

Department 313 - Veterans' Home
Senate Bill No. 2007

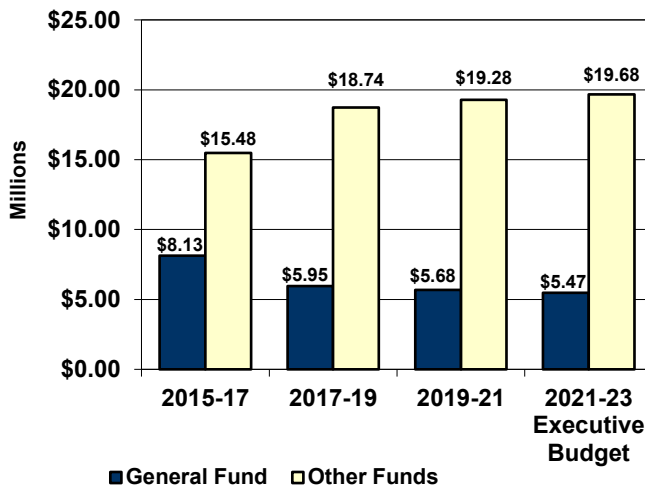
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2021-23 Executive Budget	114.79	\$5,466,701	\$19,677,382	\$25,144,083
2019-21 Legislative Appropriations	120.72	5,679,324	19,275,822	24,955,146
Increase (Decrease)	(5.93)	(\$212,623)	\$401,560	\$188,937

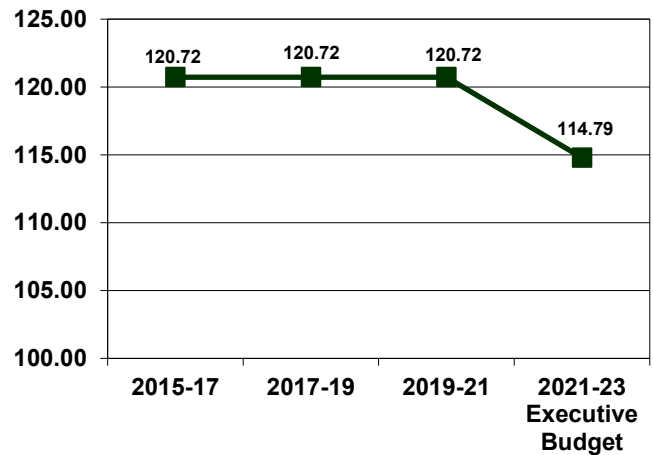
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2021-23 Executive Budget	\$5,466,701	\$0	\$5,466,701
2019-21 Legislative Appropriations	5,654,324	25,000	5,679,324
Increase (Decrease)	(\$187,623)	(\$25,000)	(\$212,623)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2021-23 Executive Budget	\$5,466,701	\$19,677,382	\$25,144,083
2021-23 Base Level	5,654,324	18,751,772	24,406,096
Increase (Decrease)	(\$187,623)	\$925,610	\$737,987

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

Executive Budget Highlights
(With First House Changes in Bold)

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$397,640 is for salary increases, \$6,365 is for health insurance increases, and \$73,269 is for retirement contribution increases. The Senate added funding for salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 and 2 percent on July 1, 2022, and increases in health insurance premiums from \$1,427 to \$1,429 per month. The Senate did not add funding for retirement contribution increases.	\$109,698	\$367,576	\$477,274
2. Adjusts funding for base payroll changes, including the removal of 1 unfunded FTE resident living specialist position. Special funds are added from the soldier's home fund. The Senate added	(\$36,873)	\$224,047	\$187,174

\$310,000 from the general fund for nurse salary equity increases of \$1 per hour.

3. Removes 2 FTE skilled care positions, including 1 FTE administrative assistant I position (\$135,039) and 1 FTE direct care associate I position (\$119,890)	(\$254,929)	\$0	(\$254,929)
4. Removes 1.93 FTE basic care positions, including 1 FTE resident living specialist II position (\$126,278) and a 0.93 FTE licensed practical nurse II position (\$147,495)	(\$273,773)	\$0	(\$273,773)
5. Adjusts funding for repairs and maintenance costs from the soldier's home fund by reducing \$191,579 from the salaries and wages line item and adding \$191,921 in the operating expenses line item. Of the amount reduced in the salaries and wages line item, \$142,421 is for the removal of 1 FTE general trades maintenance worker I position. Funding added in the operating expenses line item would be used for contract maintenance work.	\$0	\$342	\$342
6. Adds funding for resident medication to provide a total of \$1,203,216 for medical, dental, and optical expenses	\$238,500	\$0	\$238,500
7. Adds one-time funding from the soldier's home fund for equipment, including a carpet shampooer (\$10,700) and humidifiers (\$6,000)	\$0	\$16,700	\$16,700
8. Adds one-time funding from the soldier's home fund to replace flooring in half of the basic care areas of the Veterans' Home. The 2019 Legislative Assembly appropriated \$138,700 from this fund to replace all of the flooring in the skilled care areas of the Veterans' Home.	\$0	\$131,500	\$131,500
9. Adds one-time funding from the Melvin Norgard memorial fund for a memorial garden project	\$0	\$200,000	\$200,000

Other Sections in Senate Bill No. 2007

Administrator monthly housing stipend - Section 3 identifies \$48,000 in the estimated income line item in Section 1 is from the soldiers' home fund for the purpose of providing a \$2,000 monthly housing stipend to the Veterans' Home administrator for housing costs off the Veterans' Home campus.

Exemption - Skilled nursing area flooring project - Section 4 provides an exemption to allow the Veterans' Home to continue \$138,700 appropriated from the soldiers' home fund for a flooring project in the skilled nursing areas of the Veterans' Home during the 2019-21 biennium into the 2021-23 biennium.

Continuing Appropriations

Custodial funds - North Dakota Century Code Section 37-15-21 - The Veterans' Home may accept gifts, donations, or bequests. Any money received must be used for the specific purposes as designated by the donor or grantor.

Deficiency Appropriation

There are no deficiency appropriations for this agency.

Significant Audit Findings

The operational audit for the Veterans' Home conducted by the State Auditor's office for the period ending June 20, 2019, identified no significant audit findings.

Major Related Legislation

House Bill No. 1394 - This bill provides a 2019-21 biennium appropriation of \$650,000 to the Veterans' Home from federal funds received as a result of the Coronavirus (COVID-19) pandemic for COVID-19 provider incentive payments for the purchase of personal protective equipment, cleaning supplies, hands free door openers, and qualifying employee wages. Section 2 of the bill provides an exemption for the Veterans' Home to continue the funding into the 2021-23 biennium.

House Bill No. 1395 - This bill provides a 2019-21 biennium appropriation of \$462,040 of federal funding to the Veterans' Home, as approved by the Emergency Commission and Budget Section during the 2019-20 interim, from the state's allocation from the federal Coronavirus Relief Fund for salaries, personal protective equipment, cleaning supplies, training, and other costs related to the COVID-19 pandemic.

Veterans' Home - Budget No. 313
Senate Bill No. 2007
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2021-23 Biennium Base Level	120.72	\$5,654,324	\$18,751,772	\$24,406,096	120.72	\$5,654,324	\$18,751,772	\$24,406,096
2021-23 Ongoing Funding Changes								
Base payroll changes	(1.00)	(\$36,873)	\$224,047	\$187,174	(1.00)	(\$36,873)	\$224,047	\$187,174
Salary increase		91,395	306,245	397,640		90,257	365,783	456,040
Health insurance increase		1,463	4,902	6,365		1,463	4,902	6,365
Retirement contribution increase		16,840	56,429	73,269				0
Removes skilled care positions	(2.00)	(254,929)		(254,929)	(2.00)	(254,929)		(254,929)
Removes basic care positions	(1.93)	(273,773)		(273,773)	(1.93)	(273,773)		(273,773)
Adjusts funding for repairs and maintenance costs	(1.00)		342	342	(1.00)		342	342
Adds funding for Microsoft Office 365 license expenses		29,613	3,448	33,061		41,133	3,448	44,581
Adds funding for information technology services and fees		141	37,859	38,000		141	37,859	38,000
Reduces funding for professional service fees and staff training			(57,400)	(57,400)			(57,400)	(57,400)
Adds funding for resident medication		238,500		238,500		238,500		238,500
Adjusts funding for bond and interest payments			1,538	1,538			1,538	1,538
Adds funding to reclassify licensed practical nurse positions to registered nurse positions				0			36,000	36,000
Adds funding for nurse salary equity increases of \$1 per hour				0		310,000		310,000
Total ongoing funding changes	(5.93)	(\$187,623)	\$577,410	\$389,787	(5.93)	\$115,919	\$616,519	\$732,438
One-time funding items								
Adds funding for equipment			\$16,700	\$16,700			\$16,700	\$16,700
Adds funding for a basic care flooring project			131,500	131,500			131,500	131,500
Adds funding for a memorial garden project			200,000	200,000			200,000	200,000
Total one-time funding changes	0.00	\$0	\$348,200	\$348,200	0.00	\$0	\$348,200	\$348,200
Total Changes to Base Level Funding	(5.93)	(\$187,623)	\$925,610	\$737,987	(5.93)	\$115,919	\$964,719	\$1,080,638
2021-23 Total Funding	114.79	\$5,466,701	\$19,677,382	\$25,144,083	114.79	\$5,770,243	\$19,716,491	\$25,486,734
<i>Total ongoing changes as a percentage of base level</i>	(4.9%)	(3.3%)	3.1%	1.6%	(4.9%)	2.1%	3.3%	3.0%
<i>Total changes as a percentage of base level</i>	(4.9%)	(3.3%)	4.9%	3.0%	(4.9%)	2.1%	5.1%	4.4%

Other Sections in Veterans' Home - Budget No. 313

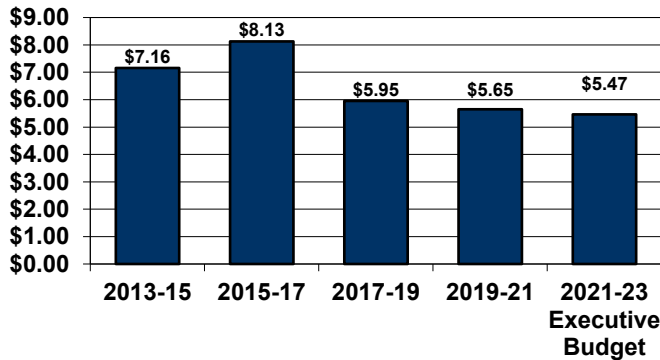
	Executive Budget Recommendation	Senate Version
Estimated income - Administrator monthly housing stipend		Section 3 identifies \$48,000 in the estimated income line item in Section 1 is from the soldiers' home fund for the purpose of providing a \$2,000 monthly housing stipend to the Veterans' Home administrator for housing costs off the Veterans' Home campus.
Exemption - Skilled nursing area flooring project		Section 4 provides an exemption to allow the Veterans' Home to continue \$138,700 appropriated from the soldiers' home fund for a flooring project in the skilled nursing areas of the Veterans' Home during the 2019-21 biennium into the 2021-23 biennium.

Department 313 - Veterans' Home

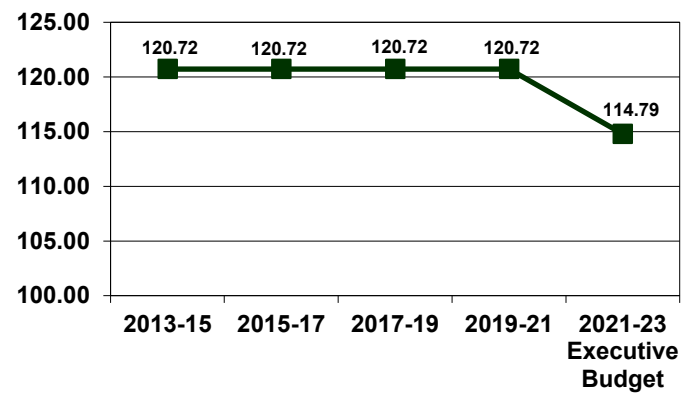
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2013-15

Ongoing General Fund Appropriations (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2013-15	2015-17	2017-19	2019-21	2021-23 Executive Budget
Ongoing general fund appropriations	\$7,161,853	\$8,128,024	\$5,951,439	\$5,654,324	\$5,466,701
Increase (decrease) from previous biennium	N/A	\$966,171	(\$2,176,585)	(\$297,115)	(\$187,623)
Percentage increase (decrease) from previous biennium	N/A	13.5%	(26.8%)	(5.0%)	(3.3%)
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	13.5%	(16.9%)	(21.0%)	(23.7%)

Major Increases (Decreases) in Ongoing General Fund Appropriations

2015-17 Biennium

- Adjusted operating expenses by increasing funding from the general fund (\$103,375) and decreasing funding from special funds (\$206,225) \$103,375

2017-19 Biennium

- Adjusted the funding source from the general fund to the soldiers' home fund for a portion of salaries and wages (\$2,000,000)
- Adjusted funding for operating expenses \$510,268

2019-21 Biennium

- Unfunded 6 FTE positions, of which \$355,309 is from the general fund and \$483,731 is from the soldiers' home fund (\$355,309)

2021-23 Biennium (Executive Budget Recommendation)

- Removes 2 FTE skilled care positions, including 1 FTE administrative assistant I position (\$135,039) and 1 FTE direct care associate I position (\$119,890) (\$254,929)
- Removes 1.93 FTE basic care positions, including 1 FTE resident living specialist II position (\$126,278) and a 0.93 FTE licensed practical nurse II position (\$147,495) (\$273,773)

**GOVERNOR'S RECOMMENDATION FOR THE
VETERANS' HOME AS SUBMITTED BY
THE OFFICE OF MANAGEMENT AND BUDGET**

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the veterans' home for the purpose of defraying the expenses of the veterans' home, for the biennium beginning July 1, 2021 and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$18,916,632	(\$55,833)	\$18,860,799
Operating Expenses	5,083,731	444,082	5,527,813
Capital Assets	<u>405,733</u>	<u>349,738</u>	<u>755,471</u>
Total All Funds	\$24,406,096	\$ 737,987	\$25,144,083
Less Estimated Income	<u>18,751,772</u>	<u>925,610</u>	<u>19,677,382</u>
Total General Fund	\$ 5,654,324	(\$187,623)	\$5,466,701
Full-time Equivalent Positions	120.72	(5.93)	114.79

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Equipment	\$ 99,400	\$0
Strategic Plan	25,000	0
Administrator's Residence Demolition	233,450	0
Security System Upgrades	52,500	0
Flooring Project	138,700	131,500
Memorial Garden	<u>0</u>	<u>200,000</u>
Total All Funds	\$549,050	\$331,500
Less Estimated Income	<u>524,050</u>	<u>331,500</u>
Total General Fund	\$ 25,000	\$0

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The veterans' home shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021 and ending June 30, 2023.