



Department of Military and Veterans Affairs



FY2019 Department Overview



January 26, 2018



Mission



- Provide military forces to accomplish military missions in the state or around the world
- Provide homeland security and defense; emergency preparedness, response, and recovery; veterans services; and youth military style training and education

Sources

Statute: Alaska Statute 44.35.020

Mission, Vision and Core Values: <https://dmva.alaska.gov/>

DMVA Annual Reports:

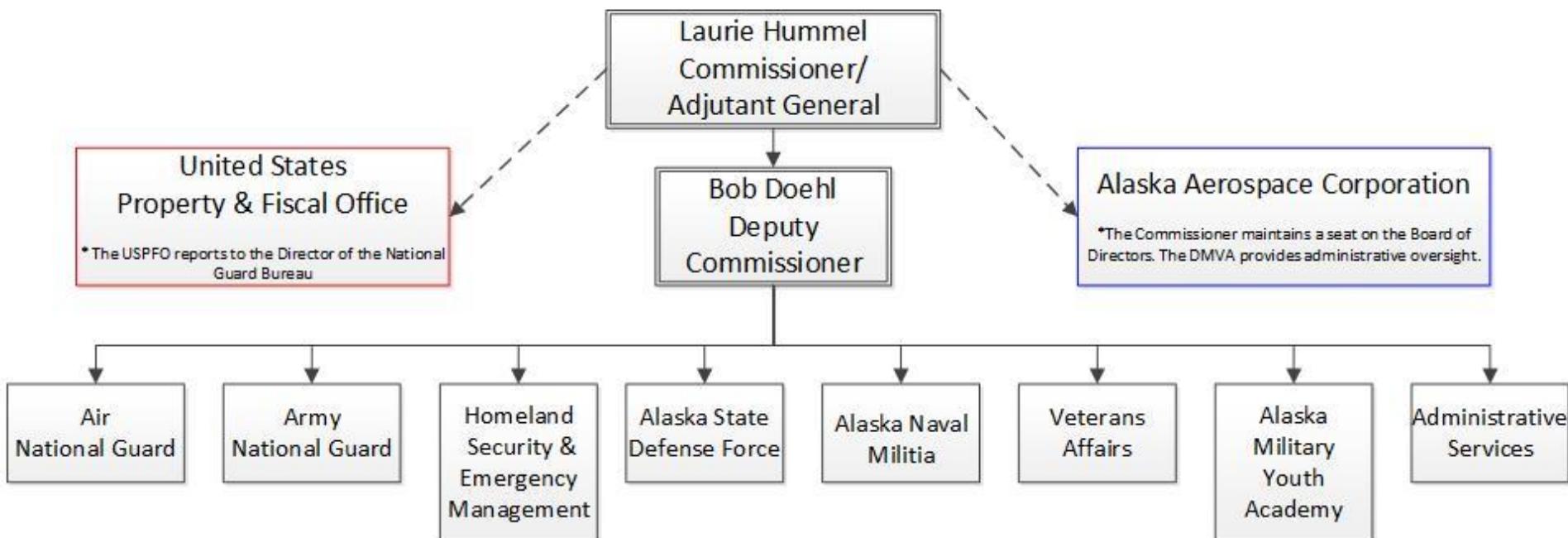
<https://dmva.alaska.gov/Press/Warriors/Index#annualreports>



Organization



Department of Military and Veterans Affairs Operational Sections

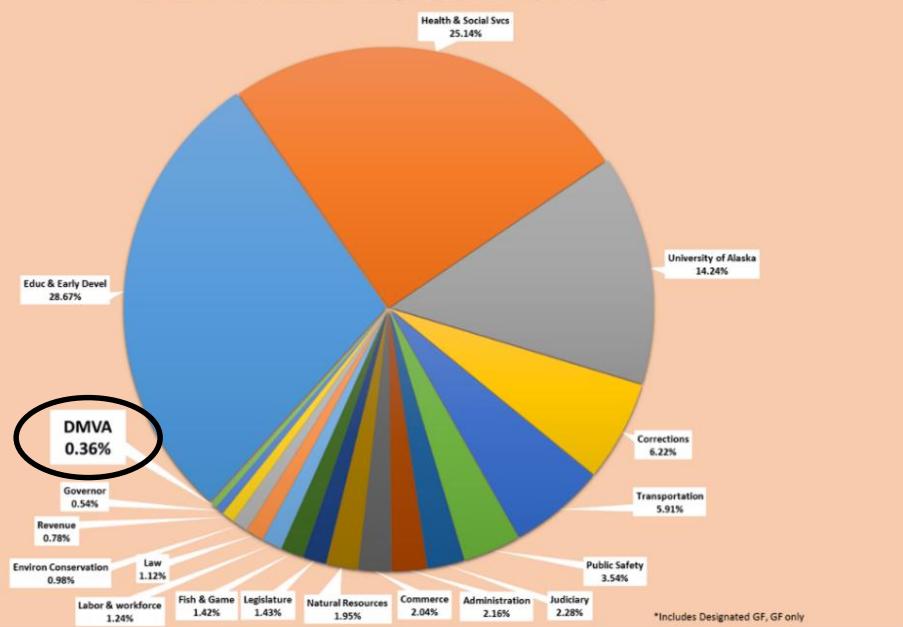




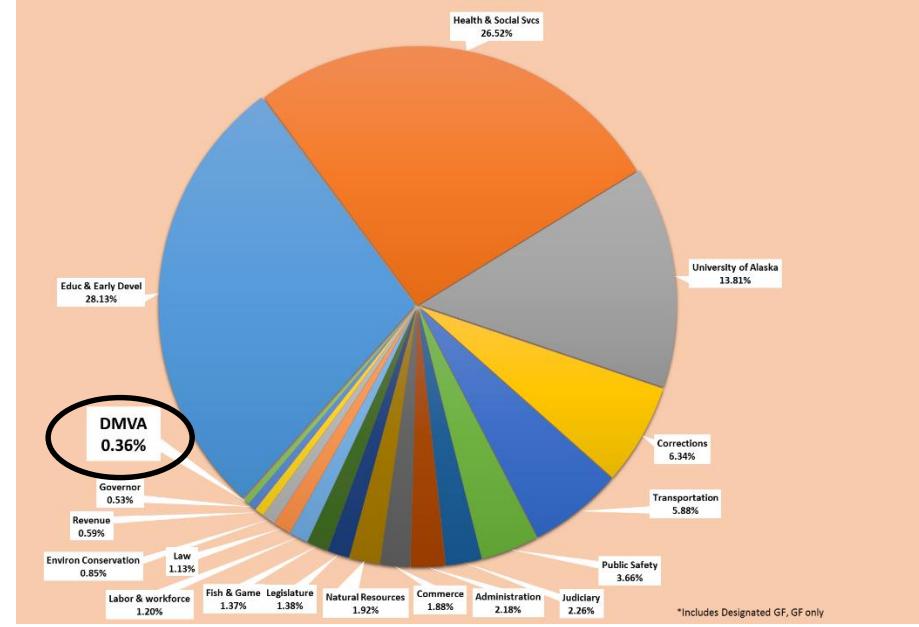
DMVA Percentage of SoA GF



FY2018 Governor Share of Total Agency Operations (GF Only)*



FY2019 Governor Request Share of Total Agency Operations (GF Only)*



**FY18 -> FY19: DMVA GF Funding (as a percentage of all SoA GF)
Still Smallest Percentage of SoA GF
Including New Programs/Program Expansions Requests**



State Funds Spent vs. Federal Funds Received



Fiscal Year 2015 Operating Budget Impact

State General Fund Dollars Spent
\$18,414,100

Air National Guard \$2,986,250
Army National Guard \$4,771,850
Veterans Services \$1,940,500
Alaska Military Youth Academy \$5,113,700
Homeland Security & Emergency Management \$3,601,800

Air National Guard
\$3,503,100 State Budget Federal dollars
\$163,185,206 Federal dollars
\$166,688,306 Total Federal dollars

Army National Guard
\$6,536,800 State Budget Federal dollars
\$51,165,550 Federal dollars
\$57,702,350 Total Federal dollars

Alaska Military Youth Academy
\$3,635,900 State Budget Federal dollars

Homeland Security & Emergency Management
\$4,143,300 State Budget Federal dollars

Veterans Services
\$158,300 State Budget Federal dollars
\$267,333,333 Federal dollars
\$267,491,633 Total Federal dollars

Federal Dollars Received
\$499,634,756

Fiscal Year 2016 Operating Budget Impact

State General Fund Dollars Spent
\$16,262,550

Air National Guard \$2,465,700
Army National Guard \$3,566,450
Veterans Services \$1,960,800
Homeland Security & Emergency Management \$3,252,700

Air National Guard
\$3,381,900 State Budget Federal dollars
\$194,321,460 Federal dollars
\$197,703,360 Total Federal dollars

Army National Guard
\$6,729,000 State Budget Federal dollars
\$67,645,833 Federal dollars
\$74,374,833 Total Federal dollars

Alaska Military Youth Academy
\$2,977,700 State Budget Federal dollars

Homeland Security & Emergency Management
\$4,163,500 State Budget Federal dollars

Veterans Services
\$225,500 State Budget Federal dollars
\$339,125,000 Federal dollars
\$339,350,500 Total Federal dollars

Federal Dollars Received
\$618,569,893

Fiscal Year 2017 Operating Budget Impact

State General Fund Dollars Spent
\$15,868,900

Air National Guard \$2,520,100
Army National Guard \$3,580,800
Veterans Services \$1,910,700
Alaska Military Youth Academy \$4,576,600
Homeland Security & Emergency Management \$3,280,700

Air National Guard
\$3,594,100 State Budget Federal dollars
\$215,592,534 Federal dollars
\$219,186,434 Total Federal dollars

Army National Guard
\$7,483,100 State Budget Federal dollars
\$113,093,604 Federal dollars
\$120,576,704 Total Federal dollars

Alaska Military Youth Academy
\$3,828,300 State Budget Federal dollars

Homeland Security & Emergency Management
\$4,212,500 State Budget Federal dollars

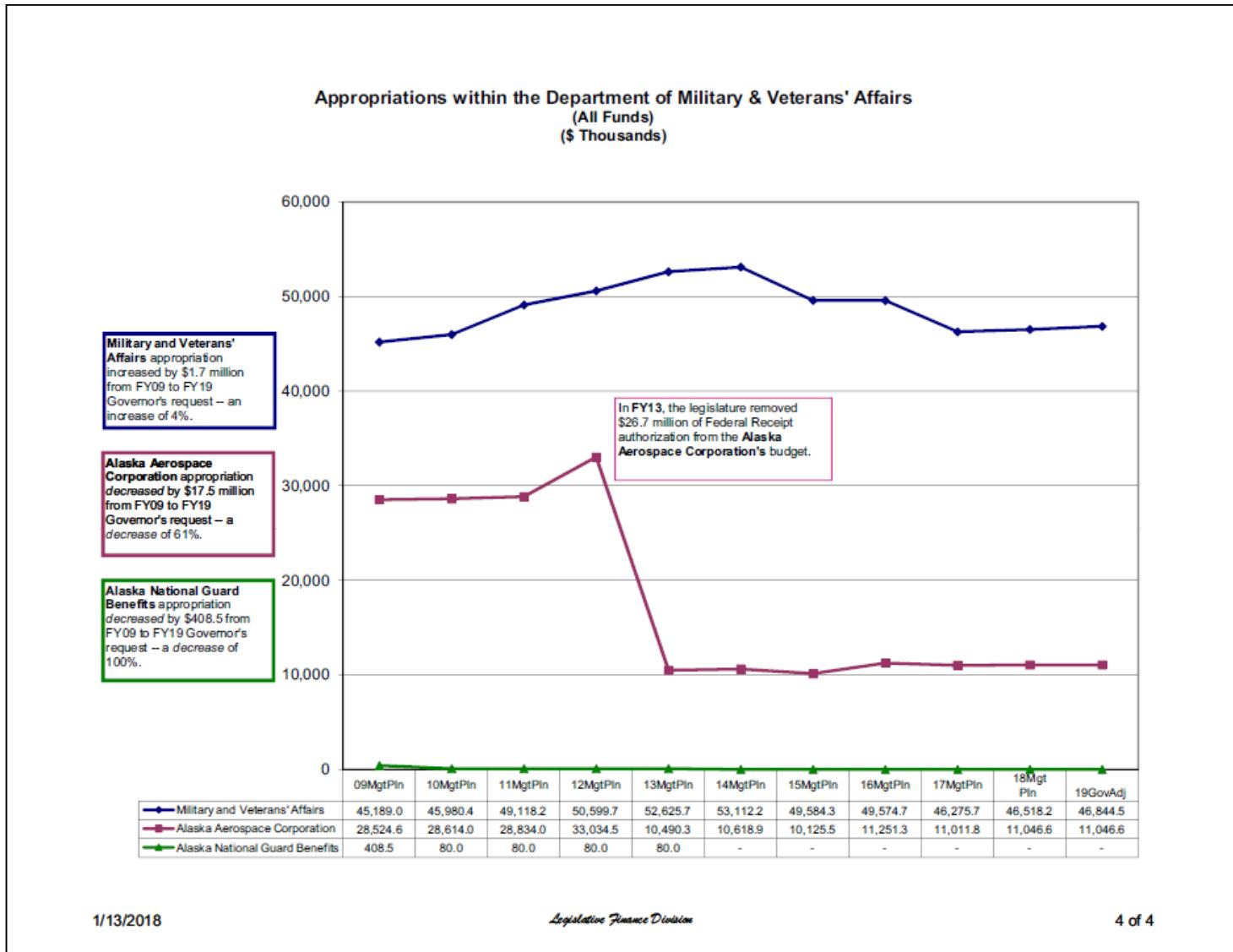
Veterans Services
\$238,400 State Budget Federal dollars
\$395,540,000 Federal dollars
\$396,178,400 Total Federal dollars

Federal Dollars Received
\$743,982,338

FY15 -> FY17: Spent 14% Less GF; Fed Funds Garnered Up 43%!



Funding Profile History (By Appropriation – All Funds)





Funding Profile History (All Funds by Line Item)

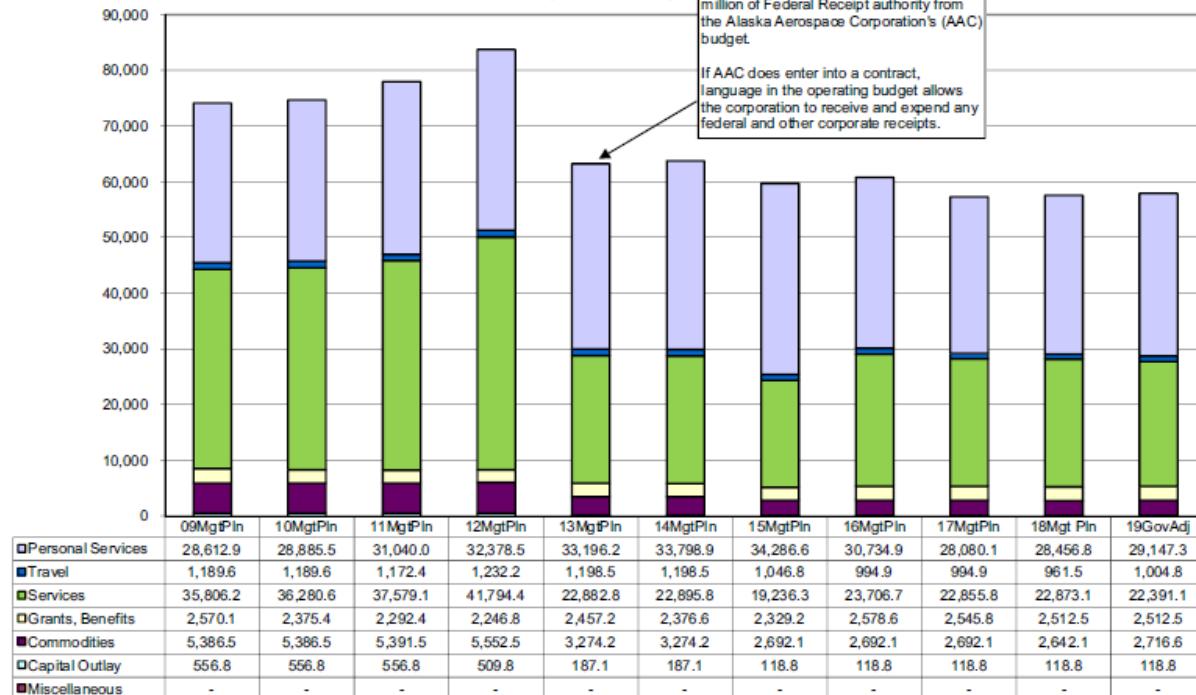


The majority of the funding is in the following line items:
Personal Services: 50%
Services: 39%

Department of Military & Veterans' Affairs
Line Items
(All Funds)
(\$ Thousands)

In FY13, the legislature removed \$26.7 million of Federal Receipt authority from the Alaska Aerospace Corporation's (AAC) budget.

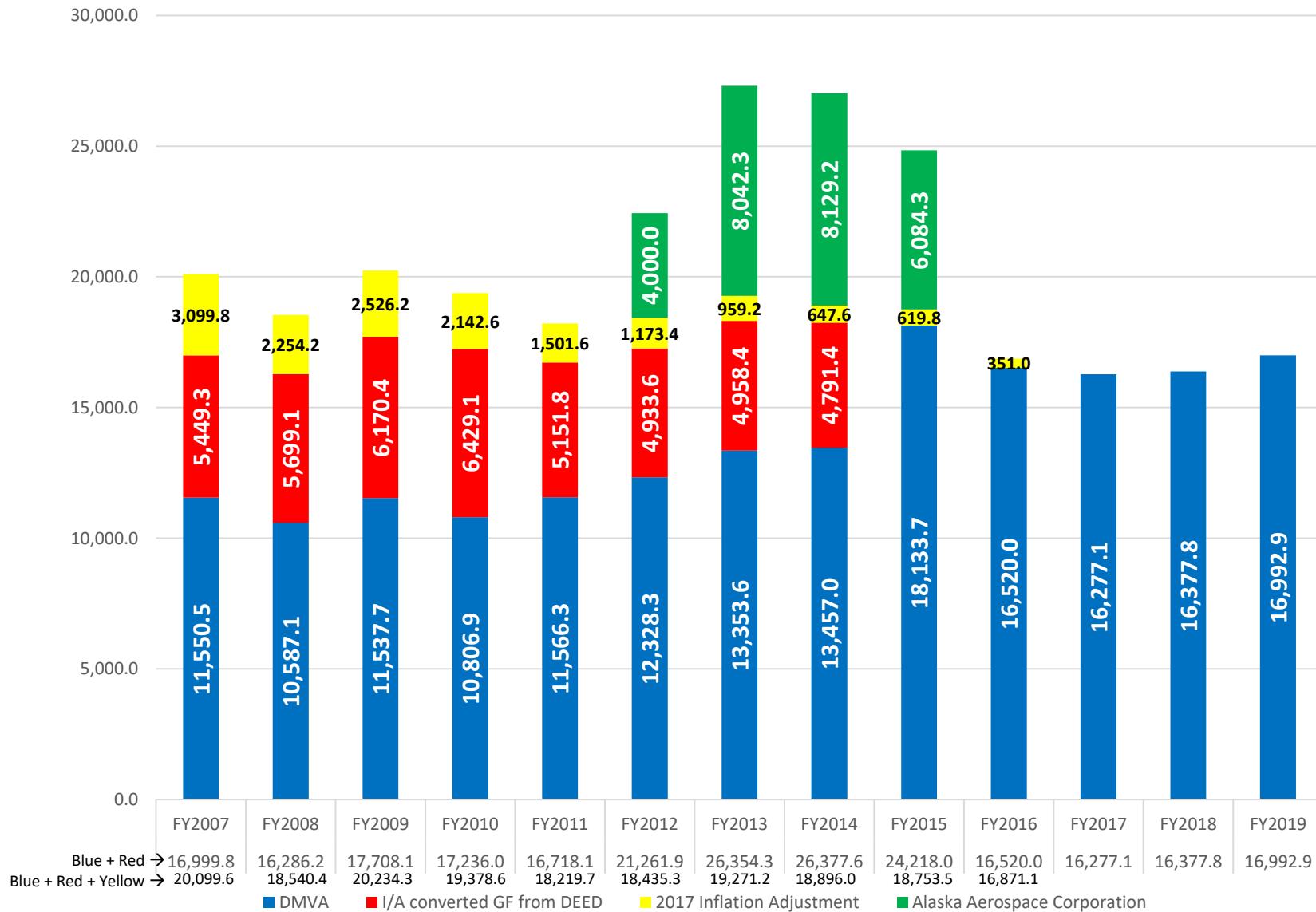
If AAC does enter into a contract, language in the operating budget allows the corporation to receive and expend any federal and other corporate receipts.





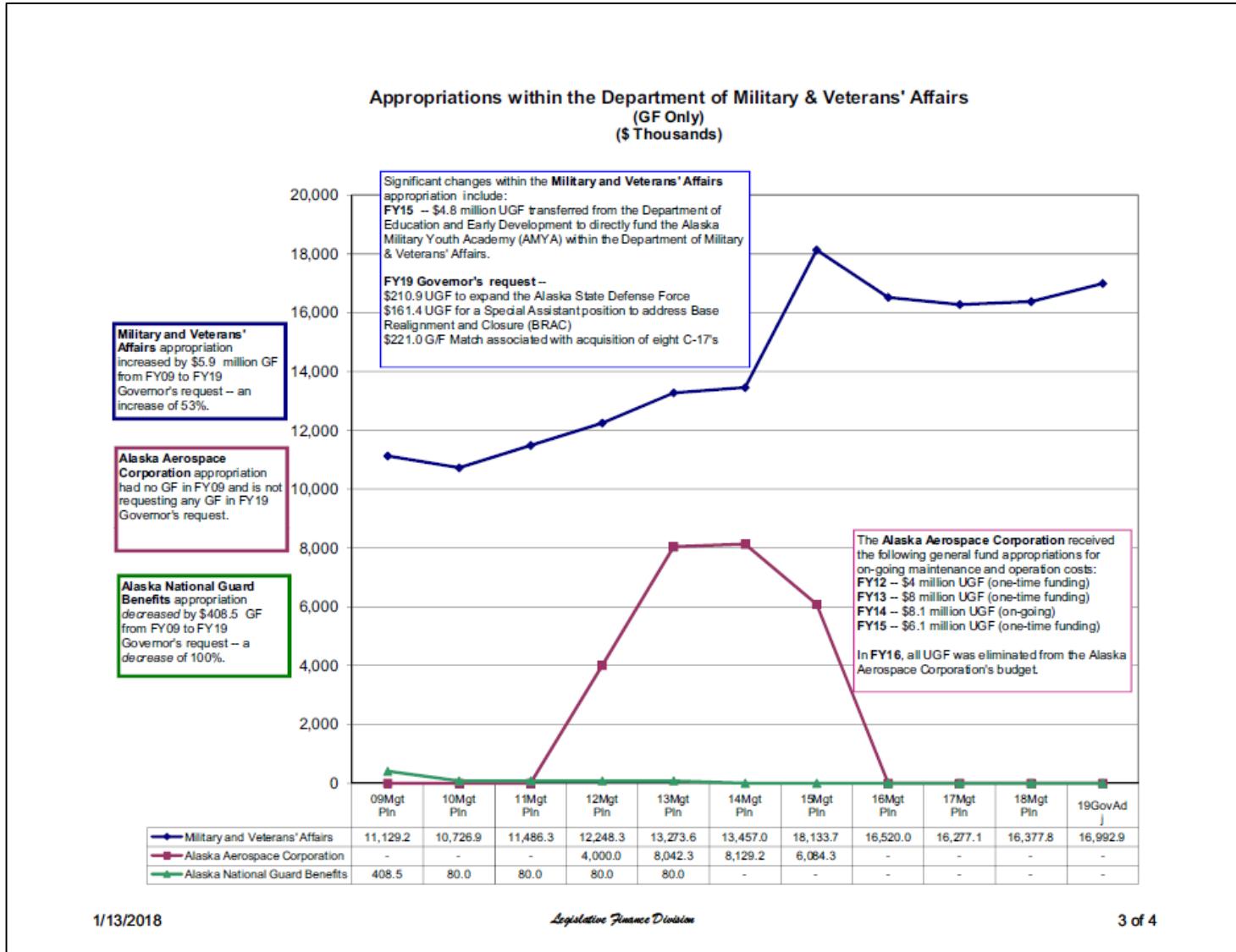
Funding Profile History

(FY17 Constant Yr \$\$ – GF Only)





Funding Profile History (By Appropriation - GF Only)





FY19 Operating Budget Requests



Reduce:

- Reduce Excess Federal Authority in Army Guard Facilities Maintenance
- Armory Divestiture Plan
- Leverage Federal Receipts to Fund Veterans' Services Personal Services Expenditures
- Proactive Management of AMYA Staffing Hours to Minimize Overtime Expenditures

Maintain:

- Baseline Funding for Core Programs
- Move National Guard Military Headquarters Structure to Office of the Commissioner

Grow:

- Federal Authority and GF Match Associated with Gain of C-17 Mission
- Expand Alaska State Defense Force for Rural Engagement
- Special Assistant to Protect and Grow Department of Defense Investment in Alaska
- Emergency Management Specialist II to Provide Support Planning & Preparedness
- Airport Leasing Specialist II to Provide Real Estate Services



AKARNG Former Scout Armory Divestiture

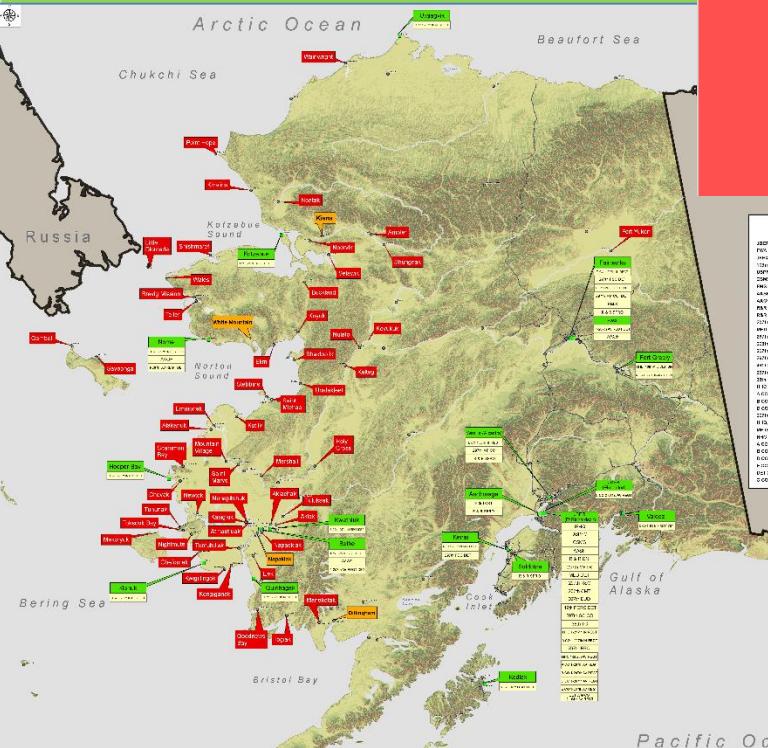
Properties Affected



Retain

1 Anchorage	11 Klawock
2 Anchorage (Elmendorf)	12 Kodiak
3 Anchorage (Fort Richardson)	13 Kotzebue
4 Bethel	14 Kwethluk
5 Fairbanks	15 Quinhagak
6 Hooper Bay	16 Sitka
7 Juneau	17 Valdez
8 Kenai	18 Wasilla
9 Ketchikan	19 Utqiagvik
10 Kipnuk	

* No Real Estate at Fort Greely, Fort Wainwright (FWA), Soldotna & Juneau



Divest

1 Akiachak	16 Holy Cross	31 Napaskiak	46 Saint Mary's
2 Akiak	17 Kake	32 Newtok	47 Saint Michael
3 Alakanuk	18 Kaltag	33 Nightmute	48 Stebbins
4 Ambler	19 Kasigluk	34 Noatak	49 Teller
5 Atmautluak	20 Kivalina	35 Noorvik	50 Togiak
6 Brevig Mission	21 Kongiganak	36 Nulato	51 Toksook Bay
7 Buckland	22 Kotlik	37 Nunapitchuk	52 Tuluksak
8 Chefornak	23 Koyuk	38 Petersburg	53 Tuntuntuliak
9 Chevak	24 Koyukuk	39 Point Hope	54 Tununak
10 Eek	25 Kwigillingok	40 Savoonga	55 Unalakleet
11 Elim	26 Little Diomede	41 Scammon Bay	56 Wainwright
12 Emmonak	27 Manokotak	42 Selawik	57 Wales
13 Fort Yukon	28 Marshall	43 Shaktoolik	
14 Gambell	29 Mekoryuk	44 Shishmaref	
15 Goodnews Bay	30 Mountain Village	45 Shungnak	

Completed

1 Angoon	2015 Great Beaver Lodge
2 Kiana	2015 Land DOTPF, Building Native Village of Kiana
3 White Mountain	2015 City of White Mountain
4 Dillingham	2015 City of Dillingahm
5 Haines	Jul-17 USARAK
6 Hoonah	Jul-17 City of Hoonah
7 Wrangell	Jul-17 City of Wrangell
8 Napakiak	Nov-17 City of Napakiak



Examples of AKARNG Former Scout Armories (FSA)



AKARNG FSA - Teller



AKARNG FSA – Brevig Mission



FY19 Operating Budget Requests



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- Airport Leasing Specialist II to Provide Real Estate Services



FY18 Supplemental Requests



- Federal Authority and GF Match Associated with Gain of C-17 Mission (663.0 Fed , 221.0 GF)
- Special Assistant to Protect and Grow Department of Defense Investment in Alaska (94.1GF)
- DRF Increase Due to Low Balance and Estimated Amount Needed for Spring Disasters (2,000.0GF)



FY19 Capital Budget Requests

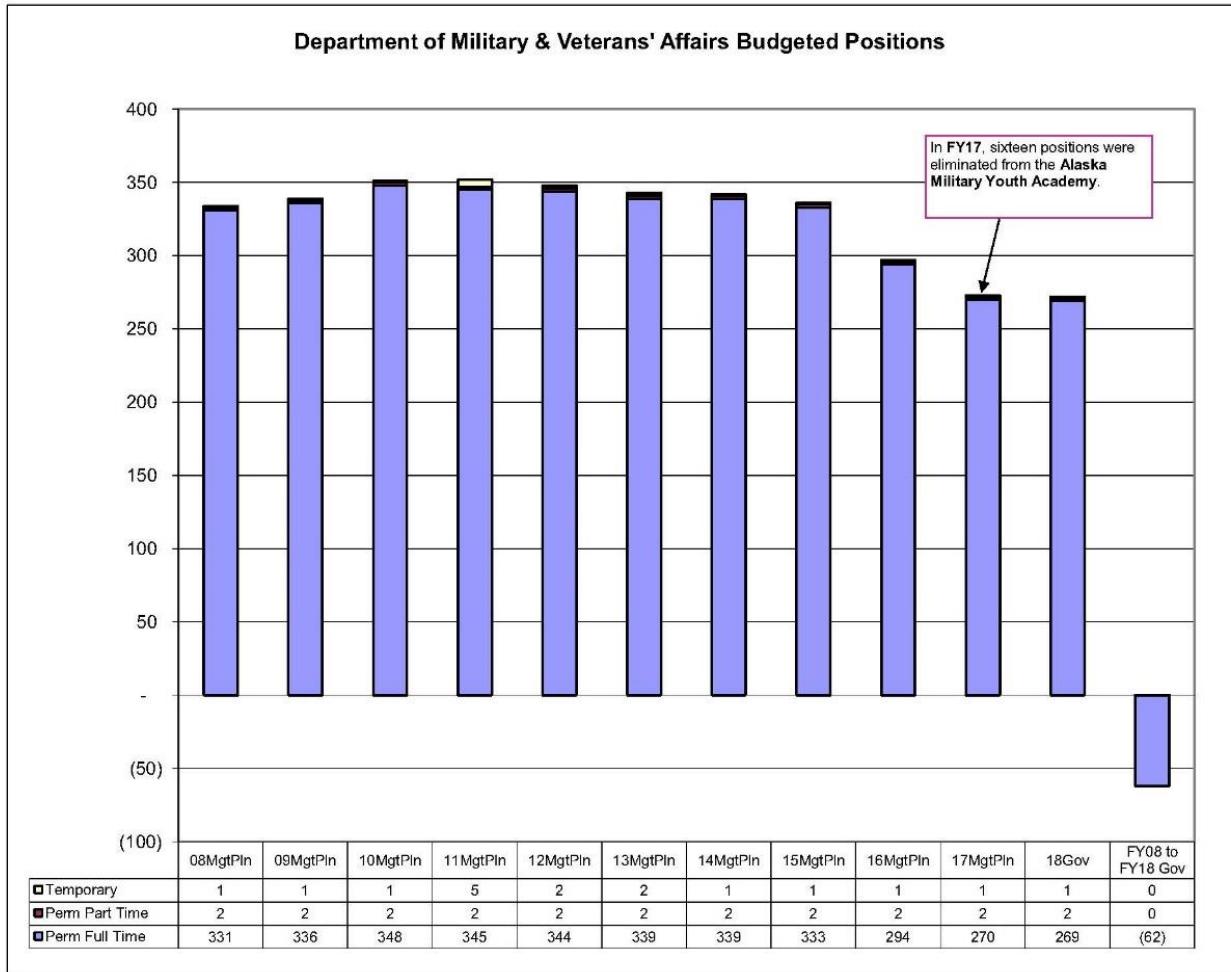


- State Homeland Security Grant Programs (8,500.0 Fed)
- National Guard Counterdrug (CD) Support (100.0 Fed)

- DMVA will compete with other SOA agencies for Deferred Maintenance funding, pending passage of the Alaska Economic Recovery Plan



Budgeted Position History



FY19: 277 FT/2 PT Positions (FY14 -> FY19: 18% Reduction -- 63 Positions in Last 6 Yrs!)



Recruitment Actions/Vacancy History



- Programs Operating @ Min Funding/Staffing Levels to Avoid Mission Failure
 - 63 Positions Reduced Over Last 6 Years
- Active Recruitment/Hiring Actions a Key Leadership Priority
 - Two Long-Term Vacancies Over the Past Year Across More Than 270 Positions
 - DMVA: Internet Specialist - Fourth recruitment recently closed, interviews forthcoming
 - AAC: Director of Facilities & Operations (\$0 GF; AAC will address)



Allocation/Program Summary (FY19 Gov Request)



Allocation and/or Program	Funding (in thousands)	# of positions 19 Gov Budget/18 Mngmt Pln Filled	# of Alaskans Served	% cost Through Fees	Rating of Importance to Mission	Rating of Effectiveness	Constitution Requirement	Federally Required	Required by Statute
Entire Department	57,891.1: 16,964.5 UGF, 28.4 DGF, 10,206.7 Other, 30,691.5 Fed ----- Fed received 743,982,338	277/249 perm full - time, 2/2 perm-part time	All	n/a	Critical	High	See below	See below	See below
Office of the Commissioner	7,330.2: 3,270.2 UGF, 1,940.0 Other, 2,120.0 Fed	49/43 perm full-time			Critical	High	Yes <i>Article III Sections 19 & 25</i>	Yes, to have Air & Army National Guard (ATAGs)	Yes <i>Sec. 44.35.010, Sec. 26.05.160 and Sec. 26.05.180</i>
Homeland Security & Emergency Management	9,517.9: 2,465.4 UGF, 2,988.3 Other, 4,064.2 Fed ----- Fed received 4,212.5	62/57 perm full-time			Critical	High	Yes <i>Article VII Sections 4 & 5</i>	Yes, to receive federal disaster and mitigation funds	Yes <i>Sec. 26.23.040</i>
Local Emergency Planning Committee	300.0: 300.0 UGF	0			Important	High	No		Yes <i>Sec. 26.23.073</i>



Allocation/Program Summary (FY19 Gov Request)



Allocation and/or Program	Funding (in thousands)	# of positions 19Gov Budgeted/ 18 Man Pln Filled	# of Alaskans Served	% cost Through Fees	Rating of Importance to Mission	Rating of Effectiveness	Constitution Requirement	Federally Required	Required by Statute
National Guard Military Headquarters	0: 0 UGF	0/2			N/A	N/A	N/A	N/A	N/A
Army Guard Facilities Maintenance	11,628.0: 2,660.2 UGF, 27.4 DGF, 1,554.4 Other, 7,386.0 Fed ----- Fed received 120,576.7	46/42 perm full-time, 1/1 perm part-time			Critical	High	Yes <i>Article III. Section 19</i>	Yes, to have an Army National Guard	Yes <i>Sec. 26.05.230</i>
Air Guard Facilities Maintenance	6,829.6: 1,892.7 UGF, 13.7 Other, 4,923.2 Fed ----- Fed received 219,186.4	36/26 perm full-time			Critical	High	Yes <i>Article III. Section 19</i>	Yes, in order to have an Air National Guard	Yes <i>Sec. 26.05.230</i>
Alaska Military Youth Academy	8,758.4: 4,577.1 UGF, 1.0 DGF, 34.2 Other, 4,146.1 Fed ----- Fed received 3,828.3	66/62 perm full-time, 1/1 perm part-time	450 cadets/year and impacted family and community		Critical	High	No, but function provided is required by Article VII. Section 1	Yes, in order to receive separate Dept. of Defense funding for youth intervention	Yes <i>Sec. 44.35.020</i>

FY19 Gov Req: National Guard Military Headquarters component transferred to Office of the Commissioner



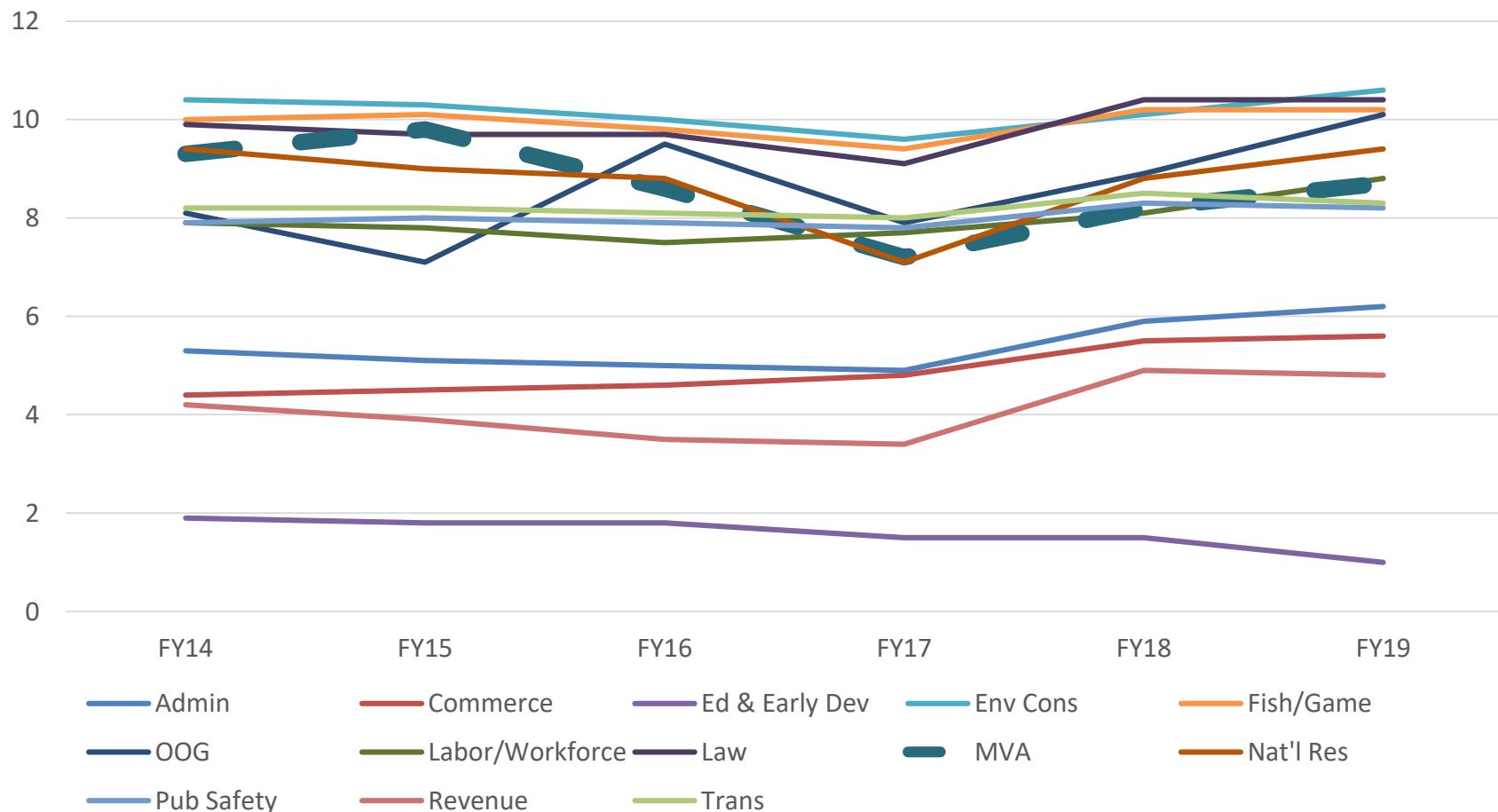
Allocation/Program Summary (FY19 Gov Request)



Allocation and/or Program	Funding (in thousands)	# of positions 19Gov Budgeted/18 Man Pln Filled	# of Alaskans Served	% cost Through Fees	Rating of Importance to Mission	Rating of Effectiveness	Constitution Requirement	Federally Required	Required by Statute
Veterans' Services	2,155.4: 1,793.9 UGF, 11.3 Other, 350.2 Fed ----- Fed received 396,178.4	4/4 perm full-time	68,276 veterans and their 161,207 dependents, survivors and extended families		Critical	High	Yes <i>Article VII Sections 4 & 5</i>	No, but federal benefits to Alaskans reduced by over 50% without it	Yes Sec. 44.35.020
State Active Duty	325.0: 5.0 UGF, 320.0 Other	0			Critical	High	No, but militia is not available for state service without it	No	Yes Sec. 26.05.070
Alaska Aerospace Corporation Headquarters	4,121.2: 1,348.3 Other, 2,772.9 Fed	6/5 perm full-time			Important	High	No		No
Alaska Aerospace Corporation Facilities Maintenance	6,925.4: 1,996.5 Other, 4,928.9 Fed	8/7 perm full-time			Important	High	No		No



Health Care Costs as Percentage of Total Funding – All SOA Agencies*



*Note: Does not include Corrections & H&HS

FY14 -> FY19 (9.3% -> 8.7%): DMVA Health Care Costs 6-Year Average @ 8.6%



Health Care Costs as Percentage of Total Funding - DMVA



			FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Military & Veterans Affairs	Employer Health Contribution	UGF	1,550.6	2,158.7	1,546.1	1,449.2	1,529.6	1,588.0
		All Other Funds	3,822.6	3,258.8	3,270.1	2,793.5	2,977.0	3,042.1
	Workers Comp		650.5	510.3	458.6	597.3	362.1	393.2
Budgeted Health Care Total Costs			6,023.7	5,927.8	5,274.9	4,840.0	4,868.7	5,023.4
Budget		UGF	22,297.9	24,816.9	17,226.1	16,278.6	16,664.5	16,964.5
		All Other Funds	42,173.3	35,520.2	44,150.3	50,658.9	42,878.4	40,926.6
Military & Veterans Affairs Total			64,471.2	60,337.1	61,376.4	66,937.5	59,542.9	57,891.1
Percent Health Care			9.3%	9.8%	8.6%	7.2%	8.2%	8.7%

FY14 -> FY19 (9.3% -> 8.7%): DMVA Health Care Costs 6-Year Average @ 8.6%



Approach to Lowering SoA Health Care Costs



- DMVA's Promotion of Healthy Lifestyle Includes:
 - Uniformed members of the AK National Guard (AKNG) must comply with height/weight/fitness standards
 - Warrior & Family Services offers DMVA members/families nutrition, fitness, and mental health information/resources
 - Major DMVA locations (e.g. Anchorage/Juneau) have fitness equipment available to all assigned personnel
 - Two mile walking trail adjacent to the Anchorage AKNG Armory
 - Anchorage AKNG Armory's long hallways provide inclement weather opportunities
 - Juneau (Auke Bay) Armory is a Joint Use Facility with UAS with indoor track & fitness equipment
 - AMYA Cadets participate in regular physical activity, led by AMYA Cadre members
 - AKNG Chaplains provide spiritual wellness services to all DMVA members



Disaster Relief Fund (AS 26.29.300)



- Immediate threat of widespread of severe damage, injury, loss of life or property, or shortage of food, water, or fuel
- Results from incidents such as a storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, avalanche, snowstorm, prolonged extreme cold, drought, fire, flood, epidemic, explosion, or riot
- Also includes:
 - Release of oil or a hazardous substance, if the release requires prompt action to avert environmental danger or damage
 - Equipment failure if it is not predictably frequent or recurring, or preventable by adequate maintenance or operation
 - Enemy or terrorist attack, or a credible threat thereof
 - Outbreak of disease or a credible threat thereof

DRF Provides a Legislatively-Approved, Readily Available Fund Source to Speed Relief/Recovery Actions During Various Emergency Situations



Disaster Relief Fund Typical Flow



- Event occurs; local jurisdictions respond
- If event exceeds local capacity, State assistance may be requested
- DMVA Commissioner convenes a Disaster Policy Cabinet with representation across the Executive Branch to make recommendations to the Governor
 - Declare State Disaster
 - Direct DHS&EM implement Public Assistance, Individual Assistance, or Temporary Housing programs
 - Request assistance through Federal Government (i.e. FEMA)

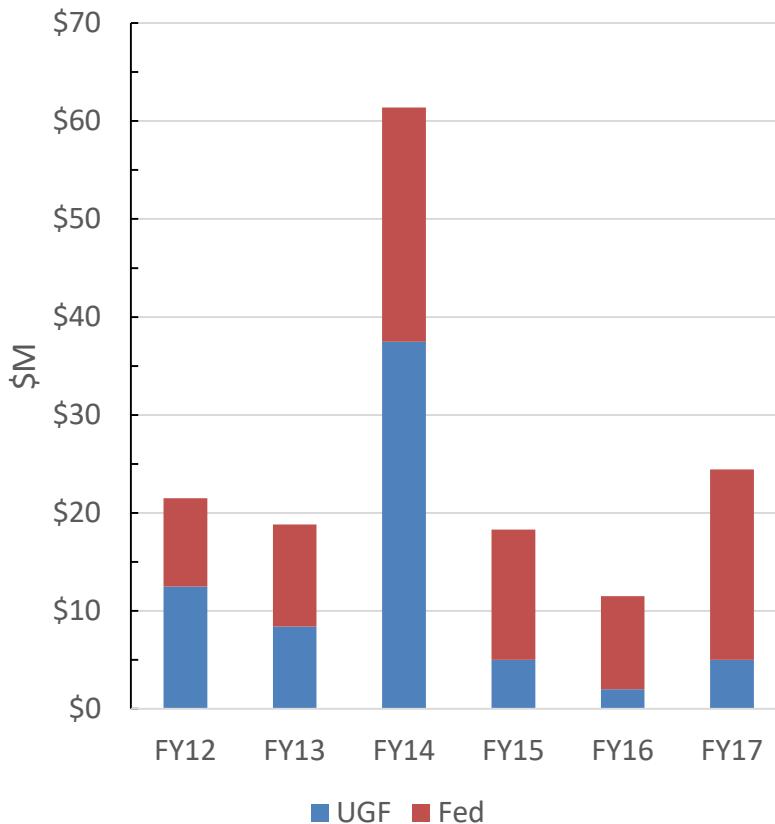
***Administrative Orders Limited to Disasters < \$500K
Disaster Declaration Required for Costs > \$500K & < \$1M
AK Legislature Approval Required if Projected Costs > \$1M***



Disaster Relief Fund Financial History



DRF – Final Authorized History



Approximately 90% of all homes, businesses, and public facilities in Galena were impacted by floodwaters and ballistic ice flowing out of the banks of the Yukon River (May 2013).



Alaska Air National Guard members assist Galena residents (Pop 470) during a large-scale evacuation to Fairbanks & Anchorage following catastrophic flooding in May of 2013. Many families would not return to Galena for 18 months while repairs to and rebuilding of ~90% of all homes, businesses, and public facilities in Galena were conducted.

**A Ready DRF Enables
Rapid Response & Recovery**



Disaster Relief Fund

Current Financial Situation



- Current Available DRF Balance: \$4.8M
- North Slope Borough (pending): (\$2.5M)
- Kenai Peninsula Borough (pending) (\$1.0M)
- Anticipated Remaining Balance: \$1.3M
- FY19 Budget Request: \$2.0M
- FY18 Supplement Request (being finalized): \$2.0M
- Proposed Spring 2018 Balance: \$5.3M

DRF Provides a Legislatively-Approved, Readily Available Fund Source to Speed Relief/Recovery Actions During Various Emergency Situations



Program Issues/Challenges



- Small Department – BIG Impact
- Programs Operating @ Min Funding/Staffing Levels to Avoid Mission Failure
 - 63 Positions Reduced Over Last 6 Years
- Investing Further Where Mission Dictates
 - Smartly Leveraging Other Fund Sources, When Available



**DEPARTMENT OF MILITARY
& VETERANS AFFAIRS**