

APPROPRIATIONS SUBCOMMITTEE ON INSTITUTIONS

January 15, 1979 - Room 108

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

Representative Howard Ellis
Senator Mark Etchart
Representative Art Lund
Senator Bill Thomas

Representative Pat Gesek was excused.

Betty Waugh, Legislative Fiscal Analyst, and Doug Booker and Ted Clack, Office of Budget and Program Planning, were present.

Chairman Yardley said today the committee would discuss the supplemental budgets for the Prison and Galen State Hospital.

PRISON

Doug Booker said the supplemental totals his office supports are in the general fund for \$400,605; the revolving account which is the ranch for \$25,000; and the earmarked account which is the license plate factor for \$215,000. Originally the prison came in asking for \$398,900 and since that time there had been an additional request to buy some food service equipment for \$56,000. The executive budget recommends the equipment be purchased next year. They have checked with state purchasing and feel the order can be received and installed by the time the prisoners are removed from the old to the new facility. The prison at the time the supplemental request was submitted did not think it could be done.

The prison had budgeted for an average daily population of 550 this year and now it appears it is closer to 650. The prison has had some unique things come up that made the cost go up. One prisoner had open heart surgery and they estimated the cost to be \$25,000. Food costs for FY79 were estimated at \$120,900 and Mr. Booker had tried to tie this back to their meal costs and had come up with \$84,000 which the executive budget will recommend. There is an outstanding power bill for \$19,240 which had been on the books for about a year.

For personal services the prison has not realized any vacancy savings. Last session when the pay bill, HB 834, was made out the employees that staffed the old prison were not figured into that bill and this will have to be part of the supplemental. They have 80 additional FTEs that were not given a raise and that will be included in the supplemental.

Contracted Services, Bretz had filed a suit against the prison and the prison had to pick up the cost of his attorney for \$4,300. Mr. Booker had a copy of the legal expenses and would

January 15, 1979

Page 2

get a copy for the committee.

There were two other things, out of the revolving account they need \$25,000 to buy hay for the ranch and the license plate factory has requested \$215,000 due to the cost of aluminum. Mr. Booker said he believed the Justice Department is trying to get legislation to change the plate system so they would not have to make so many plates. The executive budget does not take into consideration next biennium this kind of expenses. It was asked if the \$215,000 was to make all new plates, and the answer was this is just an on-going thing with no changes. On the basis of no changes they may be looking at a budget next year at a half a million dollars.

Betty Waugh spoke on the prison supplemental and the committee received copies of her recommendations - which is exhibit 1. This sheet shows the \$389,000 and this includes most of what Mr. Booker had, other than the electric bill. The LFA had based their analysis on the latest request they had which was \$113,003 in personnel services and \$285,000 in operating costs. The earmarked and revolving funds Doug had addressed and the LFA office recommends the \$215,000 for the license plate factory and the \$25,000 for hay. The LFA is not recommending any general fund supplemental for the prison even with the mention of the electric bill. They feel rather than purchasing \$77,000 in housekeeping and janitorial supplies next year and with the large inventory, they could make up the electric bill cost in this area. They did not arrive at the same needs for personal services as longevity had been calculated twice and there is an excess in benefits. They did allow for an increase in insurance. Reasons for the operating expense recommendation are on pages 2 and 3 of her written presentation. They feel the prison could operate for less. Meal costs were based on 2.8 meals per day. The LFA feels the prison could operate for less money than is in their operation plan and do not recommend the supplemental.

There is a big difference in the general fund. In order for the LFA to justify their not needing this particular amount of money, they put down all personal services by program. They come up with available funds of \$73,000.

Senator Etchart asked if the prison ranch was showing a profit and the answer was if you take out the oil and timber leases that they have collected for this year and the expenditures the ranch would not show a profit. Mr. Booker felt there would be a big issue on the prison ranch and the prices they charge. Betty Waugh said the ranch takes the price the University pays for meat and takes 10% off that. It was noted the ranch expenses have not been going up, so what is justification to increase prices. Chairman Yardley said when this committee goes over the general budget for the prison they should set up time to go over this. Mr. Booker informed the committee that to increase the revolving fund request they do have to

come through the budget office and legislature.

GALEN STATE HOSPITAL

Mr. Booker said most of the supplemental request is in personal services because vacancy savings did not materialize. In supplies and materials Galen feels they are short. Mr. Booker said to be fair and since the figures have changed so much he will have to let the agency speak towards the supplemental. The agency came in with \$416,003 and that has been cut back to \$383,656 for two years.

In the area of vacancy savings they had estimated a 9% vacancy savings and the agency realized only 4%. In travel they feel they are short due to the alcohol program where they have to send the people back to the community. They are short in utilities by \$10,000 and he felt it would be less than that.

Betty Waugh said they recommend \$242,000 for Galen. In personal services they took the base figures from the agency's operation plan for FY79 and used a 2.5 vacancy savings which appeared to be what they had in FY78. Galen's operation plan is adequate to cover personal services and the FTE does include part-time employees. The LFA gave a 9.4% increase in utilities and a 5.6% increase in communications from last year. On travel a large part is patient travel which was considered. This year \$700 had already been spent on registration fees and it suggested that could be reduced for the remainder of the year. If the agency determined their needs realistically they should have savings in food costs.

Chairman Yardley asked the committee if they would like to act on the Veterans Home supplemental request.

Representative Ellis moved that the committee accept the recommendation and support the \$21,188 supplemental request for the Veterans Home. Question, the motion carried unanimously.

The Swan River Youth Forest Camp supplemental request was discussed briefly and it was decided to hold off on any consideration at this time. There was concern by those present on the proposed changes for Swan River.

The meeting adjourned at 11:45 a.m.



Dan Yardley, Chairman

Yvonne Borgmann, Secretary