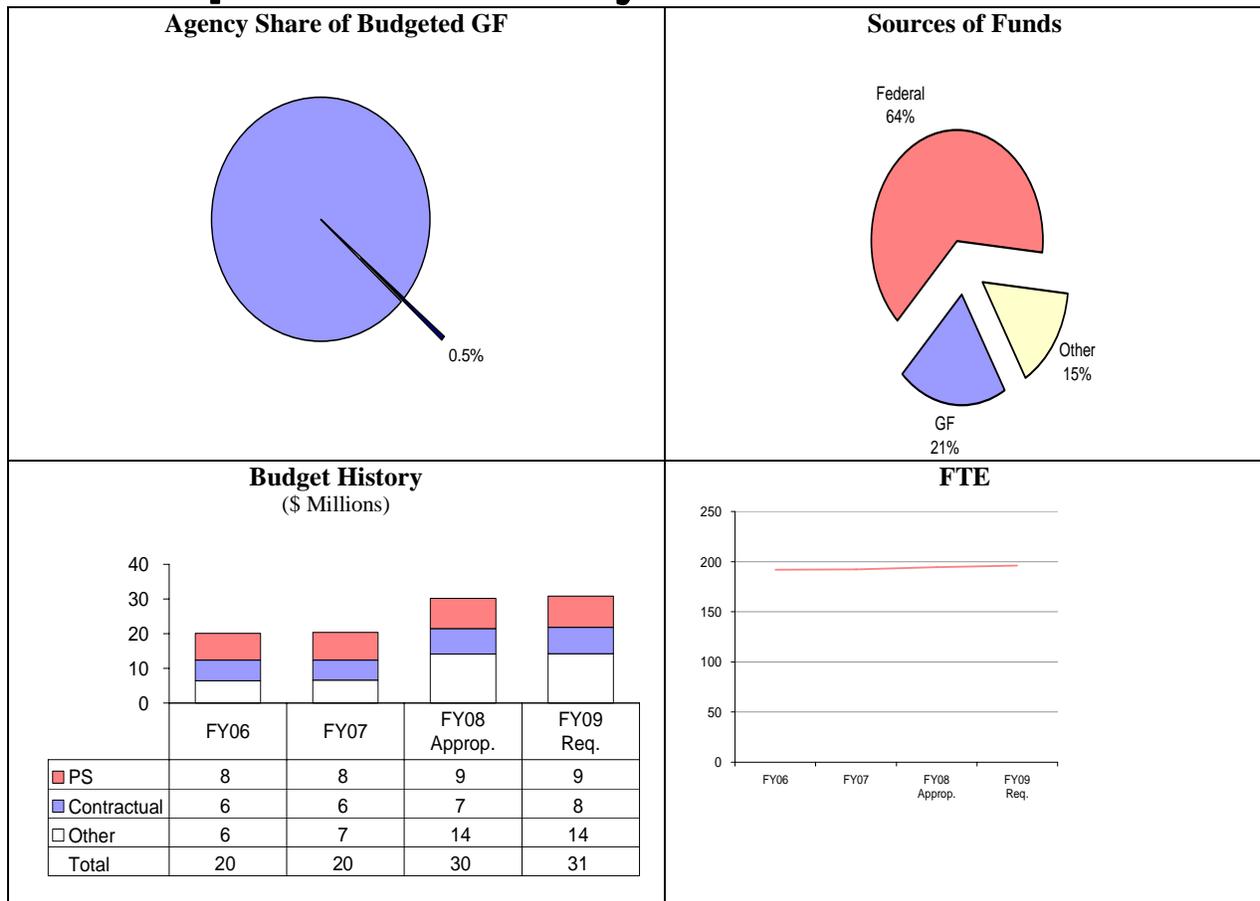


FY09 Budget Briefing

Department of Military and Veterans' Affairs



Key Responsibilities

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

Key Personnel

- Major General Steven Doohen, Adjutant General/Secretary
- Andy Gerlach, Deputy Secretary
- Brigadier General Keith Corbett, Assistant Adjutant General Army Guard
- Brigadier General David Holman, Assistant Adjutant General Air Guard
- George Summerside, Director of Veterans' Affairs
- Larry Wilcox, Superintendent of State Veterans' Home

Department of Military and Veterans' Affairs Total

The Governor recommends a total appropriation of \$30,865,205 and 196.1 FTEs for the Department of Military and Veterans' Affairs for FY 2009. This dollar amount consists of \$6,333,561 from the State general fund, \$19,877,859 in federal funds, and \$4,653,785 in other funds. The Governor's recommendation is an increase from FY 2008 in State general funds of \$395,321 (6.7%), in federal funds of \$234,084 (1.2%) and in other funds of \$79,194 (1.7%). The Governor's recommendation has an increase of 1.5 FTEs.

Item	Actual FY07	Budgeted FY08	Agency Req. FY09	Gov Rec. FY09	Inc/Dec FY09	% Change From FY08
Personal Services	8,027,856	8,699,447	8,729,447	9,060,042	360,595	4.1%
Travel	248,242	283,791	284,087	284,087	296	0.1%
Contractual Services	5,778,421	7,368,450	7,496,476	7,546,333	177,883	2.4%
Supplies & Materials	1,576,057	2,296,682	2,364,000	2,398,823	102,141	4.4%
Grants And Subsidies	1,266,902	1,722,538	1,722,538	1,722,538	-	0.0%
Capital Outlay	3,489,489	9,785,698	9,853,382	9,853,382	67,684	0.7%
Other	352	-	-	-	-	0.0%
Total	20,387,319	30,156,606	30,449,930	30,865,205	708,599	2.3%
Funding Types						
General	5,658,156	5,938,240	6,189,344	6,333,561	395,321	6.7%
Federal	11,362,210	19,643,775	19,685,995	19,877,859	234,084	1.2%
Other	3,366,953	4,574,591	4,574,591	4,653,785	79,194	1.7%
Total	20,387,319	30,156,606	30,449,930	30,865,205	708,599	2.3%
FTE	192.4	194.6	196.1	196.1	1.5	0.8%

The Governor's recommendation throughout this analysis also includes funding for Performance and Compensation Equity (PACE) movement of 2.5% for those employees who are paid under the job-worth of their pay range, a 2.5% across-the-board increase for all permanent employees, and an increase in the employer paid portion of the state health insurance plan. The recommended amounts for each segment of the compensation package are as follows:

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total</u>
2.5% PACE Movement	34,987	32,773	21,062	88,822
2.5% Across-the-Board	77,015	70,656	47,364	195,035
Health Insurance	17,938	18,032	10,768	46,738
	<u>129,940</u>	<u>121,461</u>	<u>79,194</u>	<u>330,595</u>

Major Expansions and Reductions

Program	Agency Request			Governor's Recommendation		
	State General Fund	All Funds	FTE	State General Fund	All Funds	FTE
Army Guard						
A. -Personal Services	-	30,000	1.5	-	30,000	1.5
B. -Operating Expenses	3,055	15,275		17,537	100,160	
State Veterans' Home						
C. -Operating Expenses	248,049	248,049		247,844	247,844	
Governor's Salary Policy				129,940	330,595	
Total	251,104	293,324	1.5	395,321	708,599	1.5

- A. Army Guard—The Department requested and the Governor recommends an increase in federal fund appropriation of \$30,000 for personal services and 1.5 additional FTEs. An additional person is required to monitor and conduct maintenance on the Surface Equipment Maintenance Complex in Mitchell. This new facility has many complex systems that require constant review and analysis. There are hundreds of alarms that need to be monitored and checked. An additional half-time person is required to maintain the newly constructed Mobridge Readiness Center to ensure the building is maintained properly and kept clean. This person will perform routine maintenance and will replace a cleaning contract from the old facility.
- B. Army Guard—The Governor recommends increases in general fund authority of \$17,537 and in federal fund authority of \$82,623 for the utilities budget regarding the 13 state-operated armories. This is for increased costs of electricity, natural gas, and fuel oil due to a rise in the cost of fossil fuels. Another reason for the increase is because the Mobridge Readiness Center is twice the size of the current Mobridge armory.
- C. State Veterans' Home—
- The agency requested and the Governor recommends an increase in general fund authority of \$296 for travel costs related to fleet and travel billings for state vehicles stationed at the Veterans' Home.
 - The Governor recommends an increase in general fund authority of \$118,656 for contractual services and \$61,208 for supplies and materials. These increases are related to rising medical consultant fees, physician and psychiatric service fees, pharmacy inflation, central service billings, utility costs, medical supplies, equipment service contracts, and other general operating costs.
 - The agency requested and the Governor recommends an increase in general fund authority of \$67,684 for capital outlay to continue the ongoing mattress replacement schedule, to replace equipment which is antiquated or obsolete, and to install a power surge protection system for the six main buildings as recommended by Black Hills Power.
 - All increases are being requested in general fund authority because the department anticipates costs to be higher than the projected other fund revenues.

Adjutant General

The Adjutant General's Office administers the Department's statutory duties, both state and federal, and coordinates and supervises planning, fiscal duties, budgeting, legislation and personnel matters.

The Governor recommends a total appropriation of \$713,189 and 4.3 FTEs for the Adjutant General's Office for FY 2009. This dollar amount consists of \$675,857 from the State general fund, \$11,300 in federal fund authority, and \$26,032 in other fund authority. The Governor's recommendation is an increase from FY 2008 in State general funds of \$12,118 (1.8%), and in other funds of \$593 (2.3%). The only increase for this Office is the Governor's Salary Policy.

Item	Actual	Budgeted	Agency Req.	Gov Rec.	Inc/Dec	% Change
	FY07	FY08	FY09	FY09	FY09	From FY08
Personal Services	312,096	325,892	325,892	338,603	12,711	3.9%
Travel	39,971	23,688	23,688	23,688	-	0.0%
Contractual Services	54,573	72,156	72,156	72,156	-	0.0%
Supplies & Materials	9,099	11,983	11,983	11,983	-	0.0%
Grants And Subsidies	291,801	252,128	252,128	252,128	-	0.0%
Capital Outlay	12,638	14,631	14,631	14,631	-	0.0%
Other	-	-	-	-	-	0.0%
Total	720,178	700,478	700,478	713,189	12,711	1.8%
Funding Types						
General	712,626	663,739	663,739	675,857	12,118	1.8%
Federal	2,948	11,300	11,300	11,300	-	0.0%
Other	4,605	25,439	25,439	26,032	593	2.3%
Total	720,179	700,478	700,478	713,189	12,711	1.8%
FTE	4.0	4.3	4.3	4.3	-	0.0%

Selected Performance Indicators

	FY07			FY08			FY09
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Vouchers Reviewed and Processed		2,200	2,200	3,000	2,500	(500)	2,500
Divisional Budgets Reviewed		5		5	5	-	5
National Guard 50% Tuition Reduction Program:							
Technical School Students	150	110	(40)	180	125	(55)	125
University Students	460	640	180	500	600	100	600

Army Guard

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

The Governor recommends a total appropriation of \$16,868,858 and 50.1 FTEs for the Army Guard for FY 2009. This dollar amount consists of \$1,906,559 from the State general fund, and \$14,962,299 in federal fund authority. The Governor's recommendation is an increase from FY 2008 in State general funds of \$48,096 (2.6%), and in federal funds of \$160,211 (1.1%). The Governor recommends an increase of 1.5 FTEs.

Item	Actual FY07	Budgeted FY08	Agency Req. FY09	Gov Rec. FY09	Inc/Dec FY09	% Change From FY08
Personal Services	1,769,775	2,036,340	2,066,340	2,144,487	108,147	5.3%
Travel	26,956	43,018	43,018	43,018	-	0.0%
Contractual Services	3,309,777	4,314,531	4,323,696	4,373,758	59,227	1.4%
Supplies & Materials	761,492	1,071,550	1,077,660	1,112,483	40,933	3.8%
Grants And Subsidies	-	-	-	-	-	0.0%
Capital Outlay	3,384,006	9,195,112	9,195,112	9,195,112	-	0.0%
Other	352	-	-	-	-	0.0%
Total	9,252,358	16,660,551	16,705,826	16,868,858	208,307	1.3%
Funding Types						
General	1,711,849	1,858,463	1,861,518	1,906,559	48,096	2.6%
Federal	7,540,509	14,802,088	14,844,308	14,962,299	160,211	1.1%
Other	-	-	-	-	-	0.0%
Total	9,252,358	16,660,551	16,705,826	16,868,858	208,307	1.3%
FTE	47.1	48.6	50.1	50.1	1.5	3.1%

Budget Notes

- The Governor's recommended salary policy for the Army Guard is \$30,559 in general fund authority, and \$47,588 federal fund authority
- The Department requested and the Governor recommends an increased federal fund appropriation of \$30,000 for personal services and 1.5 additional FTEs. An additional person is required to monitor and conduct maintenance on the Surface Equipment Maintenance Complex in Mitchell. This new facility has many complex systems that require constant review and analysis. There are hundreds of alarms that need to be monitored and checked. An additional half-time person is also required to maintain the newly constructed Mobridge Readiness Center to ensure the building is maintained properly and kept clean. This person will perform routine maintenance and will replace a cleaning contract from the old facility.
- The Governor recommends increases in general fund authority of \$17,537 and in federal fund authority of \$82,623 for the utilities budget regarding the 13 state-operated armories. This is for increased costs of electricity, natural gas, and fuel oil due to a rise in the cost of fossil fuels. Another reason for the increase is because the Mobridge Readiness Center is twice the size of the current Mobridge Armory.

Revenues

	FY07			FY08			FY09
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Federal Revenues	4,100,000	6,970,400	2,870,400	4,700,000	7,400,000	2,700,000	8,000,000
Military Construction Funding	10,000,000	3,222,944	(6,777,056)	27,100,000	12,000,000	(15,100,000)	50,000,000
Armory Rentals	18,000	34,972	16,972	18,100	34,000	15,900	34,000
Camp Rapid Visitor Center	1,800	1,850	50	1,900	1,900	-	1,900
Total	14,119,800	10,230,166	(3,889,634)	31,820,000	19,435,900	(12,384,100)	58,035,900

All revenues received by the Army Guard are deposited in the Special Militia Fund in accordance with SDCL 33-12-30. There are three types of monetary receipts from the Army Guard that are deposited in the Special Militia Fund:

1. Construction Projects - Major military construction projects are also financed through the Special Militia Fund. These costs are 100% reimbursed by the federal government. The amount of each project varies, depending on the extent and amount of funds available.
2. Armory Rentals - Rent collected from private individuals and organizations totals approximately \$18,000 per year and is used for maintenance and repair projects at state-owned armories.
3. Federal Special Revenue - National Guard Bureau provides funding to each state based on the federal/state agreements that outline the federal support of each state's national guard. All federally-reimbursed expenditures from this source are expended through the Special Militia Account.

Selected Performance Indicators

	FY07			FY08			FY09
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Assigned Strength of the Army Guard	3,400	3,360	(40)	3,400	3,400	-	3,400
Percentage Mission Strength	98%	96%	-2%	98%	98%	0%	100%
State Mission Support Days	320	320	-	320	320	-	320
Units Deployed Overseas	4	4	-	4	4	-	4
Tech., Drill, Training Pay	\$ 33,000,000	\$ 41,000,000	\$ 8,000,000	\$ 35,000,000	\$ 43,000,000	\$ 8,000,000	\$ 45,000,000
Military Construction Projects	\$ 6,000,000	\$ 4,500,000	\$ (1,500,000)	\$ 10,000,000	\$ 5,000,000	\$ (5,000,000)	\$ 10,000,000
State-Owned Armories	12	11	(1)	11	11	-	11
Federally-Owned Armories	1	2	1	2	2	-	2
Joint Use Armories	19	19	-	19	19	-	19
Maint. and Support Facilities	75	75	-	75	75	-	75
Training Site Facilities	170	170	-	170	170	-	170
Full-Time Guardsmen	530	570	40	550	570	20	570

Air Guard

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

The Governor recommends a total appropriation of \$4,499,686 and 41.0 FTEs for the Air Guard for FY 2009. This dollar amount consists of \$355,647 from the State general fund, and \$4,144,039 in federal fund authority. The Governor's recommendation is an increase from FY 2008 in State general funds of \$5,879 (1.7%) and in federal funds of \$67,256 (1.6%). The only increase for the Air Guard is the Governor's Salary Policy.

Item	Actual	Budgeted	Agency Req.	Gov Rec.	Inc/Dec	% Change
	FY07	FY08	FY09	FY09	FY09	From FY08
Personal Services	1,809,523	1,972,706	1,972,706	2,045,841	73,135	3.7%
Travel	25,343	46,739	46,739	46,739	-	0.0%
Contractual Services	1,213,156	1,537,266	1,537,266	1,537,266	-	0.0%
Supplies & Materials	54,038	89,840	89,840	89,840	-	0.0%
Grants And Subsidies	819,910	780,000	780,000	780,000	-	0.0%
Capital Outlay	10,679	-	-	-	-	0.0%
Other	-	-	-	-	-	0.0%
Total	3,932,649	4,426,551	4,426,551	4,499,686	73,135	1.7%
Funding Types						
General	322,004	349,768	349,768	355,647	5,879	1.7%
Federal	3,610,646	4,076,783	4,076,783	4,144,039	67,256	1.6%
Other	-	-	-	-	-	0.0%
Total	3,932,650	4,426,551	4,426,551	4,499,686	73,135	1.7%
FTE	40.1	41.0	41.0	41.0	-	0.0%

Selected Performance Indicators

	FY07			FY08			FY09
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Assigned Strength of the Air Guard	1,025	1,008	(17)	1,006	1,026	20	1,037
Percentage of Strength Filled	103%	102%	(1%)	102%	95%	(7%)	96%
Days in Support of State Missions	1,500	1,703	203	1,500	1,500	-	1,500
Units Deployed Overseas	10	17	7	5	17	12	5
Full-Time Air Guard Employees	345	352	7	400	365	(35)	365
Federal Budget	\$ 43,200,000	\$ 66,277,248	\$ 23,077,248	\$ 50,000,000	\$ 70,000,000	\$ 20,000,000	\$ 71,000,000
Military Construction Projects	1	1	-	1	1	-	1
State-Owned Armories	None	None	None	None	None	None	None
Federally-Owned Facilities	38	39	1	38	40	2	40
New Buildings	1	1	-	1	2	1	-
Aircraft (F-16)	17	21	4	21	21	-	21
Civil Air Patrol Total Membership	340	335	(5)	350	340	(10)	345
Civil Air Patrol Aircraft	-	5.5	5.5	5.0	5.5	0.5	6.0

Veterans' Benefits and Services

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

The Governor recommends a total appropriation of \$1,399,029 and 18.0 FTEs for the Veterans' Benefits and Services for FY 2009. This dollar amount consists of \$1,126,308 from the State general fund, and \$272,721 in federal fund authority. The Governor's recommendation is an increase from FY 2008 in State general funds of \$29,565 (2.7%) and in federal funds of \$6,617 (2.5%). The only increase for the Veterans' Benefits and Services is the Governor's Salary Policy.

Item	Actual	Budgeted	Agency Req.	Gov Rec.	Inc/Dec	% Change
	FY07	FY08	FY09	FY09	FY09	From FY08
Personal Services	898,451	950,491	950,491	986,673	36,182	3.8%
Travel	115,948	113,810	113,810	113,810	-	0.0%
Contractual Services	58,113	56,630	56,630	56,630	-	0.0%
Supplies & Materials	38,183	32,926	32,926	32,926	-	0.0%
Grants And Subsidies	155,190	202,910	202,910	202,910	-	0.0%
Capital Outlay	6,758	6,080	6,080	6,080	-	0.0%
Other	-	-	-	-	-	0.0%
Total	1,272,643	1,362,847	1,362,847	1,399,029	36,182	2.7%
Funding Types						
General	1,064,535	1,096,743	1,096,743	1,126,308	29,565	2.7%
Federal	208,108	266,104	266,104	272,721	6,617	2.5%
Other	-	-	-	-	-	0.0%
Total	1,272,643	1,362,847	1,362,847	1,399,029	36,182	2.7%
FTE	18.9	18.0	18.0	18.0	-	0.0%

Revenues

	FY07		FY08			FY09	
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Veterans Education Program Rev.	-	200,518	200,518	-	200,000	200,000	200,000

Selected Performance Indicators

	FY07			FY08			FY09
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Sioux Falls Claims Office:							
Personal Interviews	2,500	2,100	(400)	2,100	2,163	63	2,227
Phone Calls	24,000	24,000	-	23,000	23,000	-	27,000
Veteran Correspondence	4,200	4,300	100	4,250	4,250	-	4,475
Powers of Attorney Filed	1,500	1,200	(300)	1,100	1,100	-	1,450
Hearings Conducted	40	25	(15)	25	25	-	25
Monetary Award Obtained	\$ 65,000,000	\$ 80,941,274	\$ 15,941,274	\$ 72,000,000	\$ 85,000,000	\$ 13,000,000	\$ 90,000,000
County and Tribal Veterans' Service Officers:							
County Service Officers	64	61	(3)	61	61	-	61
Tribal Service Officers	7	7	-	7	7	-	7
South Dakota Veteran Population	73,325	73,325	-	72,000	72,000	-	72,000
Veterans' Admin Expenditures in South Dakota	\$ 325,000,000	\$ 368,000,000	\$ 43,000,000	\$ 370,000,000	\$ 370,000,000	\$ -	\$ 375,000,000
Pierre Veterans' Affairs Office:							
Vets' Emergency Loan Apps	170	150	(20)	150	150	-	150
SD Veterans Bonus Apps	-	1,361	1,361	-	950	950	950
Enrollments at Apprenticeship and other on-the-job training est.	-	290	290	-	300	300	310
On-Site Visits-to-Apprentice and On-the-Job Training Prog	430	215	(215)	220	220	-	225
Actions for Schools, Training Establishment and the SD Vets Service Network	-	1,787	1,787	-	1,800	1,800	1,850
Initial, Revised and Other Approval Actions for Schools and Training Establishments	-	1,150	1,150	-	1,200	1,200	1,250

State Veterans' Home

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

The Governor recommends a total appropriation of \$7,384,443 and 82.7 FTEs for the State Veterans' Home for FY 2009. This dollar amount consists of \$2,269,190 from the State general fund, \$487,500 in federal fund authority, and \$4,627,753 in other fund authority. The Governor's recommendation is an increase from FY 2008 in State general funds of \$299,663 (15.2%) and in other funds of \$78,601 (1.7%).

Item	Actual	Budgeted	Agency Req.	Gov Rec.	Inc/Dec	% Change
	FY07	FY08	FY09	FY09	FY09	From FY08
Personal Services	3,238,011	3,414,018	3,414,018	3,544,438	130,420	3.8%
Travel	40,024	56,536	56,832	56,832	296	0.5%
Contractual Services	1,142,802	1,387,867	1,506,728	1,506,523	118,656	8.5%
Supplies & Materials	713,245	1,090,383	1,151,591	1,151,591	61,208	5.6%
Grants And Subsidies	-	487,500	487,500	487,500	-	0.0%
Capital Outlay	75,408	569,875	637,559	637,559	67,684	11.9%
Other	-	-	-	-	-	0.0%
Total	5,209,490	7,006,179	7,254,228	7,384,443	378,264	5.4%
Funding Types						
General	1,847,142	1,969,527	2,217,576	2,269,190	299,663	15.2%
Federal	-	487,500	487,500	487,500	-	0.0%
Other	3,362,348	4,549,152	4,549,152	4,627,753	78,601	1.7%
Total	5,209,490	7,006,179	7,254,228	7,384,443	378,264	5.4%
FTE	82.4	82.7	82.7	82.7	-	0.0%

Budget Notes

- The Governor's recommended salary policy for the State Veterans' Home is \$51,819 in general fund authority and \$78,601 other fund authority.
- The agency requested and the Governor recommends an increase in general fund authority of \$296 for travel costs related to fleet and travel billings for state vehicles stationed at the Veterans' Home.
- The Governor recommends an increase in general fund authority of \$118,656 for contractual services and \$61,208 for supplies and materials. These increases are related to rising medical consultant fees, physician and psychiatric service fees, pharmacy inflation, central service billings, utility costs, medical supplies, equipment service contracts, and other general operating costs.
- The agency requested and the Governor recommends an increase in general fund authority of \$67,684 for capital outlay to continue the ongoing mattress replacement schedule, to replace equipment which is antiquated or obsolete, and to install a power surge protection system for the six main buildings as recommended by Black Hills Power.
- All increases are being requested in general fund authority because the department anticipates costs to be higher than the projected other fund revenues.

Revenues

	FY07			FY08			FY09
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Resident Maintenance Fees:							
Long-Term Nursing Care	964,582	771,280	(193,302)	943,500	781,869	(161,631)	883,063
Residential Living Services	684,666	552,975	(131,691)	601,356	522,975	(78,381)	522,975
Veterans Affairs Per Diem:							
Long-Term Nursing Care	824,776	882,399	57,623	812,582	872,813	60,231	920,818
Residential Living Services	538,091	601,874	63,783	544,882	581,875	36,993	613,878
Investment Council interest on all above	-	37,932	37,932	35,000	35,000	-	35,000
Employee Maintenance Fees	12,000	11,550	(450)	12,000	11,550	(450)	11,550
Canyon Cottage Maint. Fees	-	965	965	8,000	1,000	(7,000)	1,000
Deceased Residents Estates + Interest	35,000	195,384	160,384	50,000	177,000	127,000	177,000
Misc. Revenue, Surplus Sales	-	173	173	500	100	(400)	100
Misc. Revenue, Reimbursements	-	70,577	70,577	-	96,350	96,350	96,350
Donations for Activities	9,000	15,439	6,439	9,000	8,000	(1,000)	8,000
Donations for Special Projects	9,000	13,860	4,860	11,000	7,000	(4,000)	7,000
Total	3,077,115	3,154,408	77,293	3,027,820	3,095,532	67,712	3,276,734

Selected Performance Indicators

	FY07			FY08			FY09
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Average Daily Census:							
Veterans	135.0	119.4	(15.6)	125.0	119.0	(6.0)	119.0
Nonveterans	104.0	87.9	(16.1)	94.0	89.0	(5.0)	89.0
Long-Term Nursing Care	31.0	31.5	0.5	31.0	30.0	(1.0)	30.0
Residential Living Care	51.0	49.4	(1.6)	51.0	49.0	(2.0)	49.0
Admissions	84.0	70.0	(14.0)	74.0	70.0	(4.0)	70.0
Deaths	33	35	2	25	35	10	35
Discharges	13	19	6	13	19	6	19
Resident Care Days:	10	9	(1)	10	8	(2)	8
Long-Term Nursing Care	18,490	17,759	(731)	18,267	17,759	(508)	17,759
Residential Living Services	28,813	24,464	(4,349)	25,683	24,464	(1,219)	24,464
Annual Cost of Operation, w/o grant	\$ 5,915,480	\$ 5,197,019	\$ (718,461)	\$ 6,460,445	\$ 5,100,000	\$ (1,360,445)	\$ 5,415,000
Less all Revenues, w/o grant funds	\$ 3,077,145	\$ 3,349,877	\$ 272,732	\$ 3,032,020	\$ 3,130,473	\$ 98,453	\$ 3,276,734
Total Cost to State	\$ 2,838,335	\$ 1,847,142	\$ (991,193)	\$ 3,428,425	\$ 1,969,527	\$ (1,458,898)	\$ 2,138,266
Cost per day	\$ 120	\$ 119	\$ (1)	\$ 142	\$ 117	\$ (24)	\$ 125
Cost per day to State	\$ 58	\$ 42	\$ (15)	\$ 75	\$ 42	\$ (33)	\$ 49
FTE to Resident ratio (ALL STAFF):	.62/1	.69/1	.07/1	.702/1	.687/1	(.015/1)	.695/1
Administration	.05/1	.05/1	-	.06/1	.05/1	(.01/1)	.06/1
Nursing Care Services	.31/1	.36/1	.05/1	.34/1	.35/1	.01/1	.35/1
Residential Living Services	.07/1	.08/1	.01/1	.08/1	.08/1	-	.08/1
Support Services	.18/1	.20/1	.02/1	.23/1	.21/1	(.02/1)	.21/1
Current Daily Census is 128 as of 08-23-07							

Other Departmental Issues

A. Budget Transfers (FY07 and FY08 year-to-date)

\$ 55,000 No FTE	Base Transfer	07/26/2006 approved by BFM
Transferred \$40,000 of general funds from personal services to operating within Army Guard.		
Transferred \$15,000 of federal fund expenditure authority from personal services to operating within Veterans' Benefits and Services.		
The funds transferred will be used to help cover building maintenance and improvements of armories and educational supplies for the increasing number of veterans.		

\$ 91,500 No FTE	One Time Transfer	06/26/2007 approved by BFM
Transferred \$25,000 of general funds from personal services to operating within Army Guard.		
Transferred \$60,000 of general funds (personal services) from Army Guard, \$3,500 of general funds (personal services) from the Air Guard, and \$3,000 in general funds (operating) from Air Guard - to the Adjutant General's Office (\$10,700 in personal services and \$55,200 in operating) and Veterans' Benefits and Services (\$600 in personal services).		
Funds are available due to turnover. The funds transferred will be used to cover retirement payout, increased tuition assistance costs and to help cover military construction costs.		

B. Audit Findings

Currently no audit findings.

C. Letters of Intent

There were no Letters of Intent for FY 2008.

D. General Fund Reversions

The Department of Military and Veterans' Affairs reverted \$4,090 in general fund authority at the end of FY 2007. Of this amount, \$869 was for personal services and \$3,221 was for operating expenditures.

E. Selected Condition Statements

**MILITARY AND VETERANS' AFFAIRS
STATE VETERANS' HOME OPERATING FUND
CONDITION STATEMENT (3021)**

	ACTUAL FY2006	ACTUAL FY2007	PROJECTED FY2008	PROJECTED FY2009
TOTAL RECEIPTS	\$2,585,374	\$2,849,711	\$4,215,532	\$3,976,734
TOTAL DISBURSEMENTS	\$3,235,402	\$3,184,039	\$4,225,644	\$3,948,982
NET (Receipts less Disbursements)	(\$650,028)	(\$334,328)	(\$10,112)	\$27,752
BEGINNING CASH BALANCE	\$995,676	\$345,647	\$11,319	\$1,207
ENDING CASH BALANCE	\$345,647	\$11,319	\$1,207	\$28,959

Prepared by the Bureau of Finance and Management

12/21/2007

**MILITARY AND VETERANS' AFFAIRS
STATE VETERANS' HOME CAPITAL FUND
CONDITION STATEMENT (3021)**

	ACTUAL FY2006	ACTUAL FY2007	PROJECTED FY2008	PROJECTED FY2009
TOTAL RECEIPTS	\$255,403	\$262,609	\$200,000	\$200,000
TOTAL DISBURSEMENTS	\$386,638	\$183,055	\$280,000	\$200,000
NET (Receipts less Disbursements)	(\$131,234)	\$79,554	(\$80,000)	\$0
BEGINNING CASH BALANCE	\$137,992	\$6,758	\$86,312	\$6,312
ENDING CASH BALANCE	\$6,758	\$86,312	\$6,312	\$6,312

Prepared by the Bureau of Finance and Management

12/21/2007