



# *Department of Military and Veterans Affairs*



## FY2019 Department Overview



February 19, 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:

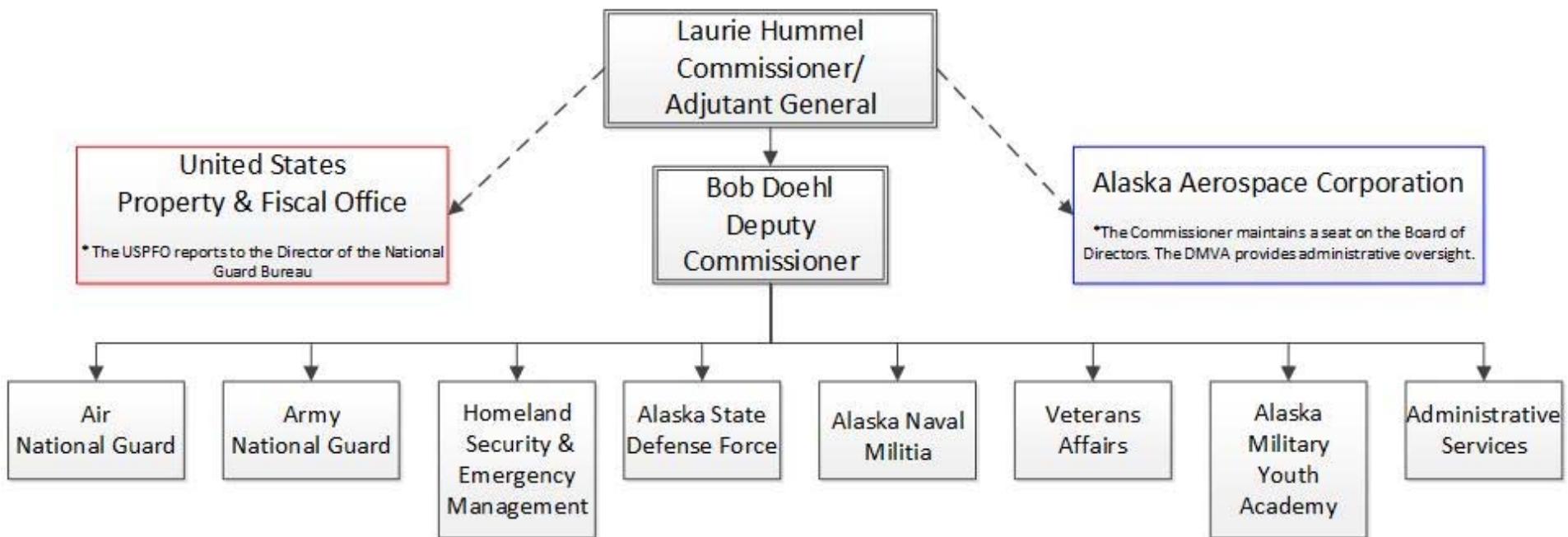
<https://dmva.alaska.gov/Press/Warriors/Index#annualreports>



# Organization

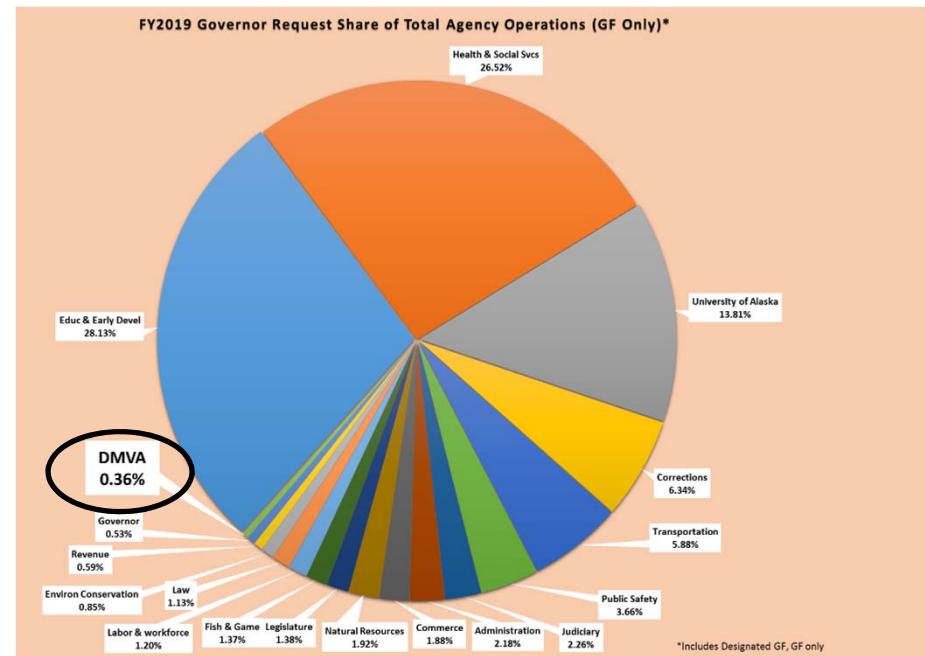
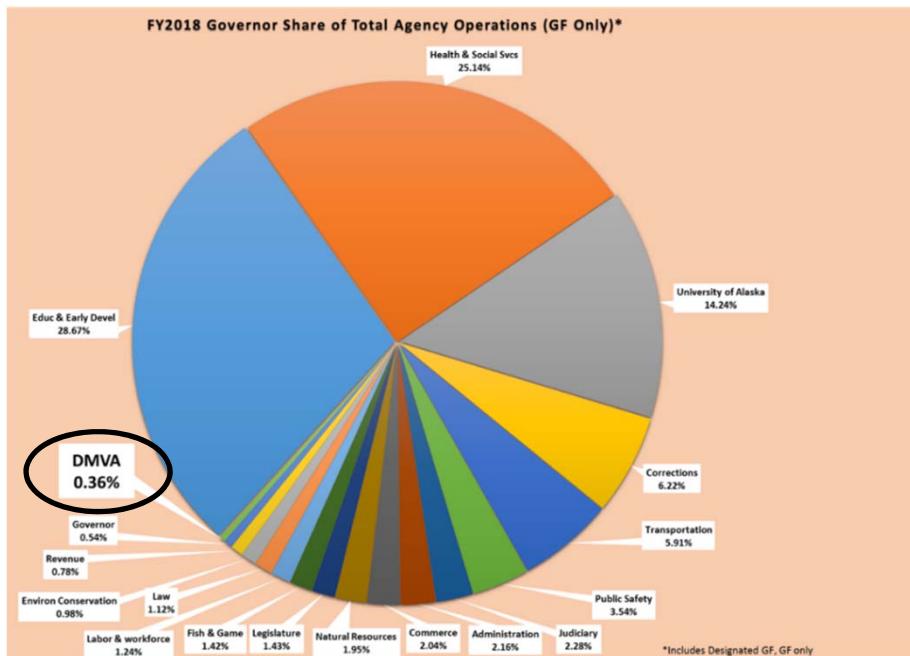


## Department of Military and Veterans Affairs Operational Sections





# DMVA Percentage of SoA GF



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



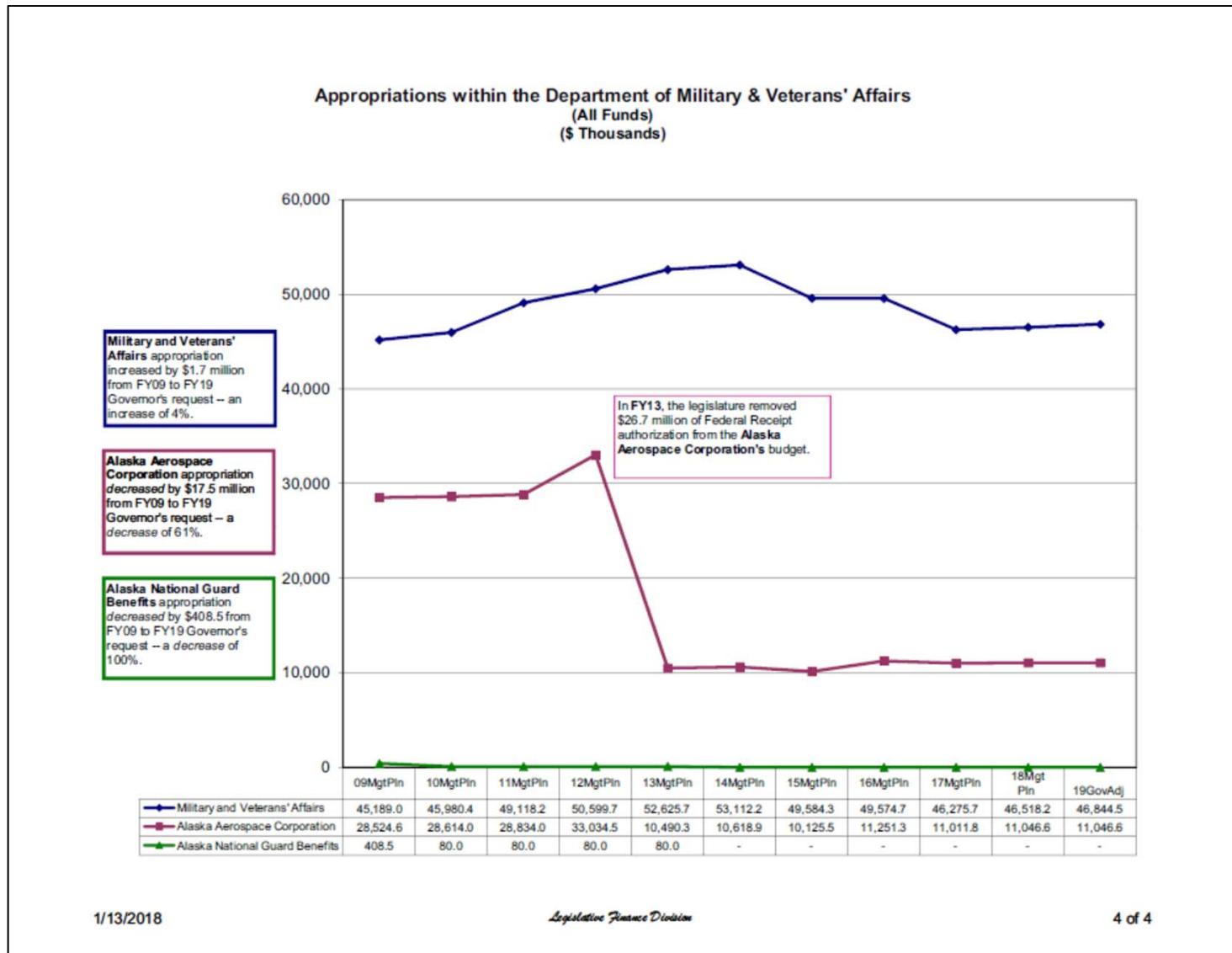
# State Funds Spent vs. Federal Funds Received



***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)

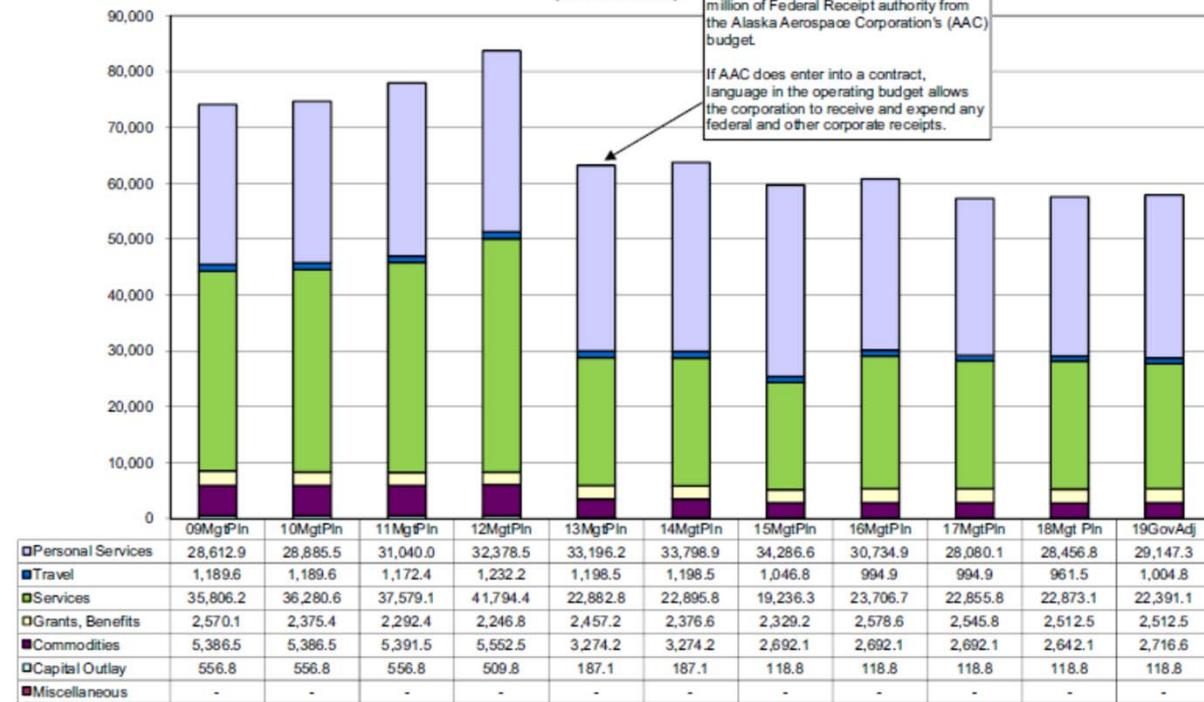


The majority of the funding is in the following line items:  
Personal Services: 50%  
Services: 39%

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.

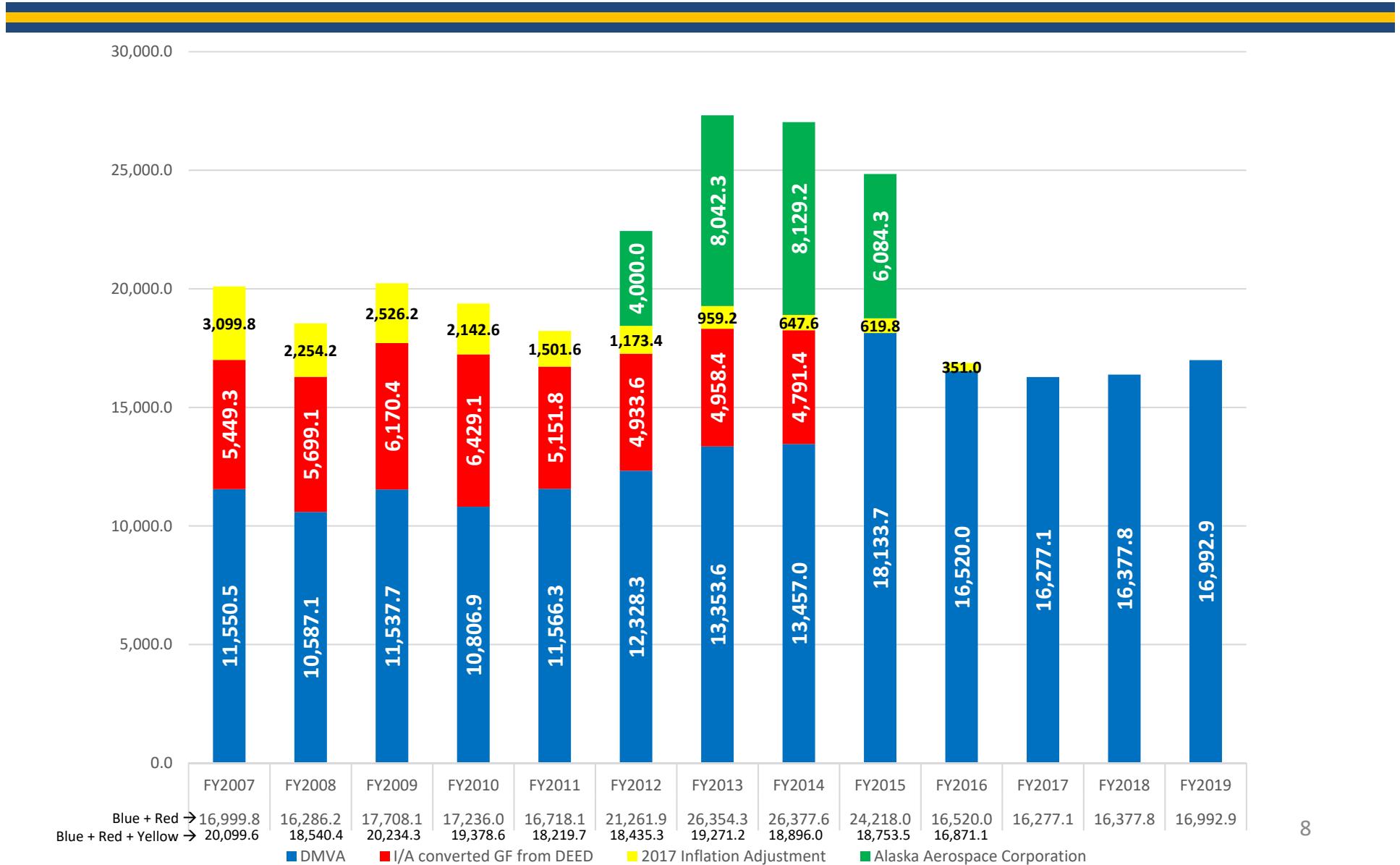
If AAC does enter into a contract, language in the operating budget allows the corporation to receive and expend any federal and other corporate receipts.





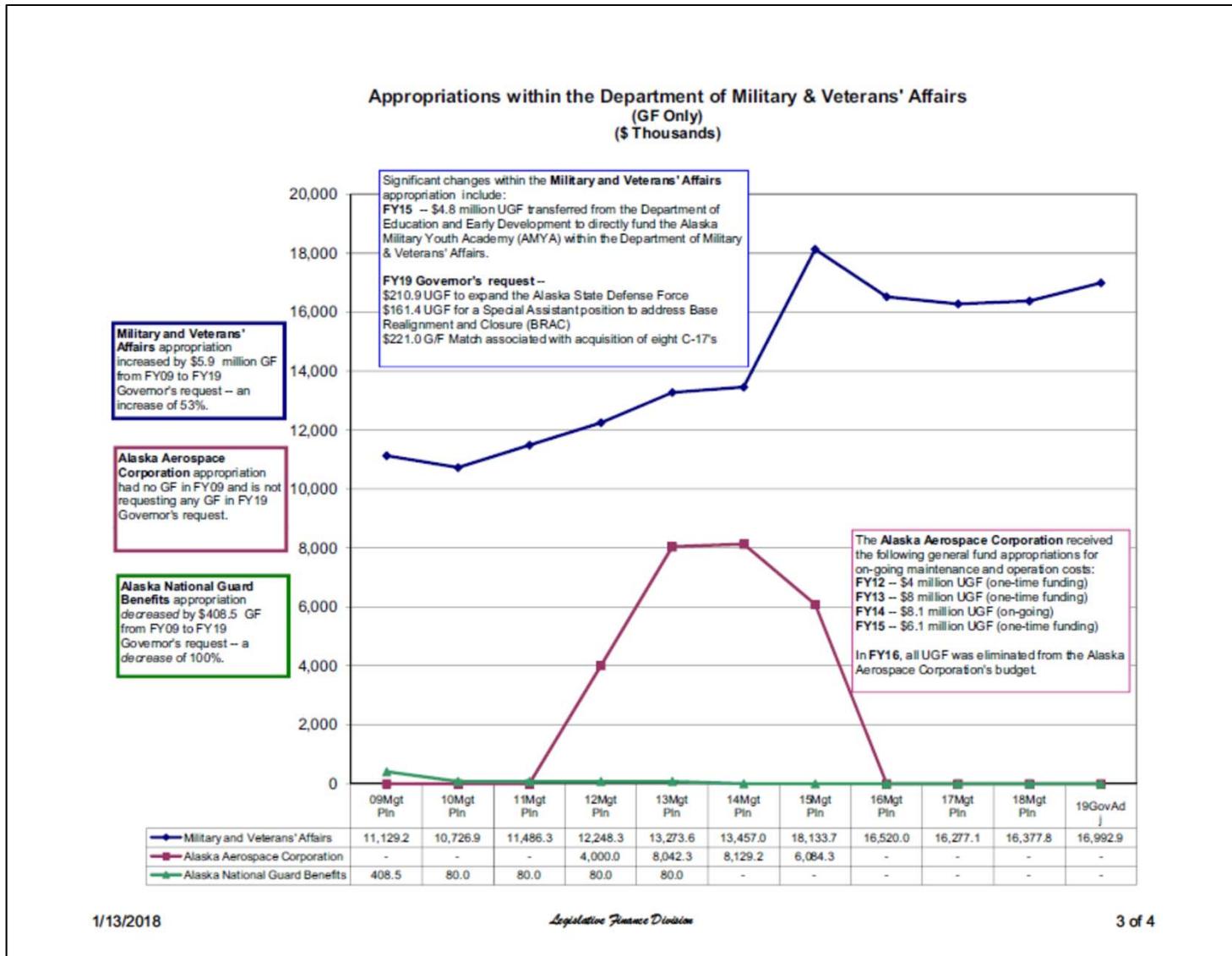
# Funding Profile History

## (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
- Emergency Management Specialist II to Provide Support Planning & Preparedness
- Airport Leasing Specialist II to Provide Real Estate Services
- Special Assistant to Protect and Grow Department of Defense Investment in Alaska



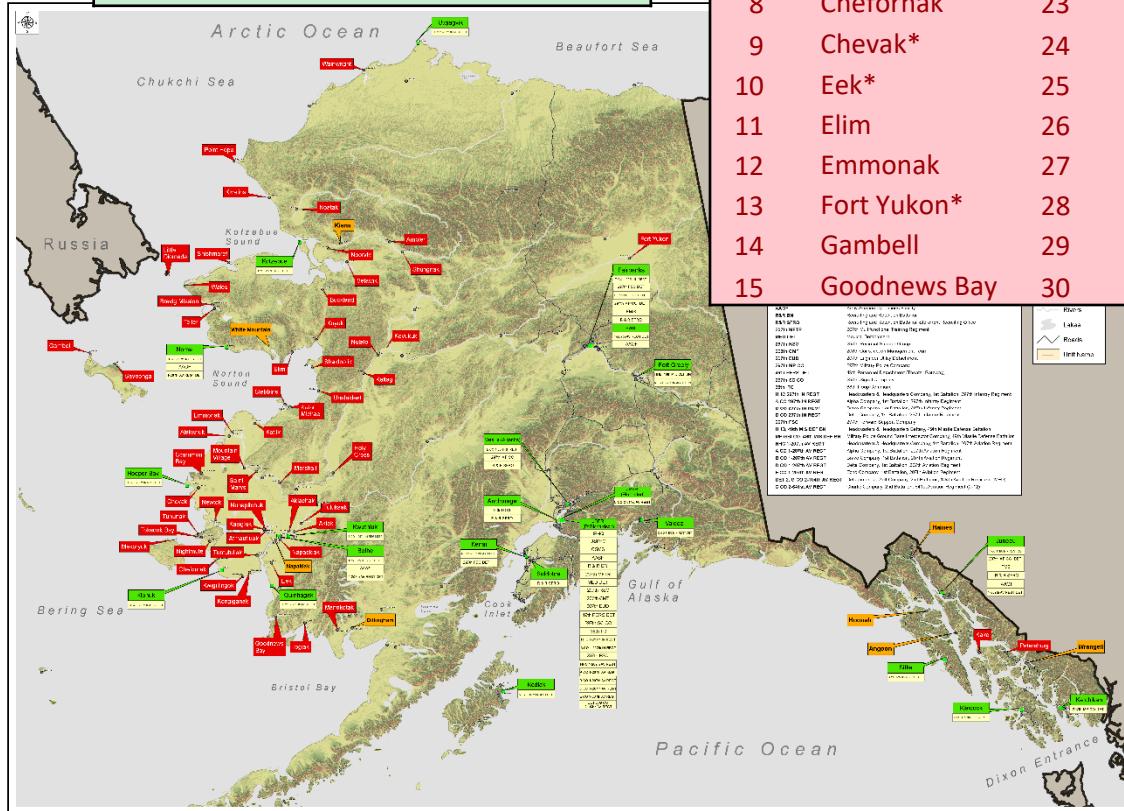
# AKARNG Divestiture Working Group

## *Properties Affected (As of: 8 Feb 18)*



## Retain

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



## Divest

1	Akiachak*	1	Holy Cross	31	Napaskiak	46	St. Mary's
2	Akiak	17	Kake*	32	Newtok	47	St. 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		NOTE:
15	Goodnews Bay	30	Mountain Village	45	Shungnak		* = Underway

NOTE:

## Completed

1	Angoon	2015	Great Beaver Lodge
2	Kiana	2015	Land DOTPF, Bldg City of Kiana
3	White Mountain	2015	City of White Mountain
4	Dillingham	2015	City of Dillingham
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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- Special Assistant to Protect and Grow Department of Defense Investment in Alaska



# *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)

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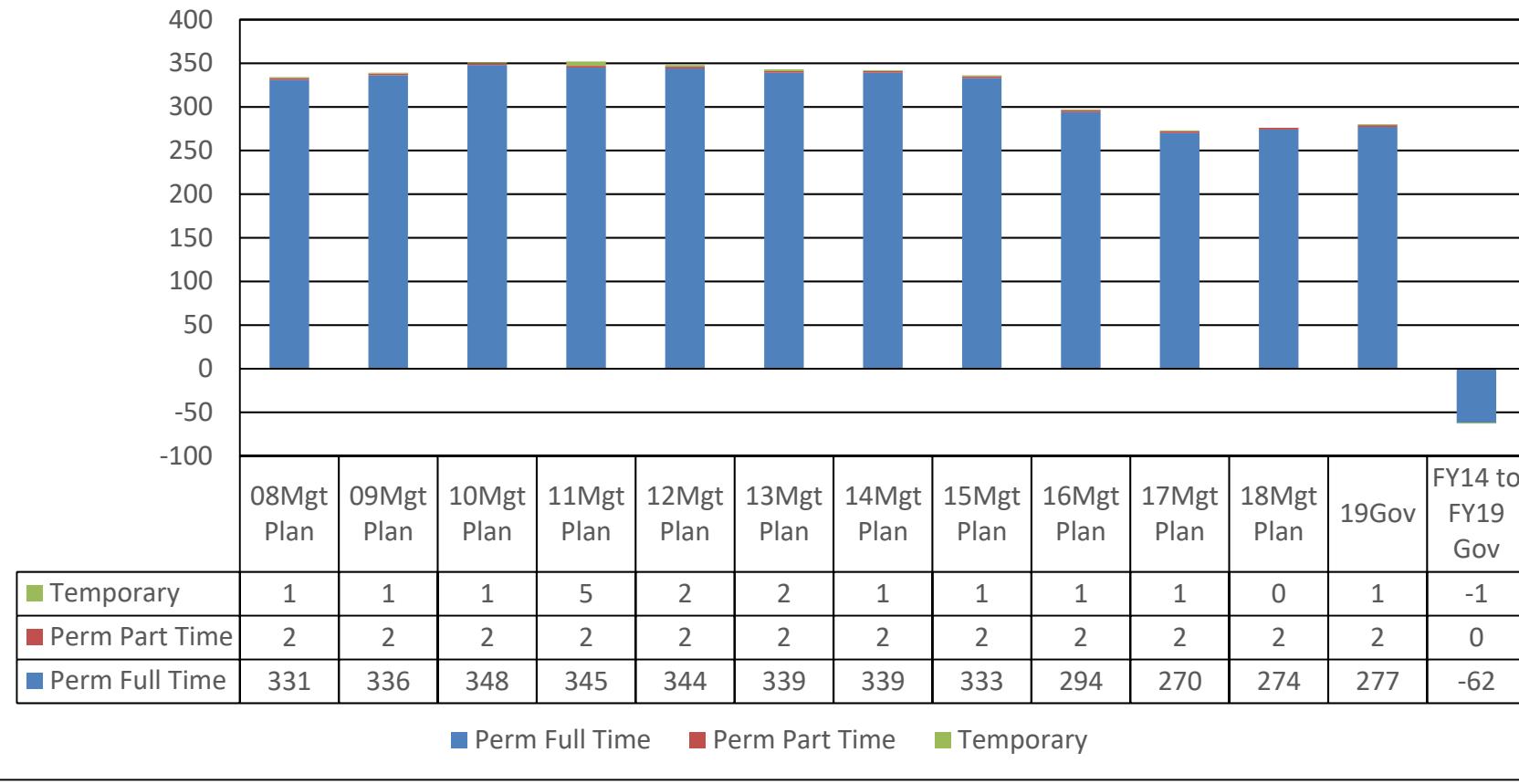
- DMVA will compete with other SOA agencies for Deferred Maintenance funding, pending passage of the Alaska Economic Recovery Plan



# Budgeted Position History



Department of Military & Veterans' Affairs Budgeted Positions



**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 Pn Filled	# of Alaskans Served	% cost Through Fees	Rating of Importance to Mission	Rating of Effectiveness	Constitution Requirement	Federally Required	Required by Statute
Entire Department	<b>57,891.1:</b> 16,964.5 UGF, 28.4 DGF, 10,206.7 Other, 30,691.5 Fed ----- <b>Fed received 743,982,338</b>	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	<b>7,330.2:</b> 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 &amp; 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	<b>9,517.9:</b> 2,465.4 UGF, 2,988.3 Other, 4,064.2 Fed ----- <b>Fed received 4,212.5</b>	62/57 perm full-time			Critical	High	Yes <i>Article VII Sections 4 &amp; 5</i>	Yes, to receive federal disaster and mitigation funds	Yes <i>Sec. 26.23.040</i>
Local Emergency Planning Committee	<b>300.0:</b> 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	<b>0:</b> 0 UGF	0/2			N/A	N/A	N/A	N/A	N/A
Army Guard Facilities Maintenance	<b>11,628.0:</b> 2,660.2 UGF, 27.4 DGF, 1,554.4 Other, 7,386.0 Fed ----- <b>Fed received 120,576.7</b>	46/42 perm full-time, 1/1 perm part-time			Critical	High	Yes Article III. Section 19	Yes, to have an Army National Guard	Yes Sec. 26.05.230
Air Guard Facilities Maintenance	<b>6,829.6:</b> 1,892.7 UGF, 13.7 Other, 4,923.2 Fed ----- <b>Fed received 219,186.4</b>	36/26 perm full-time			Critical	High	Yes Article III. Section 19	Yes, in order to have an Air National Guard	Yes Sec. 26.05.230
Alaska Military Youth Academy	<b>8,758.4:</b> 4,577.1 UGF, 1.0 DGF, 34.2 Other, 4,146.1 Fed ----- <b>Fed received 3,828.3</b>	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 Sec. 44.35.020

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



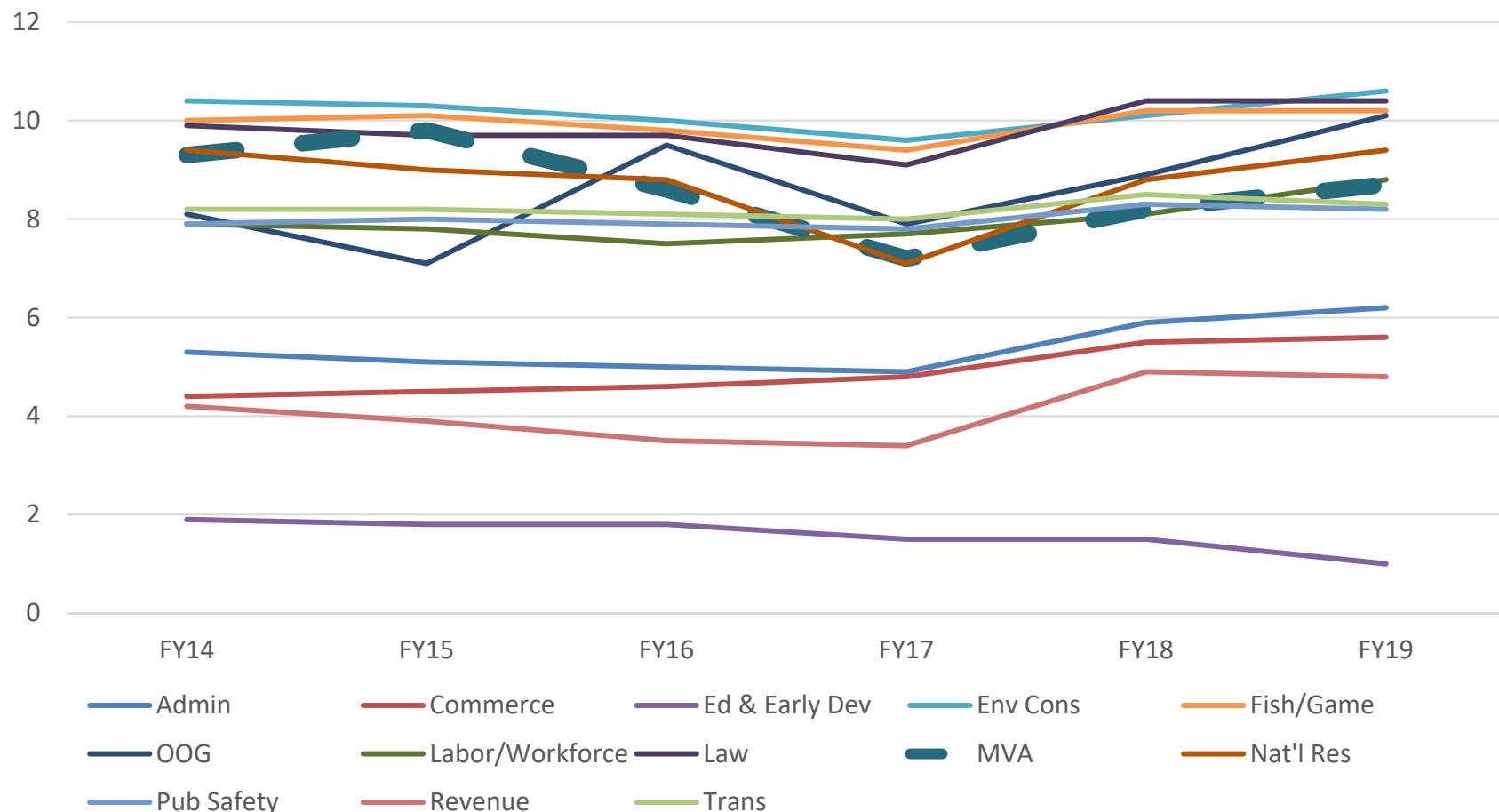
# Allocation/Program Summary (FY19 Gov Request)



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	<b>2,155.4:</b> 1,793.9 UGF, 11.3 Other, 350.2 Fed ----- <b>Fed received</b> <b>396,178.4</b>	4/4 perm full-time	68,276 veterans and their dependents, survivors and extended families		Critical	High	Yes <i>Article VII Sections 4 &amp; 5</i>	No, but federal benefits to Alaskans reduced by over 50% without it	Yes <i>Sec. 44.35.020</i>
State Active Duty	<b>325.0:</b> 5.0 UGF, 320.0 Other	0			Critical	High	No, but militia is not available for state service without it	No	Yes <i>Sec. 26.05.070</i>
Alaska Aerospace Corporation Headquarters	<b>4,121.2:</b> 1,348.3 Other, 2,772.9 Fed	6/5 perm full-time			Important	High	No		No
Alaska Aerospace Corporation Facilities Maintenance	<b>6,925.4:</b> 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	
<b>Budgeted Health Care Total Costs</b>			<b>6,023.7</b>	<b>5,927.8</b>	<b>5,274.9</b>	<b>4,840.0</b>	<b>4,868.7</b>	<b>5,023.4</b>	
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	
<b>Military &amp; Veterans Affairs Total</b>			<b>64,471.2</b>	<b>60,337.1</b>	<b>61,376.4</b>	<b>66,937.5</b>	<b>59,542.9</b>	<b>57,891.1</b>	
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 26.23)***



- 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***

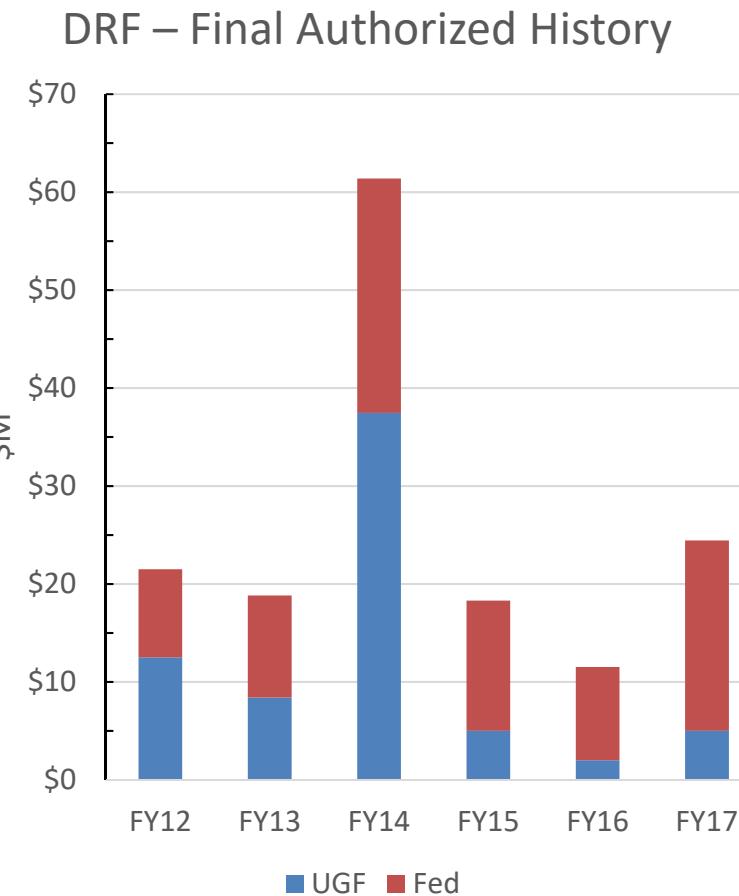


- Event occurs; local jurisdictions respond
- If event exceeds local capacity, State assistance may be requested
- DMVA Commissioner convenes a Disaster Policy Cabinet with representation across the Executive Branch to make recommendations to the Governor
  - Declare State Disaster
  - Direct DHS&EM 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



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: \$2.0M
- Projected Balance (as of 1 Jul 18): \$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

