great Plains Transportation Institute

18500	1.00	Senior software engineer	10/10	3	03/11	Plans are to advertise pending contract renewal		\$231,430	\$231,430
22856	1.00	Associate research fellow	02/10	11	04/11	Plans are to advertise in March 2011		191,675	191,675
24714	1.00	Associate research fellow	08/10	5	Unknown	Position on hold pending additional funding		234,160	234,160
26735	1.00	Administrative assistant	03/10	10	Unknown	Position on hold pending additional funding		109,578	109,578
26743	1.00	Instructional designer	09/09	16	03/11	Advertising		136,770	136,770
	<u>5.00</u>							<u>\$903,613</u>	<u>\$903,613</u>

628 - Branch research stations

19219	0.50	Accounting/finance professional	09/10	4	04/11	Will be recruiting	\$56,738		\$56,738
20127	1.00	Asst research extension center specialist	08/10	5	01/11	Offer pending	97,276		97,276
26216	1.00	General science professional	08/10	5	03/11	Will be recruiting	52,500		52,500
19689	1.00	Asst research extension center specialist	10/10	3	02/11	Recruiting	132,300		132,300
26273	1.00	Natural/physical science technician	12/10	1	02/11	Recruiting		\$59,186	59,186
	<u>4.50</u>						<u>\$338,814</u>	<u>\$59,186</u>	<u>\$398,000</u>

630 - NDSU Extension Service

25323	0.25	Accounting/finance professional	10/10	3	04/11	Will be recruiting	\$46,470		\$46,470
19229	1.00	Extension agent	08/09	17	Unknown	Recruiting		\$82,778	82,778
20358	1.00	Extension agent	04/10	9	03/11	Recruiting		71,926	71,926
21348	1.00	Extension agent	08/10	5	02/11	Offer pending	78,640	47,750	126,390
23436	1.00	Extension agent	01/09	24	N/A	Funding ended. Position will be closed.		61,400	61,400
27366	1.00	Extension agent	03/10	10	Unknown	Recruiting		63,400	63,400
20254	1.00	Extension agent	11/10	2	05/11	Department reorganizing	128,578		128,578
20998	1.00	Extension specialist	06/10	7	05/11	Department reorganizing	152,488		152,488
18581	0.05	Chair/head	07/10	6	03/11	Recruiting	14,282		14,282
19702	0.15	Professor	07/10	6	05/11	Offer pending	26,828		26,828
19348	0.05	Chair/head	02/10	11	07/11	Chair duties are currently being reassigned	13,876		13,876
19397	1.00	Educational services technician	04/10	9	N/A	Funding ended. Position will be closed.		48,570	48,570
27287	1.00	Extension agent	07/10	6	Unknown	Recruiting		70,800	70,800
	<u>9.50</u>						<u>\$461,162</u>	<u>\$446,624</u>	<u>\$907,786</u>

638 - Northern Crops Institute
No vacant positions

640 - Main Research Center

21765	0.80	Accounting/finance professional	12/10	1	04/11	Will be recruiting	\$116,352		\$116,352
25323	0.70	Accounting/finance professional	10/10	3	04/11	Will be recruiting	130,115		130,115
20247	1.00	General maintenance	12/10	1	03/11	Will be recruiting	103,580		103,580
18580	0.72	Chair/head	07/10	6	03/11	Recruiting	206,192		206,192
20848	0.85	Professor	08/09	17	04/11	Department reorganizing	165,667		165,667
23280	1.00	Natural/physical science technician	05/10	8	02/11	Recruiting	61,150		61,150
26883	1.00	International exchange scientist	12/10	1	04/11	Will be recruiting		\$42,400	42,400
19351	0.89	Professor	09/08	28	04/11	Recruiting	163,393		163,393
26765	1.00	Natural/physical science professional	12/10	1	03/11	Will be recruiting		69,400	69,400
19165	1.00	General science professional	08/10	5	Unknown	Supervisor is currently serving as interim chair		62,200	62,200
19703	0.50	Professor	07/10	6	05/11	Offer pending	89,426		89,426
19769	0.90	Professor	07/10	6	Unknown	Faculty member is currently assigned to a temporary appointment	215,478		215,478
19998	0.60	Assistant professor	05/09	20	05/11	Department reorganizing	80,122		80,122
25067	1.00	International exchange scientist	11/10	2	04/11	Will be recruiting		131,200	131,200
27300	1.00	Natural/physical science professional	10/10	3	01/11	Filled	69,888		69,888
18940	1.00	Postdoctoral research fellow	04/10	9	N/A	Funding ended. Position will be closed.		90,438	90,438
19438	0.90	Assistant professor	08/10	5	04/11	Recruiting	149,429		149,429
19848	1.00	General science professional	09/10	4	05/11	Will be recruiting	77,660		77,660
25254	0.50	Postdoctoral research fellow	07/10	6	N/A	Funding ended. Position will be closed.		38,758	38,758
19348	0.60	Chair/head	02/10	11	07/11	Chair duties are currently being reassigned	166,525		166,525
	<u>16.96</u>						<u>\$1,794,978</u>	<u>\$433,396</u>	<u>\$2,228,374</u>

649 - Agronomy Seed Farm
No vacant positions

670 - Racing Commission
No vacant positions

NATURAL RESOURCES AND HIGHWAYS

701 - State Historical Society

6465	1.00	Administrative assistant III	08/10	5	03/11	Filled	\$104,592		\$104,592
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709 - Council on the Arts
No vacant positions

720 - Game and Fish Department
No vacant positions

750 - Parks and Recreation Department

6711	1.00	Devils Lake park ranger	09/10	4	02/11	Applications received	\$115,229		\$115,229
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770 - State Water Commission

6729	1.00	Engineer manager I	12/10	1	03/11	Position analysis and review	\$218,688		\$218,688
6745	1.00	Engineering technician III	10/10	3	02/11	Interviewing	106,048		106,048
	<u>2.00</u>						<u>\$324,736</u>		<u>\$324,736</u>

801 - Department of Transportation

6818	1.00	Deputy - Not classified	10/10	3	01/11	Filled	\$300,021		\$300,021
7779	1.00	Admin transportation engineer I	11/10	2	01/11	Filled	164,016		164,016
7413	1.00	Transportation technician II (Fargo)	12/10	1	01/11	Filled	117,070		117,070
6952	1.00	Licensing specialist I	12/10	1	01/11	Filled	96,717		96,717
7201	1.00	Transportation technician II (Jamestown)	11/10	2	01/11	Filled	109,999		109,999
7355	1.00	Transportation technician I (Grand Forks)	10/10	3	01/11	Filled	123,446		123,446
7612	1.00	Transportation technician I (Grand Forks)	11/10	2	01/11	Filled	103,077		103,077
7321	1.00	Transportation technician III (Killdeer/Halliday)	08/10	5	01/11	Filled	130,514		130,514
7806	1.00	Administrative officer II	06/10	7	02/11	Recruiting	146,620		146,620
7168	1.00	Transportation technician II (Valley City)	10/10	3	02/11	Recruiting	113,372		113,372
7119	1.00	Transportation engineer III	09/10	4	02/11	Recruiting	201,457		201,457
7821	00	Admin transportation engineer I	10/10	3	02	Recruiting	158,059		158,059
6887	0	Driver's license examiner I	12/10	1	1	Recruiting	85,477		85,477

11.9055.01

011

690	00	Driver's license examiner supervisor	12/10	1		Recruiting	133,100	133,100
711	.00	Transportation technician II (Selfridge)	12/10	1		Recruiting and interviewing	105,683	105,683
7387	1.00	Transportation technician I (Williston)	12/10	1	02/11	Recruiting and interviewing	115,916	115,916
7390	1.00	Transportation technician I (Williston)	04/10	9	03/11	Recruiting and interviewing	89,759	89,759
7547	1.00	Storekeeper II	12/10	1	02/11	Recruiting and interviewing	94,459	94,459
7522	1.00	Fleet & equipment tech III (Minot)	10/10	3	03/11	Recruiting open until filled	120,310	120,310
7543	1.00	Fleet & equipment tech I (Williston)	01/10	12	03/11	Recruiting open until filled	109,542	109,542
6973	1.00	Research analyst IV	04/10	9	03/11	Recruiting and reclassified	181,134	181,134
7842	1.00	Administrative staff officer II	06/10	7	02/11	Recruiting and reclassified	140,851	140,851
7322	1.00	Transportation technician III (Dickinson)	12/10	1	02/11	Recruiting open until filled	119,363	119,363
7738	1.00	Engineering technician IV (Dickinson)	06/10	7	02/11	Offer pending	135,191	135,191
7765	1.00	Engineering technician II	04/10	9	02/11	Offer pending	181,134	181,134
7714	1.00	Transportation engineer II	11/10	2	03/11	Position moved to different division; will post soon	159,429	159,429
6989	1.00	Transportation engineer II	10/10	3	05/11	Reclassifying	156,708	156,708
6971	1.00	Planner II	10/10	3	03/11	Reclassifying	141,886	141,886
24733	1.00	Transportation engineer III	12/10	1	02/11	Reorganization	193,046	193,046
	<u>29.00</u>						<u>\$4,027,355</u>	<u>\$4,027,355</u>
	<u>284.35</u>	Total all agencies					<u>\$14,547,623</u>	<u>\$23,818,392</u>
								<u>\$38,366,015</u>

NOTE: This report does not include North Dakota University System campuses since the University System receives a "block grant" general fund appropriation.



HUMAN RESOURCES COMMITTEE HEARING
WEDNESDAY, JANUARY 26, 2011
HOUSE BILL 1007

- Kristin
Lunneborg
* Attachment TWO

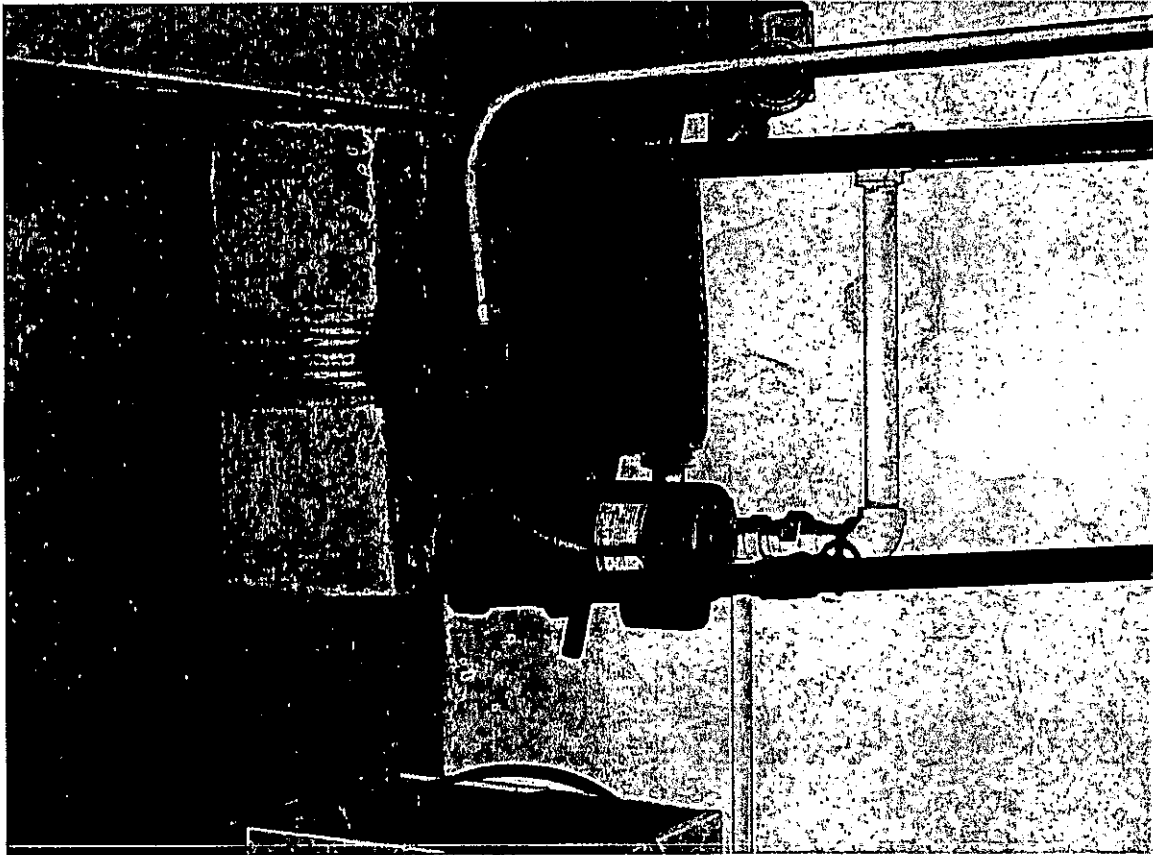
Chairman Pollert and members of the Human Resources Committee, my name is Russell Handegard, Owners Representative of the North Dakota Veterans Home.

BACKGROUND



The existing home is one of the older structures on the campus of the NDVH and is approximately 100 years old. The overall condition of the building is poor. There is evidence of structural deterioration and many building elements are in need of repair or replacement. The home is heated from a central boiler facility which also serves the existing Veterans Home. This will no longer be practical after the existing structure is abandoned. Cooling is provided by a number of room air conditioning devices. The home is two and one half stories and has deficiencies related to accessibility, mechanical and electrical systems, floor planning, the kitchen, and the bath facilities.

HUMAN RESOURCES COMMITTEE HEARING
WEDNESDAY, JANUARY 26, 2011
HOUSE BILL 1007



RECOMMENDATION

The minimum work required to allow continued habitation would be a new heating system at an estimated cost of \$35,000 or more. The additional repairs and upgrades could easily reach a total cost of over \$100,000 and many of the deficiencies cannot practically be overcome. The Board consensus is that the home has lived its useful life and that it would be inadvisable to make large investments in the existing home.

HUMAN RESOURCES COMMITTEE HEARING
WEDNESDAY, JANUARY 26, 2011
HOUSE BILL 1007



COST PROJECTION

A design of a new home has not been developed but it is assumed the approximate size required would be 3000 square feet. A discussion with a Lisbon home builder suggests the estimated cost of a home of that size would be \$450,000, plus architectural fees. Additional costs may include site utilities and landscaping.

We have been made aware of a FEMA house in Lisbon in the flood plain and have made initial inquiries regarding availability and if the home could be moved. At this time it appears the house may be available in 60 to 90 days and a house mover has been contacted to determine if the structure could be moved. This could be considered as an alternative to new construction and may lead to savings of money and time.

HUMAN RESOURCES COMMITTEE HEARING
WEDNESDAY, JANUARY 26, 2011
HOUSE BILL 1007



OTHER CONSIDERATION

Due to the volatility of the local real estate market, it is opinion of the Governing Board that providing housing is a valuable tool for recruiting attractive candidates for the position of administrator. An on campus site is considered desirable, but other locations may be an option.

SOURCES OF FUNDS

The NDVH was the recipient of a gift of partial mineral rights in land near Williston, ND. To date they have received \$258,700 in lease income. This along with anticipated royalty income may be a source of fund for the project with appropriate reviews and approvals.

Thank you for allowing me to speak and I will now take questions.

Respectfully submitted
Russell Handegard, Owners Representative
North Dakota Veterans Home

* Attachment THREE HB 1007
Kristin Lunneborg
January 26, 2011

Testimony for 8:30 a.m. and 2:00 p.m. January 26, 2011 budget hearing for North Dakota Veterans Home Budget and Vet Home Detailing. My name is Norris Braaten and I am the Chairman of the North Dakota Governing Board.

One element of the NDVH Budget is a request for a dwelling for the Commandant/Administrator of the home. Previous testimony has stated the present dwelling has serious structural deficiencies making it difficult and impractical to renovate or repair for an adequate dwelling for our administrator.

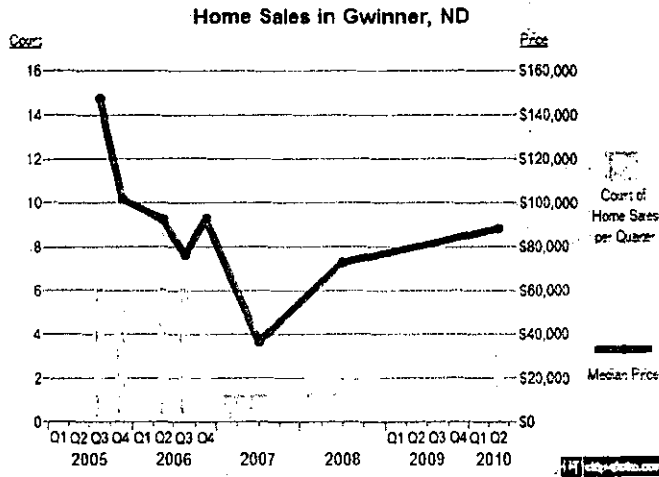
Our 150 bed quality home for veterans is nearing completion to serve our resident veterans needs for the long term and it is the view of the North Dakota Governing Board a dwelling for the Administrator/Commandant will best assure continuity of management by providing a quality dwelling on our site.

The City of Lisbon population in 2009 was 2121 representing a decrease of 7.5% since 2000. The dwelling market of the cities in ND with the exception of the largest do not have a satisfactory supply of dwellings and at the time of a change in leadership an adequate dwelling on our campus will assist in the selection process. The city is located under 20 miles Gwinner, ND and the home of the Bobcat Co. manufacturing plant. This plant is owned by the Doosan family enterprise, a foreign firm paying the employees a good wage; however has been inconsistent at times. An attachment on home sales in Gwinner, Hankinson and Lisbon, from 2005 to 2010 indicates the volatility of dwelling values in small cities in ND. For general consideration, I have attached the listing of North Dakota Smaller Cities, Towns and Villages (1000-6000 residents)

My business career has been 44 years in banking and I have held a real estate broker license for 50 years. All have been in Lidgerwood and Hankinson and these have been similar to the real estate market conditions which exist in Lisbon. These communities have a limited supply and demand of dwellings and have not been a part of the past 50 years of our nation when investing in a dwelling was a general recommendation of financial advisors. Unfortunately in this last crisis in our nation our market collapsed with the stock market and the labor market. My experience has been a dwelling in the small communities in North Dakota is a long term investment and is to be viewed as providing the stability of a home rather

than the uncertainty of renting and recognition of the fact that the future can be a gain or loss depending on the market at the time of disposal. Personally, I made moves to three rental dwellings in the first 5 years in my career before making the decision to own my residence for my family.

An investment in a dwelling will complement the investment in the facility provided for our veteran residents and assure continuity of leadership. The board has considered the future to the extent we are aware that providing a handicap accessible home would be recommended. We request a favorable consideration by this committee to provide a dwelling for continued use by our present Administrator and a benefit for the future Administrator/Commandants who come to serve our resident veterans.



Ads by Google

ATCO Lodge Williston - Full service camp accommodations for workers in Williston, ND - www.atcosl.com/ATCO-Lodge

Apt W/ All Utilities Paid - Search 6M Listings W/ Photos Filter by Amenities & More! - www.MyNewPlace.com

Real Estate Fargo ND - Save Your Favorites Search Fargo Moorhead Area Homes - www.ParkCompany.com

Home Value Estimate

Address: _____ Unit (optional): _____

City: Gwinner State: ND Zip: _____

Recent Home Sales

Address: _____

City: Gwinner State: ND Zip: _____

Min Price (optional): _____ Max Price (optional): _____

Prioritization: Sale Date Distance

For population 25 years and over in Gwinner:

- High school or higher: 84.7%
- Bachelor's degree or higher: 12.7%
- Graduate or professional degree: 3.4%
- Unemployed: 0.5%
- Mean travel time to work: 8.1 minutes

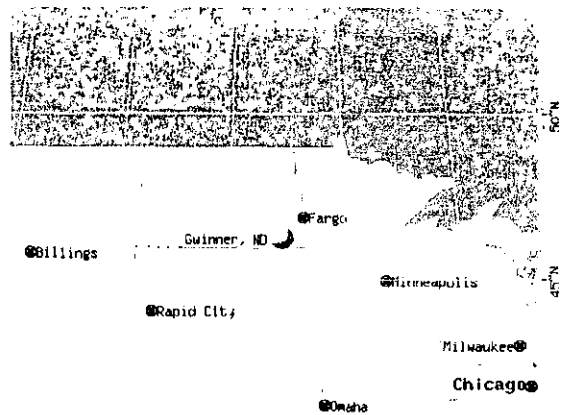
For population 15 years and over in Gwinner city:

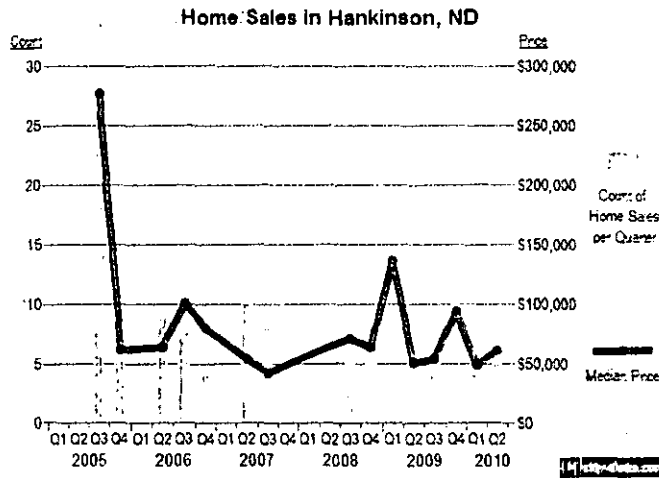
- Never married: 20.9%
- Now married: 64.8%
- Separated: 0.4%
- Widowed: 4.7%
- Divorced: 9.3%

2 residents are foreign born

This city: 0.3%

North Dakota: 1.9%





Ads by Google

Low Income Apartments - Cheap Apartments for Rent! View Photos, Floor Plans & Discounts. - www.eCheapApartments.com

Great Plains Chiropractic - Is your back or neck in pain? Safe and effective care for you! - www.greatplainschiro.com

Employment Job Posting - Find The Right Job Today. 1000s Of Job Postings in Your Area -Free! - www.Job.com

Home Value Estimate

Address: _____ Unit (optional): _____

City: Hankinson State: ND Zip: _____

Recent Home Sales

Address: _____

City: Hankinson State: ND Zip: _____

Min Price (optional): _____ Max Price (optional): _____

Prioritization: Sale Date Distance

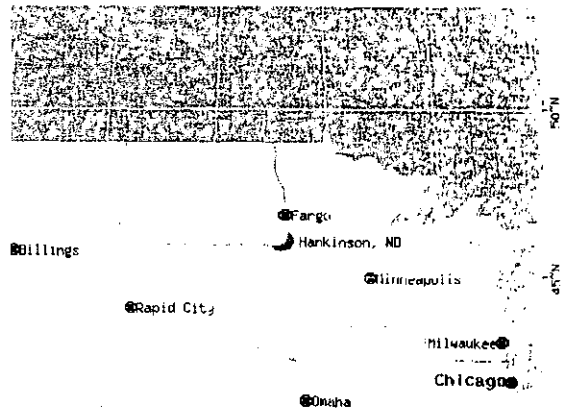
For population 25 years and over in Hankinson:

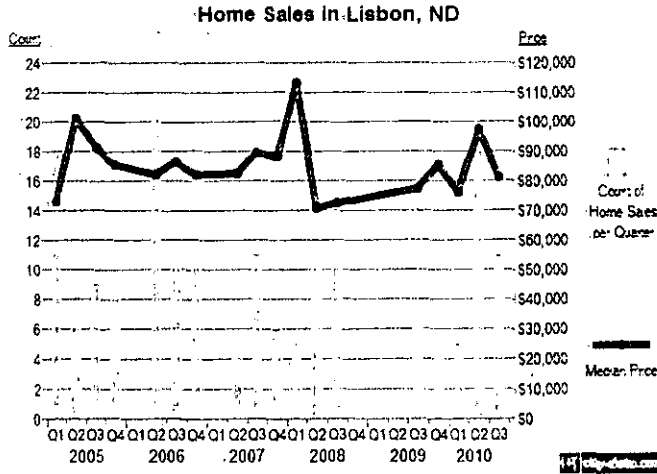
- High school or higher: 68.7%
- Bachelor's degree or higher: 9.8%
- Graduate or professional degree: 2.5%
- Unemployed: 10.0%
- Mean travel time to work: 20.5 minutes

For population 15 years and over in Hankinson city:

- Never married: 20.3%
- Now married: 59.1%
- Separated: 1.0%
- Widowed: 13.8%
- Divorced: 5.8%

14 residents are foreign born
 This city: 1.3%
 North Dakota: 1.9%





Ads by Google

Fairfield Inn & Suites - Affordable Rates w/ Spacious Rooms & Free Breakfast Daily. Book Now. - Marriott.com/FairfieldInn

Map of North Dakota - Find Detailed Maps of North Dakota Road Maps, Traffic Reports, & More - mytrafficmaps.net

Looking For An Apartment? - Search Available Apartments To Rent With Photos, Reviews, Info, & More! - RentSavers.com

Home Value Estimate

Address: _____ Unit (optional): _____

City: Lisbon State: ND Zip: _____

Recent Home Sales

Address: _____

City: Lisbon State: ND Zip: _____

Min Price (optional): _____ Max Price (optional): _____

Prioritization: Sale Date Distance

For population 25 years and over in Lisbon:

- High school or higher: 81.3%
- Bachelor's degree or higher: 17.7%
- Graduate or professional degree: 3.7%
- Unemployed: 2.4%
- Mean travel time to work: 11.4 minutes

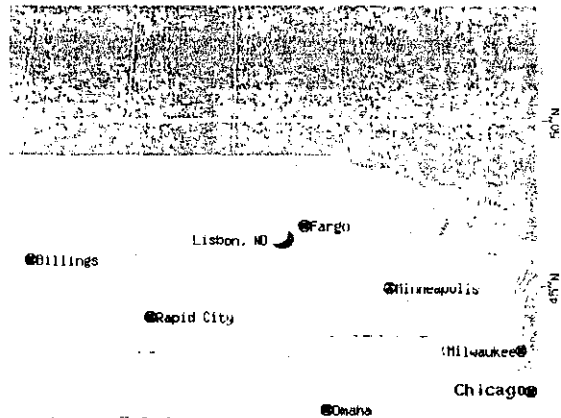
For population 15 years and over in Lisbon city:

- Never married: 22.3%
- Now married: 54.8%
- Separated: 2.0%
- Widowed: 11.3%
- Divorced: 9.5%

8 residents are foreign born

This city: 0.3%

North Dakota: 1.9%

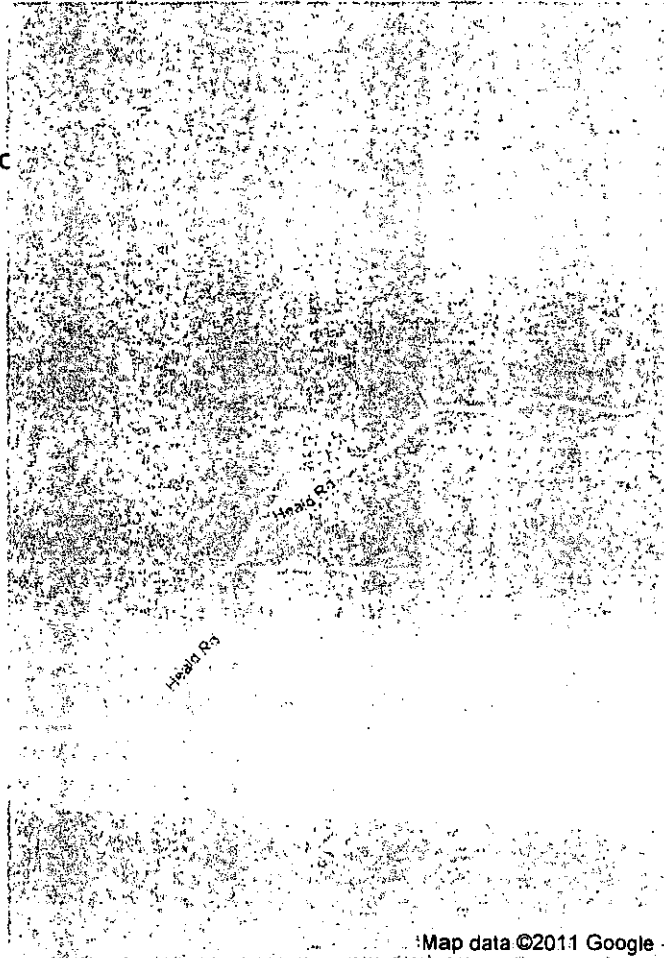




North-Dakota Smaller Cities, Towns, and Villages (1000-6000 residents)

Smaller Cities, Towns, and Villages
Name:

Map	Name	Populatio
	Beach	1,116
	Belcourt	2,440
	Beulah, ND	3,152
	Bottineau	2,336
	Bowman, ND	1,600
	Burlington, ND	1,096
	Cando	1,342
	Carrington	2,268
	Casselton	1,855
	Cavalier	1,537
	Cooperstown, ND	1,053
	Crosby, ND	1,089
	Ellendale, ND	1,559
	Garrison, ND	1,318
	Grafton, ND	4,516
	Grand Forks AFB	4,832
	Hankinson	1,058
	Harvey, ND	1,989
	Hazen, ND	2,457
	Hettinger	1,307
	Hillsboro, ND	1,563
	Kenmare	1,081
	Langdon, ND	2,101

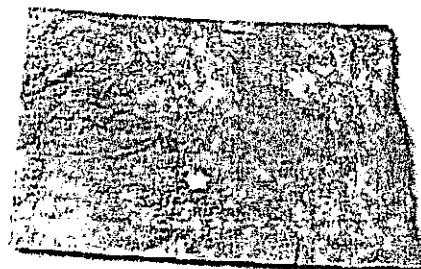


Jump to a detailed profile or search

site with [Google™](#)
City, County or Zip Code

Business Search -

Search for:



Larimore	1,433
Lincoln, ND	1,730
Linton, ND	1,321
Lisbon, ND	2,292
Mayville, ND	1,953
New Rockford	1,463
New Town	1,367
Oakes	1,979
Park River	1,535
Rolla, ND	1,417
Rugby	2,939
Stanley, ND	1,279
Thompson, ND	1,006
Tioga, ND	1,125
Velva	1,049
Walhalla, ND	1,057
Washburn, ND	1,389
Watford City	1,435
Wishek	1,122

**NORTH DAKOTA VETERANS HOME
2011-2013 BUDGET DETAIL**

**ADMINISTRATION DEPARTMENT
Reporting level 00-313-100-00**

EXPLANATION OF PROGRAM COSTS

Program costs for the administration department include salaries and benefits for administrative staff and facility expenses for insurance, legal fees, postage, office supplies, information technology services, telephone, governing board fees, auditing fees, employee background checks and employee drug testing.

BUDGET BY TRADITIONAL LINE

<u>Description</u>	2009-2011	2011-2013	% of	<u>Change From 09-11</u>
	<u>Budget</u>	<u>Executive Recommendation</u>	<u>Executive Recommendation</u>	
Salaries	839,073	902,617	46%	63,544
Operating	611,108	638,250	33%	27,142
Capital	227,684	416,600	21%	188,916
Total	1,677,865	1,957,467	100%	279,602
General	658,738	470,406		-188,332
Special	1,019,127	1,487,061		467,934
Total	1,677,865	1,957,467		279,602
FTE	6	6		0

LINE ITEM DETAIL

Salaries and Benefits - \$902,617 46% of budget

- Administrator 1.0 FTE
- Executive Secretary - 1.0 FTE
- CFO - 1.0 FTE
- Account Technician - 1.0 FTE
- Account Technician - 1.0 FTE
- Human Resource Technician - 1.0 FTE

Travel - \$40,000 2% of budget

Expenses include employee reimbursed travel and governing board travel

IT Supplies - \$6,500 .3% of budget

Software licenses and IT equipment under \$750

Supplies and materials/professional - \$2,500 .1% of budget
Resource materials, educational supplies and testing supplies

Building, ground and maintenance - \$1,500 .07% of budget
Other building and equipment supplies

Miscellaneous supplies - \$5,500 .3% of budget
Marketing supplies, miscellaneous items

Office supplies - \$56,000 3% of budget
Office supplies for entire facility, including ink jet cartridges and toner

Postage - \$9,000 .5% of budget
Stamps and mailing of packages

Printing – \$6,500 .3% of budget
Printing of letterhead, envelopes and business cards

IT equipment under \$5,000 - \$35,500 2% of budget
This funding will replace ½ of the computer work stations in the facility, keeping us up to date with ITD's recommendations of replacing computers every 4 years

Rentals/leases of equipment - \$7,000 .4% of budget
Lease payments for copy machine

Data Processing - \$120,800 6% of budget
ITD charges for computer workstations

IT - Communications - \$58,000 3% of budget
Telephone charges

IT- Contractual services - \$93,000 5% of budget
Maintenance and support agreements for our computer software programs

Professional development - \$21,000 1% of budget
Workshop and convention registrations, dues and memberships fees

Operating fees and services - \$10,000 .5% of budget
Help wanted ads, advertising and background checks

Professional services - \$125,000 6% of budget
Legal fees, auditing fees, drug testing fees, and IT consultant fees

IT equipment over \$5,000 - \$13,600 .7% of budget
Purchase of new computer server to replace existing server that is over 7 years old

SIGNIFICANT CHANGES

Salaries and benefits - \$63,544 increase

Governor's recommended 3% and 3% compensation adjustment
Health insurance increase

Not in our budget request but included in the executive recommendation for salaries and benefits:

\$20,000 stipend for the Administrator to live off campus

Travel - \$10,000 increase

Increased travel and lodging costs including board member travel reimbursements. Actual travel costs for the 07-09 biennium were \$47,655 and anticipated costs for the 09-11 biennium are \$40,000.

Printing - \$1,050 increase

Printing increase due to increased demand for Veterans Home brochures

IT equipment under \$5,000 - \$8,000 decrease

There is extra money in 09-11 biennium budget to purchase equipment for the electronic health records system, fewer needs for 11-13 budget

Insurance - \$8,000 increase

Increase in State Fire & Tornado insurance fees for new building

IT communications - \$31,208 decrease

Decrease due to purchase of an independent third party telephone system

IT contractual services - \$31,900 increase

Increase is for monthly maintenance and support fees for the electronic health records system

IT data processing - \$4,100 decrease

Based on ITD's fees for our computer workstations

Professional service fees - \$20,000 increase

Increase in professional service fees for attorneys, auditing fees and IT consultant fees

2009-2011 BUDGET

As of December 2010, 70% of this cost center's budget has been expended. Anticipate expending 100% by the end of the biennium.

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home						
Program: 100 Administration						
Reporting Level: 00-313-100-00-00-00-00000000						
1 Object/Revenue	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
Description	Code					

EXPENDITURES

Salaries - Permanent	511000	506,820	276,673	309,214	585,887	586,876	989
Salary Budget Adjustment	511900	0	0	0	0	20,000	20,000
Salaries - Other	512000	2,572	277	23	300	500	200
Temporary Salaries	513000	7,828	0	0	0	0	0
Overtime	514000	28,175	11,948	18,052	30,000	20,000	(10,000)
Fringe Benefits	516000	196,336	154,170	68,716	222,886	229,200	6,314
Salary Increase	599110	0	0	0	0	26,673	26,673
Benefit Increase	599160	0	0	0	0	4,510	4,510
Health Increase	599161	0	0	0	0	8,733	8,733
Retirement Increase	599162	0	0	0	0	6,103	6,103
EAP Increase	599163	0	0	0	0	22	22
Salaries and Wages	10	741,731	443,068	396,005	839,073	902,617	63,544
Travel	521000	47,655	17,854	12,146	30,000	40,000	10,000
Supplies - IT Software	531000	4,861	2,542	3,958	6,500	6,500	0
Supply/Material-Professional	532000	2,686	2,156	344	2,500	2,500	0
Food and Clothing	533000	82	0	0	0	0	0
Bldg, Ground, Maintenance	534000	654	491	1,009	1,500	1,500	0
Miscellaneous Supplies	535000	1,007	472	5,028	5,500	5,500	0
Office Supplies	536000	44,698	21,144	34,856	56,000	56,000	0
Postage	541000	8,876	2,254	6,746	9,000	9,000	0
Printing	542000	1,106	2,688	2,762	5,450	6,500	1,050
IT Equip Under \$5,000	551000	35,146	16,231	27,269	43,500	35,500	(8,000)
Other Equip Under \$5,000	552000	2,923	337	163	500	0	(500)
Office Equip & Furn Supplies	553000	2,370	1,025	1,475	2,500	2,500	0
Insurance	571000	18,210	16,319	9,581	25,900	33,900	8,000
Rentals/Leases-Equip & Other	581000	5,208	3,525	3,475	7,000	7,000	0
Rentals/Leases - Bldg/Land	582000	75	0	0	0	0	0
Repairs	591000	5,704	2,046	1,954	4,000	4,000	0
IT - Data Processing	601000	70,725	27,739	97,161	124,900	120,800	(4,100)
IT - Communications	602000	107,645	59,066	30,142	89,208	58,000	(31,208)
IT Contractual Svcs and Rprs	603000	29,777	14,189	46,911	61,100	93,000	31,900
Professional Development	611000	19,276	10,409	10,591	21,000	21,000	0

North Dakota

Budget Request Summary - Reporting Level

klunneborg / 2011R0300313

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home							
Program: 100 Administration							
Reporting Level: 00-313-100-00-00-00-00000000							
1 Object/Revenue		2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
Description	Code						
Operating Fees and Services	621000	9,627	2,783	7,217	10,000	10,000	0
Fees - Professional Services	623000	130,362	52,803	52,197	105,000	125,000	20,000
Medical, Dental and Optical	625000	0	36	14	50	50	0
Operating Expenses	30	548,673	256,109	354,999	611,108	638,250	27,142
Other Capital Payments	683000	247,851	0	0	0	403,000	403,000
Equipment Over \$5000	691000	0	0	129,284	129,284	0	(129,284)
IT Equip/Sftware Over \$5000	693000	0	0	98,400	98,400	13,600	(84,800)
Capital Assets	50	247,851	0	227,684	227,684	416,600	188,916
Salaries - Permanent	511000	4,330	0	0	0	0	0
Fringe Benefits	516000	1,080	0	0	0	0	0
2009 Flood Expenses	70	5,410	0	0	0	0	0
IT Equip/Sftware Over \$5000	693000	0	0	98,400	98,400	0	(98,400)
Federal Stimulus Funds	75	0	0	98,400	98,400	0	(98,400)
EXPENDITURE TOTALS		1,543,665	699,177	1,077,088	1,776,265	1,957,467	181,202
MEANS OF FUNDING							
Federal Grant Funds	H128	0	0	98,400	98,400	0	(98,400)
Federal Funds	FED	0	0	98,400	98,400	0	(98,400)
State General Fund	001	457,521	387,698	271,040	658,738	470,406	(188,332)
General Fund	GEN	457,521	387,698	271,040	658,738	470,406	(188,332)
Soldiers Home Fund 380	380	1,086,144	311,479	707,648	1,019,127	1,487,061	467,934
Special Funds	SPEC	1,086,144	311,479	707,648	1,019,127	1,487,061	467,934
TOTAL FUNDING		1,543,665	699,177	1,077,088	1,776,265	1,957,467	181,202
AUTHORIZED EMPLOYEES							
FTE		5.65	0.00	6.00	6.00	6.00	0.00

North Dakota

Budget Request Summary - Reporting Level

klunneborg / 2011R0300313

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home Program: 100 Administration Reporting Level: 00-313-100-00-00-00-00000000						
1 Object/Revenue	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
Description	Code					
TOTAL AUTHORIZED EMPLOYEES		5.65	0.00	6.00	6.00	6.00
				6.00		0.00

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

**NORTH DAKOTA VETERANS HOME
2011-2013 BUDGET DETAIL**

**MAINTENANCE DEPARTMENT
Reporting level 00-313-200-00**

EXPLANATION OF PROGRAM COSTS

Expenses for the maintenance department include upkeep of the grounds and buildings, motor pool vehicles, utilities, equipment and repairs.

BUDGET BY TRADITIONAL LINE

<u>Description</u>	2009-2011	2011-2013	% of	<u>Change From 09-11</u>
	<u>Budget</u>	<u>Executive Recommendation</u>	<u>Executive Recommendation</u>	
Salaries	669,744	707,129	33%	37,385
Operating	1,012,300	1,279,860	59%	267,560
Capital	23,297	182,500	8%	159,203
Total	1,705,341	2,169,489	100%	464,148
General	460,445	808,629		348,184
Special	1,244,896	1,360,860		115,964
Total	1,705,341	2,169,489		464,148
FTE	5	5		0

LINE ITEM DETAIL

Salaries and Benefits - \$707,129 33% of budget

Maintenance Supervisor – 1.0 FTE

Maintenance Workers – 3.0 FTE

Night watchman – 1.0 FTE

Travel - \$115,000 5% of budget

Expenses include motor pool charges and employee reimbursed travel

Food and Clothing - \$500 .02% of budget

Safety clothing

Building, ground and maintenance - \$120,000 6% of budget

Equipment and building supplies, electrical supplies, boiler supplies, repair parts,
plumbing and painting supplies

Miscellaneous supplies - \$5,000 .2% of budget
Tools and miscellaneous equipment under \$750

Other equipment under \$5,000 - \$7,200 .3% of budget
Snow blower, ladder and maintenance carts

Utilities - \$954,310 44% of budget
Electricity, fuel oil, garbage, sewer and water service

Insurance - \$3,500 .2% of budget
Insurance for boilers

Rentals/leases – equipment \$2,500 .1% of budget
Equipment rental fees

Rentals/leases – building/land - \$6,000 .3% of budget
Water softener leases

Repairs - \$55,000 3% of budget
Service contracts and repair services

IT contractual services - \$2,000 .1% of budget
Fees for e-maintenance software

Professional development - \$1,000 .04% of budget
Training and workshops

Operating fees and services - \$2,500 .1% of budget
Licenses, electrical certificates

Professional services - \$5,000 .3% of budget
Professional service fees

Medical, dental and optical - \$100
Flu shots for staff

Equipment over \$5,000 - \$38,000 2% of budget
Used manlift and two Toro lawnmowers

Land and buildings - \$6,000 .3% of budget
Materials to build a heated storage area in the new maintenance building

Extraordinary repairs - \$138,500 6% of budget
Siding and shingles for garage; State match to FEMA money to fix existing irrigation system; reshape and grade oxbow

Included in our budget request but not in the executive recommendation –

- Heating system for the Administrator's residence - \$21,000
- New Administrator's residence - \$450,000 (Optional package)
- Asbestos removal and demolition of current Administrator's residence - \$20,000 (Optional package)

The Administrator's residence loses its heating source once we move out of the existing veterans home and we are no longer heating the existing veterans home with the big boilers. The legislature has four options to consider:

1. Build a new house for \$450,000
2. Put a heating system in the existing house for \$21,000 (but house still needs other major repairs)
3. Pass emergency funding to try and purchase a flood buyout house and move it to the veterans home grounds.
4. Pay the Administrator a stipend to live off campus - \$20,000 (Governor's executive recommendation added the \$20,000 to the Administrative budget)

SIGNIFICANT CHANGES

Salaries and benefits - \$37,385 increase

Governor's recommended 3% and 3% compensation adjustment

Health insurance increase

Wage adjustments due to updating of PIQs

Utilities- \$279,310 increase

Increase in fees for new building including electrical fees to operate a new facility that is 71,000 sq. ft. larger than our existing facility and increase in garbage, sewer and water fees as we will see a 30% increase in residents

Repairs - \$10,000 decrease

Expecting less repair costs due to new building

Rentals/lease of equipment - \$2,500 decrease

Fewer rental needs anticipated

IT contractual services - \$2,000 increase

Addition of e-maintenance software that will help with safety, preventative maintenance and inventory control

Extraordinary repairs - \$138,500 increase

- **Siding and shingles** for 3 stall garage that was relocated during construction; money requested is for materials only as maintenance employees will provide the labor; garage was built in 1995.

- **Repairs to existing irrigation system** – this would be the State match to the \$29,475 we received from FEMA to repair the damages made to the irrigation system during the 2009 flood. Due to the unavailability of replacement parts we have to replace most of the existing system.
- **Reshape and grade oxbow** – improvements are needed to the oxbow as the drainage from the new veterans home enters the oxbow area and is unable to drain properly causing the water to stagnate.

Equipment over \$5,000 - \$14,703 increase

- **Manlift** – funding will purchase a used 35' self-propelled, articulating boom to be used for maintenance of street lighting and trimming of hazardous tree limbs
- **Two 29 hp zero turn lawnmowers** – funding would allow us to purchase two Toro lawnmowers to replace our existing 2003 and 2004 mowers. Our existing 2003 and 2004 mowers will have over 2,000 hours on them by July 2011. The maintenance department will upkeep approximately 15 more acres of land with the new veterans home. Prior to construction of the new home, this area of the campus was leased out and farmed.

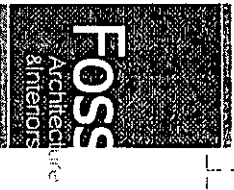
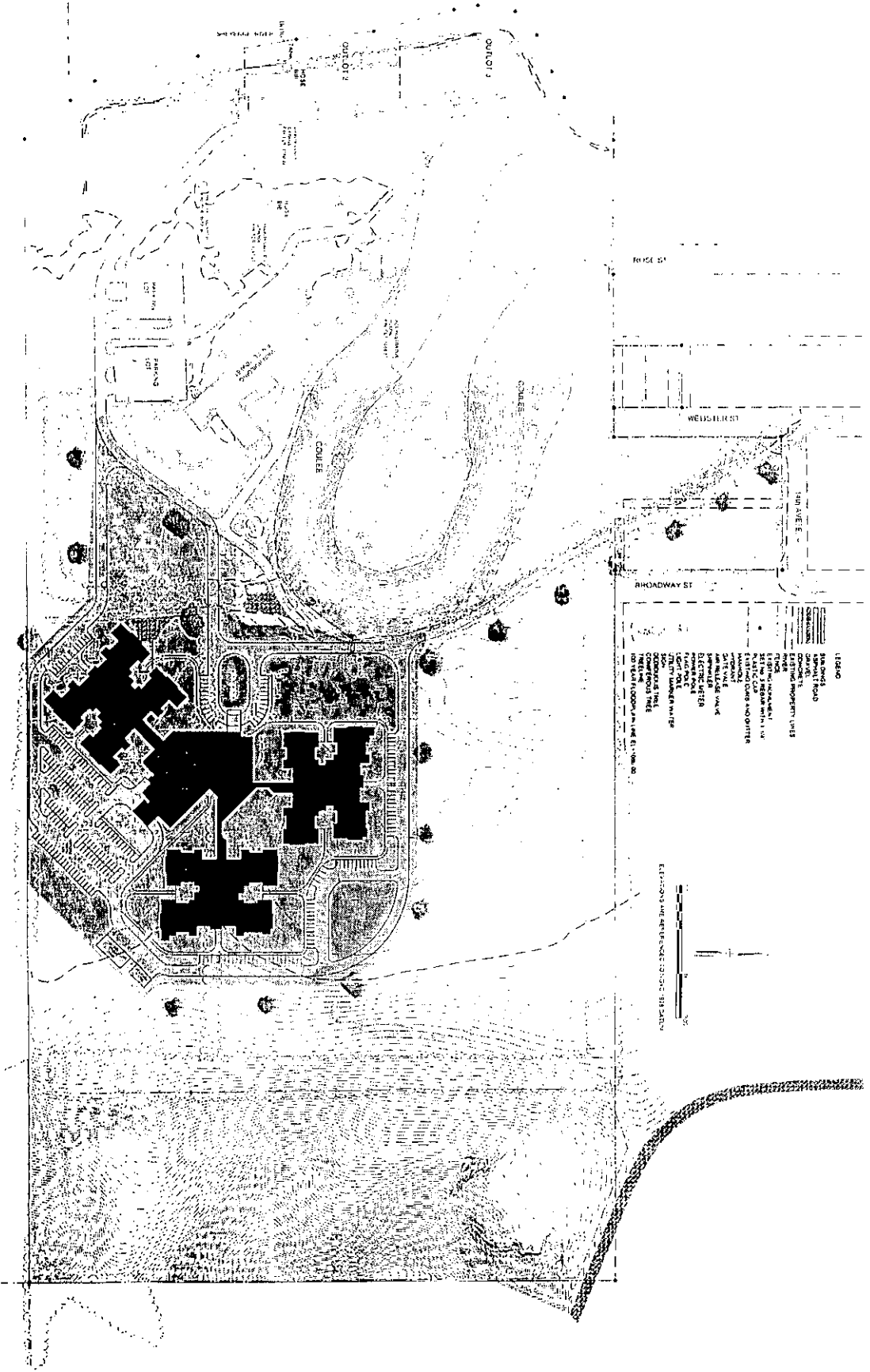
2009-2011 BUDGET

As of December 2010, 70% of this cost center's budget has been expended. Anticipate expending all of the appropriation authority for salaries but anticipate having unspent operating authority of approximately \$80,000.

NORTH DAKOTA VETERANS HOME

LISBON, ND

*17-11 rows
m, 11 overlay
Furnish from*



SITE PLAN
 APRIL 16, 2008

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home
 Program: 200 Plant Operations
 Reporting Level: 00-313-200-00-00-00-00000000

1 Object/Revenue Description Code		2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
EXPENDITURES							
Salaries - Permanent	511000	300,113	183,593	179,895	363,488	388,748	25,260
Salaries - Other	512000	6,607	3,254	8,746	12,000	8,000	(4,000)
Temporary Salaries	513000	71,516	21,505	70,495	92,000	75,000	(17,000)
Overtime	514000	20,897	8,775	13,225	22,000	22,000	0
Fringe Benefits	516000	137,942	84,854	95,402	180,256	181,386	1,130
Salary Increase	599110	0	0	0	0	17,668	17,668
Benefit Increase	599160	0	0	0	0	2,987	2,987
Health Increase	599161	0	0	0	0	7,278	7,278
Retirement Increase	599162	0	0	0	0	4,043	4,043
EAP Increase	599163	0	0	0	0	19	19
Salaries and Wages	10	537,075	301,981	367,763	669,744	707,129	37,385
Travel	521000	117,750	40,578	74,422	115,000	115,000	0
Supply/Material- Professional	532000	139	776	224	1,000	250	(750)
Food and Clothing	533000	249	20	480	500	500	0
Bldg. Ground, Maintenance	534000	98,167	45,648	74,352	120,000	120,000	0
Miscellaneous Supplies	535000	2,662	1,521	3,479	5,000	5,000	0
Office Supplies	536000	110	0	0	0	0	0
Other Equip Under \$5,000	552000	13,611	2,740	4,960	7,700	7,200	(500)
Utilities	561000	562,575	265,683	409,317	675,000	954,310	279,310
Insurance	571000	2,303	1,323	2,177	3,500	3,500	0
Rentals/Leases-Equip & Other	581000	195	69	4,931	5,000	2,500	(2,500)
Rentals/Leases - Bldg/Land	582000	4,430	2,101	3,899	6,000	6,000	0
Repairs	591000	44,446	22,546	42,454	65,000	55,000	(10,000)
IT Contractual Srvc and Rprs	603000	0	0	0	0	2,000	2,000
Professional Development	611000	453	800	200	1,000	1,000	0
Operating Fees and Services	621000	1,397	899	1,601	2,500	2,500	0
Fees - Professional Services	623000	802	1,055	3,945	5,000	5,000	0
Medical, Dental and Optical	625000	149	53	47	100	100	0
Operating Expenses	30	849,438	385,812	626,488	1,012,300	1,279,860	267,560
Land and Buildings	682000	0	0	0	0	6,000	6,000

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

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SR05 - Summary Request - 5150

Agency: Veterans Home								
Program: 200 Plant Operations								
Reporting Level: 00-313-200-00-00-00-00000000								
1 Object/Revenue		2	3	4	5	6	7	
Description		Code	2007-09 Biennium Expenditures	2009-11 First Year Expenditures	2009-11 Biennium Balance	2009-11 Biennium Appropriation	2011-13 Recommendation	2011-13 Total Changes
Extraordinary Repairs	684000		3,245	0	0	0	138,500	138,500
Equipment Over \$5000	691000		41,288	5,476	24	5,500	38,000	32,500
Motor Vehicles	692000		0	14,224	3,573	17,797	0	(17,797)
Capital Assets	50		44,533	19,700	3,597	23,297	182,500	159,203
Bldg, Ground, Maintenance	534000		3,862	0	0	0	0	0
Rentals/Leases-Equip & Other	581000		415	0	0	0	0	0
Repairs	591000		59,627	0	0	0	0	0
Fees - Professional Services	623000		111,983	0	0	0	0	0
Extraordinary Repairs	684000		26,638	0	0	0	0	0
Life Safety Improvements	52		202,525	0	0	0	0	0
Salaries - Permanent	511000		2,385	0	0	0	0	0
Fringe Benefits	516000		650	0	0	0	0	0
2009 Flood Expenses	70		3,035	0	0	0	0	0
Equipment Over \$5000	691000		0	0	20,191	20,191	0	(20,191)
Federal Stimulus Funds	75		0	0	20,191	20,191	0	(20,191)
EXPENDITURE TOTALS			1,636,606	707,493	1,018,039	1,725,532	2,169,489	443,957
MEANS OF FUNDING								
Federal Grant Funds	H128		0	0	20,191	20,191	0	(20,191)
Federal Funds	FED		0	0	20,191	20,191	0	(20,191)
State General Fund	001		583,635	373,021	87,424	460,445	808,629	348,184
General Fund	GEN		583,635	373,021	87,424	460,445	808,629	348,184
Soldiers Home Fund 380	380		1,052,971	334,472	910,424	1,244,896	1,360,860	115,964
Special Funds	SPEC		1,052,971	334,472	910,424	1,244,896	1,360,860	115,964
TOTAL FUNDING			1,636,606	707,493	1,018,039	1,725,532	2,169,489	443,957
AUTHORIZED EMPLOYEES								
FTE			5.40	0.00	5.00	5.00	5.00	0.00

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home Program: 200 Plant Operations Reporting Level: 00-313-200-00-00-00-00-00000000						
1 Object/Revenue	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
Description	Code					
TOTAL AUTHORIZED EMPLOYEES		5.40	0.00	5.00	5.00	5.00 0.00

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

**NORTH DAKOTA VETERANS HOME
2011-2013 BUDGET DETAIL**

NEW VETERANS HOME

EXPLANATION OF PROGRAM COSTS

<u>Description</u>	<u>2009-2011 Budget</u>	<u>2011-2013 Executive Recommendation</u>	<u>% of Executive Recommendation</u>	<u>Change From 09-11</u>
Salaries	90,088	0	0%	-90,088
Operating	0	0	0%	0
Capital	27,831,379	332,000	100%	-27,499,379
Total	27,921,467	332,000	100%	-27,589,467
Federal	14,684,182	0		-14,684,182
General	8,385,079	25,000		-8,360,079
Special	4,852,206	307,000		-4,545,206
Total	27,921,467	332,000		-27,589,467

SIGNIFICANT CHANGES

Salaries and benefits - \$90,088 decrease

Deleted expenses for owner's representative for 2011-2013 biennium

Capital - \$27,921,467 decrease

Deleted expenses for construction of new veterans home

2011-2013 Capital requests - \$332,000

- Irrigation system for perimeter of new veterans home - \$187,000
- Street lighting around new veterans home to entrance of grounds - \$55,000
- Mill, overlay and new truck route - \$65,000
- Funding to finish landscaping around new veterans home - \$25,000

2011-2013 BUDGET

As of December 2010, 89% of the appropriation for the new veterans home has been expended. Hope to have project completed by the end of the 2011-2013 biennium.

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home						
Program: 250 New Veterans Home						
Reporting Level: 00-313-250-00-00-00-00000000						
1 Object/Revenue	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
Description	Code					
EXPENDITURES						
Temporary Salaries	513000	0	72,528	9,552	82,080	(82,080)
Fringe Benefits	516000	0	4,474	3,534	8,008	(8,008)
Land and Buildings	682000	4,206,173	13,855,402	13,975,977	27,831,379	(27,831,379)
Extraordinary Repairs	684000	0	0	0	0	332,000
New Veterans Home	55	4,206,173	13,932,404	13,989,063	27,921,467	332,000
Land and Buildings	682000	0	0	3,039,414	3,039,414	(3,039,414)
Federal Stimulus Funds	75	0	0	3,039,414	3,039,414	0
Land and Buildings	682000	0	3,039,414	0	3,039,414	(3,039,414)
Contingent Appropriation - Ln 55	76	0	3,039,414	0	3,039,414	0
EXPENDITURE TOTALS		4,206,173	16,971,818	17,028,477	34,000,295	332,000
MEANS OF FUNDING						
Federal Grant Funds	H128	0	7,534,283	10,189,313	17,723,596	(17,723,596)
Federal Funds	FED	0	7,534,283	10,189,313	17,723,596	0
State General Fund	001	89,358	9,223,492	2,201,001	11,424,493	(11,399,493)
General Fund	GEN	89,358	9,223,492	2,201,001	11,424,493	25,000
Soldiers Home Fund 380	380	4,116,815	214,043	4,638,163	4,852,206	(4,545,206)
Special Funds	SPEC	4,116,815	214,043	4,638,163	4,852,206	307,000
TOTAL FUNDING		4,206,173	16,971,818	17,028,477	34,000,295	332,000

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

**NORTH DAKOTA VETERANS HOME
2011-2013 BUDGET DETAIL**

**DIETARY DEPARTMENT
Reporting level 00-313-300-00**

EXPLANATION OF PROGRAM COSTS

The dietary department is responsible for cooking and serving meals to all residents, staff and guests at the Veterans Home. They serve approximately 8,500 meals per month.

BUDGET BY TRADITIONAL LINE

<u>Description</u>	2009-2011	2011-2013	% of	Change
	<u>Budget</u>	<u>Executive Recommendation</u>	<u>Executive Recommendation</u>	<u>From 09-11</u>
Salaries	1,352,655	573,425	33%	-779,230
Operating	936,974	1,165,750	66%	228,776
Capital	0	0	0%	0
Total	2,289,629	1,739,175	100%	550,454
General	730,126	849,696		119,570
Special	1,559,503	889,479		-670,024
Total	2,289,629	1,739,175		550,454
FTE	18	5		-13

LINE ITEM DETAIL

Salaries and Benefits - \$573,425 33% of budget

- Dietician – 1.0 FTE
- Dietary Manager – 1.0 FTE
- Cook - 1.0 FTE
- Food service worker – 1.0 FTE
- Dietary Assistant – 1.0 FTE

Travel - \$2,500 .1% of budget
Employee reimbursed travel expenses

Professional supplies and materials - \$40,000 2% of budget
Chemicals, resource materials, serve safe training materials

Food - \$1,055,000 61% of budget

Building, ground and maintenance - \$5,000 .3% of budget
Repair parts, janitorial supplies

Miscellaneous supplies - \$50,000 3% of budget
Dishes, silverware, equipment under \$750, paper products

Repairs - \$5,000 .3% of budget
Hired repair work, service contracts such as hood cleaners

Professional development - \$7,000 .4% of budget
Workshops, certifications for staff, serve safe testing

Operating fees and services - \$1,000 .05% of budget
Help wanted ads, years of service awards

Medical, dental and optical - \$250 .01% of budget
Flu shots for dietary employees, first aid kits

SIGNIFICANT CHANGES

Salaries and benefits - \$456,776 decrease
Governor's recommended 3% and 3% compensation adjustment
Health insurance increase
Decrease due to 13 FTE positions being reclassified to the nursing department

Supply/material professional - \$9,500 increase
Increase in amount of chemicals needed for the new facility

Food and Clothing - \$227,726 increase
Increase in food expenses for the 30% increase in the number of residents

Miscellaneous supplies - \$2,500 decrease
Decrease in expenses

Other equipment under \$5,000 - \$7,250 decrease
No equipment needs this biennium

Professional development - \$4,500 increase
Increased need for training and testing as all universal workers will be required to be serve safe certified

2009-2011 BUDGET

As of December 2010, 68% of this cost center's budget has been expended. Dietary still has a number of items to purchase for the new building. Anticipate not using all of the appropriation authority for operating expenses.

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SR05 - Summary Request - 5150

Agency: Veterans Home							
Program: 300 Dietary							
Reporting Level: 00-313-300-00-00-00-00000000							
1 Object/Revenue Description	Code	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
EXPENDITURES							
Salaries - Permanent	511000	598,132	341,193	410,339	751,532	294,756	(456,776)
Salaries - Other	512000	15,743	8,578	8,422	17,000	200	(16,800)
Temporary Salaries	513000	98,871	69,142	18,358	87,500	87,500	0
Overtime	514000	9,578	2,522	11,478	14,000	1,001	(12,999)
Fringe Benefits	516000	368,985	218,313	264,310	482,623	163,846	(318,777)
Salary Increase	599110	0	0	0	0	13,397	13,397
Benefit Increase	599160	0	0	0	0	2,361	2,361
Health Increase	599161	0	0	0	0	7,278	7,278
Retirement Increase	599162	0	0	0	0	3,066	3,066
EAP Increase	599163	0	0	0	0	20	20
Salaries and Wages	10	1,091,309	639,748	712,907	1,352,655	573,425	(779,230)
Travel	521000	1,391	1,459	241	1,700	2,500	800
Supplies - IT Software	531000	700	0	0	0	0	0
Supply/Material- Professional	532000	20,120	13,304	17,196	30,500	40,000	9,500
Food and Clothing	533000	640,677	312,387	514,887	827,274	1,055,000	227,726
Bldg, Ground, Maintenance	534000	6,084	2,188	5,812	8,000	5,000	(3,000)
Miscellaneous Supplies	535000	42,745	15,390	37,110	52,500	50,000	(2,500)
Office Supplies	536000	44	0	500	500	0	(500)
Other Equip Under \$5,000	552000	15,720	5,696	1,554	7,250	0	(7,250)
Office Equip & Furn Supplies	553000	15	0	0	0	0	0
Repairs	591000	3,369	2,381	2,619	5,000	5,000	0
Professional Development	611000	3,055	1,632	868	2,500	7,000	4,500
Operating Fees and Services	621000	635	936	64	1,000	1,000	0
Fees - Professional Services	623000	0	0	500	500	0	(500)
Medical, Dental and Optical	625000	0	125	125	250	250	0
Operating Expenses	30	734,555	355,498	581,476	936,974	1,165,750	228,776
Salaries - Permanent	511000	3,363	0	0	0	0	0
Temporary Salaries	513000	246	0	0	0	0	0
Fringe Benefits	516000	1,851	0	0	0	0	0
2009 Flood Expenses	70	5,460	0	0	0	0	0

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

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SR05 - Summary Request - 5150

Agency: Veterans Home Program: 300 Dietary Reporting Level: 00-313-300-00-00-00-00000000							
1 Object/Revenue Description	Code	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
EXPENDITURE TOTALS		1,831,324	995,246	1,294,383	2,289,629	1,739,175	(550,454)
MEANS OF FUNDING							
State General Fund	001	685,372	546,924	183,202	730,126	849,696	119,570
General Fund	GEN	685,372	546,924	183,202	730,126	849,696	119,570
Soldiers Home Fund 380	380	1,145,952	448,322	1,111,181	1,559,503	889,479	(670,024)
Special Funds	SPEC	1,145,952	448,322	1,111,181	1,559,503	889,479	(670,024)
TOTAL FUNDING		1,831,324	995,246	1,294,383	2,289,629	1,739,175	(550,454)
AUTHORIZED EMPLOYEES							
FTE		14.90	0.00	18.00	18.00	5.00	(13.00)
TOTAL AUTHORIZED EMPLOYEES		14.90	0.00	18.00	18.00	5.00	(13.00)

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

**NORTH DAKOTA VETERANS HOME
2011-2013 BUDGET DETAIL**

**NURSING DEPARTMENT
Reporting level 00-313-300-00**

EXPLANATION OF PROGRAM COSTS

The nursing department is responsible for the medical needs of the skilled and basic residents. Nursing dispenses approximately 47,000 pills per month, provides blood pressure checks, glucose screenings, nebulizer treatments and various other tests and services for the residents.

Expenses cover such things as lab and medical supplies, primary care expenses for medical services, labs, x-rays and various other tests, consulting fees for physical and occupational therapists and psychiatrists, charting supplies and continuing education for employees.

BUDGET BY TRADITIONAL LINE

<u>Description</u>	2009-2011	2011-2013	% of	<u>Change From 09-11</u>
	<u>Budget</u>	<u>Executive Recommendation</u>	<u>Executive Recommendation</u>	
Salaries	6,404,373	9,964,627	90%	3,560,254
Operating	696,255	1,101,825	9.7%	405,570
Capital	0	31,400	.3%	31,400
Total	7,100,628	11,097,852	100%	3,997,224
General	2,265,575	2,629,894		364,319
Special	4,835,053	8,467,958		3,632,905
Total	7,100,628	11,097,852		3,997,224
FTE	67.12	89.72		22.6

LINE ITEM DETAIL

Salaries and Benefits - \$9,964,627 90% of budget

Travel - \$17,500 .15% of budget
Expenses include employee reimbursed travel

Supplies and materials/professional - \$7,500 .06% of budget
Resource materials, educational supplies and subscriptions

Food and Clothing - \$79,500 .7% of budget
Incontinence briefs

Bldg, ground, maintenance supplies - \$4,000 .07% of budget
Repair parts, misc. building supplies

Miscellaneous supplies - \$46,000 .4% of budget
Health and beauty supplies, paper products

Office supplies - \$9,500 .08% of budget
Charts and charting supplies

Other equipment under \$5,000 - \$28,825 .03% of budget
Medical equipment

Professional development - \$34,500 .3% of budget
Workshop and convention registrations, dues and memberships and tuition reimbursements

Operating fees and services - \$16,500 .1% of budget
Hazardous waste removal, help wanted ads, years of service awards and workers comp payments

Professional services - \$600,000 5% of budget
Medical service consultants, PT/OT consultants, Psychiatric consultants and contract nursing services

Medical, dental and optical - \$250,000 2% of budget
Lab and nursing supplies and equipment, stock medications

SIGNIFICANT CHANGES

Salaries and benefits - \$3,560,254 increase
Governor's recommended 3% and 3% compensation adjustment
Health insurance increase
22.6 FTE employees reclassified from other departments into nursing

Travel -- \$8,500 increase
Current and previous budgets were understated. Expenses for 2007-2009 biennium were \$21,380 and expenses for the current biennium are \$11,000 as of December 2010.

Professional Supplies and Materials - \$5,000 decrease
Overestimated budget for 2009-2011 biennium.

Food and clothing - \$39,500 increase
Increased need for incontinence products. We have already overspent our current budget by \$4,000 and needs will increase in the next biennium as we will see a 27% increase in skilled residents.

Miscellaneous supplies - \$8,500 increase

Increase in supplies needed for additional residents in the new facility

Other equipment under \$5,000 - \$31,930 decrease

Fewer equipment needs for the 2011-2013 biennium.

Professional development - \$34,500 increase

Increased need for staff training; over 80% of the staff must be C.N.A. certified

Operating fees and services - \$6,500 increase

Anticipate more help wanted advertising, larger department so there will be more years of service awards, increased number of employee background checks

Professional service fees - \$300,000 increase

Increase for primary care services needed for additional residents in the new facility, increased fees for contract help. Anticipate current budget to be overspent by \$150,000.

Medical, dental and optical - \$60,500 increase

Increase in supplies needed for additional residents in the new facility

Equipment over \$5,000 - \$31,400 increase

- **Resistance weight machine** – for the PT/OT room
- **Precor treadmill** – new treadmill needed for PT/OT room
- **Balance trainer** – new piece of equipment for the PT/OT room. This equipment helps to improve resident's balance, resulting in fewer falls.
- **Recumbent cross trainer** – recumbent elliptical machine for the PT/OT room.

2009-2011 BUDGET

As of December 2010, 70% of this cost center's budget has been expended. Anticipate not using all our appropriation authority for salaries and benefits due to the delay in hiring the additional FTE for the new building. We will overspend our appropriation authority for operating expenses as our professional service fees have increased greatly.

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SR05 - Summary Request - 5150

Agency: Veterans Home						
Program: 400 Nursing Services						
Reporting Level: 00-313-400-00-00-00-00000000						
1 Object/Revenue	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
Description	Code					

EXPENDITURES

Salaries - Permanent	511000	2,828,016	1,675,717	2,082,468	3,758,185	5,604,253	1,846,068
Salaries - Other	512000	105,965	65,429	186,571	252,000	190,000	(62,000)
Temporary Salaries	513000	166,195	67,220	109,280	176,500	170,000	(6,500)
Overtime	514000	124,855	73,180	130,320	203,500	180,000	(23,500)
Fringe Benefits	516000	1,397,848	886,845	1,127,343	2,014,188	3,302,205	1,288,017
Salary Increase	599110	0	0	0	0	254,713	254,713
Benefit Increase	599160	0	0	0	0	46,182	46,182
Health Increase	599161	0	0	0	0	158,660	158,660
Retirement Increase	599162	0	0	0	0	58,283	58,283
EAP Increase	599163	0	0	0	0	331	331
Salaries and Wages	10	4,622,879	2,768,391	3,635,982	6,404,373	9,964,627	3,560,254
Travel	521000	21,380	8,910	90	9,000	17,500	8,500
Supply/Material-Professional	532000	6,353	1,043	11,457	12,500	7,500	(5,000)
Food and Clothing	533000	22,788	30,910	9,090	40,000	79,500	39,500
Bldg, Ground, Maintenance	534000	1,830	368	3,632	4,000	4,000	0
Miscellaneous Supplies	535000	32,461	14,482	23,018	37,500	46,000	8,500
Office Supplies	536000	6,608	2,383	7,117	9,500	9,500	0
Postage	541000	12	0	0	0	0	0
Other Equip Under \$5,000	552000	16,957	4,491	56,264	60,755	28,825	(31,930)
Office Equip & Furn Supplies	553000	329	0	0	0	0	0
Rentals/Leases-Equip & Other	581000	1,451	2,732	268	3,000	5,500	2,500
Repairs	591000	2,932	566	1,934	2,500	2,500	0
Professional Development	611000	12,793	10,944	7,056	18,000	34,500	16,500
Operating Fees and Services	621000	7,672	5,252	4,748	10,000	16,500	6,500
Fees - Professional Services	623000	463,308	235,300	64,700	300,000	600,000	300,000
Medical, Dental and Optical	625000	162,938	65,215	124,285	189,500	250,000	60,500
Operating Expenses	30	759,812	382,596	313,659	696,255	1,101,825	405,570
Equipment Over \$5000	691000	0	0	0	0	31,400	31,400

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Budget Request Summary - Reporting Level

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SR05 - Summary Request - 5150

Agency: Veterans Home Program: 400 Nursing Services Reporting Level: 00-313-400-00-00-00-00000000							
1 Object/Revenue		2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
Description	Code						
Capital Assets	50	0	0	0	0	31,400	31,400
Salaries - Permanent	511000	34,962	0	0	0	0	0
Fringe Benefits	516000	10,868	0	0	0	0	0
2009 Flood Expenses	70	45,830	0	0	0	0	0
EXPENDITURE TOTALS		5,428,521	3,150,987	3,949,641	7,100,628	11,097,852	3,997,224
MEANS OF FUNDING							
State General Fund	001	1,814,284	1,814,501	451,074	2,265,575	2,629,894	364,319
General Fund	GEN	1,814,284	1,814,501	451,074	2,265,575	2,629,894	364,319
Soldiers Home Fund 380	380	3,614,237	1,336,486	3,498,567	4,835,053	8,467,958	3,632,905
Special Funds	SPEC	3,614,237	1,336,486	3,498,567	4,835,053	8,467,958	3,632,905
TOTAL FUNDING		5,428,521	3,150,987	3,949,641	7,100,628	11,097,852	3,997,224
AUTHORIZED EMPLOYEES							
FTE		46.32	0.00	67.12	67.12	67.60	0.48
Vacant		0.00	0.00	0.00	0.00	22.12	22.12
TOTAL AUTHORIZED EMPLOYEES		46.32	0.00	67.12	67.12	89.72	22.60

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Budget Request Summary - Reporting Level

klunneborg / 2011R0300313

**NORTH DAKOTA VETERANS HOME
2011-2013 BUDGET DETAIL**

**RESIDENT SERVICES (ACTIVITIES) DEPARTMENT
Reporting level 00-313-500-00**

EXPLANATION OF PROGRAM COSTS

The majority of the expenses for resident services are for salaries and benefits. Additional funding is for workshops, travel and supplies. All funding for resident activities is through outside donations.

BUDGET BY TRADITIONAL LINE

<u>Description</u>	<u>2009-2011 Budget</u>	<u>2011-2013 Executive Recommendation</u>	<u>% of Executive Recommendation</u>	<u>Change From 09-11</u>
Salaries	532,779	106,014	98%	-426,765
Operating	8,500	12,200	2%	3,700
Capital	0	0	0%	0
Total	541,279	118,214	100%	-423,065
General	445,162	108,397		-336,765
Special	96,117	9,817		-86,300
Total	541,279	118,214		-423,065
FTE	3.6	1		-2.6

LINE ITEM DETAIL

Salaries and Benefits - \$106,014 98% of budget
Therapeutic Recreational Specialist/Activities coordinator – 1.0 FTE

Travel - \$2,200 .2% of budget
Expenses include employee reimbursed travel

Supplies and materials/professional - \$2,000 .2% of budget
Resource materials and educational supplies

Miscellaneous supplies - \$2,750
Recreational supplies

Postage - \$2,200 .2% of budget

Postage for mailing of the Scuttlebutt, the NDVH newsletter that is mailed out every four months to about 800 organizations and individuals

Professional development - \$2,500 .2% of budget

Workshop and convention registrations and membership fees

SIGNIFICANT CHANGES

Salaries and benefits - \$426,765 decrease

Decrease due to 2.6 FTE being reclassified to the nursing department

Governor's recommended 3% and 3% compensation adjustment

Health insurance increase

Professional supplies and materials - \$1,000 increase

To purchase additional resource materials and educational supplies for each of the households

Miscellaneous supplies - \$2,250 increase

To purchase additional recreational supplies for resident activities for each of the households

Postage - \$700 increase

Increase in the number of newsletters sent out

2009-2011 BUDGET

As of December 2010, 60% of this cost center's budget has been expended. Anticipate expending all of the appropriation authority for operating but will have unspent authority in salaries and benefits due to staff turnover.

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SR05 - Summary Request - 5150

Agency: Veterans Home Program: 500 Resident Services Reporting Level: 00-313-500-00-00-00-00000000							
1 Object/Revenue Description	Code	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
EXPENDITURES							
Salaries - Permanent	511000	238,584	130,098	190,323	320,421	56,576	(263,845)
Salaries - Other	512000	1,632	715	1,285	2,000	500	(1,500)
Temporary Salaries	513000	18,772	5,027	33,973	39,000	10,000	(29,000)
Overtime	514000	6,767	4,543	2,457	7,000	1,500	(5,500)
Fringe Benefits	516000	113,089	65,138	99,220	164,358	32,377	(131,981)
Salary Increase	599110	0	0	0	0	2,571	2,571
Benefit Increase	599160	0	0	0	0	435	435
Health Increase	599161	0	0	0	0	1,456	1,456
Retirement Increase	599162	0	0	0	0	588	588
EAP Increase	599163	0	0	0	0	11	11
Salaries and Wages	10	378,844	205,521	327,258	532,779	106,014	(426,765)
Travel	521000	2,831	633	1,567	2,200	2,200	0
Supply/Material- Professional	532000	0	507	493	1,000	2,000	1,000
Bldg, Ground, Maintenance	534000	106	0	0	0	0	0
Miscellaneous Supplies	535000	330	248	252	500	2,750	2,250
Postage	541000	855	358	1,142	1,500	2,200	700
Professional Development	611000	2,218	1,710	790	2,500	2,500	0
Operating Fees and Services	621000	846	725	25	750	500	(250)
Medical, Dental and Optical	625000	0	27	23	50	50	0
Operating Expenses	30	7,186	4,208	4,292	8,500	12,200	3,700
Salaries - Permanent	511000	625	0	0	0	0	0
Fringe Benefits	516000	197	0	0	0	0	0
2009 Flood Expenses	70	822	0	0	0	0	0
EXPENDITURE TOTALS		386,852	209,729	331,550	541,279	118,214	(423,065)
MEANS OF FUNDING							
State General Fund	001	47,891	116,288	328,874	445,162	108,397	(336,765)
General Fund	GEN	47,891	116,288	328,874	445,162	108,397	(336,765)
Soldiers Home Fund 380	380	338,961	93,441	2,676	96,117	9,817	(86,300)
Special Funds	SPEC	338,961	93,441	2,676	96,117	9,817	(86,300)
TOTAL FUNDING		386,852	209,729	331,550	541,279	118,214	(423,065)

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Budget Request Summary - Reporting
Level

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SR05 - Summary Request - 5150

Agency: Veterans Home						
Program: 500 Resident Services						
Reporting Level: 00-313-500-00-00-00-00000000						
1 Object/Revenue	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
Description	Code					

**AUTHORIZED
EMPLOYEES**

FTE	4.60	0.00	3.60	3.60	1.00	(2.60)
TOTAL AUTHORIZED EMPLOYEES	4.60	0.00	3.60	3.60	1.00	(2.60)

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Budget Request Summary - Reporting
Level

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2010 Taxable Facilities Improvement Bonds (Recovery Zone Bonds)														
Veterans Home - A							Veterans Home B							Combined
1/12/2011					Total Debt	Biennial				Total Debt	Biennial		Combined	Biennial
Date	Principal	Interest	DSR/CI	Subsidy	Service	Payments	Principal	Interest	DSR/CI	Debt Service	Payments	Biennium	Debt Service	Payments
6/1/2011		55,101.25	55,101.25	24,795.56	-24,795.56	-24,795.56		5,498.44	5,498.44	0.00	0.00	2009-2011	-24,795.56	-24,795.56
12/1/2011		64,825.00		29,171.25	35,653.75		115,000.00	6,468.75		121,468.75			157,122.50	
6/1/2012		64,825.00		29,171.25	35,653.75			5,318.75		5,318.75			40,972.50	
12/1/2012		64,825.00		29,171.25	35,653.75		125,000.00	5,318.75		130,318.75			165,972.50	
6/1/2013		64,825.00		29,171.25	35,653.75	142,615.00		4,068.75		4,068.75	261,175.00	2011-2013	39,722.50	403,790.00
12/1/2013		64,825.00		29,171.25	35,653.75		125,000.00	4,068.75		129,068.75			164,722.50	
6/1/2014		64,825.00		29,171.25	35,653.75			2,818.75		2,818.75			38,472.50	
12/1/2014		64,825.00		29,171.25	35,653.75		130,000.00	2,818.75		132,818.75			168,472.50	
6/1/2015		64,825.00		29,171.25	35,653.75	142,615.00		1,518.75		1,518.75	266,225.00	2013-2015	37,172.50	408,840.00
12/1/2015		64,825.00		29,171.25	35,653.75		135,000.00	1,518.75	63,000.00	73,518.75			109,172.50	
6/1/2016		64,825.00		29,171.25	35,653.75		0.00	0.00	0.00	0.00			35,653.75	
12/1/2016	130,000.00	64,825.00		29,171.25	165,653.75		0.00	0.00	0.00	0.00			165,653.75	
6/1/2017		62,550.00		28,147.50	34,402.50	271,363.75	0.00	0.00	0.00	0.00	73,518.75	2015-2017	34,402.50	344,882.50
12/1/2017	130,000.00	62,550.00		28,147.50	164,402.50								164,402.50	
6/1/2018		59,950.00		26,977.50	32,972.50								32,972.50	
12/1/2018	135,000.00	59,950.00		26,977.50	167,972.50								167,972.50	
6/1/2019		57,081.25		25,686.56	31,394.69	396,742.19						2017-2019	31,394.69	396,742.19
12/1/2019	135,000.00	57,081.25		25,686.56	166,394.69								166,394.69	
6/1/2020		54,043.75		24,319.69	29,724.06								29,724.06	
12/1/2020	140,000.00	54,043.75		24,319.69	169,724.06								169,724.06	
6/1/2021		50,718.75		22,823.44	27,895.31	393,738.12						2019-2021	27,895.31	393,738.12
12/1/2021	145,000.00	50,718.75		22,823.44	172,895.31								172,895.31	
6/1/2022		46,550.00		20,947.50	25,602.50								25,602.50	
12/1/2022	150,000.00	46,550.00		20,947.50	175,602.50								175,602.50	
6/1/2023		42,237.50		19,006.88	23,230.62	397,330.93						2021-2023	23,230.62	397,330.93
12/1/2023	155,000.00	42,237.50		19,006.88	178,230.62								178,230.62	
6/1/2024		37,781.25		17,001.56	20,779.69								20,779.69	
12/1/2024	160,000.00	37,781.25		17,001.56	180,779.69								180,779.69	
6/1/2025		33,181.25		14,931.56	18,249.69	398,039.69						2023-2025	18,249.69	398,039.69
12/1/2025	165,000.00	33,181.25		14,931.56	183,249.69								183,249.69	
6/1/2026		28,437.50		12,796.88	15,640.62								15,640.62	
12/1/2026	170,000.00	28,437.50		12,796.88	185,640.62								185,640.62	
6/1/2027		23,125.00		10,406.25	12,718.75	397,249.68						2025-2027	12,718.75	397,249.68
12/1/2027	175,000.00	23,125.00		10,406.25	187,718.75								187,718.75	
6/1/2028		17,656.25		7,945.31	9,710.94								9,710.94	
12/1/2028	180,000.00	17,656.25		7,945.31	189,710.94								189,710.94	
6/1/2029		12,031.25		5,414.06	6,617.19	393,757.82						2027-2029	6,617.19	393,757.82
12/1/2029	185,000.00	12,031.25		5,414.06	191,617.19								191,617.19	
6/1/2030		6,250.00		2,812.50	3,437.50								3,437.50	
12/1/2030	200,000.00	6,250.00	235,500.00	2,812.50	-32,062.50	162,992.19						2029-2031	-32,062.50	162,992.19
	2,355,000.00	1,831,363.75	290,601.25	824,113.69	3,071,648.81		630,000.00	39,417.19	68,498.44	600,918.75			3,672,567.56	


Testimony for the 8:30 a.m. and 2:00 p.m. January 26, 2011 hearing for the North Dakota Veterans Home Budget including the proposed request for a replacement dwelling for the Administrator/Commandant constructed on our site. My name is Norris Braaten and I am the Chairman of the North Dakota Veterans Home Governing Board.

In the budget for the North Dakota Veterans Home, OMB has suggested a \$20,000.00 stipend for the period July 1, 2011 to June 30, 2013 to compensate our Administrator for the dwelling he and his family are furnished. To adequately arrive at a compensation for the dwelling one needs to return to the negotiations from 2006 at the time our present administrator was hired. We were proud of the fact we were able to successful locate an experienced former North Dakota nursing home manager to return from the State of Washington to accept this position. As we determined the salary the board considered and discussed with the Administrator the value of furnishing the residence and assigned an amount we determined to represent a fair and equitable salary.

One must recognize we affect net amount of salary translating into available cash. First, we convert a tax free benefit into a taxable event. Second, one must return to the amount assigned as salary in lieu of the value the board placed on the residence as we negotiated his return to our state. My notes indicate he was to be furnished the dwelling, expense of cleaning the residence from pet damage which had occurred in the past, heat, electricity, water, garbage removal and telephone was considered in this benefit package. I would submit the following amounts per month considered in 2006 as we determined the Administrator's salary:

Rent for a dwelling	\$700.00
Heat-monthly average for a season	250.00
Electricity	125.00
Basic fee for telephone and other utilities	150.00

The total of the basic fees for rent and utilities was estimated at \$1225.00 or \$14,700 annually and translated to a taxable event the minimum addition required to allow for social security and medicare tax deduction as an employee



and income tax, the amount of 33% would represent an annual cash equivalent of \$19,551.00 annually. As one considers the aspect of inflation for 5 years it is apparent the proposed stipend would be inadequate. Either the amount of the stipend needs to be increased or the board be given authority to increase the salary to compensate for the loss of spendable income.

I request this committee consider these items as we proceed to resolve the issue of investing in a future dwelling or furnishing a stipend to our Administrator.



* Attachment ONE
HB 1007

**NORTH DAKOTA VETERANS HOME
2011-2013 BUDGET DETAIL**

Kristin Lunnborg
January 26, 2011

**SOCIAL SERVICES DEPARTMENT
Reporting level 00-313-600-00**

EXPLANATION OF PROGRAM COSTS

The social services department acts as the liaison and resident advocate for resident and family members regarding individual issues to ensure that the residents' personal, social and emotional needs are being met.

The social services department costs include salaries and benefits, pastoral fees, resource materials and supplies, consulting fees, membership dues and professional development.

BUDGET BY TRADITIONAL LINE

<u>Description</u>	2009-2011	2011-2013	% of	<u>Change From 09-11</u>
	<u>Budget</u>	<u>Executive Recommendation</u>	<u>Executive Recommendation</u>	
Salaries	675,396	908,447	93%	233,051
Operating	48,700	66,300	7%	17,600
Capital	0	0	0%	0
Total	724,096	974,747	100%	250,651
General	200,000	225,832		25,832
Special	524,096	748,915		224,819
Total	724,096	974,747		250,651
FTE	7	7		0

LINE ITEM DETAIL

Salaries and Benefits - \$908,447 93% of budget

- Social Services Director 1.0 FTE
- Social Worker - 2.0 FTE
- Social services designee - 1.0 FTE
- Marketing and Admissions coordinator - 1.0 FTE
- Transportation Coordinator - 1.0 FTE
- Transportation employee - 1.0 FTE

Travel - \$4,000 .4% of budget

Expenses include employee reimbursed travel

Supplies and materials/professional - \$3,500 .4% of budget
Resource materials and educational supplies

Professional development - \$7,500 .8% of budget
Workshop and convention registrations, dues and memberships and tuition reimbursements

Operating fees and services - \$1,000 .1% of budget
Background checks on potential residents

Professional services - \$50,000 5% of budget
Religious support services, consulting fees

SIGNIFICANT CHANGES

Salaries and benefits - \$233,051 increase
Governor's recommended 3% and 3% compensation adjustment
Health insurance increase
Addition of social worker for new facility
Addition of marketing/admissions coordinator

Professional service fees - \$17,000 increase
Consulting fees – psychologists, addiction counselors

2009-2011 BUDGET

As of December 2010, 76% of this cost center's budget has been expended. We anticipate expending 100% by the end of the biennium.

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

1		2	3	4	5	6	7
Object/Revenue		2007-09	2009-11 First	2009-11	2009-11	2011-13	2011-13
Description		Biennium	Year	Biennium	Biennium	Recommendation	Total
Code		Expenditures	Expenditures	Balance	Appropriation		Changes
EXPENDITURES							
Salaries - Permanent	511000	299,113	194,649	192,026	386,675	500,281	113,606
Salaries - Other	512000	1,149	569	7,431	8,000	1,500	(6,500)
Temporary Salaries	513000	54,980	32,990	32,010	65,000	80,000	15,000
Overtime	514000	18,055	7,782	16,218	24,000	20,000	(4,000)
Fringe Benefits	516000	130,138	96,477	95,244	191,721	263,094	71,373
Salary Increase	599110	0	0	0	0	22,737	22,737
Benefit Increase	599160	0	0	0	0	3,959	3,959
Health Increase	599161	0	0	0	0	11,645	11,645
Retirement Increase	599162	0	0	0	0	5,202	5,202
EAP Increase	599163	0	0	0	0	29	29
Salaries and Wages	10	503,435	332,467	342,929	675,396	908,447	233,051
Travel	521000	2,616	1,629	2,371	4,000	4,000	0
Supply/Material- Professional	532000	244	46	3,454	3,500	3,500	0
Bldg, Ground, Maintenance	534000	26	0	0	0	0	0
Miscellaneous Supplies	535000	34	48	102	150	250	100
Office Supplies	536000	64	0	0	0	0	0
Utilities	561000	38	0	0	0	0	0
Professional Development	611000	6,884	6,381	119	6,500	7,500	1,000
Operating Fees and Services	621000	1,025	1,126	374	1,500	1,000	(500)
Fees - Professional Services	623000	3,635	1,760	31,240	33,000	50,000	17,000
Medical, Dental and Optical	625000	0	45	5	50	50	0
Operating Expenses	30	14,566	11,035	37,665	48,700	66,300	17,600
Salaries - Permanent	511000	3,480	0	0	0	0	0
Fringe Benefits	516000	762	0	0	0	0	0
2009 Flood Expenses	70	4,242	0	0	0	0	0
EXPENDITURE TOTALS		522,243	343,502	380,594	724,096	974,747	250,651
MEANS OF FUNDING							
State General Fund	001	59,363	198,599	1,401	200,000	225,832	25,832
General Fund	GEN	59,363	198,599	1,401	200,000	225,832	25,832
Soldiers Home Fund 380	380	462,880	144,903	379,193	524,096	748,915	224,819
Special Funds	SPEC	462,880	144,903	379,193	524,096	748,915	224,819

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home
 Program: 600 Social Services
 Reporting Level: 00-313-600-00-00-00-00-00000000

1 Object/Revenue Description	Code	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
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TOTAL FUNDING		522,243	343,502	380,594	724,096	974,747	250,651
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**AUTHORIZED
EMPLOYEES**

FTE		5.00	0.00	7.00	7.00	6.00	(1.00)
Vacant		0.00	0.00	0.00	0.00	1.00	1.00
TOTAL AUTHORIZED EMPLOYEES		5.00	0.00	7.00	7.00	7.00	0.00

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

**NORTH DAKOTA VETERANS HOME
2011-2013 BUDGET DETAIL**

HOUSEKEEPING DEPARTMENT

EXPLANATION OF PROGRAM COSTS

BUDGET BY TRADITIONAL LINE

<u>Description</u>	<u>2009-2011 Budget</u>	<u>2011-2013 Executive Recommendation</u>	<u>% of Executive Recommendation</u>	<u>Change From 09-11</u>
Salaries	785,052	299,981	63%	-485,071
Operating	147,450	176,750	37%	29,300
Capital	8,925	0	0%	-8,925
Total	941,427	476,731	100%	-464,696
General	270,301	212,917		-57,384
Special	671,126	263,814		-407,312
Total	941,427	476,731		-464,696
FTE	10	3		-7

LINE ITEM DETAIL

Salaries and Benefits - \$299,981 63% of budget
 Housekeeping supervisor – 1.0 FTE
 Housekeepers – 2.0 FTE

Travel - \$1,000 .2% of budget
 Expenses include employee reimbursed travel

Supplies and materials/professional - \$50,000 10% of budget
 Chemicals

Building, ground and maintenance - \$55,000 12% of budget
 Janitorial supplies and misc. building and equipment supplies

Miscellaneous supplies - \$35,000 7% of budget
 Paper products – paper towels, toilet paper

Other equipment under \$5,000 - \$28,000 16% of budget
 Miscellaneous cleaning equipment

Repairs - \$4,000 2% of budget
Equipment repairs

Professional development - \$1,200 .1% of budget
Continuing education, dues and memberships

Operating fees and services - \$2,000 1% of budget
Extermination services

Professional service fees - \$500 .3% of budget

SIGNIFICANT CHANGES

Salaries and benefits - \$485,071 decrease

Decrease due to 7 FTE positions being reclassified to the nursing department
Governor's recommended 3% and 3% compensation adjustment
Health insurance increase

Supply/material professional - \$18,950 decrease

Chemical cost increases not as much as anticipated.

Bldg, grounds, maintenance supplies - \$15,000 increase

Increase in supply costs due to larger facility and change to microfiber cleaning equipment. Switching to microfiber products as they help to reduce infection control issues.

Miscellaneous supplies - \$17,000 increase

Increase in amount of paper products that will be used in new facility due to increased number of residents and larger facility.

Other equipment under \$5,000 - \$17,250 increase

- Vacuum cleaners
- Carpet shampooers
- Spot shampooers
- Cleaning carts

Office Equipment and Furniture - \$1,000 decrease

No equipment needs in 2011-2013 biennium

Equipment over \$5,000 - \$8,925 decrease

No equipment needs in the 2011-2013 biennium.

2009-2011 BUDGET

As of December 2010, 65% of this cost center's budget has been expended. Housekeeping still has numerous items to purchase for the new building. Anticipate expending the majority of this department's appropriation authority for operating but will have unspent authority in salaries and benefits.

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home
 Program: 700 Housekeeping
 Reporting Level: 00-313-700-00-00-00-00000000

1 Object/Revenue Description	Code	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
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EXPENDITURES

Salaries - Permanent	511000	330,200	189,923	252,803	442,726	173,649	(269,077)
Salaries - Other	512000	2,713	1,194	2,806	4,000	500	(3,500)
Temporary Salaries	513000	43,333	12,595	39,405	52,000	15,000	(37,000)
Overtime	514000	3,892	1,014	5,986	7,000	500	(6,500)
Fringe Benefits	516000	197,214	124,454	154,872	279,326	94,864	(184,462)
Salary Increase	599110	0	0	0	0	7,893	7,893
Benefit Increase	599160	0	0	0	0	1,387	1,387
Health Increase	599161	0	0	0	0	4,366	4,366
Retirement Increase	599162	0	0	0	0	1,806	1,806
EAP Increase	599163	0	0	0	0	16	16
Salaries and Wages	10	577,352	329,180	455,872	785,052	299,981	(485,071)
Travel	521000	773	377	623	1,000	1,000	0
Supply/Material- Professional	532000	37,499	15,568	53,382	68,950	50,000	(18,950)
Bldg. Ground, Maintenance	534000	34,256	11,065	28,935	40,000	55,000	15,000
Miscellaneous Supplies	535000	14,931	11,306	6,694	18,000	35,000	17,000
Other Equip Under \$5,000	552000	79,410	3,066	7,684	10,750	28,000	17,250
Office Equip & Furn Supplies	553000	2,181	400	600	1,000	0	(1,000)
Repairs	591000	0	0	4,000	4,000	4,000	0
Professional Development	611000	704	170	1,030	1,200	1,200	0
Operating Fees and Services	621000	875	448	1,552	2,000	2,000	0
Fees - Professional Services	623000	0	0	500	500	500	0
Medical, Dental and Optical	625000	97	27	23	50	50	0
Operating Expenses	30	170,726	42,427	105,023	147,450	176,750	29,300
Extraordinary Repairs	684000	315	0	0	0	0	0
Equipment Over \$5000	691000	6,026	8,133	792	8,925	0	(8,925)
Capital Assets	50	6,341	8,133	792	8,925	0	(8,925)
Salaries - Permanent	511000	583	0	0	0	0	0
Fringe Benefits	516000	302	0	0	0	0	0
2009 Flood Expenses	70	885	0	0	0	0	0
EXPENDITURE TOTALS		755,304	379,740	561,687	941,427	476,731	(464,696)

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home
 Program: 700 Housekeeping
 Reporting Level: 00-313-700-00-00-00-00000000

1 Object/Revenue Description	Code	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
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MEANS OF FUNDING

State General Fund	001	81,763	218,438	51,863	270,301	212,917	(57,384)
General Fund	GEN	81,763	218,438	51,863	270,301	212,917	(57,384)
Soldiers Home Fund 380	380	673,541	161,302	509,824	671,126	263,814	(407,312)
Special Funds	SPEC	673,541	161,302	509,824	671,126	263,814	(407,312)
TOTAL FUNDING		755,304	379,740	561,687	941,427	476,731	(464,696)

**AUTHORIZED
EMPLOYEES**

FTE		8.00	0.00	10.00	10.00	3.00	(7.00)
TOTAL AUTHORIZED EMPLOYEES		8.00	0.00	10.00	10.00	3.00	(7.00)

North Dakota Budget Request Summary - Reporting Level klunneborg / 2011R0300313

**NORTH DAKOTA VETERANS HOME
2011-2013 BUDGET DETAIL**

LAUNDRY DEPARTMENT

EXPLANATION OF PROGRAM COSTS

BUDGET BY TRADITIONAL LINE

<u>Description</u>	<u>2009-2011 Budget</u>	<u>2011-2013 Executive Recommendation</u>	<u>% of Executive Recommendation</u>	<u>Change From 09-11</u>
Salaries	141,995	198,470	77%	56,475
Operating	71,500	57,900	23%	-13,600
Capital	0	0	0%	0
Total	213,495	256,370	100%	42,875
General	65,920	32,234		-33,686
Special	147,575	224,136		76,561
Total	213,495	256,370		42,875
FTE	2.0	2.0		0

LINE ITEM DETAIL

Salaries and Benefits - \$198,470 77% of budget

Laundry supervisor – 1.0 FTE

Laundry worker – 1.0 FTE

Supplies and materials/professional - \$12,000 5% of budget

Chemicals for laundry

Food and Clothing - \$30,000 12% of budget

Linens, towels and washcloths

Building, grounds and maintenance - \$1,000 .4% of budget

Equipment repair parts

Miscellaneous supplies - \$2,500 1% of budget

Laundry supplies

Other equipment under \$5,000 – \$8,400 3% of budget
Miscellaneous laundry equipment

Repairs – \$4,000 2% of budget
Equipment repairs

SIGNIFICANT CHANGES

Salaries and benefits - \$56,475 increase

Entire biennium funding for FTE position added for new building
Governor's recommended 3% and 3% compensation adjustment
Health insurance increase

Professional supplies and materials - \$4,000 increase

Increase in supply needs due to increase in residents

Food and clothing - \$10,000 increase

Increase in supply needs due to increase in residents

Building, grounds and vehicle maintenance supplies - \$9,000 decrease

Not anticipating many repair parts will be needed as all equipment will be new

Other equipment under \$5,000 - \$8,400 increase

- Three elevated laundry carts
- Two bin carts
- Three enclosed laundry trucks
- Twelve X frame hampers

Utilities - \$26,950 decrease

The laundry area in the new building is all electric with no separate meter.

2009-2011 BUDGET

As of December 2010, 50% of this cost center's budget has been expended. Laundry still has to purchase items for the new building, including linens and towels. Anticipate expending the majority of this department's salary budget but will have unspent operating authority.

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home							
Program: 800 Laundry							
Reporting Level: 00-313-800-00-00-00-00000000							
1 Object/Revenue		2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
Description	Code						

EXPENDITURES

Salaries - Permanent	511000	56,460	35,307	36,525	71,832	101,213	29,381
Salaries - Other	512000	38	0	0	0	0	0
Temporary Salaries	513000	21,463	10,660	15,340	26,000	25,000	(1,000)
Overtime	514000	450	147	16	163	500	337
Fringe Benefits	516000	27,220	15,724	28,276	44,000	62,352	18,352
Salary Increase	599110	0	0	0	0	4,601	4,601
Benefit Increase	599160	0	0	0	0	830	830
Health Increase	599161	0	0	0	0	2,911	2,911
Retirement Increase	599162	0	0	0	0	1,053	1,053
EAP Increase	599163	0	0	0	0	10	10
Salaries and Wages	10	105,631	61,838	80,157	141,995	198,470	56,475

Supply/Material- Professional	532000	4,571	3,613	4,387	8,000	12,000	4,000
Food and Clothing	533000	4,174	258	19,742	20,000	30,000	10,000
Bldg, Ground, Maintenance	534000	2,985	0	10,000	10,000	1,000	(9,000)
Miscellaneous Supplies	535000	4,529	315	2,185	2,500	2,500	0
Office Supplies	536000	0	47	3	50	0	(50)
Other Equip Under \$5,000	552000	0	0	0	0	8,400	8,400
Utilities	561000	28,646	3,334	23,616	26,950	0	(26,950)
Repairs	591000	0	0	4,000	4,000	4,000	0
Professional Development	611000	21	0	0	0	0	0
Operating Fees and Services	621000	200	0	0	0	0	0
Operating Expenses	30	45,126	7,567	63,933	71,500	57,900	(13,600)

Salaries - Permanent	511000	19	0	0	0	0	0
Fringe Benefits	516000	5	0	0	0	0	0
2009 Flood Expenses	70	24	0	0	0	0	0

EXPENDITURE TOTALS		150,781	69,405	144,090	213,495	256,370	42,875
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MEANS OF FUNDING

State General Fund	001	13,107	43,016	22,904	65,920	32,234	(33,686)
General Fund	GEN	13,107	43,016	22,904	65,920	32,234	(33,686)
Soldiers Home Fund 380	380	137,674	26,389	121,186	147,575	224,136	76,561
Special Funds	SPEC	137,674	26,389	121,186	147,575	224,136	76,561
TOTAL FUNDING		150,781	69,405	144,090	213,495	256,370	42,875

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home Program: 800 Laundry Reporting Level: 00-313-800-00-00-00-00-00000000						
1 Object/Revenue	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
Description	Code					

**AUTHORIZED
EMPLOYEES**

FTE	1.00	0.00	2.00	2.00	1.00	(1.00)
Vacant	0.00	0.00	0.00	0.00	1.00	1.00
TOTAL AUTHORIZED EMPLOYEES	1.00	0.00	2.00	2.00	2.00	0.00

North Dakota	Budget Request Summary - Reporting Level	klunneborg / 2011R0300313
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**NORTH DAKOTA VETERANS HOME
2011-2013 BUDGET DETAIL**

PHARMACY DEPARTMENT

EXPLANATION OF PROGRAM COSTS

BUDGET BY TRADITIONAL LINE

<u>Description</u>	<u>2009-2011 Budget</u>	<u>2011-2013 Executive Recommendation</u>	<u>% of Executive Recommendation</u>	<u>Change From 09-11</u>
Salaries	229,689	276,151	16%	46,462
Operating	1,029,070	1,433,450	84%	404,380
Capital	0	0	0%	0
Total	1,258,759	1,709,601	100%	450,842
General	322,863	316,818		-6,045
Special	935,896	1,392,783		456,887
Total	1,258,759	1,709,601		450,842
FTE	2	2		0

LINE ITEM DETAIL

Salaries and Benefits - \$276,151 16% of budget

Pharmacist - .5 FTE

Pharmacy Tech - 1.5 FTE

Travel - \$200

Expenses include employee reimbursed travel

IT software/supplies - \$17,000 1% of budget

Monthly pharmacy software updates, system upgrade

Professional supplies and materials - \$2,000 .1% of budget

Resource materials

Office supplies - \$1,200 .07% of budget

Labeling supplies

Other equipment under \$5,000 - \$2,000 .1% of budget

Transfer carts

Printing - \$500

Prescription pads

Office equip and furniture - \$1,000

Pharmacy equipment – fax machine, printers

IT contractual services - \$2,000 .1% of budget

New mandates for pharmacy telemed system will require contracting fees

Professional development - \$2,000 .1% of budget

Membership fees, pharmacy technician schooling

Operating fees and services - \$500

Licenses

Professional services - \$5,000 .3% of budget

Relief pharmacist to cover vacations and sick leave

Medical, dental and optical - \$1,400,000 82% of budget

Medications for veteran residents

SIGNIFICANT CHANGES

Salaries and benefits - \$46,462 increase

Governor's recommended 3% and 3% compensation adjustment

Health insurance increase

Funding of .5 FTE pharmacy tech for new facility

IT software/supplies - \$7,880 increase

Increased cost for pharmacy updates, need to upgrade system and purchase new equipment

Other equip under \$5,000 - \$2,000 increase

Need to purchase two transfers carts for transporting medications

Professional service fees - \$4,500 decrease

Decrease in funding needed for relief pharmacist; cancelled consulting pharmacist contract

Medical, dental and optical - \$398,500 increase

Increase in costs of medications and increase in medications needed due to increase in residents

2011-2013 BUDGET

As of December 2010, 55% of this cost center's budget has been expended. Anticipate expending the majority of this department's salary budget but will have unspent operating authority due to the delay of moving into the new building.

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home							
Program: 900 Pharmacy							
Reporting Level: 00-313-900-00-00-00-00000000							
1 Object/Revenue	2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes	
Description	Code						
EXPENDITURES							
Salaries - Permanent	511000	99,045	67,692	85,633	153,325	169,020	15,695
Salaries - Other	512000	69	6	19	25	0	(25)
Temporary Salaries	513000	7,122	0	0	0	0	0
Overtime	514000	275	159	16	175	0	(175)
Fringe Benefits	516000	44,031	31,440	44,724	76,164	91,986	15,822
Salary Increase	599110	0	0	0	0	7,682	7,682
Benefit Increase	599160	0	0	0	0	1,331	1,331
Health Increase	599161	0	0	0	0	4,366	4,366
Retirement Increase	599162	0	0	0	0	1,758	1,758
EAP Increase	599163	0	0	0	0	8	8
Salaries and Wages	10	150,542	99,297	130,392	229,689	276,151	46,462
Travel	521000	0	0	200	200	200	0
Supplies - IT Software	531000	7,861	3,491	5,629	9,120	17,000	7,880
Supply/Material- Professional	532000	457	571	1,429	2,000	2,000	0
Miscellaneous Supplies	535000	50	0	0	0	0	0
Office Supplies	536000	1,007	0	1,200	1,200	1,200	0
Postage	541000	34	0	50	50	50	0
Printing	542000	380	0	250	250	500	250
Other Equip Under \$5,000	552000	2,207	0	0	0	2,000	2,000
Office Equip & Furn Supplies	553000	0	504	246	750	1,000	250
Repairs	591000	284	0	0	0	0	0
IT Contractual Svcs and Rprs	603000	0	723	1,277	2,000	2,000	0
Professional Development	611000	33	0	2,000	2,000	2,000	0
Operating Fees and Services	621000	202	211	289	500	500	0
Fees - Professional Services	623000	4,950	700	8,800	9,500	5,000	(4,500)
Medical, Dental and Optical	625000	720,235	310,744	690,756	1,001,500	1,400,000	398,500
Operating Expenses	30	737,700	316,944	712,126	1,029,070	1,433,450	404,380
Salaries - Permanent	511000	3,189	0	0	0	0	0
Temporary Salaries	513000	484	0	0	0	0	0
Fringe Benefits	516000	910	0	0	0	0	0
2009 Flood Expenses	70	4,583	0	0	0	0	0

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home Program: 900 Pharmacy Reporting Level: 00-313-900-00-00-00-00-00000000							
1 Object/Revenue		2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
Description	Code						
EXPENDITURE TOTALS		892,825	416,241	842,518	1,258,759	1,709,601	450,842
MEANS OF FUNDING							
State General Fund	001	327,005	320,302	2,561	322,863	316,818	(6,045)
General Fund	GEN	327,005	320,302	2,561	322,863	316,818	(6,045)
Soldiers Home Fund 380	380	565,820	95,939	839,957	935,896	1,392,783	456,887
Special Funds	SPEC	565,820	95,939	839,957	935,896	1,392,783	456,887
TOTAL FUNDING		892,825	416,241	842,518	1,258,759	1,709,601	450,842
AUTHORIZED EMPLOYEES							
FTE		1.50	0.00	2.00	2.00	1.50	(0.50)
Vacant		0.00	0.00	0.00	0.00	0.50	0.50
TOTAL AUTHORIZED EMPLOYEES		1.50	0.00	2.00	2.00	2.00	0.00

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

2009 FLOOD INFORMATION

<u>Submittals</u>	<u>Total Submitted</u>	<u>Total Approved</u>	<u>Total FEMA Payment</u>
1 Travel for residents & staff to other facilities, meals, costs for St. Catherine's and the developmental center, staff overtime	\$122,888.74	\$110,344.82	\$99,310.34
2 Veterans Home equipment use and rented equipment	\$2,636.75		\$2,373.08
3 Engineering services	\$1,436.00		\$1,292.40
4 Hoffman pump purchase, pump repairs and manhole work	\$2,290.80		\$2,061.72
5 Pump house repairs, electrical work	\$10,269.53		\$9,242.58
6 Pavement repairs	\$22,667.30		\$20,400.57 work completed this fall
7 Irrigation repairs	\$32,860.76		<u>\$29,574.68</u> work not completed
			<u>\$164,255.37</u>
Total borrowed from the Bank of North Dakota	\$152,232		
Total paid back to the Bank of North Dakota	\$154,934		

2011 BIEN / 01/25/2011 21:23:47

SR05 - Summary Request - 5150

Agency: Veterans Home							
Program: 950 2009 Flood Expenses							
Reporting Level: 00-313-990-00-00-00-00-00000000							
1 Object/Revenue		2 2007-09 Biennium Expenditures	3 2009-11 First Year Expenditures	4 2009-11 Biennium Balance	5 2009-11 Biennium Appropriation	6 2011-13 Recommendation	7 2011-13 Total Changes
Description	Code						
EXPENDITURES							
Travel	521000	57,828	11,476	0	11,476	0	(11,476)
Bldg, Ground, Maintenance	534000	6,465	2,550	0	2,550	0	(2,550)
Postage	541000	82	0	0	0	0	0
Rentals/Leases-Equip & Other	581000	200	250	0	250	0	(250)
Repairs	591000	0	1,300	0	1,300	0	(1,300)
Operating Fees and Services	621000	0	114,280	730,911	845,191	0	(845,191)
Fees - Professional Services	623000	2,561	1,807	0	1,807	0	(1,807)
2009 Flood Expenses	70	67,136	131,663	730,911	862,574	0	(862,574)
EXPENDITURE TOTALS		67,136	131,663	730,911	862,574	0	(862,574)
MEANS OF FUNDING							
Soldiers Home Fund 380	380	67,136	131,663	730,911	862,574	0	(862,574)
Special Funds	SPEC	67,136	131,663	730,911	862,574	0	(862,574)
TOTAL FUNDING		67,136	131,663	730,911	862,574	0	(862,574)

North Dakota

Budget Request Summary - Reporting
Level

klunneborg / 2011R0300313

2010 Taxable Facilities Improvement Bonds (Recovery Zone Bonds)														
Veterans Home - A							Veterans Home B						Combined	
1/12/2011					Total Debt	Biennial				Total Debt	Biennial		Combined	Biennial
Date	Principal	Interest	DSR/CI	Subsidy	Service	Payments	Principal	Interest	DSR/CI	Debt Service	Payments	Biennium	Debt Service	Payments
6/1/2011		55,101.25	55,101.25	24,795.56	-24,795.56	-24,795.56		5,498.44	5,498.44	0.00	0.00	2009-2011	-24,795.56	-24,795.56
12/1/2011		64,825.00		29,171.25	35,653.75		115,000.00	6,468.75		121,468.75			157,122.50	
6/1/2012		64,825.00		29,171.25	35,653.75			5,318.75		5,318.75			40,972.50	
12/1/2012		64,825.00		29,171.25	35,653.75		125,000.00	5,318.75		130,318.75			165,972.50	
6/1/2013		64,825.00		29,171.25	35,653.75	142,615.00		4,068.75		4,068.75	261,175.00	2011-2013	39,722.50	403,790.00
12/1/2013		64,825.00		29,171.25	35,653.75		125,000.00	4,068.75		129,068.75			164,722.50	
6/1/2014		64,825.00		29,171.25	35,653.75			2,818.75		2,818.75			38,472.50	
12/1/2014		64,825.00		29,171.25	35,653.75		130,000.00	2,818.75		132,818.75			168,472.50	
6/1/2015		64,825.00		29,171.25	35,653.75	142,615.00		1,518.75		1,518.75	266,225.00	2013-2015	37,172.50	408,840.00
12/1/2015		64,825.00		29,171.25	35,653.75		135,000.00	1,518.75	63,000.00	73,518.75			109,172.50	
6/1/2016		64,825.00		29,171.25	35,653.75		0.00	0.00	0.00	0.00			35,653.75	
12/1/2016	130,000.00	64,825.00		29,171.25	165,653.75		0.00	0.00	0.00	0.00			165,653.75	
6/1/2017		62,550.00		28,147.50	34,402.50	271,363.75	0.00	0.00	0.00	0.00	73,518.75	2015-2017	34,402.50	344,882.50
12/1/2017	130,000.00	62,550.00		28,147.50	164,402.50								164,402.50	
6/1/2018		59,950.00		26,977.50	32,972.50								32,972.50	
12/1/2018	135,000.00	59,950.00		26,977.50	167,972.50								167,972.50	
6/1/2019		57,081.25		25,686.56	31,394.69	396,742.19						2017-2019	31,394.69	396,742.19
12/1/2019	135,000.00	57,081.25		25,686.56	166,394.69								166,394.69	
6/1/2020		54,043.75		24,319.69	29,724.06								29,724.06	
12/1/2020	140,000.00	54,043.75		24,319.69	169,724.06								169,724.06	
6/1/2021		50,718.75		22,823.44	27,895.31	393,738.12						2019-2021	27,895.31	393,738.12
12/1/2021	145,000.00	50,718.75		22,823.44	172,895.31								172,895.31	
6/1/2022		46,550.00		20,947.50	25,602.50								25,602.50	
12/1/2022	150,000.00	46,550.00		20,947.50	175,602.50								175,602.50	
6/1/2023		42,237.50		19,006.88	23,230.62	397,330.93						2021-2023	23,230.62	397,330.93
12/1/2023	155,000.00	42,237.50		19,006.88	178,230.62								178,230.62	
6/1/2024		37,781.25		17,001.56	20,779.69								20,779.69	
12/1/2024	160,000.00	37,781.25		17,001.56	180,779.69								180,779.69	
6/1/2025		33,181.25		14,931.56	18,249.69	398,039.69						2023-2025	18,249.69	398,039.69
12/1/2025	165,000.00	33,181.25		14,931.56	183,249.69								183,249.69	
6/1/2026		28,437.50		12,796.88	15,640.62								15,640.62	
12/1/2026	170,000.00	28,437.50		12,796.88	185,640.62								185,640.62	
6/1/2027		23,125.00		10,406.25	12,718.75	397,249.68						2025-2027	12,718.75	397,249.68
12/1/2027	175,000.00	23,125.00		10,406.25	187,718.75								187,718.75	
6/1/2028		17,656.25		7,945.31	9,710.94								9,710.94	
12/1/2028	180,000.00	17,656.25		7,945.31	189,710.94								189,710.94	
6/1/2029		12,031.25		5,414.06	6,617.19	393,757.82						2027-2029	6,617.19	393,757.82
12/1/2029	185,000.00	12,031.25		5,414.06	191,617.19								191,617.19	
6/1/2030		6,250.00		2,812.50	3,437.50								3,437.50	
12/1/2030	200,000.00	6,250.00	235,500.00	2,812.50	-32,062.50	162,992.19						2029-2031	-32,062.50	162,992.19
	2,355,000.00	1,831,363.75	290,601.25	824,113.69	3,071,648.81		630,000.00	39,417.19	68,498.44	600,918.75			3,672,567.56	

Budget Request Summary - Reporting Level
 SR05SRS - OMB - Legislative Spenddown Report - 6830
 Department of Veterans Affairs
 100 Veterans Affairs Administration
 00-321-100-00-00-00-00000000

2011 BIEN / 01/2011 10:36:50
 Agency:
 Program:
 Reporting Level

Object/Revenue		2007-09 Biennium	2009-11 Biennium	2009-11 Biennium	2009-11 Biennium	2011-13 Total	2011-13
Description	Code	Expenditures	to Date	Balance	Appropriation	Changes	Recommendation
51 Technology Project Carry							
Temporary Salaries	513000	0	7,579	0	7,579	-7,579	0
IT - Data Processing	601000	0	621	0	621	-621	0
IT Contractual Srvcs and Rprs	603000	0	1,150	0	1,150	-1,150	0
TOTAL		0	9,350	0	9,350	-9,350	0
MEANS OF FUNDING							
State General Fund	1	0	9,350	0	9,350	-9,350	0
General Fund TOTAL		0	9,350	0	9,350	-9,350	0
TOTAL		0	9,350	0	9,350	-9,350	0
70 Veterans' Affairs Administration							
Salaries - Permanent	511000	431,967	360,278	158,500	518,778	5,822	524,600
Temporary Salaries	513000	4,053	1,903	-1,903	0	20,000	20,000
Fringe Benefits	516000	178,764	162,640	61,167	223,807	8,491	232,298
Travel	521000	61,964	47,065	57,548	104,613	-6,746	97,867
Supplies - IT Software	531000	2,014	7,307	91	7,398	-698	6,700
Supply/Material-Professional	532000	1,733	1,476	-336	1,140	-150	990
Food and Clothing	533000	163	129	171	300	0	300
Bldg, Ground, Maintenance	534000	1,633	522.1	-136	386	98	484
Miscellaneous Supplies	535000	1,291	5967	-5,117	850	150	1,000
Office Supplies	536000	8,850	7,130	353	7,483	-1,783	5,700
Postage	541000	6,284	1385.87	2,714	4,100	-200	3,900
Printing	542000	2,305	4,000	1,183	5,183	-7	5,176
IT Equip Under \$5,000	551000	3,170	18,892	4,860	23,752	-12,152	11,600
Other Equip Under \$5,000	552000	355	298	202	500	0	500
Office Equip & Furn Supplies	553000	39,444	306	294	600	-160	440
Utilities	561000	2,830	3,528	1,752	5,280	700	5,980
Insurance	571000	1,407	903	579	1,482	0	1,482
Rentals/Leases-Equip & Other	581000	6,210	7,310	481	7,791	-1,118	6,673
Rentals/Leases - Bldg/Land	582000	56,154	51,215	14,259	65,474	737	66,211
Repairs	591000	1,169	525	275	800	0	800

- HB 1007
 - January 27, 2011
 - Attachment ONE
 - Cathy Halgorseth

Object/Revenue	2007-09 Biennium Expenditures	2009-11 Biennium to Date	2011-13 Biennium Balance	2009-11 Biennium Appropriation	2011-13 Total Changes	2011-13 Recommendation	
Salary Increase	599110	0	0	0	23,843	23,843	
Benefit Increase	599160	0	0	0	4,033	4,033	
Health Increase	599161	0	0	0	10,189	10,189	
Retirement Increase	599162	0	0	0	5,456	5,456	
EAP Increase	599163	0	0	0	19	19	
IT - Data Processing	601000	9,849	12,419	5,819	18,238	4,420	22,658
IT - Communications	602000	15,046	8,284	6,897	15,181	0	15,181
IT Contractual Srvc and Rprs	603000	11,621	6,900	-1,900	5,000	2,500	7,500
Professional Development	611000	5,290	8,427	1,474	9,901	-5,205	4,696
Operating Fees and Services	621000	5,406	286	64	350	0	350
Fees - Professional Services	623000	3,528	1,297	1,803	3,100	31,900	35,000
IT Equip/Software Over \$5000	693000	0	5000	-5,000	0	15,593	15,593
TOTAL	862,500	725,394	306,093	1,031,487	105,732	1,137,219	
MEANS OF FUNDING							
State General Fund	1	862,500	725,394	306,093	1,031,487	105,732	1,137,219
General Fund TOTAL		862,500	725,394	306,093	1,031,487	105,732	1,137,219
TOTAL		862,500	725,394	306,093	1,031,487	105,732	1,137,219
Agency TOTALS							
TOTAL EXPENDITURES		862,500	725,394	315,443	1,040,837	96,382	1,137,219
General Fund							
State General Fund	1	862,500	725,394	315,443	1,040,837	96,382	1,137,219
TOTAL		862,500	725,394	315,443	1,040,837	96,382	1,137,219
TOTAL FUNDING		862,500	725,394	315,443	1,040,837	96,382	1,137,219
AUTHORIZED EMPLOYEES							
FTE		7.00	-	7.00	7.00	-	7.00
Vacant		-	-	-	-	-	-
TOTAL AUTHORIZED EMPLOYEES		7.00	-	7.00	7.00	-	7.00

Report Title: Department of Veterans Affairs
 Report Level: 321 Department of Veterans Affairs

1 Object/Revenue Description Code	2 Remove Capital and One Time	3 2011-13 Base Budget Changes	4 Compensation	5	6	7
*****Change Package***** Type: A Description: Number: 1 Base Budget Changes Group: A						
EXPENDITURES						
Travel 521000	0	2,481	0	0	0	0
Supplies - IT Software 531000	0	(698)	0	0	0	0
Supply/Material-Professional 532000	0	(150)	0	0	0	0
Bldg, Ground, Maintenance 534000	0	98	0	0	0	0
Miscellaneous Supplies 535000	0	150	0	0	0	0
Printing 542000	0	2,300	0	0	0	0
IT Equip Under \$5,000 551000	0	(12,152)	0	0	0	0
Utilities 561000	0	700	0	0	0	0
Rentals/Leases - Bldg/Land 582000	0	737	0	0	0	0
IT - Data Processing 601000	0	4,420	0	0	0	0
IT Contractual Svcs and Rprs 603000	0	2,500	0	0	0	0
Fees - Professional Services 623000	0	1,900	0	0	0	0
Veterans' Affairs Administration 70	0	2,286	0	0	0	0
EXPENDITURE TOTALS	0	2,286	0	0	0	0
MEANS OF FUNDING						
State General Fund 001	0	2,286	0	0	0	0
General Fund GEN	0	2,286	0	0	0	0
TOTAL FUNDING	0	2,286	0	0	0	0
*****Change Package***** Type: A Description: Number: 1 Training Group: R						
EXPENDITURES						
Fees - Professional Services 623000	0	30,000	0	0	0	0
Veterans' Affairs Administration 70	0	30,000	0	0	0	0
EXPENDITURE TOTALS	0	30,000	0	0	0	0
MEANS OF FUNDING						
State General Fund 001	0	30,000	0	0	0	0
General Fund GEN	0	30,000	0	0	0	0
TOTAL FUNDING	0	30,000	0	0	0	0
*****Change Package***** Type: B Description: Number: 1 Discharge Project Group: R						
EXPENDITURES						
Temporary Salaries 513000	0	20,000	0	0	0	0
Fringe Benefits 516000	0	2,000	0	0	0	0
Veterans' Affairs Administration 70	0	22,000	0	0	0	0

Attached TWS
 HB 1007
 January 27, 2011
 Legislative Council

1/27/2011

HB 1007 Budget for North Dakota Department of Veterans Affairs Training person

Testimony of Lonnie Wangen Commissioner of Veterans Affairs

Chairman Pollert and Committee members,

The optional package for the North Dakota Department of Veterans Affairs (ND-DVA) included an additional FTE for the purpose of training. This position would be of great benefit to the ND-DVA as well as the Veterans of North Dakota. ND-DVA is currently responsible for training the County Veteran Service officers (CVSO) and Tribal Veteran Service Officers (TVSO) in North Dakota. We conduct two training sessions per year, one in the spring and one in the fall. This training is designed to keep our current CVSO's up to date on their skills and the ever changing policies, regulations and benefits provided by the Federal VA. We also conduct Small Group Instruction in our office as requested. It is important that we can get our State Veteran Service Officers (SVO's) out into the state to assist these CVSO's on continued training and resources. This work is in addition to our SVO's other duties such as claim taking.

The training of a new CVSO is much more time consuming as the amount of knowledge these CVSO's need to properly serve our veterans is immense. We are currently adopting the training plan shown on page 3 Attachment 1. This work is in addition to our SVO's many duties such as claim taking.

Our State Veteran Service Officers (SVO's) also provide services, outreach and training to other government agencies, programs and Veterans.

- National Guards Re-Integration Program, this is a great program which benefits the Veterans and their dependents as they return home from war and work to return to our society.
- Investigating Veterans Preference Appeals.
- Training to state and municipal agencies on issues such as Veterans Preference, Uniform Service members Employment and Re-employment Rights Act (USERRA).
 - How to apply Veterans Preference
 - How to react to Veterans Preference Appeals

ND-DVA will also be asked to provide additional training and resources

- Training of Attorney's and Judges
 - In coordination with the Supreme Court in setting up a Veterans Court
 - To provide better understanding of PTSD, Depression, TBI and other re-integration issues
- Training of Law Enforcement officers

- In coordination with the Supreme Court in setting up a Veterans Court
- To provide better understanding of PTSD, Depression, TBI and other re-integration issues
- Training of School teachers and counselors
 - To help them understand the problems military and veterans children face
 - While their parent or loved one is deployed
 - After deployment
 - Returning with disabilities
 - Returning with PTSD, TBI, Depression or other mental health issues
- Minot AFB monthly Taps
 - Provide claim preparations for air men preparing for discharge from Active Duty.
- Educating the Public, Veterans and their Dependents
 - Town hall meetings
 - As I mentioned during my January 13th testimony.
 - Successful in Walsh County.
- Website
 - Update our website to make it a user friendly tool which will provide answers to all questions asked.
 - One stop site with links to every legitimate resource for all concerns
 - Coordinating and monitoring veteran events in the entire state
- Coordinating Services available to ND Veterans and Dependents
 - Brining all the services and resources available to Veterans and their dependents into one data base and user friendly application which is available for
 - CVSO's
 - Veterans
 - Other providers

In closing I believe you can see the need we have for a training officer. It is important that we have the resources necessary to properly care for the Veterans who have sacrificed for our freedoms and the dependents who cared for our Veterans. I believe that an active and successful person in this position could play a big role in providing the training and awareness to help...

Reduce the number of veteran suicides
Provide help for Veterans and their dependents in need
Provide better trained and effective CVSO's
Inform our Veterans of the benefits they have earned

For the year 2009 the Federal VA reported over \$230,000,000.00 in expenditures to North Dakota (attachment 2). This includes compensation, pension, DIC, education, health care and more. Better trained and supported CVSO's, outreach and public events will only increase the amount of VA money coming into North Dakota and Decrease the expense on North Dakota to assist in some programs.

Thank you.

Attachment 1

New County Veteran Service Officer Training

- Week long training at ND DVA in Fargo or Bismarck (basic training)
 - First Module
 - Overall picture of how entire process works
 - CVSO duties
 - NSO duties
 - Rater-VA
 - Review reference manuals
 - Good understanding of how a claim is processed beginning to end.
 - CONFIDENTIALITY/PRIVACY/HIPPA
 - Understand liability!
 - Claims: informal and formal
 - minimum standard
 - Submitting complete claim packet.

All 24 Training Modules

- Covered during initial training.
- Quiz's at end of each Module
- Reference manual and resources provided (if needed)
 - How to find answers/use resources
- VA visits
 - VA Medical Center
 - VA Regional Office
- Open book test on "basics"
 - As evaluation of effectiveness of training-not for accreditation.
 - Familiar with forms
- All privacy and required VA training
- Enroll in Trip training
 - Cyber securities course conducted.
 - Get CVSO signed up with Trip while at initial training
 - Meet with TRIP coordinator (Christie Peterson) at VA during VA visit.

NDDVA visit at the CVSO's office:

- Less than 30 days after basic training.
- Computer set up
 - Links to websites etc.
- Open house
 - Veterans benefit day (advertised)
- Site visit completed on facilities.
- Visit with county commissioner/auditor/manager.

NORTH DAKOTA
Expenditures in \$000s

County/ Congressional District	Veteran Population*	Total Expenditure	Compensation & Pensions	Construction	Education & Vocational Rehabilitation/ Employment	Loan Guaranty	General Operating Expenses	Insurance & Indemnities	Medical Care	Unique Patients**
ADAMS	201	\$ 810	\$ 398	\$ -	\$ 25	\$ -	\$ -	\$ 28	\$ 359	87
BARNES	1,078	\$ 4,188	\$ 1,972	\$ -	\$ 70	\$ -	\$ -	\$ 137	\$ 2,010	368
BENSON	395	\$ 2,218	\$ 1,206	\$ -	\$ 25	\$ -	\$ -	\$ 9	\$ 979	138
BILLINGS	123	\$ 187	\$ 138	\$ -	\$ 6	\$ -	\$ -	\$ 0	\$ 43	23
BOTTINEAU	698	\$ 1,736	\$ 1,142	\$ -	\$ 55	\$ -	\$ -	\$ 11	\$ 527	194
BOWMAN	223	\$ 1,162	\$ 406	\$ -	\$ 3	\$ -	\$ -	\$ 40	\$ 713	129
BURKE	194	\$ 662	\$ 324	\$ -	\$ 4	\$ -	\$ -	\$ 6	\$ 327	62
BURLEIGH	6,848	\$ 20,091	\$ 11,069	\$ -	\$ 1,387	\$ -	\$ -	\$ 373	\$ 7,262	1,872
CASS	10,048	\$ 65,828	\$ 22,632	\$ 141	\$ 3,186	\$ -	\$ 6,379	\$ 966	\$ 32,523	3,756
CAVALIER	455	\$ 1,097	\$ 532	\$ -	\$ 43	\$ -	\$ -	\$ 35	\$ 487	133
DICKEY	466	\$ 1,548	\$ 800	\$ -	\$ 54	\$ -	\$ -	\$ 2	\$ 691	137
DIVIDE	223	\$ 466	\$ 265	\$ -	\$ 16	\$ -	\$ -	\$ 4	\$ 182	67
DUNN	287	\$ 1,176	\$ 627	\$ -	\$ 37	\$ -	\$ -	\$ 4	\$ 508	86
EDDY	217	\$ 1,042	\$ 502	\$ -	\$ 4	\$ -	\$ -	\$ 138	\$ 399	67
EMMONS	337	\$ 1,117	\$ 672	\$ -	\$ 7	\$ -	\$ -	\$ 1	\$ 437	146
FOSTER	267	\$ 833	\$ 420	\$ -	\$ 13	\$ -	\$ -	\$ 12	\$ 388	75
GOLDEN VALLEY	202	\$ 267	\$ 136	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ 128	40
GRAND FORKS	6,567	\$ 21,739	\$ 12,203	\$ -	\$ 2,535	\$ -	\$ -	\$ 570	\$ 6,431	1,434
GRANT	254	\$ 825	\$ 401	\$ -	\$ 17	\$ -	\$ -	\$ 1	\$ 407	77
GRIGGS	241	\$ 1,012	\$ 538	\$ -	\$ 21	\$ -	\$ -	\$ 7	\$ 446	95
HETTINGER	313	\$ 908	\$ 303	\$ -	\$ 23	\$ -	\$ -	\$ 5	\$ 578	75
KIDDER	242	\$ 1,029	\$ 541	\$ -	\$ 5	\$ -	\$ -	\$ 6	\$ 478	70
LA MOURE	322	\$ 992	\$ 426	\$ -	\$ 46	\$ -	\$ -	\$ 4	\$ 516	125
LOGAN	168	\$ 824	\$ 397	\$ -	\$ 0	\$ -	\$ -	\$ 22	\$ 405	84
MC HENRY	579	\$ 1,723	\$ 1,121	\$ -	\$ 52	\$ -	\$ -	\$ 14	\$ 537	161
MC INTOSH	200	\$ 851	\$ 411	\$ -	\$ 0	\$ -	\$ -	\$ 37	\$ 403	96
MC KENZIE	562	\$ 1,649	\$ 784	\$ -	\$ 14	\$ -	\$ -	\$ 0	\$ 851	132
MC LEAN	864	\$ 3,010	\$ 1,692	\$ -	\$ 58	\$ -	\$ -	\$ 53	\$ 1,207	294
MERCER	858	\$ 1,319	\$ 701	\$ -	\$ 42	\$ -	\$ -	\$ 14	\$ 561	168
MORTON	2,481	\$ 8,608	\$ 4,373	\$ -	\$ 368	\$ -	\$ -	\$ 76	\$ 3,791	717
MOUNTRAIL	621	\$ 2,498	\$ 1,443	\$ -	\$ 48	\$ -	\$ -	\$ 3	\$ 1,003	190
NELSON	415	\$ 1,757	\$ 914	\$ -	\$ 38	\$ -	\$ -	\$ 13	\$ 792	150
OLIVER	148	\$ 560	\$ 345	\$ -	\$ 17	\$ -	\$ -	\$ 6	\$ 192	45
PEMBINA	888	\$ 2,635	\$ 1,492	\$ -	\$ 83	\$ -	\$ -	\$ 78	\$ 982	258
PIERCE	485	\$ 1,336	\$ 746	\$ -	\$ 53	\$ -	\$ -	\$ 7	\$ 530	109
RAMSEY	723	\$ 4,115	\$ 1,860	\$ -	\$ 81	\$ -	\$ -	\$ 93	\$ 2,081	339
RANSOM	523	\$ 3,885	\$ 1,428	\$ -	\$ 14	\$ -	\$ -	\$ 36	\$ 2,407	1,215
RENVILLE	287	\$ 995	\$ 620	\$ -	\$ 19	\$ -	\$ -	\$ 11	\$ 345	87

NORTH DAKOTA
Expenditures in \$000s

County/ Congressional District	Veteran Population*	Total Expenditure	Compensation & Pensions	Construction	Education & Vocational Rehabilitation/ Employment	Loan Guaranty	General Operating Expenses	Insurance & Indemnities	Medical Care	Unique Patients**
RICHLAND	1,162	\$ 5,414	\$ 2,167	\$ -	\$ 160	\$ -	\$ -	\$ 167	\$ 2,920	363
ROLETTE	931	\$ 3,282	\$ 1,863	\$ -	\$ 207	\$ -	\$ -	\$ 29	\$ 1,183	196
SARGENT	342	\$ 1,304	\$ 657	\$ -	\$ 21	\$ -	\$ -	\$ 15	\$ 610	111
SHERIDAN	156	\$ 346	\$ 163	\$ -	\$ 14	\$ -	\$ -	\$ 14	\$ 157	50
SIOUX	356	\$ 1,310	\$ 730	\$ -	\$ 26	\$ -	\$ -	\$ 0	\$ 552	57
SLOPE	51	\$ 401	\$ 104	\$ -	\$ 5	\$ -	\$ -	\$ -	\$ 292	9
STARK	2,125	\$ 6,270	\$ 2,846	\$ -	\$ 262	\$ -	\$ -	\$ 42	\$ 3,120	670
STEELE	250	\$ 1,031	\$ 566	\$ -	\$ 31	\$ -	\$ -	\$ 1	\$ 434	62
STUTSMAN	1,830	\$ 7,717	\$ 3,475	\$ -	\$ 265	\$ -	\$ -	\$ 143	\$ 3,833	610
TOWNER	277	\$ 859	\$ 369	\$ -	\$ 18	\$ -	\$ -	\$ 7	\$ 464	85
TRAILL	795	\$ 3,909	\$ 1,716	\$ -	\$ 144	\$ -	\$ -	\$ 36	\$ 2,014	252
WALSH	1,160	\$ 3,419	\$ 1,416	\$ -	\$ 39	\$ -	\$ -	\$ 157	\$ 1,807	345
WARD	5,385	\$ 21,874	\$ 14,826	\$ -	\$ 1,751	\$ -	\$ -	\$ 357	\$ 4,941	1,550
WELLS	416	\$ 1,198	\$ 585	\$ -	\$ 47	\$ -	\$ -	\$ 11	\$ 554	121
WILLIAMS	1,836	\$ 5,719	\$ 2,892	\$ -	\$ 151	\$ -	\$ -	\$ 109	\$ 2,568	588
NORTH DAKOTA (Totals)	57,074	\$ 230,754	\$ 110,354	\$ 141	\$ 11,610	\$ -	\$ 6,379	\$ 3,915	\$ 98,355	17,373

IN 000'S

Notes:

* Veteran population estimates, as of September 30, 2009, are produced by the VA Office of the Actuary (VetPop 2007).

Prior to FY 08, "Loan Guaranty" expenditures were included in the Education & Vocational Rehabilitation and Employment (E&VRE) programs. Currently, all "Loan Guaranty" expenditures are attributed to Travis, TX, where all Loan Guaranty payments are processed. VA will continue to improve data collection for future GDY reports to better distribute loan expenditures at the state, county and congressional district levels.

** Unique patients are patients who received treatment at a VA health care facility. Data are provided by the Allocation Resource Center (ARC).

Expenditure data sources: Federal Assistance Awards Data System (FAADS) for Compensation & Pension (C&P) and Vocational Rehabilitation and Employment (VRE) Benefits; Veterans Benefits Administration Insurance Center for the Insurance costs; the VA Financial Management System (FMS) for Construction, Medical Research, General Operating Expenses, and certain C&P and Readjustment data; and the Allocation Resource Center (ARC) for Medical Care costs.

1. Expenditures are rounded to the nearest thousand dollars. For example, \$500 to \$1,000 are rounded to \$1; \$0 to \$500 are rounded to \$0; and "\$ -" = 0 or no expenditures.

2. The Compensation & Pension expenditures include dollars for the following programs: veterans' compensation for service-connected disability; dependency and indemnity compensation for service-connected deaths; veterans' pension for nonservice-connected disabilities; and burial and other benefits to veterans and their survivors.

3. Medical Care expenditures include dollars for medical services, medical administration, facility maintenance, educational support, research support, and other overhead items. Medical Care expenditures do not include dollars for construction or other non-medical support.

4. Medical Care expenditures are based on where patients live instead of where care is delivered.

5. Congressional District data will be available in the near future.

- Feb 11, 2001
- Attachment THREEA
- HB 1007
- Rep. Wieland

37-15-21. Administrator may accept gifts, donations, or bequests.

The administrator for and in behalf of the veterans home may accept and expend funds from any source, including federal or private sources and donations, gifts, or bequests offered or tendered to, or for the benefit of, the veterans home to be used to benefit the veterans home. All moneys received or accepted must be used for the specific purposes for which they were given or donated. This authority applies and is retroactive to any or all gifts, donations, or bequests already tendered, offered, or made. The veterans home may establish and maintain its own local fund to administer moneys received under this section. All interest, rent, or income from moneys or property received under this section must be deposited in the veterans home operating fund unless by the terms of acquisition the moneys are required to be maintained in a different manner.

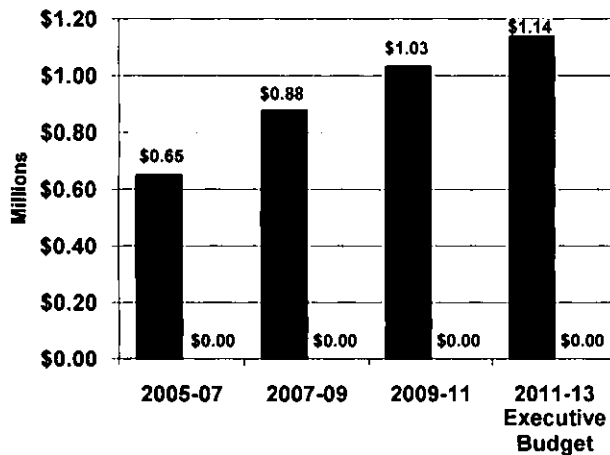
Source. S.L. 1965, ch. 258, 1; 1971, ch. 344, 23; 1985, ch. 397, 25; 1993, ch. 361, 4; 1995, ch. 352, 1; 1999, ch. 50, 55; 2005, ch. 312, 8.

**Department 321 - Department of Veterans' Affairs
 House Bill No. 1007**

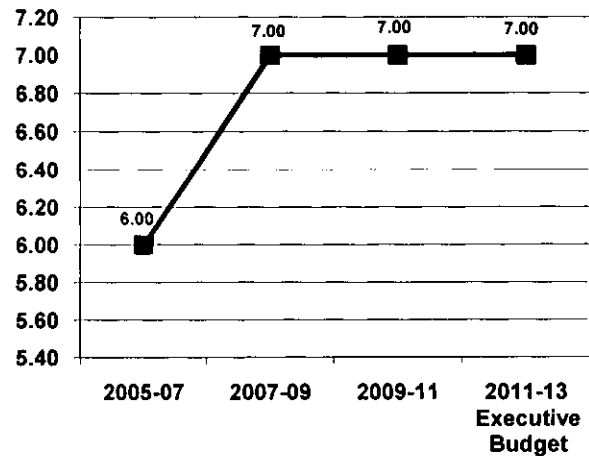
	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	7.00	\$1,137,219	\$0	\$1,137,219
2009-11 Legislative Appropriations	7.00	1,031,487	0	1,031,487 ¹
Increase (Decrease)	0.00	\$105,732	\$0	\$105,732

¹The 2009-11 appropriation amounts do not include \$9,350 from the general fund for the continuation of an information technology project.

Agency Funding



FTE Positions



■ General Fund □ Other Funds

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	\$1,099,626	\$37,593	\$1,137,219
2009-11 Legislative Appropriations	1,031,487	0	1,031,487
Increase (Decrease)	\$68,139	\$37,593	\$105,732

First House Action

Attached is a summary of first house changes.

**Executive Budget Highlights
 (With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Provides one-time funding for temporary salaries to continue converting veterans' records to an electronic format	\$22,000		\$22,000
2. Increases funding for operating expenses	\$2,286		\$2,286
3. Removes funding provided in the 2009-11 biennium for accreditation training for all county veterans' service officers	(\$20,000)		(\$20,000)
4. Provides funding for training of county veterans' service officers on emerging issues	\$30,000		\$30,000
5. Provides one-time funding to purchase software to customize and update the agency's website	\$15,593		\$15,593

Continuing Appropriations

Veterans' aid fund - North Dakota Century Code Section 37-14-03.3 - The purpose of the veterans' aid fund is to make loans or advancements to any veteran and to a surviving spouse of a veteran if the spouse has not remarried.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1177 provides **one-time funding** of \$20,000 from the general fund to the Department of Veterans' Affairs to hold "stand down" events to coordinate benefits and provide services to needy veterans in the state.

House Bill No. 1217 expands eligibility under the disabled veteran property tax credit program.

House Bill No. 1429 relates to county veterans' service officers.

House Bill No. 1468 provides for a transfer of \$50,000 from the general fund to the veterans' aid fund and for a Legislative Management study of the operations of the veterans' postwar trust fund and the veterans' aid fund.

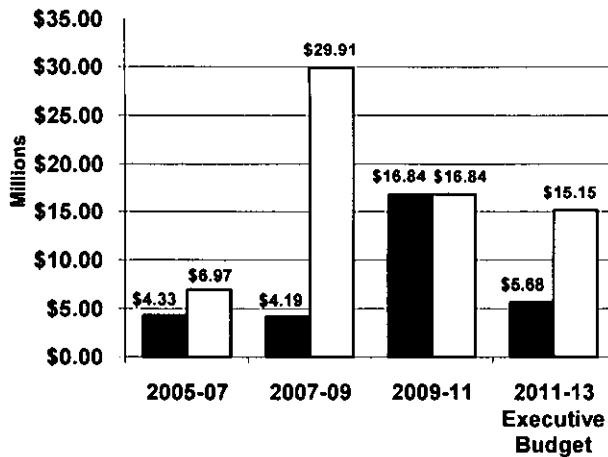
ATTACH:1

**Department 313 - Veterans' Home
 House Bill No. 1007**

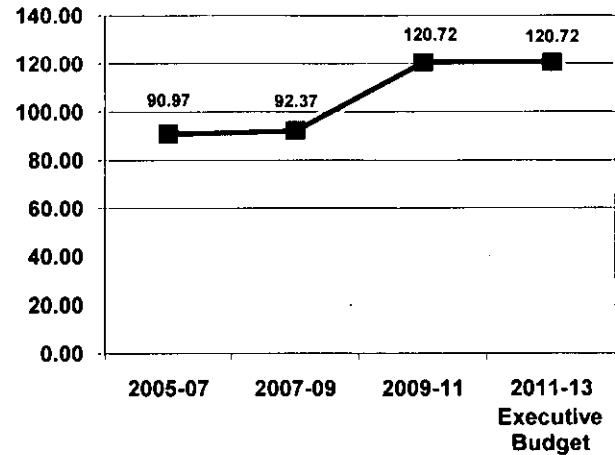
	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	120.72	\$5,679,823	\$15,151,823	\$20,831,646
2009-11 Legislative Appropriations	120.72	16,841,722	16,835,298	33,677,020 ¹
Increase (Decrease)	0.00	(\$11,161,899)	(\$1,683,475)	(\$12,845,374)

¹The 2009-11 appropriation amounts include \$90,000 from the general fund for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for executive branch employees. The 2009-11 appropriation amounts do not include \$1,901 from the general fund for the agency's share of an internship program, \$862,574 of additional special funds authority resulting from the continuation of a Bank of North Dakota line of credit remaining for flood expenses incurred during the 2007-09 biennium, \$16,892,484 of additional special funds authority carryover for the construction of the new Veterans' Home facility from the 2007-09 biennium, and \$75,000 of additional special funds authority resulting from Emergency Commission action during the 2009-11 biennium.

Agency Funding



FTE Positions



■ General Fund □ Other Funds

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	\$5,553,323	\$126,500	\$5,679,823
2009-11 Legislative Appropriations	4,816,589	12,025,133	16,841,722
Increase (Decrease)	\$736,734	(\$11,898,633)	(\$11,161,899)

First House Action

Attached is a summary of first house changes.

**Executive Budget Highlights
 (With First House Changes in Bold)**

	General Fund	Other Funds	Total
Salaries and wages			
1. Provides a housing allowance for the administrator		\$20,000	\$20,000
2. Removes one-time funding provided for new facility positions in the 2009-11 biennium	(\$502,240)		(\$502,240)
Operating expenses			
3. Increases funding for operating expenses due to the increase in the number of residents in the new facility, including the following major increases (decreases):	(\$148,544)	\$1,518,972	\$1,370,428

	Increase (Decrease)	Total Provided
Information technology - Communications	(\$31,208)	\$58,000
Information technology - Contractual services	\$33,900	\$97,000
Travel	\$19,300	\$182,400
Fees - Professional services	\$332,000	\$785,500
Utilities	\$252,360	\$954,310
Food and clothing	\$277,226	\$1,165,000
Medical, dental, and optical	\$459,000	\$1,650,550
Professional development	\$22,000	\$76,700
Miscellaneous supplies	\$25,350	\$147,000

Capital assets

- | | | | |
|--|-------------|------------|-------------|
| 4. Removes one-time funding provided for an electronic health records system in the 2009-11 biennium | (\$98,400) | | (\$98,400) |
| 5. Removes funding provided for capital assets in the 2009-11 biennium | (\$140,955) | (\$20,551) | (\$161,506) |
| 6. Provides funding from the Veterans' Home operating fund for a computer server | | \$13,600 | \$13,600 |
| 7. Provides funding from the Veterans' Home operating fund for equipment as follows: | | \$43,400 | \$43,400 |

	Total Provided
Manlift	\$12,000
Resistance weight machine	10,000
Treadmill	6,000
Balance trainer	8,900
Recumbent cross trainer	6,500
Total	\$43,400

- | | | | |
|--|----------|-----------|-----------|
| 8. Provides funding from the Veterans' Home operating fund for siding and shingles for the three-stall garage | | \$7,000 | \$7,000 |
| 9. Provides funding for bond and interest payments | | \$403,000 | \$403,000 |
| 10. Provides funding for lawnmowers | | \$26,000 | \$26,000 |
| 11. Provides funding from the Veterans' Home operating fund for a heated storage area | | \$6,000 | \$6,000 |
| 12. Provides one-time funding to repair the existing irrigation system. The House adjusted the funding source from the general fund to special funds available from donated mineral lease income. | \$55,000 | | \$55,000 |
| 13. Provides one-time funding to reshape and grade oxbow. The House adjusted the funding source from the general fund to special funds available from donated mineral lease income. | \$46,500 | \$30,000 | \$76,500 |

Federal stimulus funds

- | | | | |
|--|--|---------------|---------------|
| 14. Removes federal fiscal stimulus funding provided in the 2009-11 biennium for the installation of a geothermal heating system in the new facility, an electronic health records system, and equipment | | (\$3,158,005) | (\$3,158,005) |
|--|--|---------------|---------------|

New Veterans' Home

- | | | | |
|---|---------------|----------------|----------------|
| 15. Removes one-time funding for a construction project manager | (\$90,088) | | (\$90,088) |
| 16. Removes one-time funding provided for the new Veterans' Home facility | (\$7,944,991) | (\$19,536,388) | (\$27,481,379) |
| 17. Removes one-time funding provided for the new Veterans' Home facility exterior projects | (\$350,000) | | (\$350,000) |
| 18. Removes one-time funding provided for the installation of a geothermal heating system in the new facility | (\$3,039,414) | | (\$3,039,414) |
| 19. Provides funding for road repair and to pave a delivery road | | \$65,000 | \$65,000 |
| 20. Provides funding from the Veterans' Home operating fund for streetlighting | | \$55,000 | \$55,000 |
| 21. Provides funding from the Veterans' Home operating fund for an irrigation system at the new site | | \$187,000 | \$187,000 |
| 22. Provides one-time funding for landscaping. The House adjusted the funding source from the general fund to special funds available from donated mineral lease income. | \$25,000 | | \$25,000 |

Other Sections in Bill

Disposition of old Veterans' Home facility - A section was added by the House to provide for a Legislative Management study of options for the disposition of the old Veterans' Home facility.

Continuing Appropriations

Custodial funds - North Dakota Century Code Section 37-15-21 - The Veterans' Home may accept gifts, donations, or bequests, and any money received must be used for the specific purposes as designated by the donor or grantor.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

No major legislation has been introduced affecting this agency.

ATTACH:1

Testimony on HB 1007
Senate Appropriations Committee
Department of Veterans Affairs
March 3, 2011

Chairman Holmberg and Committee Members:


My name is Cathy Halgunseth and I am the Administrative Assistant for the Department of Veterans Affairs. I will briefly outline our agency's current budget and our proposed 2011-2013 budget.

Our present budget contains one-time funding for our Technology Project (\$9,350) and Accreditation Training (\$20,000). The Technology Project is what we refer to as our Discharge Project. This involves converting paper DD 214's into an electronic document. A DD 214 is a record of military service. This document enables an individual (and in certain cases, next-of-kin) to obtain federal and state benefits based on service to our county. Because of the type of paper used, many of the older DD 214's are losing their integrity. Our goal is to not only have an electronic copy of the current discharges but to preserve as many of the older discharges as possible. This funding helps pay for temporary employees to do the inputting.

Accreditation training was offered to county veterans service officers to enable them to become compliant with North Dakota Century Code 37-14-18. The funding covered the expenses of contracting with the National Association of County Veterans Service Officers for three instructors along with incidental costs such as printing, postage, equipment, and miscellaneous supplies. There is \$5,998 remaining to help with the expenses of service officer to attend training either in North Carolina in March or Mississippi in June. We have four service officer who have indicated they will be attending training; three are new to their positions and one was not able to attend training when it was offered in the State.



The increase in budget dollars for the 2011-2013 biennium reflect the Governor's proposed salary and benefit package along with funding for the Discharge Project, training for county veterans service officers and upgrading our agency's website . The funding for the Discharge Project (\$22,000) will again enable us to hire a temporary employee for inputting DD214's. The software upgrade (\$15,593) will convert our website so agency personnel can upload changes rather than going through ITD. With this conversion, we will be able to use our resources to make substantial changes to our website to better serve North Dakota's veteran population and the county veterans service officers who assist the veterans and their families.

The Commissioner will discuss the funding for training of Service Officers (\$30,000) and our request for an additional position to the Department.



I hope you look favorably upon our proposed 2011-2013 budget.

If you have any questions, I will do my best to answer them as thoroughly as possible.



CHANGE PACKAGE SUMMARY

321 Department of Veterans Affairs

Biennium: 2011-2013

Bill#: HB1007

Date: 2/22/2010

Time: 14:47:19

Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
Base Budget Changes					
One Time Budget Changes					
R-B 1 Discharge Project	0.00	22,000	0	0	22,000
R-B 2 Website	0.00	15,593	0	0	15,593
A-E 1 Technology Project Carryover - Payroll	0.00	(7,579)	0	0	(7,579)
A-E 2 Technology Project Carryover - Expenses	0.00	(1,771)	0	0	(1,771)
A-E 3 Accreditation Training	0.00	(20,000)	0	0	(20,000)
Total One Time Budget Changes	0.00	8,243	0	0	8,243
Ongoing Budget Changes					
A-A 1 Base Budget Changes	0.00	2,286	0	0	2,286
R-A 1 Training	0.00	30,000	0	0	30,000
Base Payroll Change	0.00	12,313	0	0	12,313
Compensation Changes	0.00	43,540	0	0	43,540
Total Ongoing Budget Changes	0.00	88,139	0	0	88,139
Total Base Budget Changes	0.00	96,382	0	0	96,382

RECOMMENDATION DETAIL BY PROGRAM

321 Department Veterans Affairs

Bill#: HB1007

Date: 12/22/2010

Time: 14:47:19

Biennium: 2011-2013

Program: Veterans Affairs Administration Reporting Level: 00-321-100-00-00-00-00000000

Description	Expenditures Prev Biennium 2007-2009	Present Budget 2009-2011	2011-2013 Requested		Requested Budget 2011-2013	2011-2013 Recommended		Executive Recommendation 2011-2013
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
Technology Project Carry								
Temporary Salaries	0	7,579	(7,579)	(100.0%)	0	(7,579)	(100.0%)	0
IT - Data Processing	0	621	(621)	(100.0%)	0	(621)	(100.0%)	0
IT Contractual Svcs and Rprs	0	1,150	(1,150)	(100.0%)	0	(1,150)	(100.0%)	0
Total	0	9,350	(9,350)	(100.0%)	0	(9,350)	(100.0%)	0

Technology Project Carry

General Fund	0	9,350	(9,350)	(100.0%)	0	(9,350)	(100.0%)	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total	0	9,350	(9,350)	(100.0%)	0	(9,350)	(100.0%)	0

Veterans' Affairs Administration

Salaries - Permanent	431,967	518,778	5,822	1.1%	524,600	5,822	1.1%	524,600
Temporary Salaries	4,053	0	0	0.0%	0	20,000	100.0%	20,000
Fringe Benefits	178,764	223,807	6,491	2.9%	230,298	8,491	3.8%	232,298
Travel	61,964	104,613	(6,746)	(6.4%)	97,867	(6,746)	(6.4%)	97,867
Supplies - IT Software	2,014	7,398	(698)	(9.4%)	6,700	(698)	(9.4%)	6,700
Supply/Material-Professional	1,733	1,140	(150)	(13.2%)	990	(150)	(13.2%)	990
Food and Clothing	163	300	0	0.0%	300	0	0.0%	300
Bldg, Ground, Maintenance	1,633	386	98	25.4%	484	98	25.4%	484
Miscellaneous Supplies	1,291	850	150	17.6%	1,000	150	17.6%	1,000
Office Supplies	8,850	7,483	(1,783)	(23.8%)	5,700	(1,783)	(23.8%)	5,700
Postage	6,284	4,100	(200)	(4.9%)	3,900	(200)	(4.9%)	3,900
Printing	2,305	5,183	(7)	(0.1%)	5,176	(7)	(0.1%)	5,176
IT Equip Under \$5,000	3,170	23,752	(12,152)	(51.2%)	11,600	(12,152)	(51.2%)	11,600
Other Equip Under \$5,000	355	500	0	0.0%	500	0	0.0%	500
Office Equip & Furn Supplies	39,444	600	(160)	(26.7%)	440	(160)	(26.7%)	440
Utilities	2,830	5,280	700	13.3%	5,980	700	13.3%	5,980
Insurance	1,407	1,482	0	0.0%	1,482	0	0.0%	1,482
Rentals/Leases-Equip & Other	6,210	7,791	(1,118)	(14.3%)	6,673	(1,118)	(14.3%)	6,673
Rentals/Leases - Bldg/Land	56,154	65,474	737	1.1%	66,211	737	1.1%	66,211
Repairs	1,169	800	0	0.0%	800	0	0.0%	800
Salary Increase	0	0	0	0.0%	0	23,843	100.0%	23,843
Benefit Increase	0	0	0	0.0%	0	4,033	100.0%	4,033
Health Increase	0	0	0	0.0%	0	10,189	100.0%	10,189
Retirement Increase	0	0	0	0.0%	0	5,456	100.0%	5,456
EAP Increase	0	0	0	0.0%	0	19	100.0%	19
IT - Data Processing	9,849	18,238	4,420	24.2%	22,658	4,420	24.2%	22,658
IT - Communications	15,046	15,181	0	0.0%	15,181	0	0.0%	15,181

RECOMMENDATION DETAIL BY PROGRAM

321 Department Veterans Affairs

Biennium: 2011-2013

Bill#: HB1007

Date: 2/22/2010

Time: 14:47:19

Program: Veterans Affairs Administration			Reporting Level: 00-321-100-00-00-00-00000000					
Description	Expenditures Prev Biennium 2007-2009	Present Budget 2009-2011	2011-2013 Requested		Requested Budget 2011-2013	2011-2013 Recommended		Executive Recommendation 2011-2013
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
IT Contractual Srvcs and Rprs	11,621	5,000	2,500	50.0%	7,500	2,500	50.0%	7,500
Professional Development	5,290	9,901	(5,205)	(52.6%)	4,696	(5,205)	(52.6%)	4,696
Operating Fees and Services	5,406	350	0	0.0%	350	0	0.0%	350
Fees - Professional Services	3,528	3,100	1,900	61.3%	5,000	31,900	1,029.0%	35,000
IT Equip/Sftware Over \$5000	0	0	0	0.0%	0	15,593	100.0%	15,593
Total	862,500	1,031,487	(5,401)	(0.5%)	1,026,086	105,732	10.3%	1,137,219
Veterans' Affairs Administration								
General Fund	862,500	1,031,487	(5,401)	(0.5%)	1,026,086	105,732	10.3%	1,137,219
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total	862,500	1,031,487	(5,401)	(0.5%)	1,026,086	105,732	10.3%	1,137,219
Total Expenditures	862,500	1,040,837	(14,751)	(1.4%)	1,026,086	96,382	9.3%	1,137,219
Funding Sources								
General Fund								
Total	862,500	1,040,837	(14,751)	(1.4%)	1,026,086	96,382	9.3%	1,137,219
Total Funding Sources	862,500	1,040,837	(14,751)	(1.4%)	1,026,086	96,382	9.3%	1,137,219
FTE Employees	7.00	7.00	0.00	0.0%	7.00	0.00	0.0%	7.00

Training Position

Salaries - Permanent	66,456
Fringe Benefits	31,454
Travel	7,500
Supplies - IT Software	300
Supply/Material-Professional	350
Office Supplies	300
Printing	450
IT Equip Under \$5000	1,275
IT - Data Processing	2,095
IT - Communications	600
Professional Development	700
	<hr/>
	111,480

In an attempt to provide more training, we are proposing one new FTE to act as the training officer & benefits specialist. 70% of the time would be spent attending training, producing training programs, creating training kits and binders and conducting training with CVSO's. This would include complete initial training for new CVSO's as well as continued training on basic and advanced levels of knowledge for current CVSO's. 30% of the position's time would be spent doing hands on work helping veterans obtain benefits such as filing claims, as they need to be proficient at what they are instructing and changes happen frequently.

**TESTIMONY ON HB 1007
HOUSE APPROPRIATIONS COMMITTEE
LYLE SCHUCHARD, CHAIRPERSON
ND AMINISTRATIVE COMMITTEE ON VETERANS' AFFAIRS
MARCH 3, 2011**

GOOD MORNING CHAIRMAN HOLMBERG AND COMMITTEE MEMBERS. I AM LYLE SCHUCHARD, CHAIRPERSON OF THE ADMINISTRATIVE COMMITTEE ON VETERAN'S AFFAIRS.

THE ADMINISTRATIVE COMMITTEE ON VETERANS' AFFAIRS IS A 15 MEMBER COMMITTEE APPOINTED BY THE GOVERNOR FROM NAMES SUBMITTED BY EACH OF THE STATE'S 5 MAJOR VETERANS ORGANIZATAIONS. THE FIVE ARE THE AMERICAN LEGION, DISABLED AMERICAN VETERANS, (DAV), VETERANS OF FOREIGN WARS (VFW), VIETNAM VETERANS OF AMERICA (VVA), AND THE AMERICAN VETERANS (AMVETS). WE ARE RESPONSIBLE FOR OVERSEEING THE OPERATIONS OF THE NORTH DAKOTA DEPARTMENT OF VETERANS AFFAIRS.

OUR COMMITTEE IS RESPONSIBLE FOR ASSURING COMPLIANCE WITH FEDERAL AND STATE LAWS IN THE ADMINISTRATION OF THE DEPARTMENT OF VETERANS AFFAIRS. FOR EXAMPLE WE OVERSEE THE EMERGENCY HARDSHIP GRANTS PROGRAM, VETERANS AID LOAN PROGRAM, AND VAN TRANSPORTATION PROGRAM RUN BY THE DEPARRTMENT OF VETERANS' AFFAIRS.

THESE PROGRAMS, AS WILL BE REPORTED IN LATER TESTIMONY, HAVE HELPED MANY OF THE STATE'S VERTERANS AND THEIR DEPENDENTS. THESE PROGRAMS ARE FUNDED BY INTEREST EARNED ON THE VETERANS' POST WAR TRUST FUND.

OUR MISSION IS TO HELP OUR STATE'S 60,000+ VETERANS, THEIR SPOUSES AND DEPENDENTS. WORKING TOGETHER WITH THE COUNTY VETERANS' SERVICE OFFICERS, NUMEROUS FEDERAL,

STATE, TRIBAL AND LOCAL AGENCIES, AS WELL AS COMMUNITY AND PROFESSIONAL GROUPS THE DEPARTMENT OF VETERANS AFFAIRS HAS BEEN ABLE TO ASSIST OUR VETERANS IN OBTAINING THE BENEFITS AND SERVICES TO WHICH THEY ARE ENTITLED.

I WANT TO RESPECTIFULLY ASK FOR THE COMMITTEE'S CONSIDERATION TO SUPPORT HB 1007 AND THE DEPARTMENT OF VETERANS' AFFAIRS REQUEST FOR FUNDING FOR THE NEXT BIENNIUM.

THE ADMINISTRATIVE COMMITTEE ON VETERANS' AFFAIRS HAS VOTED TO APPROVE HB 1007.

THANK YOU FOR ALLOWING ME TO SUBMIT THIS TESTIMONY TODAY.

THE ND COMMISSIONER OF VETERANS' AFFAIRS, LONNIE WANGEN, AND HIS ADMINISTRATIVE ASSISTANT CAHTY HALGUNSETH, WILL PRESENT THE BUDGET FOR THE DEPARTMENT OF VETERANS' AFFAIRS.

TESTIMONYSENATEHB1007

March 3, 2011

HB 1007 Budget for North Dakota Department of Veterans Affairs Training person

Senate Appropriations

Testimony of Lonnie Wangen Commissioner of Veterans Affairs

Chairman Holmberg and Committee members,

The optional package for the North Dakota Department of Veterans Affairs (ND-DVA) included an additional FTE for the purpose of training. This position would be of great benefit to the ND-DVA as well as the Veterans of North Dakota. ND-DVA is currently responsible for training the County Veteran Service officers (CVSO) and Tribal Veteran Service Officers (TVSO) in North Dakota. We conduct two training sessions per year, one in the spring and one in the fall. This training is designed to keep our current CVSO's up to date on their skills and the ever changing policies, regulations and benefits provided by the Federal VA. We also conduct Small Group Instruction in our office as requested. It is important that we can get our State Veteran Service Officers (SVO's) out into the state to assist these CVSO's on continued training and resources. This work is in addition to our SVO's other duties such as claim taking.

The training of a new CVSO is much more time consuming as the amount of knowledge these CVSO's need to properly serve our veterans is immense. We are currently adopting the training plan shown on page 3 Attachment 1.

Our State Veteran Service Officers (SVO's) also provide services, outreach and training to other government agencies, programs and Veterans.

- National Guards Re-Integration Program, this is a great program which benefits the Veterans and their dependents as they return home from war and work to return to our society.
- Investigating Veterans Preference Appeals.
- Training to state and municipal agencies on issues such as Veterans Preference, Uniform Service members Employment and Re-employment Rights Act (USERRA).
 - How to apply Veterans Preference
 - How to react to Veterans Preference Appeals

ND-DVA will also be asked to provide additional training and resources

- Training of Attorney's and Judges
 - In coordination with the Supreme Court in setting up a Veterans Court
 - To provide better understanding of PTSD, Depression, TBI and other re-integration issues
- Training of Law Enforcement officers
 - In coordination with the Supreme Court in setting up a Veterans Court

- To provide better understanding of PTSD, Depression, TBI and other re-integration issues
- Training of School teachers and counselors
 - To help them understand the problems military and veterans children face
 - While their parent or loved one is deployed
 - After deployment
 - Returning with disabilities
 - Returning with PTSD, TBI, Depression or other mental health issues
- Minot AFB monthly Taps
 - Provide claim preparations for air men preparing for discharge from Active Duty.
- Educating the Public, Veterans and their Dependents
 - Town hall meetings
 - Successful in Walsh County.
- Website
 - Update our website to make it a user friendly tool which will provide answers to all questions asked.
 - One stop site with links to every legitimate resource for all concerns
 - Coordinating and monitoring veteran events in the entire state
- Coordinating Services available to ND Veterans and Dependents
 - Bringing all the services and resources available to Veterans and their dependents into one data base and user friendly application which is available for
 - CVSO's
 - Veterans
 - Other providers

In closing I believe you can see the need we have for a training officer. It is important that we have the resources necessary to properly care for the Veterans who have sacrificed for our freedoms and the dependents who cared for our Veterans. I believe that an active and successful person in this position could play a big role in providing the training and awareness to help...

Reduce the number of veteran suicides (over 171 Veteran suicides in ND since 2001).

Provide help for Veterans and their dependents in need

Provide better trained and effective CVSO's

Inform our Veterans of the benefits they have earned

For the year 2009 the Federal VA reported over \$230,000,000.00 in expenditures to North Dakota (attachment 2). This includes compensation, pension, DIC, education, health care and more. Better trained and supported CVSO's, outreach and public events will only increase the amount of VA money coming into North Dakota and Decrease the expense on North Dakota to assist in some programs.

Thank you.

Attachment 1New County Veteran Service Officer Training

- Week long training at ND DVA in Fargo or Bismarck (basic training)
 - First Module
 - Overall picture of how entire process works
 - CVSO duties
 - NSO duties
 - Rater-VA
 - Review reference manuals
 - Good understanding of how a claim is processed beginning to end.
 - CONFIDENTIALITY/PRIVACY/HIPPA
 - Understand liability!
 - Claims: informal and formal
 - minimum standard
 - Submitting complete claim packet.

All 24 Training Modules

- Covered during initial training.
- Quiz's at end of each Module
- Reference manual and resources provided (if needed)
 - How to find answers/use resources
- VA visits
 - VA Medical Center
 - VA Regional Office
- Open book test on "basics"
 - As evaluation of effectiveness of training-not for accreditation.
 - Familiar with forms
- All privacy and required VA training
- Enroll in Trip training
 - Cyber securities course conducted.
 - Get CVSO signed up with Trip while at initial training
 - Meet with TRIP coordinator (Christie Peterson) at VA during VA visit.

NDDVA visit at the CVSO's office:

- Less than 30 days after basic training.
- Computer set up
 - Links to websites etc.
- Open house
 - Veterans benefit day (advertised)
- Site visit completed on facilities.
- Visit with county commissioner/auditor/manager.

NORTH DAKOTA-2009
Expenditures in \$000s

County/ Congressional District	Veteran Population*	Total Expenditure	Compensation & Pensions	Construction†	Education & Vocational Rehabilitation/ Employment	Loan Guaranty	General Operating Expenses	Insurance & Indemnities	Medical Care	Unique Patients**
ADAMS	201	\$ 810	\$ 398	\$ -	\$ 25	\$ -	\$ -	\$ 28	\$ 359	87
BARNES	1,078	\$ 4,188	\$ 1,972	\$ -	\$ 70	\$ -	\$ -	\$ 137	\$ 2,010	368
BENSON	395	\$ 2,218	\$ 1,206	\$ -	\$ 25	\$ -	\$ -	\$ 9	\$ 979	138
BILLINGS	123	\$ 187	\$ 138	\$ -	\$ 6	\$ -	\$ -	\$ 0	\$ 43	23
BOTTINEAU	698	\$ 1,736	\$ 1,142	\$ -	\$ 55	\$ -	\$ -	\$ 11	\$ 527	194
BOWMAN	223	\$ 1,162	\$ 406	\$ -	\$ 3	\$ -	\$ -	\$ 40	\$ 713	129
BURKE	194	\$ 662	\$ 324	\$ -	\$ 4	\$ -	\$ -	\$ 6	\$ 327	62
BURLEIGH	6,848	\$ 20,091	\$ 11,069	\$ -	\$ 1,387	\$ -	\$ -	\$ 373	\$ 7,262	1,872
CASS	10,048	\$ 65,828	\$ 22,632	\$ 141	\$ 3,186	\$ -	\$ 6,379	\$ 966	\$ 32,523	3,756
CAVALIER	455	\$ 1,097	\$ 532	\$ -	\$ 43	\$ -	\$ -	\$ 35	\$ 487	133
DICKEY	466	\$ 1,548	\$ 800	\$ -	\$ 54	\$ -	\$ -	\$ 2	\$ 691	137
DIVIDE	223	\$ 466	\$ 265	\$ -	\$ 16	\$ -	\$ -	\$ 4	\$ 182	67
DUNN	287	\$ 1,176	\$ 627	\$ -	\$ 37	\$ -	\$ -	\$ 4	\$ 508	86
EDDY	217	\$ 1,042	\$ 502	\$ -	\$ 4	\$ -	\$ -	\$ 138	\$ 399	67
EMMONS	337	\$ 1,117	\$ 672	\$ -	\$ 7	\$ -	\$ -	\$ 1	\$ 437	146
FOSTER	267	\$ 833	\$ 420	\$ -	\$ 13	\$ -	\$ -	\$ 12	\$ 388	75
GOLDEN VALLEY	202	\$ 267	\$ 136	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ 128	40
GRAND FORKS	6,567	\$ 21,739	\$ 12,203	\$ -	\$ 2,535	\$ -	\$ -	\$ 570	\$ 6,431	1,434
GRANT	254	\$ 825	\$ 401	\$ -	\$ 17	\$ -	\$ -	\$ 1	\$ 407	77
GRIGGS	241	\$ 1,012	\$ 538	\$ -	\$ 21	\$ -	\$ -	\$ 7	\$ 446	95
HETTINGER	313	\$ 908	\$ 303	\$ -	\$ 23	\$ -	\$ -	\$ 5	\$ 578	75
KIDDER	242	\$ 1,029	\$ 541	\$ -	\$ 5	\$ -	\$ -	\$ 6	\$ 478	70
LA MOURE	322	\$ 992	\$ 426	\$ -	\$ 46	\$ -	\$ -	\$ 4	\$ 516	125
LOGAN	168	\$ 824	\$ 397	\$ -	\$ 0	\$ -	\$ -	\$ 22	\$ 405	84
MC HENRY	579	\$ 1,723	\$ 1,121	\$ -	\$ 52	\$ -	\$ -	\$ 14	\$ 537	161
MC INTOSH	200	\$ 851	\$ 411	\$ -	\$ 0	\$ -	\$ -	\$ 37	\$ 403	96
MC KENZIE	562	\$ 1,649	\$ 784	\$ -	\$ 14	\$ -	\$ -	\$ 0	\$ 851	132
MC LEAN	864	\$ 3,010	\$ 1,692	\$ -	\$ 58	\$ -	\$ -	\$ 53	\$ 1,207	294
MERCER	858	\$ 1,319	\$ 701	\$ -	\$ 42	\$ -	\$ -	\$ 14	\$ 561	168
MORTON	2,481	\$ 8,608	\$ 4,373	\$ -	\$ 368	\$ -	\$ -	\$ 76	\$ 3,791	717
MOUNTRAIL	621	\$ 2,498	\$ 1,443	\$ -	\$ 48	\$ -	\$ -	\$ 3	\$ 1,003	190
NELSON	415	\$ 1,757	\$ 914	\$ -	\$ 38	\$ -	\$ -	\$ 13	\$ 792	150
OLIVER	148	\$ 560	\$ 345	\$ -	\$ 17	\$ -	\$ -	\$ 6	\$ 192	45
PEMBINA	888	\$ 2,635	\$ 1,492	\$ -	\$ 83	\$ -	\$ -	\$ 78	\$ 982	258
PIERCE	485	\$ 1,336	\$ 746	\$ -	\$ 53	\$ -	\$ -	\$ 7	\$ 530	109
RAMSEY	723	\$ 4,115	\$ 1,860	\$ -	\$ 81	\$ -	\$ -	\$ 93	\$ 2,081	339
RANSOM	523	\$ 3,885	\$ 1,428	\$ -	\$ 14	\$ -	\$ -	\$ 36	\$ 2,407	1,215
RENVILLE	287	\$ 995	\$ 620	\$ -	\$ 19	\$ -	\$ -	\$ 11	\$ 345	87

ATTACHMENT 2

NORTH DAKOTA-2009
Expenditures in \$000s

County/ Congressional District	Veteran Population*	Total Expenditure	Compensation & Pensions	Construction [†]	Education & Vocational Rehabilitation/ Employment	Loan Guaranty	General Operating Expenses	Insurance & Indemnities	Medical Care	Unique Patients**
RICHLAND	1,162	\$ 5,414	\$ 2,167	\$ -	\$ 160	\$ -	\$ -	\$ 167	\$ 2,920	363
ROLETTE	931	\$ 3,282	\$ 1,863	\$ -	\$ 207	\$ -	\$ -	\$ 29	\$ 1,183	196
SARGENT	342	\$ 1,304	\$ 657	\$ -	\$ 21	\$ -	\$ -	\$ 15	\$ 610	111
SHERIDAN	156	\$ 346	\$ 163	\$ -	\$ 14	\$ -	\$ -	\$ 14	\$ 157	50
SIoux	356	\$ 1,310	\$ 730	\$ -	\$ 26	\$ -	\$ -	\$ 0	\$ 552	57
SLOPE	51	\$ 401	\$ 104	\$ -	\$ 5	\$ -	\$ -	\$ -	\$ 292	9
STARK	2,125	\$ 6,270	\$ 2,846	\$ -	\$ 262	\$ -	\$ -	\$ 42	\$ 3,120	670
STEELE	250	\$ 1,031	\$ 566	\$ -	\$ 31	\$ -	\$ -	\$ 1	\$ 434	62
STUTSMAN	1,830	\$ 7,717	\$ 3,475	\$ -	\$ 265	\$ -	\$ -	\$ 143	\$ 3,833	610
TOWNER	277	\$ 859	\$ 369	\$ -	\$ 18	\$ -	\$ -	\$ 7	\$ 464	85
TRAILL	795	\$ 3,909	\$ 1,716	\$ -	\$ 144	\$ -	\$ -	\$ 36	\$ 2,014	252
WALSH	1,160	\$ 3,419	\$ 1,416	\$ -	\$ 39	\$ -	\$ -	\$ 157	\$ 1,807	345
WARD	5,385	\$ 21,874	\$ 14,826	\$ -	\$ 1,751	\$ -	\$ -	\$ 357	\$ 4,941	1,550
WELLS	416	\$ 1,198	\$ 585	\$ -	\$ 47	\$ -	\$ -	\$ 11	\$ 554	121
WILLIAMS	1,836	\$ 5,719	\$ 2,892	\$ -	\$ 151	\$ -	\$ -	\$ 109	\$ 2,568	588
NORTH DAKOTA (Totals)	57,074	\$ 230,754	\$ 110,354	\$ 141	\$ 11,610	\$ -	\$ 6,379	\$ 3,915	\$ 98,355	17,373

IN 000'S

Notes:

* Veteran population estimates, as of September 30, 2009, are produced by the VA Office of the Actuary (VetPop 2007).

Prior to FY 08, "Loan Guaranty" expenditures were included in the Education & Vocational Rehabilitation and Employment (E&VRE) programs. Currently, all "Loan Guaranty" expenditures are attributed to Travis, TX, where all Loan Guaranty payments are processed. VA will continue to improve data collection for future GDx reports to better distribute loan expenditures at the state, county and congressional district levels.

** Unique patients are patients who received treatment at a VA health care facility. Data are provided by the Allocation Resource Center (ARC).

Expenditure data sources: Federal Assistance Awards Data System (FAADS) for Compensation & Pension (C&P) and Vocational Rehabilitation and Employment (VRE) Benefits; Veterans Benefits Administration Insurance Center for the Insurance costs; the VA Financial Management System (FMS) for Construction, Medical Research, General Operating Expenses, and certain C&P and Readjustment data; and the Allocation Resource Center (ARC) for Medical Care costs.

1. Expenditures are rounded to the nearest thousand dollars. For example, \$500 to \$1,000 are rounded to \$1; \$0 to \$500 are rounded to \$0; and "\$ -" = 0 or no expenditures.

2. The Compensation & Pension expenditures include dollars for the following programs: veterans' compensation for service-connected disability; dependency and indemnity compensation for service-connected deaths; veterans' pension for nonservice-connected disabilities; and burial and other benefits to veterans and their survivors.

3. Medical Care expenditures include dollars for medical services, medical administration, facility maintenance, educational support, research support, and other overhead items. Medical Care expenditures do not include dollars for construction or other non-medical support.

4. Medical Care expenditures are based on where patients live instead of where care is delivered.

5. Congressional District data will be available in the near future.

TESTIMONY ON HB 1007
SENATE APPROPRIATIONS COMMITTEE
THURSDAY, MARCH 3, 2011

Chairman Holmberg and members of the Senate Appropriations Committee, I am Kristin Lunneborg, CFO at the North Dakota Veterans Home. I am here today to discuss with you the audit findings from our June 30, 2009 audit and to provide you some insight into our 2009-2011 budget appropriation as well as our 2011-2013 budget needs.

Our June 30, 2009 Audit

Our biennium end June 30, 2009 audit was performed by the State Auditor's Office. There were no significant audit findings, only three areas they identified weaknesses. The first related to in-state employee meal reimbursements that we incorrectly reimbursed at \$28 per day, rather than the \$25 per day rate established by the legislature. It was not our intent to pay a rate higher than what was set in the North Dakota Century Code; unfortunately, we were unaware that the rate we were paying was incorrect. We caught this error while doing paperwork for the 2009 flood and immediately changed our travel reimbursement forms and payments to reflect the correct rate.

The second weakness related to four expenditures that the auditors felt should have been coded more descriptively. Three expenditures relating to the transport of residents during the 2009 flood were coded to employee in-state travel when they should have been coded to non-employee in-state travel. The other expenditure for around \$600 was coded to in-state lodging instead of out-of-state lodging. We agreed to ensure that invoices are coded more descriptively in the future; however, all four of these items were coded to the correct line item detail.

The final weakness related to two expenditures that the auditors felt did not have adequate detailed itemized documents. The expenditures, which were for contract nursing staff, included an invoice and an itemized sheet detailing the individual that worked, the hours they worked

and the mileage they incurred. Because timecards were sometimes sent to us from the staffing agencies, the auditors felt that we should make sure to obtain time cards from each individual working for the contracted agency. We agreed that we would try to get copies of all timecards to attach with the other paperwork but we argued that there were adequate controls in place to ensure that the invoices were accurate. Prior to the department supervisor approving the invoices for payment, the staff person responsible for the nursing schedule would double check to make sure that each individual listed on the itemized sheet worked the shift and hours indicated.

The audit report also identified one prior recommendation that has not yet been implemented. This recommendation was to purchase a new software system that would have better internal controls for resident billing and accounting. Funding was approved last legislative session for a new electronic health records system. We are currently working thru the RFP process and hope to award the contract soon.

Our 2009 – 2011 Budget Appropriation

Our current appropriation of \$51,433,979 includes \$16,452,519 for our operating budget, \$27,921,467 to complete construction of the new veterans' home, a \$862,574 line of credit to help cover 2009 flood expenses, \$3,158,000 for projects under the federal stimulus package and a contingent appropriation of \$3,039,414 in general funds for a geo-thermal heating system for the new veterans' home.

As you may be aware, there have been some delays in construction of the new veterans' home. These delays will have an impact on our operating budget for this biennium. The budget was prepared using an estimated completion date of October 1, 2010. Current plans are to begin moving into the new facility around the middle of May 2011. The delay in completion will cause our revenues to fall short of projections by approximately \$300,000 - \$350,000 as we will be

unable to generate all of the additional rent revenue we anticipated from the increase of 14 skilled nursing home beds and 30 additional basic care beds.

The construction delay will also have a significant impact on our salary and operating expenses. Our current budget included approximately \$884,000 in additional funding for the hiring of 24 FTE employees to help care for the increase in residents. Due to the delay in moving to the new facility, we have just started hiring some of the 24 FTE employees. The increase in salaries was calculated using an approximate hire date of July 1, 2010. Based on this, I am anticipating that we will not use approximately \$400,000 of the appropriation for salaries and benefits.

The impact on the operating budget is a little harder to predict. We have incurred increased costs for several items including: legal fees relating to the new veterans home, increased professional development fees as we did not anticipate the amount of staff training that would be involved with moving to the new household/neighborhood design, increased fees to keep our owner's representative working on the construction project and increased primary care expenses for our veterans. What we do know is that the delay in admitting additional residents will decrease our expenses for food, medical supplies, and medications. I am estimating that we will not use approximately \$500,000 of appropriation authority for operating expenses but the uncertainty of what is yet to come makes this number very difficult to predict.

Our capital assets budget is on target with only two big items remaining to be purchased, the electronic health records system and the telephone system for the new building. We are currently in the process of evaluating proposals for the health records system and bids were just opened last week for the telephone system. We anticipate using all of our capital asset appropriation authority.

Of the \$27.9 million in appropriation authority to complete construction of the new veterans' home, there is roughly \$5.2 million in appropriation authority remaining. As of January 31,

2011, Construction is approximately 96% complete. We anticipate using all the appropriation authority for the new veterans' home.

The \$862,574 in appropriation authority for 2009 flood expenses was not part of our 2009-2011 biennium appropriation. This line of credit was granted after session by the Emergency Commission and relates to a \$1,000,000 line of credit that was extended to us from the Bank of North Dakota to cover expenses that we were to incur during the flood of 2009. In the end, we borrowed \$152,232 from the Bank of North Dakota to help cover expenses. We received \$163,939 in settlements from FEMA and recently finished paying \$154,934 back to the Bank of North Dakota.

Included in our current appropriation is \$3,158,000 in federal stimulus funds for a thermal imager, electronic health records system, bobcat utility vehicle and geothermal heating system. We will not be using any of this appropriation authority as we learned thru previous conversations with the Department of Commerce and OMB that we would be unable to secure federal stimulus funds for any of these projects.

The final appropriation item in our 2009-2011 biennium budget provided a contingent appropriation of \$3,039,414 in general funds for the geothermal heating system for the new veterans' home. This appropriation authority was only to be used if we were unable to secure federal stimulus funds for the geothermal system. Since we were not eligible for federal stimulus funds, 100% of this appropriation authority was expended to pay for the geothermal heating system in the new home.

2011-2013 Budget Needs & One-time spending needs

Putting together our budget for the 2011-2013 biennium was a challenge. Budgets are usually built by taking into consideration past history but we are charting new territory here since we are budgeting for a new building we have yet to occupy that is significantly larger and is built in

a new design. The majority of the changes to our budget are the direct result of the increased number of residents we will be caring for in the new home.

With the change to the household/neighborhood concept we will see changes to the job descriptions for a majority of our staff. The majority of the care in this facility will be provided by "resident living specialists" that will provide C.N.A., dietary and housekeeping services as well as activities for the residents. Under the new model of care there is a "flattening" of the management structure and other staff are empowered to help in the decision making process.

A large portion of the increase in salaries and benefits can be attributed to the funding needed to cover the salaries and benefits of the 24 FTE positions for an entire biennium, as well as some changes to salaries as staff shift into other roles. The governor's recommendations also add roughly \$711,000 in salary and benefits adjustments.

The roughly \$1.5 million increase in our operating budget is attributed to increased expenses for medical supplies, food, medications, primary care expenses for the veterans and utilities. The majority of these expenses also tie directly to the increase in the number of residents we will care for in the new home.

Our capital asset requests for our operating budget include one-time funding for a new computer server, a man lift, various pieces of equipment for the PT/OT area, two lawnmowers, siding and shingles for the 3 stall garage that was relocated during construction and materials to build a heated storage area in the new maintenance building.

Part of the funding for the new veterans home included \$2.5 million in bonding that we will start repaying in the next biennium. The projected bond and interest payments for the 2011-2013 biennium are \$403,000.

We are also requesting \$332,000 in capital asset appropriations to finish out several projects relating to the new veterans home. All of which are one-time funding needs. They include:

- \$65,000 for mill and overlay work to the existing road around the new home and the addition of a new truck route to the back of the new home
- \$55,000 for street lighting around the new building site to the new entrance
- \$187,000 for an irrigation system around the perimeter of the new home
- \$25,000 to finish out the landscaping around the new veterans home

Included in our optional package and in the Governor's recommended budget are one-time funding for:

- Repairing the existing irrigation system damaged during the 2009 flood - \$55,000
- Reshaping and grading the oxbow on the veterans home grounds - \$76,500

The last capital item to discuss relates to the Administrator's residence. The Administrator's residence receives its heat from two large boilers located in the maintenance garage that provide heat for both the house and the existing veterans' home. If we cut off the heat to the existing veterans' home, we need to determine a solution for heating the house. The legislature has four options to consider for the Administrator's residence: put in a new heating source, continue to heat the house with the existing boilers, build a new house on the veterans' home grounds, or provide a stipend to the Administrator to live off campus.

In our budget request we included \$21,000 for a new heating source and \$450,000 in our optional package to build a new Administrator's house on the veterans' home grounds. The Governor's recommended budget took out the \$21,000 for a heating source for the Administrator's house and added a \$20,000 stipend for the Administrator to live off campus.

Also included in our optional request was funding for a medication distribution system. We have opted to not pursue this at the present time as the system is too new and not enough information is available to determine if this is a good solution for medication distribution.

In looking at comparisons from last biennium's budget to this biennium's request, there really is not much that hasn't changed. Besides the reduction in funding sources for the new veterans' home, salaries increased overall primarily due to funding the increase in FTE from last biennium for an entire biennium. Operating costs increased due to the increased number of residents we will be caring for in the new facility and our capital asset request is higher as we are requesting additional one-time funding to complete all projects related to the new veterans home.

There are also many changes in our department detail. The majority of the staff currently working in dietary, housekeeping and activities will be categorized as nursing department staff due to the new blended role of the resident living specialists. While some departments are seeing a major decrease in their salaries due to the shifting of roles, other departments are seeing salary increases due to additional staff that will be hired.

Operating expenses for each department also change significantly as we look at the funding needed to care for the increase in residents.

Although we are asking for additional funding for the 2011-2013 biennium, the additional special fund revenue that we will see from the increase in residents more than covers the increase we are requesting in our budget. The only increase in general funds in our budget is for the governor's proposed salary and benefit increases and the funding for items in our optional package that were supported in the Governor's recommended budget.

We hope that you will support our 2011-2013 budget request and help us to provide the care that our veterans deserve.

Kristin Lunneborg
North Dakota Veterans Home CFO
701-683-6503
klunneborg@nd.gov

HUMAN RESOURCES COMMITTEE HEARING
WEDNESDAY, JANUARY 26, 2011
HOUSE BILL 1007

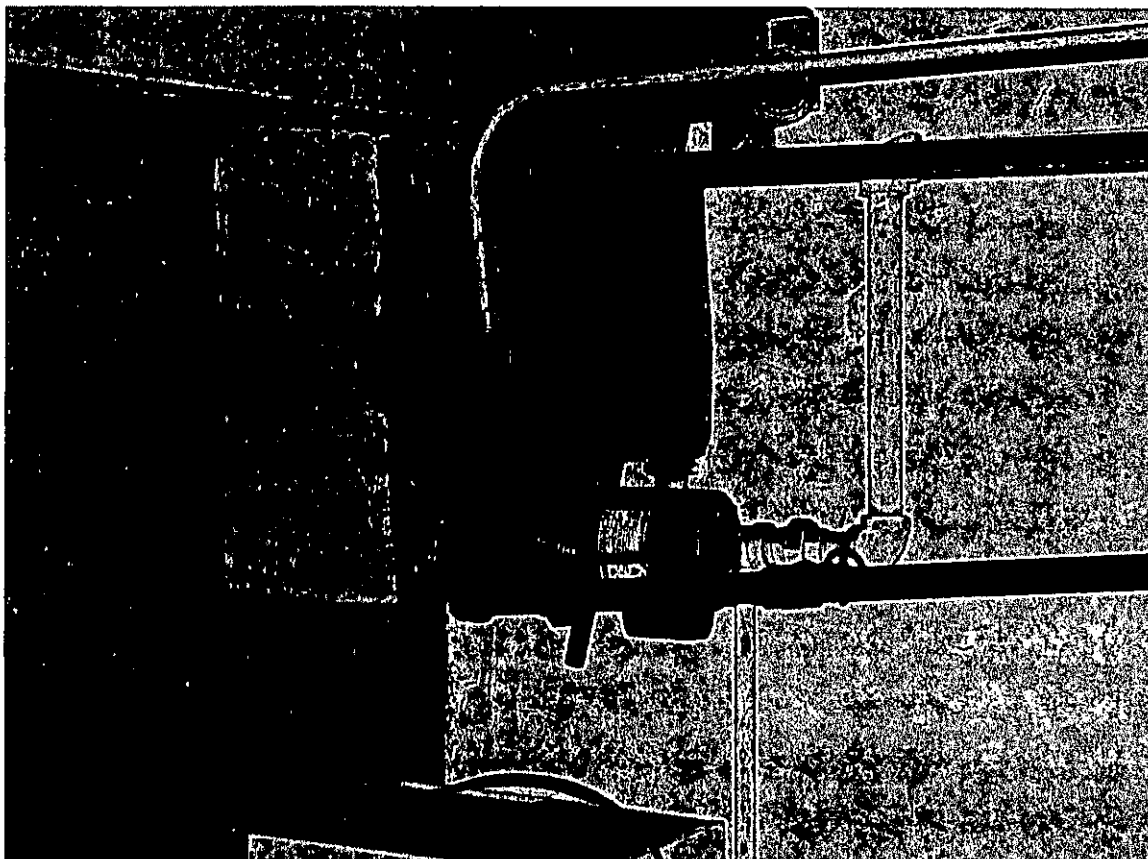
Chairman Pollert and members of the Human Resources Committee, my name is Russell Handgard, Owners Representative of the North Dakota Veterans Home.

BACKGROUND



The existing home is one of the older structures on the campus of the NDVH and is approximately 100 years old. The overall condition of the building is poor. There is evidence of structural deterioration and many building elements are in need of repair or replacement. The home is heated from a central boiler facility which also serves the existing Veterans Home. This will no longer be practical after the existing structure is abandoned. Cooling is provided by a number of room air conditioning devices. The home is two and one half stories and has deficiencies related to accessibility, mechanical and electrical systems, floor planning, the kitchen, and the bath facilities.

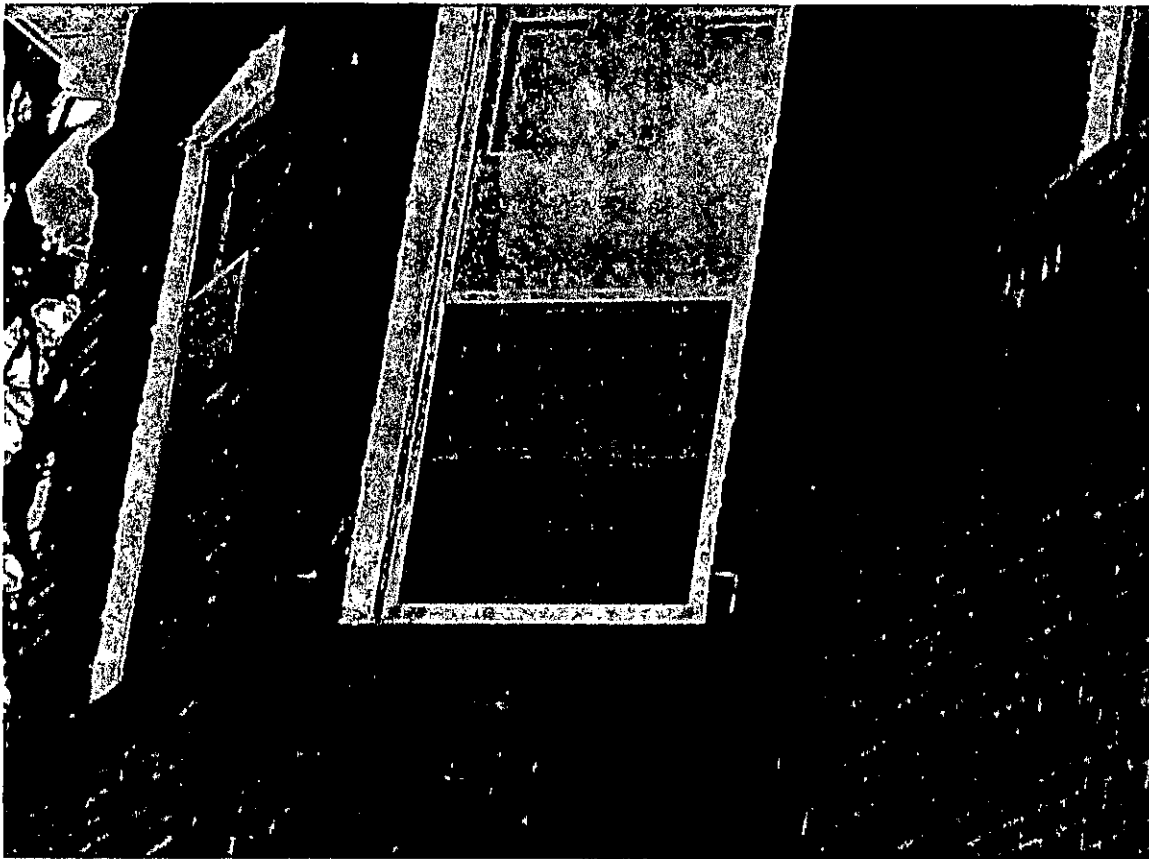
HUMAN RESOURCES COMMITTEE HEARING
WEDNESDAY, JANUARY 26, 2011
HOUSE BILL 1007



RECOMMENDATION

The minimum work required to allow continued habitation would be a new heating system at an estimated cost of \$35,000 or more. The additional repairs and upgrades could easily reach a total cost of over \$100,000 and many of the deficiencies cannot practically be overcome. The Board consensus is that the home has lived its useful life and that it would be inadvisable to make large investments in the existing home.

HUMAN RESOURCES COMMITTEE HEARING
WEDNESDAY, JANUARY 26, 2011
HOUSE BILL 1007



COST PROJECTION

A design of a new home has not been developed but it is assumed the approximate size required would be 3000 square feet. A discussion with a Lisbon home builder suggests the estimated cost of a home of that size would be \$450,000, plus architectural fees. Additional costs may include site utilities and landscaping.

We have been made aware of a FEMA house in Lisbon in the flood plain and have made initial inquiries regarding availability and if the home could be moved. At this time it appears the house may be available in 60 to 90 days and a house mover has been contacted to determine if the structure could be moved. This could be considered as an alternative to new construction and may lead to savings of money and time.

HUMAN RESOURCES COMMITTEE HEARING
WEDNESDAY, JANUARY 26, 2011
HOUSE BILL 1007



OTHER CONSIDERATION

Due to the volatility of the local real estate market, it is opinion of the Governing Board that providing housing is a valuable tool for recruiting attractive candidates for the position of administrator. An on campus site is considered desirable, but other locations may be an option.

SOURCES OF FUNDS

The NDVH was the recipient of a gift of partial mineral rights in land near Williston, ND. To date they have received \$258,700 in lease income. This along with anticipated royalty income may be a source of fund for the project with appropriate reviews and approvals.

Thank you for allowing me to speak and I will now take questions.

Respectfully submitted
Russell Handegard, Owners Representative
North Dakota Veterans Home

Testimony for 2:00 p.m. March 3, 2011 budget hearing for North Dakota Veterans Home in the Senate Appropriation Committee, Chairman Senator Holmberg. My name is Norris Braaten and I am the Chairman of the Governing Board of the NDVH.

One element of the NDVH Budget is the present dwelling that has been the residence for the Commandant/Administrator of the NDVH. In 2006 Mark Johnson was hired as the Administrator of the home and as a portion of his compensation was the dwelling on the site that since its construction has been occupied by the commandant of the home. The proposed budget provides \$30,000.00 for demolition of the home.

1. I would request consideration of a delay until the 2013 session of the demolition and remain as his residence. At this time a study has been proposed to determine the feasibility of retaining the most recently constructed building of the existing veterans home. This would allow sufficient time for Mr. Johnson to locate a satisfactory dwelling for he and his family and a combination of demolition for all the buildings could be considered.
2. The present budget proposes a stipend of \$10,000.00 per year for the administrator in lieu of the present **tax free** benefit Mr. Johnson derives from living on the site of the veterans home. If a stipend becomes the only solution to this issue, the amount needs to be \$2,000.00 per month when you take into consideration the State & Federal Income Tax, Employee Payroll tax and the unknown risk that exists in owning a residence in a Lisbon. I have lived in small community my entire career and am aware the investment of a dwelling does not guarantee a return of gain when you consider the disposition may be necessary in a short or intermediate time frame. As president of a community bank I am aware of the volatility of owning a dwelling under these circumstances. The other alternative is renting; however this has another set of issues with the availability of a satisfactory home of the size needed for his family perhaps becoming the most problematic.

These potential issues affect the compensation of Mr. Johnson and as a member of the board employing him at the NDVH, I have an interest in a fair and equitable resolution of these issues. Certainly we realize changes are necessary and we can incorporate these into the future compensation; however we request latitude in the compensation area to be certain this decision does not result in a net loss to the spendable income of our administrator. His performance has been excellent and the construction of the future home for the veterans of North Dakota which he has guided during these past 4 years is evidence he has served all of the stakeholders in an exception manner. He deserves reward, not a decrease in his spendable income, for his service to the NDVH.

SENATE APPROPRIATION COMMITTEE HEARING
THURSDAY, MARCH 03, 2011
HOUSE BILL 1007

Chairman Holmberg and members of the Senate Appropriations Committee, my name is Mark Johnson, Administrator of the North Dakota Veterans Home.

I am here today to ask your support for funding improvements to the oxbow. The oxbow, which is located directly behind the existing Veterans Home and the Administrator's residence, was a channel of the Sheyenne River that is shaped like a horse shoe and is about $\frac{3}{4}$ mile long. Up until the 1970's, the oxbow was part of the Sheyenne River bottom; but during the 1970's floods a dike was installed along the Sheyenne River by the National Guard to protect the Veterans Home. Since the 1970's the oxbow has played a major role in controlling flood waters at the Veterans Home. We utilize the oxbow to capture and transfer overland flood water from approximately 150 acres. During the 1996 flood the oxbow flooded approximately 10 feet and filled the elevator shafts and sub basement with water. After the 1996 flood a pump house was installed to pump out the oxbow.

SENATE APPROPRIATION COMMITTEE HEARING
THURSDAY, MARCH 03, 2011
HOUSE BILL 1007



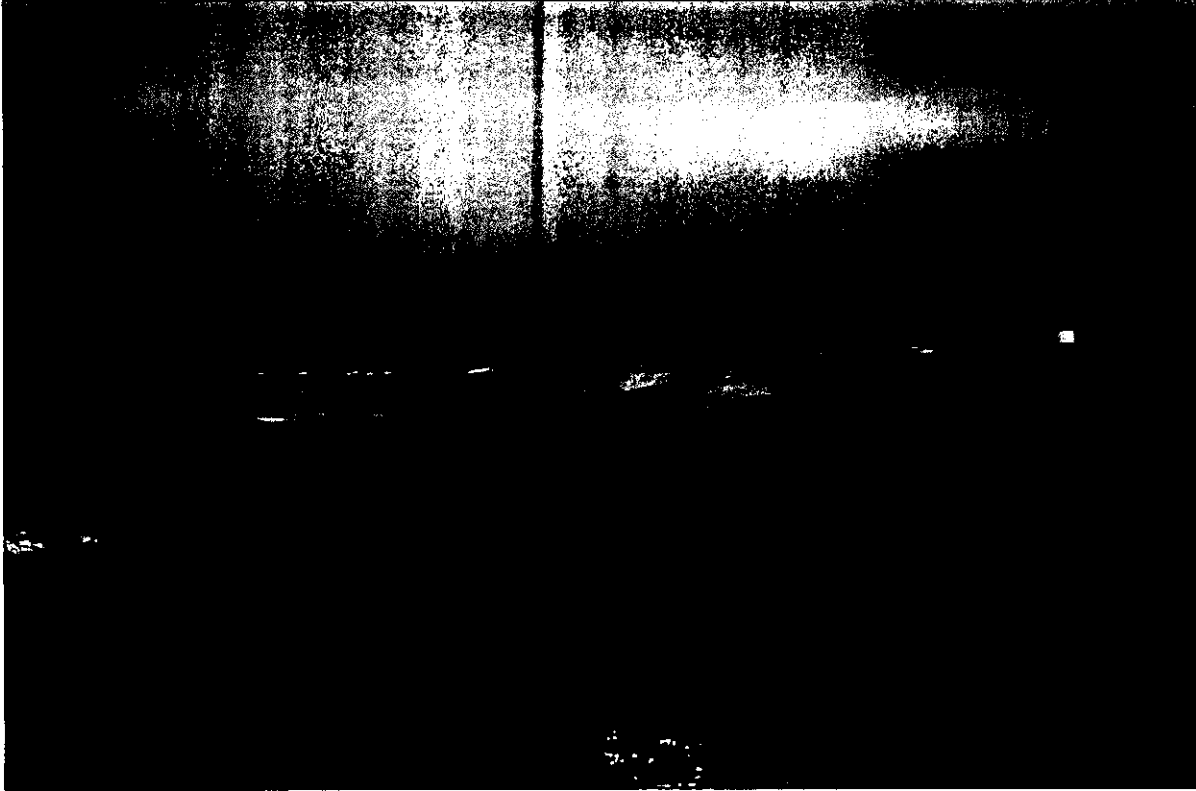
Things were working correctly until this past year. The layout of the new veterans home site called for the construction of a drainage channel around the outside perimeter of the new home, with a large size culvert running under the road connecting the drainage channel to the oxbow.

SENATE APPROPRIATION COMMITTEE HEARING
THURSDAY, MARCH 03, 2011
HOUSE BILL 1007



Over the last two years, approximately 50,000 cubic yards of engineered fill has been added on the construction site. The building pad has been re-landscaped to deal with the existing 150 acres and now accommodates drainage for an additional 75 acres of overland flood water.

SENATE APPROPRIATION COMMITTEE HEARING
THURSDAY, MARCH 03, 2011
HOUSE BILL 1007



Last summer two big rains caused the new storm drains to fill the oxbow with approximately eight feet of water, however, with the water came several yards of sediment from the new construction site. Due to the sediment we now have a blockage that won't allow water to flow towards the pump house. The majority of the water flows in the wrong direction and has to be removed by using additional drainage pumps. Last summer staff spent numerous hours redirecting stinky, stagnant, mosquito infested water from the oxbow to the river. The area where the water pools is approximately 500 feet from the new building.

SENATE APPROPRIATION COMMITTEE HEARING
THURSDAY, MARCH 03, 2011
HOUSE BILL 1007



In closing, we are requesting funding to make improvements to the oxbow so that it will drain correctly and allow us to protect the new Veterans Home complex and outlier buildings from flood waters.

Thank you for allowing me to speak and I will now take questions.

Respectfully submitted

Mark B. Johnson, Administrator

North Dakota Veterans Home

TESTIMONY ON HB 1007 - ND VETERANS COORDINATING
COUNCIL.

A veteran is an individual that has signed a blank check in the amount of and up to including his or her life for their country. Good morning, my name is John L. Jacobsen. I am the Chairman of the Legislative Committee of the North Dakota Veterans Coordinating Council. I am also a member of the American Legion and the Veterans of Foreign Wars.

I served in the North Dakota National Guard and the US Army Reserve for a total of 30 years. I retired in 1995 as a Colonel. I was mobilized for Active Duty in 1991 during Operation Desert Shield/Desert Storm. Like all mobilizations, I left my home and family to serve in the Persian Gulf, stationed in the United Arab Emirates.

The Coordinating Council is made up of 15 members, 3 from each of the five Veterans Organizations in North Dakota:

- American Legion
- AMVETS
- Disabled American Veterans
- Veterans of Foreign Wars
- Vietnam Veterans of America

It is the policy of the Coordinating Council to support legislation that will benefit the welfare of the members of the Armed Forces. The committee **MUST** concur totally, that is all 15 members must agree on the legislation to be supported or else it does not get the support.

In this case, I have been instructed to recommend to this legislative committee that a "DO PASS" on HB 1007 is supported by the entire membership of the Veterans Coordinating Council.

- b. Moneys expended by the member for other medical care or treatment, or for required medicines.
 - c. Such other receipts or expenditures as the veterans' home governing board may permit to be deducted in individual cases.
3. All moneys received as a result of charging the fees authorized by subsection 1 must be deposited in the veterans' home operating fund.

37-15-15. Disbursement of moneys from veterans' home operating fund. All moneys withdrawn from the veterans' home operating fund must be withdrawn in accordance with chapters 54-14 and 54-44.1.

37-15-16. Administrator shall take charge of unclaimed estates of small value. If a member of the veterans' home dies leaving property of the value of three thousand dollars or less, the administrator immediately shall take charge of the property. If within forty-five days of the date of death a valid claim of any heir or devisee is not made for the property and an application or petition has not been filed for issuance of letters of administration, the administrator shall convert the property into cash without probate or other proceedings and make payment first toward reasonable funeral expenses and second toward reasonable and necessary medical and hospital expenses of the last illness of the decedent. If any cash remains, the administrator shall deposit the cash with the state treasurer who shall credit it to the veterans' home operating fund. The administrator shall make a report of the administrator's action to the administrative committee on veterans' affairs. The report must be audited by, and included in the records of, the committee.

37-15-17. Intestate members leaving estates valued in excess of three thousand dollars - Administrator to administer estate. If a member of the veterans' home dies leaving property in excess of three thousand dollars in value not disposed of by will, the administrator is entitled to letters of administration for the estate. The administrator shall apply to the proper court for letters of administration, qualify as administrator, and distribute and dispose of the estate. If a valid claim is not made to the estate by the heirs or the next of kin of the deceased member for a period of one year after the granting of letters of administration, the residue of the estate must be deposited with the state treasurer for the benefit of the veterans' home operating fund.

37-15-18. Administrator of estate - Bond not required - Fees - Allowance of fees by district court. Upon becoming administrator of any estate under section 37-15-17, the administrator of the veterans' home is not required to give bond and may not charge or receive any compensation for the administrator's services as administrator of the estate. The district court serving the county where the administration proceedings are conducted may not allow any charge or fee in connection with the administration proceedings other than the actual disbursements of the administrator.

37-15-19. Biennial report. The administrator of the veterans' home may submit a biennial report to the governor and the secretary of state in accordance with section 54-06-04.

37-15-20. Advertisement for bids on coal and supplies. Repealed by S.L. 1971, ch. 344, § 25.

37-15-21. Administrator may accept gifts, donations, or bequests. The administrator for and in behalf of the veterans' home may accept and expend funds from any source, including federal or private sources and donations, gifts, or bequests offered or tendered to, or for the benefit of, the veterans' home to be used to benefit the veterans' home. All moneys received or accepted must be used for the specific purposes for which they were given or donated. This authority applies and is retroactive to any or all gifts, donations, or bequests already tendered, offered, or made. The veterans' home may establish and maintain its own local fund to administer moneys received under this section. All interest, rent, or income from moneys or property received under this section must be deposited in the veterans' home



Robinson, Larry J.

From: Wangen, Lonnie L.
Sent: Sunday, March 13, 2011 2:59 PM
To: Robinson, Larry J.
Subject: HB 1007
Attachments: HB 1007.New office space.doc

Senator Robinson,

Need for additional funds for rent.

Current office in Bismarck: 490 Square feet \$13.48 per square foot = \$6,605 per year or \$550.42 per month.

New office in Bismarck: 768 Square feet \$11.72 per square foot = \$9,000.96 per year or \$750 per month.

This would amount to an additional \$199.58 per month or \$4,789.92 for the next biennium.

The current office is one office with a waiting/reception area.

I have 2 employees working there and this does not provide the correct privacy needed when meeting with a Veteran or their family.

The current office has no windows, no storage space, no room for files, no room to meet with families or groups.

Need space for the programs, training, veteran supplies, files, promotional items, storage of outreach equipment, etc.

The new location will provide all the needed space and windows for the staff.

The new location has all utilities etc included so no additional costs there (same as current location).

The new location was a state agency and has all the phone/computer cable wiring in so no extra costs there.

Please consider an amendment to allow for these additional dollars so we can properly office our Veteran Service officers to provide service to our Veterans.

Thank you.

Lonnie Wangen
Commissioner
ND DVA
701-239-7165
701-239-7166 (fax)
lwangen@nd.gov
www.nd.gov/veterans

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North Dakota Department of Veterans Affairs is an equal opportunity employer/program provider

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1007 - Funding Summary**

	Executive Budget	House Version	Senate Changes	Senate Version
Veterans' Home				
Salaries and wages	\$13,936,861	\$13,936,861	(\$20,000)	\$13,916,861
Operating expenses	5,932,285	5,932,285	70,000	6,002,285
Capital assets	630,500	660,500	145,000	805,500
New Veterans' Home	<u>332,000</u>	<u>332,000</u>		<u>332,000</u>
Total all funds	\$20,831,646	\$20,861,646	\$195,000	\$21,056,646
Less estimated income	<u>15,151,823</u>	<u>15,308,323</u>	<u>68,500</u>	<u>15,376,823</u>
General fund	\$5,679,823	\$5,553,323	\$126,500	\$5,679,823
FTE	120.72	120.72	0.00	120.72
Department of Veterans' Affairs				
Veterans' Affairs	<u>\$1,137,219</u>	<u>\$1,137,219</u>		<u>\$1,137,219</u>
Total all funds	\$1,137,219	\$1,137,219	\$0	\$1,137,219
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$1,137,219	\$1,137,219	\$0	\$1,137,219
FTE	7.00	7.00	0.00	7.00
Bill Total				
Total all funds	\$21,968,865	\$21,998,865	\$195,000	\$22,193,865
Less estimated income	<u>15,151,823</u>	<u>15,308,323</u>	<u>68,500</u>	<u>15,376,823</u>
General fund	\$6,817,042	\$6,690,542	\$126,500	\$6,817,042
FTE	127.72	127.72	0.00	127.72

House Bill No. 1007 - Veterans' Home - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$13,936,861		\$13,936,861
Operating expenses	5,932,285		5,932,285
Capital assets	630,500	30,000	660,500
New Veterans' Home	<u>332,000</u>		<u>332,000</u>
Total all funds	\$20,831,646	\$30,000	\$20,861,646
Less estimated income	<u>15,151,823</u>	<u>156,500</u>	<u>15,308,323</u>
General fund	\$5,679,823	(\$126,500)	\$5,553,323
FTE	120.72	0.00	120.72

Department 313 - Veterans' Home - Detail of House Changes

	Adjusts Funding Source of New Home Landscaping ¹	Adjusts Funding Source of Irrigation System Repair ²	Adjusts Funding Source of Regrade of Oxbow ³	Adds Funding for the Demolition of the Administrator's Old Residence ⁴	Total House Changes
Salaries and wages					
Operating expenses					
Capital assets				30,000	30,000
New Veterans' Home					
Total all funds	\$0	\$0	\$0	\$30,000	\$30,000
Less estimated income	25,000	55,000	46,500	30,000	156,500
General fund	(\$25,000)	(\$55,000)	(\$46,500)	\$0	(\$126,500)
FTE	0.00	0.00	0.00	0.00	0.00

¹ The funding source of one-time funding for new home landscaping is changed from the general fund to special funds available from donated mineral lease income.

² The funding source of one-time funding for irrigation system repair is changed from the general fund to special funds available from donated mineral lease income.

³ The funding source of one-time funding for the regrading of the oxbow is changed from the general fund to special funds available from donated mineral lease income.

⁴ Funding is added for the demolition of the administrator's old residence from special funds available from donated mineral lease income.

A section is added to provide for a Legislative Management study of all available options, including demolition, for the disposition of the old Veterans' Home facility.

House Bill No. 1007 - Veterans' Home - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$13,936,861	\$13,936,861	(\$20,000)	\$13,916,861
Operating expenses	5,932,285	5,932,285	70,000	6,002,285
Capital assets	630,500	660,500	145,000	805,500
New Veterans' Home	332,000	332,000		332,000
Total all funds	\$20,831,646	\$20,861,646	\$195,000	\$21,056,646
Less estimated income	15,151,823	15,308,323	68,500	15,376,823
General fund	\$5,679,823	\$5,553,323	\$126,500	\$5,679,823
FTE	120.72	120.72	0.00	120.72

Department 313 - Veterans' Home - Detail of Senate Changes

	Adjusts Funding Source of New Home Landscaping ¹	Adjusts Funding Source of Irrigation System Repair ²	Adjusts Funding Source of Regrade of Oxbow ³	Removes Funding for Demolition of Administrator's Old Residence ⁴	Adjusts Funding for Administrator's Housing Allowance ⁵	Adds Funding for a Resident Workshop ⁶
Salaries and wages					(20,000)	
Operating expenses					20,000	
Capital assets				(30,000)		100,000
New Veterans' Home						
Total all funds	\$0	\$0	\$0	(\$30,000)	\$0	\$100,000
Less estimated income	(25,000)	(55,000)	(46,500)	(30,000)	0	100,000
General fund	\$25,000	\$55,000	\$46,500	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	Adds Funding for Resident Workshop Tools⁷	Adds Funding to Move Gazebo⁸	Total Senate Changes			
Salaries and wages			(20,000)			
Operating expenses	50,000		70,000			
Capital assets		75,000	145,000			
New Veterans' Home						
Total all funds	\$50,000	\$75,000	\$195,000			
Less estimated income	50,000	75,000	68,500			
General fund	\$0	\$0	\$126,500			
FTE	0.00	0.00	0.00			

¹ The funding source of one-time funding for new home landscaping is changed from special funds available from donated mineral lease income to the general fund, as provided in the executive recommendation. The House provided this funding from special funds available from donated mineral lease income.

² The funding source of one-time funding for irrigation system repair is changed from special funds available from donated mineral lease income to the general fund, as provided in the executive recommendation. The House provided this funding from special funds available from donated mineral lease income.

³ The funding source of one-time funding for the regrading of the oxbow is changed from special funds available from donated mineral lease income to the general fund, as provided in the executive recommendation. The House provided this funding from special funds available from donated mineral lease income.

⁴ Funding from special funds available from donated mineral lease income for the demolition of the administrator's old residence is removed.

⁵ This amendment transfers \$20,000 of special fund authority included in the executive recommendation for the administrator's housing allowance from the salaries and wages line item to the operating expenses line item to allow the Veterans' Home to rent a home for the administrator.

⁶ Special funds available from donated mineral lease income are provided to construct a workshop for Veterans' Home residents.

⁷ Special funds available from donated mineral lease income are provided to purchase tools for a resident workshop.

⁸ Special funds available from donated mineral lease income are provided to move the gazebo.

House Bill No. 1007 - Department of Veterans' Affairs - House Action

The House did not change the executive recommendation for the Department of Veterans' Affairs.

House Bill No. 1007 - Department of Veterans' Affairs - Senate Action

The Senate did not change the House version.

A

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1007

Page 1, replace lines 14 through 16 with:

"Salaries and wages	\$11,538,855	\$2,378,006	\$13,916,861
Operating expenses	4,561,857	1,390,428	5,952,285
Capital assets	259,906	370,594	630,500"

Page 1, replace lines 18 through 20 with:

"Total all funds	\$18,403,882	\$2,427,764	\$20,831,646
Less estimated income	<u>13,677,293</u>	<u>1,474,530</u>	<u>15,151,823</u>
Total general fund	\$4,726,589	\$953,234	\$5,679,823"

Page 2, replace lines 10 through 12 with:

"Grand total general fund	\$5,758,076	\$1,058,966	\$6,817,042
Grand total special funds	<u>13,677,293</u>	<u>1,474,530</u>	<u>15,151,823</u>
Grand total all funds	\$19,435,369	\$2,533,496	\$21,968,865"

Page 2, after line 25, insert:

"New home landscaping	0	25,000
Repair irrigation system	0	55,000
Reshape and grade oxbow	0	46,500"

Page 2, replace line 30 with:

"Total all funds	\$15,183,138	\$164,093"
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Page 3, replace line 1 with:

"Total general fund	\$12,025,133	\$164,093"
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Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1007 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Veterans' Home				
Total all funds	\$20,831,646	\$20,861,646	(\$30,000)	\$20,831,646
Less estimated income	<u>15,151,823</u>	<u>15,308,323</u>	<u>(156,500)</u>	<u>15,151,823</u>
General fund	\$5,679,823	\$5,553,323	\$126,500	\$5,679,823

Department of Veterans' Affairs

Total all funds	\$1,137,219	\$1,137,219	\$0	\$1,137,219
Less estimated income	0	0	0	0
General fund	\$1,137,219	\$1,137,219	\$0	\$1,137,219
Bill total				
Total all funds	\$21,968,865	\$21,998,865	(\$30,000)	\$21,968,865
Less estimated income	15,151,823	15,308,323	(156,500)	15,151,823
General fund	\$6,817,042	\$6,690,542	\$126,500	\$6,817,042

House Bill No. 1007 - Veterans' Home - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$13,936,861	\$13,936,861	(\$20,000)	\$13,916,861
Operating expenses	5,932,285	5,932,285	20,000	5,952,285
Capital assets	630,500	660,500	(30,000)	630,500
New Veterans' Home	332,000	332,000		332,000
Total all funds	\$20,831,646	\$20,861,646	(\$30,000)	\$20,831,646
Less estimated income	15,151,823	15,308,323	(156,500)	15,151,823
General fund	\$5,679,823	\$5,553,323	\$126,500	\$5,679,823
FTE	120.72	120.72	0.00	120.72

Department No. 313 - Veterans' Home - Detail of Senate Changes

	Adjusts Funding Source of New Home Landscaping ¹	Adjusts Funding Source of Irrigation System Repair ²	Adjusts Funding Source of Regrade of Oxbow ³	Removes Funding for the Demolition of Administrator's Old Residence ⁴	Adjusts Funding for Administrator's Housing Allowance ⁵	Total Senate Changes
Salaries and wages					(\$20,000)	(\$20,000)
Operating expenses					20,000	20,000
Capital assets				(\$30,000)		(30,000)
New Veterans' Home						
Total all funds	\$0	\$0	\$0	(\$30,000)	\$0	(\$30,000)
Less estimated income	(25,000)	(55,000)	(46,500)	(30,000)	0	(156,500)
General fund	\$25,000	\$55,000	\$46,500	\$0	\$0	\$126,500
FTE	0.00	0.00	0.00	0.00	0.00	0.00

¹ The funding source of one-time funding for new home landscaping is changed from special funds available from donated mineral lease income to the general fund, as provided in the executive recommendation. The House provided this funding from special funds available from donated mineral lease income.

² The funding source of one-time funding for irrigation system repair is changed from special funds available from donated mineral lease income to the general fund, as provided in the executive recommendation. The House provided this funding from special funds available from donated mineral lease income.

³ The funding source of one-time funding for the regrading of the oxbow is changed from special funds available from donated mineral lease income to the general fund, as provided in the executive recommendation. The House provided this funding from special funds available from donated mineral lease income.

⁴ Funding from special funds available from donated mineral lease income for the demolition of the administrator's old residence is removed.

⁵ This amendment transfers \$20,000 of special fund authority included in the executive recommendation for the administrator's housing allowance from the salaries and wages line item to the operating expenses line item to allow the Veterans' Home to rent a home for the administrator.



- April 15, 2011 - Attachment ONE
- HB1007
- Mark Johnson

Riverside Building Center

www.rbclisbon.com

1015 South Main Street • P.O. Box 1004

Lisbon, ND 58054

4/13/2011

Mark Johnson
ND Veterans Home
Lisbon ND

Re: Materials for a 32' x 60' x 10' Stud wall building as per drawing

Current Price \$32,755.00
No Tax

Darrell Mennis
Riverside Building Center
Lisbon ND



**DIFFERDING CONSTRUCTION
& ROOFING (701) 799-9536**

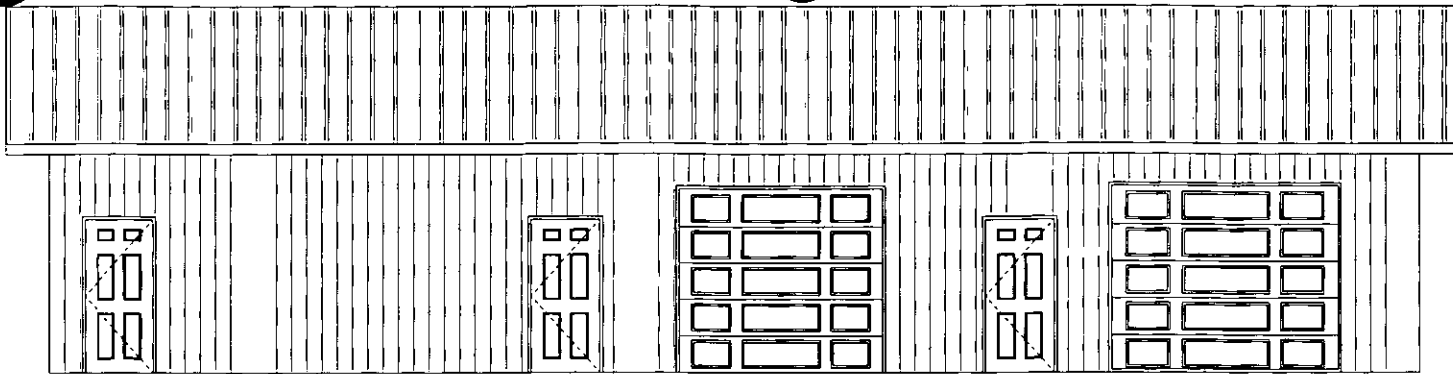
Estimate

**JOSH DIFFERDING
106 16TH AVE EAST
LISBON, ND 58054**

DATE	ESTIMATE #
4/15/2011	630

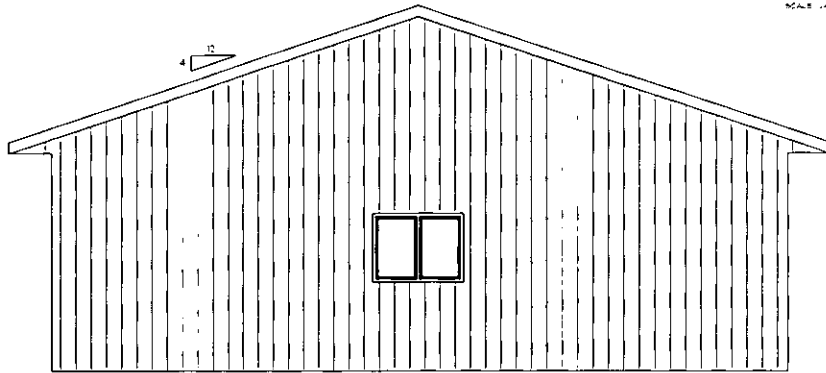
BILL TO
ND VETS HOME 1400 ROSE ST LISBON ND 58054

ITEM	DESCRIPTION	QTY	RATE	AMOUNT
Labor/Material	32' x 60' Concrete Floor. 12" x 20" concrete footing with 2 rows of 1/2" re-bar. 4" concrete floor with 1/2" re-bar 2' OC. Installation of foam for floor heat.	1		0.00
Labor	32' x 60' Building. Framing of 10' walls, installation of rafters and steel roof, house wrap, 5 windows, 3 walk doors, 2 overhead doors, siding, fascia and soffit. Build partitions, insulate, poly, sheet, and hang steel liner on interior.	1		37,752.00
		Subtotal		37,752.00
		0% Tax		
		Total		37,752.00



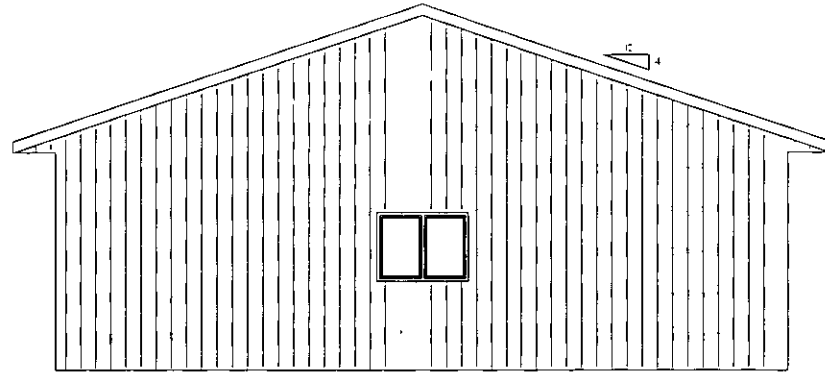
FRONT ELEVATION

SCALE: 1/4" = 1'-0"



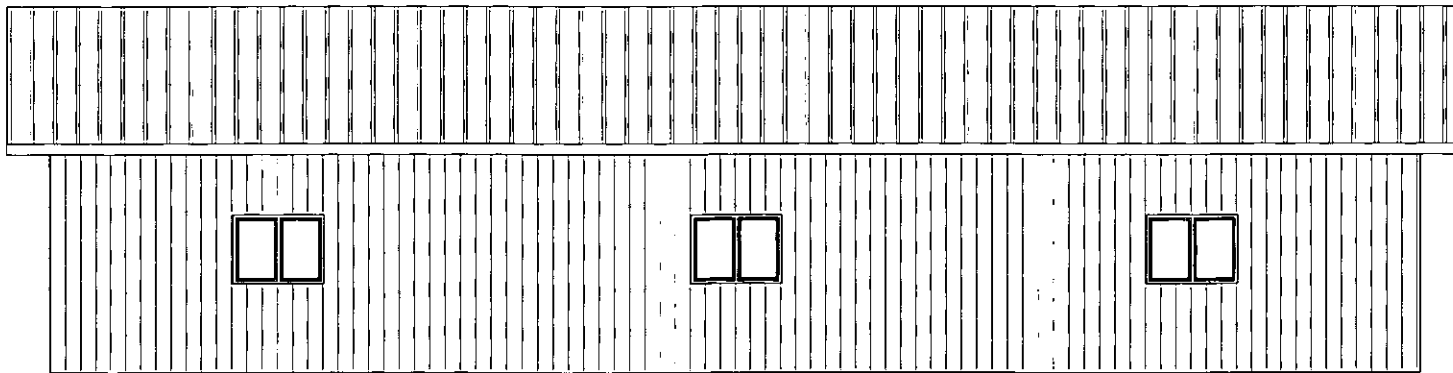
LEFT ELEVATION

SCALE: 1/4" = 1'-0"



RIGHT ELEVATION

SCALE: 1/4" = 1'-0"



REAR ELEVATION

SCALE: 1/4" = 1'-0"

DISCLAIMER OF WARRANTIES:
 PLANS FURNISHED BY RIVERSIDE BUILDING CENTER ARE PREPARED BY ARCHITECTS AND ARE NOT GUARANTEED AS PROFESSIONAL ARCHITECTS OR ENGINEERS. RIVERSIDE BUILDING CENTER DISCLAIMS ANY LIABILITY FOR ERRORS OR OMISSIONS IN ANY AND ALL SUCH PLANS ARE AT THE SOLE RISK OF THE USER AND ARE PROVIDED WITHOUT ANY WARRANTY. RESPONSIBILITY FOR THE QUALITY OF CORRECT STRUCTURAL MATERIALS, FINISHES, LOADS, BEARING AND CONSTRUCTION METHODS AND THE RESPONSIBILITY OF THE BUILDER. OWNER OF THE USER OF THESE PLANS.

VETS HOME-SHOP

ELEVATIONS

SCALE: 1/4" = 1'-0"
 LIBBON NO.

SQ. FOOTAGE: SEE PLANS

TIME: DATE:
 0.35 HRS 4-14-2011

CUSTOMER APPROVAL:

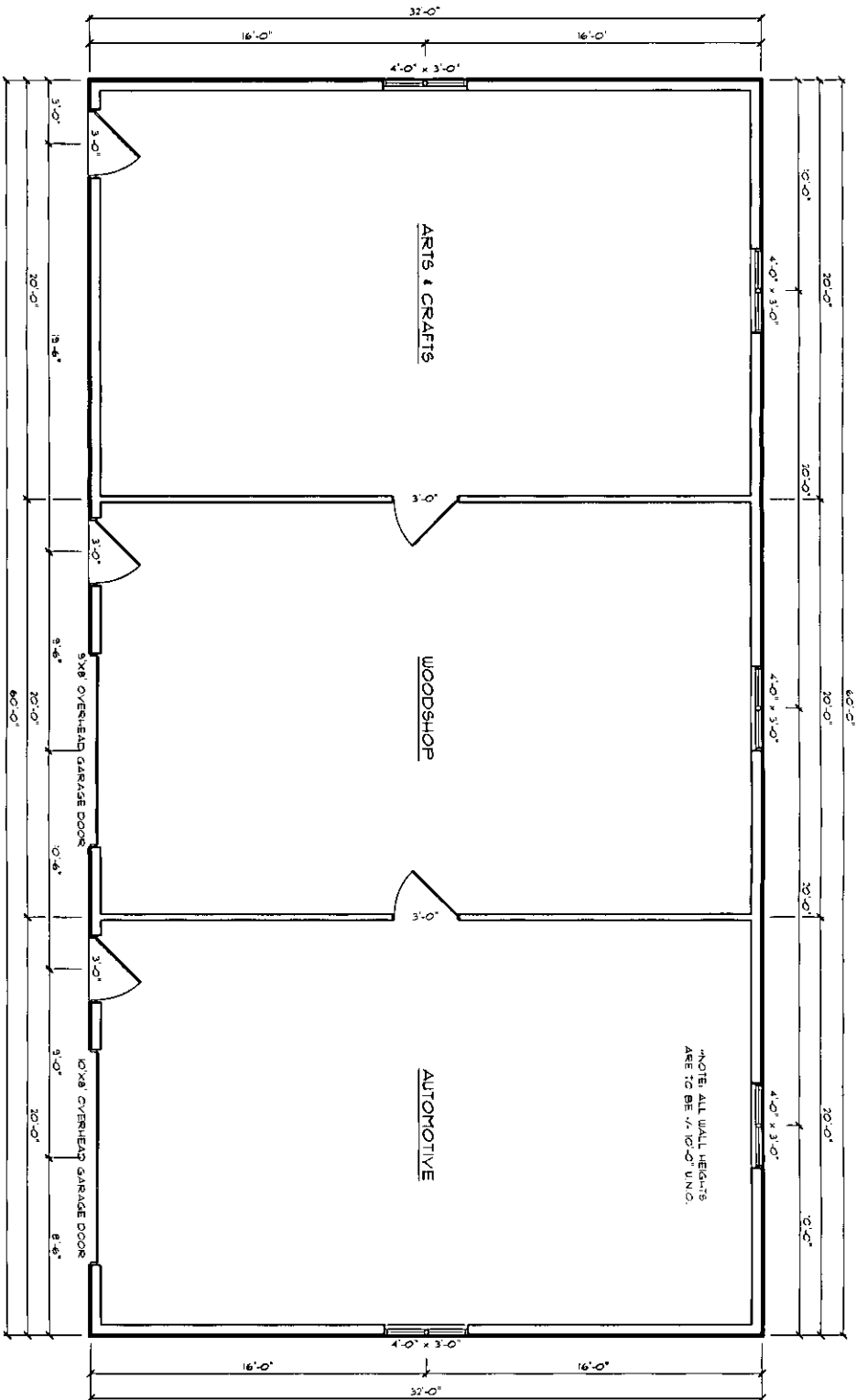
DATE: _____
 RIVERSIDE BUILDING CENTER IS NOT RESPONSIBLE FOR ANY CHANGES AFTER DATE ABOVE.

PROJECT NO: 1623
 DRAWN BY: A.L.B. CHECKED BY: O.C.O.

SALESMAN: D.M.
 PRELIMINARY DRAWING: FINAL DRAWING: _____

RIVERSIDE BUILDING CENTER
 105 S 7th Ave
 LINCOLN MO 65054
 (701) 693-4473 or 800-495-4473
 BUILDING FOR A BETTER TOMORROW

SHEET: #1 OF 3



FLOOR PLAN
SCALE: 1/4" = 1'-0"

DISCLAIMER OF WARRANTIES:
 THIS FLOOR PLAN IS A PROFESSIONAL SERVICE PROVIDED BY THE ARCHITECT. THE ARCHITECT MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, COMPLETENESS, OR SUITABILITY OF THE INFORMATION, DATA, OR MATERIALS PROVIDED BY OTHERS. THE ARCHITECT SHALL NOT BE RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN THE FLOOR PLAN OR FOR ANY CONSEQUENCES ARISING FROM THE USE OF THE FLOOR PLAN. THE ARCHITECT'S LIABILITY IS LIMITED TO THE ARCHITECT'S NEGLIGENCE IN THE PERFORMANCE OF HIS OR HER PROFESSIONAL SERVICES.

VETS HOME-SHOP
 FLOOR PLAN

LIBBON 01 SCALE: 1/4" = 1'-0"

SQ. FOOTAGE: 6000

TIME: DATE:

0.50 LBS 4-4-2011

CUSTOMER APPROVAL:

DATE:

RIVERSIDE BUILDING CENTER IS NOT RESPONSIBLE FOR ANY CHANGES AFTER DATE ABOVE

PROJECT NO: 1623

DRAWN BY: CHECKED BY: C.O.O.

SALESMAN: D.H.

PERMITS: SEALING: X

REV. DRAWING

RIVERSIDE BUILDING CENTER

105 S. MAIN ST. SUITE 100

PHOENIX, AZ 85004

TEL: 602-944-4477 FAX: 602-944-4478

ALWAYS USE A SETTING TRIANGLE

SHEET: 2 OF 3

DISCLAIMER OF WARRANTIES:
 The undersigned hereby warrants that the drawings were prepared by a duly licensed professional engineer or architect and that the drawings were prepared in accordance with the laws and regulations of the State of Missouri. The undersigned further warrants that the drawings were prepared in accordance with the laws and regulations of the State of Missouri and that the drawings were prepared in accordance with the laws and regulations of the State of Missouri.

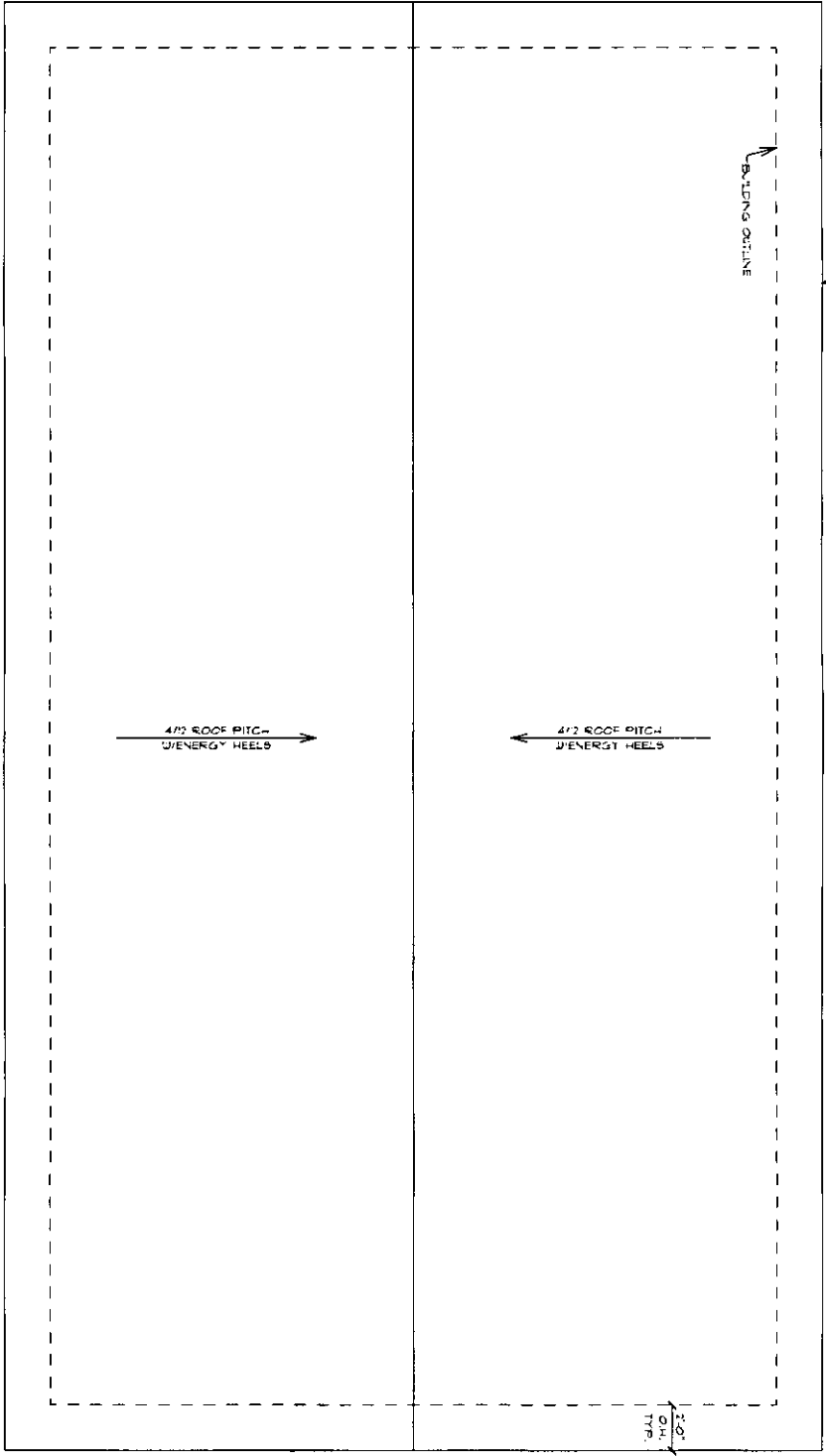
VETS HOME-SHOP
ROOF PLAN

LIBBON 2 SCALE: 1/4"=1'-0"

SQ. FOOTAGE: SEE PLANS
 TIME: 414.2011
 DATE: 0.5-4-85

DATE: _____
 RIVERDALE BUILDING CENTER IS NOT RESPONSIBLE FOR ANY CHANGES AFTER DATE ABOVE.
 PROJECT NO: 1813
 DRAWN BY: C.C.O.
 CHECKED BY: _____
 SALESMAN: D.P.
 RELEVANT DETAILS: X
 FINAL DRAWING

RIVERDALE BUILDING CENTER
 108 S. MAIN ST.
 LIBBON, MO 64804
 (417) 689-4477 or 800-455-4477
 BUILDING PLAN & DESIGN SERVICES
 SHEET: #3 OF 3



ROOF PLAN
 SCALE: 1/4"=1'-0"

Laschkewitsch, Lori L.

From: Johnson, Mark B.
Date: Friday, April 15, 2011 9:46 AM
Subject: Laschkewitsch, Lori L.; Lunneborg, Kristin M.
Mechanical and Electrical Costs

Estimated Costs for Mechanical and Electrical

Sewer, Water and Bathroom	\$10,000
HVAC	\$12,000
Wiring	\$ 7,000
Apron to Building	\$10,000

\$39,000

We can cut some costs by using our current workforce.

Mark