

Superintendent: Gary Olson

JLBC Analyst: Amy Upston

	FY 2006 Actual	FY 2007 Estimate	FY 2008 Approved	FY 2009 Approved
<b>OPERATING BUDGET</b>				
<i>Full Time Equivalent Positions</i>	115.8	115.8	115.8	115.8
Personal Services	3,236,600	3,597,100	3,787,400	3,747,800
Employee Related Expenditures	1,542,600	1,377,100	1,569,100	1,484,200
Professional and Outside Services	74,700	129,300	131,700	129,300
Travel - In State	21,500	25,000	25,000	25,000
Other Operating Expenditures	498,900	588,800	579,000	574,300
Food	173,200	202,200	202,200	202,200
Equipment	12,000	12,000	25,000	25,000
<b>OPERATING SUBTOTAL</b>	<b>5,559,500</b>	<b>5,931,500</b>	<b>6,319,400</b>	<b>6,187,800</b>
<b>SPECIAL LINE ITEMS</b>				
Prescription Drugs	238,600	436,400	250,000	258,000
<b>AGENCY TOTAL</b>	<b>5,798,100</b>	<b>6,367,900</b>	<b>6,569,400<sup>1/2/</sup></b>	<b>6,445,800<sup>1/2/</sup></b>

**FUND SOURCES**

General Fund	0	1,280,900	1,260,000	1,236,000
<b>Other Appropriated Funds</b>				
Miners' Hospital Fund	1,558,200	1,664,700	1,751,000	1,685,600 <sup>3/</sup>
State Charitable Fund	4,239,900	3,422,300	3,558,400	3,524,200
<b>SUBTOTAL - Other Appropriated Funds</b>	<b>5,798,100</b>	<b>5,087,000</b>	<b>5,309,400</b>	<b>5,209,800</b>
<b>SUBTOTAL - Appropriated Funds</b>	<b>5,798,100</b>	<b>6,367,900</b>	<b>6,569,400</b>	<b>6,445,800</b>
Other Non-Appropriated Funds	24,800	0	0	0
<b>TOTAL - ALL SOURCES</b>	<b>5,822,900</b>	<b>6,367,900</b>	<b>6,569,400</b>	<b>6,445,800</b>

**AGENCY DESCRIPTION** — The Arizona Pioneers' Home provides a home and long-term nursing care and medical care for Arizona pioneers, long-time residents, and disabled miners. The Home, on average, cares for 130 residents.

<b>PERFORMANCE MEASURES</b>	FY 2004	FY 2005	FY 2006	FY 2008
	Actual	Actual	Actual	Approved
• % of residents rating services as "good" or "excellent"	98	98	98	98

**Operating Budget**

The budget provides \$6,319,400 and 115.8 FTE Positions for the operating budget in FY 2008 and \$6,187,800 and 115.8 FTE Positions in FY 2009. These amounts consist of:

	FY 2008	FY 2009
General Fund	\$1,260,000	\$1,236,000
Miners' Hospital Fund	1,751,000	1,685,600
State Charitable Fund	3,308,400	3,266,200

These amounts fund the following adjustments:

**Statewide Adjustments**

The budget provides an increase of \$211,400 in FY 2008 and a decrease of \$(16,400) in FY 2009 for statewide adjustments. These amounts consist of:

General Fund	(20,900)	(44,900)
Miners' Hospital Fund	71,000	5,600
State Charitable Fund	161,300	22,900

(Please see the Statewide Adjustments section at the end of this Appropriations Report for details. The annualization of these adjustments for FY 2009 will be addressed in the 2008 budget process.)

1/ Earnings on state lands and interest on the investment of the Permanent Land Funds are appropriated for the Pioneers' Home and the Hospital for Disabled Miners in compliance with the Enabling Act and the Constitution of Arizona. (General Appropriation Act footnote)  
 2/ General Appropriation Act funds are appropriated as a Modified Lump Sum by Agency.  
 3/ The Pioneers' Home shall not exceed its expenditure authority for monies appropriated from the Miners' Hospital for Disabled Miners Land Fund. (General Appropriation Act footnote)

**Registered Nurse Wage Increase**

The budget provides an increase of \$87,800 from the State Charitable Fund in FY 2008 and an increase of \$184,000 in FY 2009 for increases in the wages of registered nurses. This reflects a 10.2% increase in FY 2008 and another 10.2% increase in FY 2009, making their wages more comparable to those in other state agencies.

**Health Insurance Adjustment**

The budget provides an increase of \$75,700 in FY 2008 and FY 2009 for a health insurance adjustment. These amounts consist of:

Miners' Hospital Fund	15,300	15,300
State Charitable Fund	60,400	60,400

The cost of health insurance to the agency has been considerably more than budgeted in recent years. In FY 2006, health insurance costs were 85% more than the amount appropriated.

**Equipment**

The budget provides an increase of \$13,000 from the State Charitable Fund in FY 2008 and FY 2009 for one-time equipment. This amount will enable the agency to upgrade computers and software, replace 11 infirmary beds, and replace furniture.

***Special Line Items***

***Prescription Drugs***

The budget provides \$250,000 from the State Charitable Fund for prescription drugs in FY 2008 and \$258,000 in FY 2009. These amounts fund the following adjustments:

**Medicare Part D**

The budget provides a decrease of \$(186,400) from the State Charitable Fund in FY 2008 and a decrease of \$(178,400) in FY 2009 for lowered drug costs associated with the inception of Medicare Part D, the federal program to subsidize the cost of prescription drugs for Medicare recipients. Savings from this line item will offset funding increases in the operating budget.

Monies in this line item provide funding for prescription drugs used by residents at the Arizona Pioneers' Home.