



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 5, 2011

Joint Committee on Finance

Paper #777

Restore One-Time Financing for King Master Lease Payments (DVA -- Veterans Homes)

[LFB 2011-13 Budget Summary: Page 523, #4]

CURRENT LAW

2009 Wisconsin Act 28 provided \$200,000 PR in 2009-10 and \$400,000 PR in 2010-11 to fund the purchase of movable medical equipment for the Veterans Home at King. DVA has purchased 240 electric beds, 32 specialty beds, 42 specialty mattresses, 100 recliners, 40 high-back chairs, 14 bariatric chairs, and 32 medical-surgical beds under a master lease agreement. However, because funding for this purpose was budgeted in Act 28 as one-time funding, base funding for these payments (\$400,000 annually) is deleted under a standard budget adjustment ("removal of one-time funding") in the Governor's 2011-13 budget.

GOVERNOR

Provide \$371,100 in 2011-12 and \$228,000 in 2012-13 to maintain funding DVA will need to support master lease payments for new movable medical equipment DVA purchased for the Veterans Home at King in the 2009-11 biennium.

MODIFICATION

Reduce funding in the bill by \$114,000 PR in 2011-12 to reflect the amount of funding DVA will need to fund master lease payments in the 2011-13 biennium.

Explanation: The Governor's estimate for the amount of master lease payments inadvertently included an additional month's worth of lease payments in 2011-12. Based on the payment schedule established by the administration for these payments, DVA will make two payments per year, in September and March, until March 2016. The first payment will

be made in September 2011, for \$143,100. All payments thereafter will be for \$114,000. These payments will amount to \$257,100 in 2011-12 and \$228,000 in 2012-13. The administration has requested that this change be made to the bill.

Change to Bill	
Funding	
PR	- \$114,000

Prepared by: Grant Cummings