

Director: Patrick Chorpenning

JLBC Analyst: Kimberly Chelberg

	FY 2004 Actual	FY 2005 Estimate	FY 2006 Approved	FY 2007 Approved
<b>OPERATING BUDGET</b>				
<i>Full Time Equivalent Positions</i>	302.3	299.3	299.3 <sup>1/</sup>	299.3 <sup>1/</sup>
Personal Services	8,162,400	8,630,400	8,777,100	8,630,400
Employee Related Expenditures	2,420,500	2,628,000	3,149,600	2,826,600
Professional and Outside Services	222,400	268,900	270,500	268,900
Travel - In State	57,500	64,300	64,300	64,300
Travel - Out of State	10,000	6,000	6,000	6,000
Other Operating Expenditures	1,694,900	2,002,900	1,868,200	1,868,200
Food	382,700	410,000	410,000	410,000
Equipment	196,600	481,800	503,700	480,200
<b>OPERATING SUBTOTAL</b>	<b>13,147,000</b>	<b>14,492,300</b>	<b>15,049,400</b>	<b>14,554,600</b>
<b>SPECIAL LINE ITEMS</b>				
Southern Arizona Cemetery	238,200	134,700	138,500	134,700
Telemedicine Project	0	10,000	10,000	10,000
Veterans' Organizations Contracts	29,200	29,200	29,200	29,200
<b>AGENCY TOTAL</b>	<b>13,414,400</b>	<b>14,666,200</b>	<b>15,227,100<sup>2/</sup></b>	<b>14,728,500<sup>2/</sup></b>
<b>FUND SOURCES</b>				
General Fund	2,164,400	2,261,700	2,336,300	2,259,000
<i>Other Appropriated Funds</i>				
State Home for Veterans' Trust Fund	10,579,500	11,778,700	12,213,300	11,834,600
State Veterans' Cemetery Fund	109,200	0	0	0
State Veterans' Conservatorship Fund	561,300	625,800	677,500	634,900
<b>SUBTOTAL - Other Appropriated Funds</b>	<b>11,250,000</b>	<b>12,404,500</b>	<b>12,890,800</b>	<b>12,469,500</b>
<b>SUBTOTAL - Appropriated Funds</b>	<b>13,414,400</b>	<b>14,666,200</b>	<b>15,227,100</b>	<b>14,728,500</b>
Other Non-Appropriated Funds	507,900	434,100	434,100	434,100
Federal Funds	328,100	345,500	345,500	345,500
<b>TOTAL - ALL SOURCES</b>	<b>14,250,400</b>	<b>15,445,800</b>	<b>16,006,700</b>	<b>15,508,100</b>

**AGENCY DESCRIPTION** — The agency assists veterans in developing and filing claims for federal entitlements, acts as a guardian or conservator for incapacitated veterans or their families and supervises and operates a 200-bed skilled nursing home for Arizona veterans in Phoenix.

<b>PERFORMANCE MEASURES</b>	FY 2003	FY 2004	FY 2006
	Actual	Actual	Approved
• Department of Health Services quality rating of the Veterans' Home ("excellent", "standard" or "substandard")	Excellent	Excellent	Excellent
• % of customers rating department's services as "good" or "excellent"	98	99	95

**Comments:** The quality rating by the Department of Health Services for the Veterans' Home has remained at Excellent since the Home opened.

<sup>1/</sup> Includes 2 FTE Positions funded from Special Line Items in FY 2006 and FY 2007.

<sup>2/</sup> General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

### ***Operating Budget***

The budget provides \$15,049,400 for the operating budget in FY 2006 and \$14,554,600 in FY 2007. These amounts consist of:

	<u>FY 2006</u>	<u>FY 2007</u>
General Fund	\$2,168,600	\$2,095,100
State Home for Veterans' Trust Fund	12,203,300	11,824,600
State Veterans' Conservatorship Fund	677,500	634,900

The approved amount includes an increase of \$535,200 in FY 2006 and an increase of \$63,900 in FY 2007 for statewide adjustments. These amounts consist of:

General Fund	70,800	(2,700)
State Home for Veterans' Trust Fund	434,600	55,900
State Veterans' Conservatorship Fund	29,800	10,700

*(Please see the Statewide Adjustments section at the end of this Appropriations Report for details.)*

The budget provides a one-time increase of \$23,500 from the State Veterans' Conservatorship Fund in FY 2006 for the replacement of fiduciary equipment.

The budget provides a decrease of \$(1,600) from the State Veterans' Conservatorship Fund in FY 2006 and FY 2007 for the elimination of one-time equipment.

### ***Special Line Items***

#### ***Southern Arizona Cemetery***

The budget provides \$138,500 and 2 FTE Positions from the General Fund for the Southern Arizona Cemetery in FY 2006 and \$134,700 in FY 2007. The approved amount includes an increase of \$3,800 from the General Fund in FY 2006 and no change in FY 2007 for statewide adjustments.

The monies in this line item are used to partially offset the operating costs at the Southern Arizona Cemetery in Sierra Vista.

#### ***Telemedicine Project***

The budget provides \$10,000 from the State Home for Veterans' Trust Fund for the Telemedicine Project in FY 2006 and FY 2007. These amounts are unchanged from FY 2005.

Monies in this line item are for equipment and other operating expenses for benefits counselors using the Telemedicine Network, a video-conferencing system both used by physicians to service rural areas and to provide counseling services to those same areas.

#### ***Veterans' Organizations Contracts***

The budget provides \$29,200 from the General Fund for the Veterans' Organizations Contracts in FY 2006 and FY 2007. These amounts are unchanged from FY 2005.

Monies in this line item are for contracts with veterans' organizations to compensate them for processing third party claims on behalf of veterans that the department does not currently serve.