

APPROPRIATIONS SUBCOMMITTEE ON INSTITUTIONS

January 11, 1979 - Room 103

An executive meeting of the Appropriations Subcommittee on Institutions was called to order at 10:00 a.m. by Chairman Yardley with the following members present:

Representative Howard Ellis
Senator Mark Etchart
Representative Pat Gesek
Representative Art Lund

Senator Bill Thomas was excused.

Chairman Yardley introduced Betty Waugh, Legislative Fiscal Analyst; Doug Booker and Ted Clack, representing the Office of Budget and Program Planning; and Legislative Aide to Chairman Yardley, Larry Hihala.

Chairman Yardley spoke briefly on procedures to be used in hearings.

The committee members will be traveling to the various institutions and this was discussed.

Chairman Yardley had called this executive meeting to get background information on the Veterans Home and Swan River Youth Forest Camp supplemental and general budget requests which will be heard on January 12, 1979. The Office of Budget and Program Planning and Legislative Fiscal Analyst will present information that the committee may need to know in advance of the hearing.

VETERANS HOME

Doug Booker started with his presentation with the Veterans Home supplemental request. The Veterans' Home supplemental budget request is for \$15,830 and of that \$9,538 replaces a water softener that broke down and the replacement of heat exchangers for a total of \$11,188. In addition to that is \$4,642 for utilities which are running higher than budgeted. The OBPP is supporting the full amount in the supplemental request.

Mr. Booker spoke next on the Veterans Home general budget and an informational sheet was handed out and is exhibit 1. One thing not on the sheet is their recommendation of 48.58 FTEs. The agency requested 49.13 FTEs and the LFA recommended 49.13. The difference is due to the Governor enacting a hiring freeze. Chairman Yardley asked what the current number of positions were and the answer was 49.13. In personal services they are recommending \$585,856 for FY80 and a small increase for FY81 due to benefit and salary changes. The reason for no step increases in this budget request is that it will be handled in a separate bill. The main difference is the benefit per-

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centages used by the Office of Budget and Program Planning and the Legislative Fiscal Analyst. Representative Lund noted Betty based hers on the 1979 budget. The pay plan and its effect on personal services was explained.

Mr. Booker pointed out the Veterans Home operates largely with reimbursement funds. The general fund was listed at \$174,285. Senator Etchart asked if there was any way to get what was expended last biennium as he felt it would be helpful. Betty Waugh answered that there was a summary for the Veterans Home and she has a page of expenditures. There is a sheet that compares what they appropriated last session and the operation plan and what the agency spent.

Representative Ellis asked where does interest and income come from and the answer was from state lands. It was noted that there will be \$1,000 coming in and that will supplement the general fund.

There was a question on raises and reducing the federal-private money to compensate for wage increases. Mr. Booker said what happens is an amount of federal-private money will come back to the Veterans Home to operate. They expect to give employees raises but the amount of money they get from reimbursement is a set amount and they had to reduce that amount to cover the raises. If they would appropriate the whole amount they would not have the money for the raises.

Betty Waugh spoke next on the Veterans Home budget request. The differences in the full-time employees is that the LFA left the part-time employees in because they are used during the cannning season. The LFA office calculated personal services differently. They took each program personal services and worked off the 1979 position control and also by taking a certain per cent for vacancy savings or in some cases the balance left in 1978 was subtracted.

On contracted service they also differ due to the LFA office not adding increases for insurance and bonds. That is going to be discussed in the administration subcommittee so those figures may be adjusted.

On travel they did not include out-of-state travel for the staff and they would prefer the agency justify their need for this.

Dues were not included.

Some notes from last session have been included which deals with interest and income. The balance was to have been used in FY78 and since it was not used they recommend it be appropriated for the 1981 biennium. However, they are now planning to use it in FY79 and that figure will be changed.

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There are no increases for travel for in-state due to per diem rate changes each session and that will be added in when determined. The LFA office has discouraged the many trips to town so there would be some reduction and have encouraged the use of state cars.

In supplies and materials the agency said they needed so much money last session and they did not use that amount and that is what the LFA based their figures on. The LFA office had asked for inventories from all institutions and the inventories were considered when determining supplies and materials and repairs and maintenance.

A larger increase in utilities was used. Dues and registrations to conferences were not included. A part-time dietitian at the Veterans Home was included in the budget and would be a consultant under contracted services. Under funding from the reimbursements they based their recommendation on FY78 collections with a minimum percentage increase.

Information handouts are exhibit 2.

SWAN RIVER YOUTH FOREST CAMP

The Swan River Youth Forest Camp budget requests were presented next. Handouts to the committee are exhibit 3.

Representative Bardanouye entered the meeting.

Mr. Booker spoke on the supplemental budget for the Swan River Youth Forest Camp. What actually occurred was due to an appropriation made last session. Up to that time SRS had made per diem payments to personnel who could receive payments. Last biennium SRS told the institutions they could no longer pay this due to federal regulations; therefore, the money had to come out of the general fund. This resulted in the \$74,000 appropriation request and this year they are asking for \$71,084. The total recommendation for the supplemental budget this year is \$145,084. It was noted that figure was above what was requested, and the reason was Swan River had been experiencing broken pipes due to freezing weather. The additional amount is needed.

The committee members were handed a sheet which is exhibit 4.

Mr. Booker said there will be differences in salary and personal services as discussed before. Contracted services increased \$3,000. This is for a contract with the University of Montana to provide legal services. In supplies and materials they are fairly close to what was requested. Communications are the same as the LFA. For travel their office is higher. In utilities they are a little lower. In repairs and maintenance the proposed budget is \$12,039 by the OBPP and \$8,081 by the LFA office.

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\$4,000 of the \$12,039 recommended by the OBPP is to tile the shower room. For other that is for boy pay and \$60 of that pay is to purchase clothing. Betty Waugh said that in other institutions they receive 50 cents and their recommendation is to reduce the allowance to help offset attorney fees.

The transfer of prisoners to Swan River was discussed.

Mr. Booker stated that goods for resale is based on a population of 45 people at Swan River. In equipment the OBPP would recommend one car, one washer extractor and a duplicating machine for the FY80. Funding sources - the main difference is in the general fund.

There was general discussion and questions by the committee.

Betty Waugh said they did not go above the 1978 level in the clothing fund because the inventory indicated \$16,000 would keep the inventory to a reasonable level and prevent a surplus of clothes which would not be purchased. The LFA office had reduced the out-of-state and in-state travel.

Representative Ellis said he would like to commend Betty Waugh on her nice book she had prepared for the committee's use.

Procedures used for presentation of budget requests in coming hearings was discussed and Representative Bardanouye said in last session all committees followed the same format.

The meeting adjourned at 11:45 a.m.

Dan Yardley

Dan Yardley, Chairman

Y. Borgmann

Yvonne Borgmann, Secretary