

02/08/16

BUDGET

OVERVIEW

FY 17:

**DAPARTMENT
OF MILITARY
& VETERANS '
AFFAIRS**

<TARGET><BILL></BILL><SUBJECT>02-08-16 BUDGET OVERVIEW
FY 17 DEPARTMENT OF MILITARY and VETERANS
AFFAIRS</SUBJECT><COMM>HFIN29</COMM></TARGET>



Alaska Department of Military and Veterans' Affairs (DMVA)



FY2017 Budget Overview



House Finance Committee
February 8, 2016



Mission



To 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.



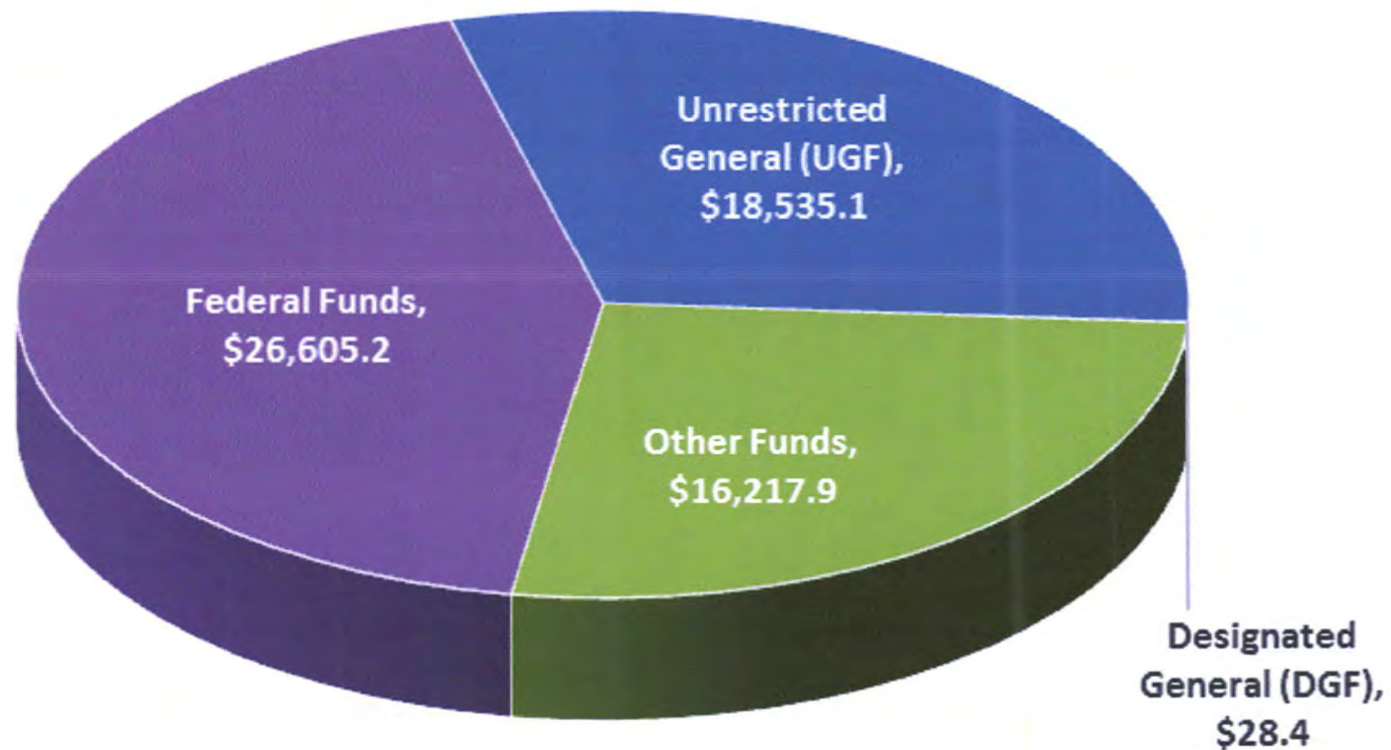
Core Services



- Defend and Protect Alaska and the United States
- Disaster Preparedness/Response and Recovery
- Outreach to Veterans and Military Families
- Youth Intervention



DMVA FY2017 Budget by Fund Source



Total \$61,386.6

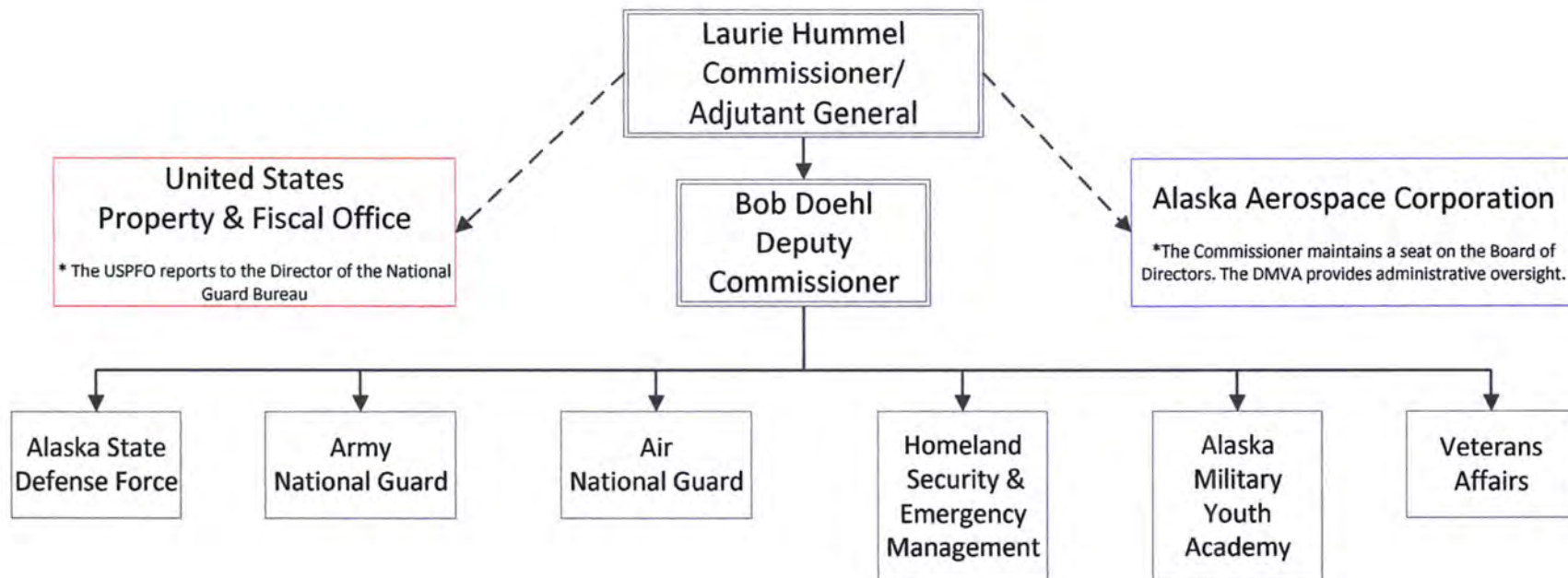


Top Level Organizational Chart



Department of Military and Veterans Affairs

Operational Sections



Total Force: approximately 4000 uniformed members and 294 non-uniformed employees



Alaska Air National Guard

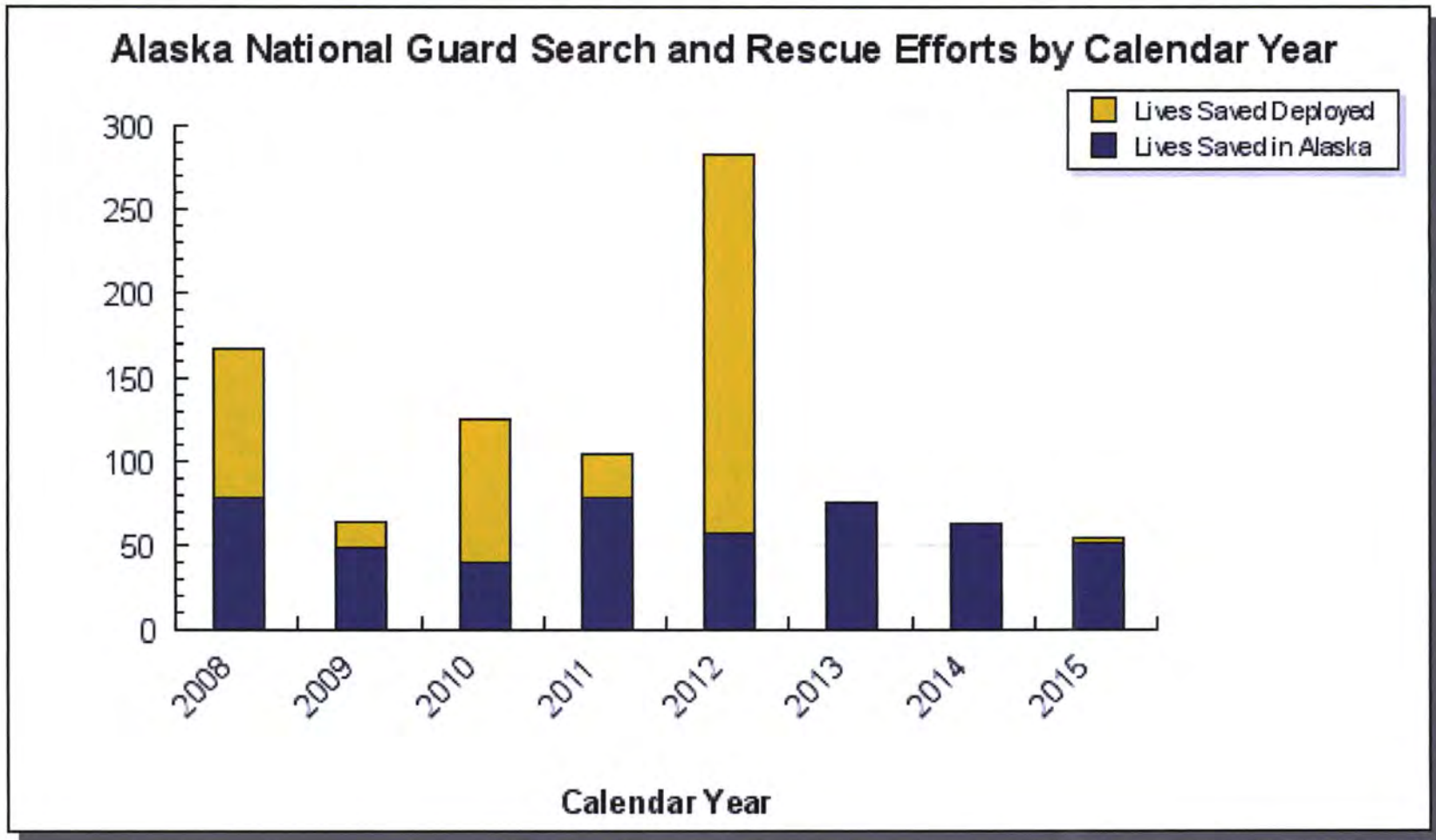


- 2 Wings with more than 2,120 members
 - 168th WG located at Eielson AFB
 - 176th WG located on JBER
- 168th WG Primary Weapons Systems:
 - KC-135 Tankers
 - Space Warning and Surveillance Squadron
- 176th WG Primary Weapons Systems:
 - C-17 Associate Squadron
 - C-130H Airlift Squadron
 - Rescue Coordination Center
 - HC-130, HH-60 & Guardian Angel Rescue Squadrons
 - Air Defense Squadron





Measures & Results





Air Facilities Maintenance Division



- 32 full time budgeted positions
- \$6,076.2 total budget request (\$1,667.9 UGF)
- Provides maintenance services for Alaska Air National Guard facilities
- Brings in \$163,185,206 direct federal dollars to the state economy



Alaska Army National Guard



Three major units with 1820 Soldiers

Joint Forces Headquarters

- 103rd Civil Support Team
- 207th Multi-Functional Training Regiment
- AK Medical Detachment
- AK Recruiting and Retention Battalion

297th Battlefield Surveillance Brigade

- Headquarters & Headquarters Co
- 1-297th CAV Reconnaissance & Surveillance
- 297th Combat Support Company
- 297th Signal Network Support Company
- B Company, 1st Battalion, 143rd Infantry (ABN)

38th Troop Command

- 1st Battalion 207th Aviation
- 761st Military Police Battalion
- 49th Ground Missile Defense Battalion





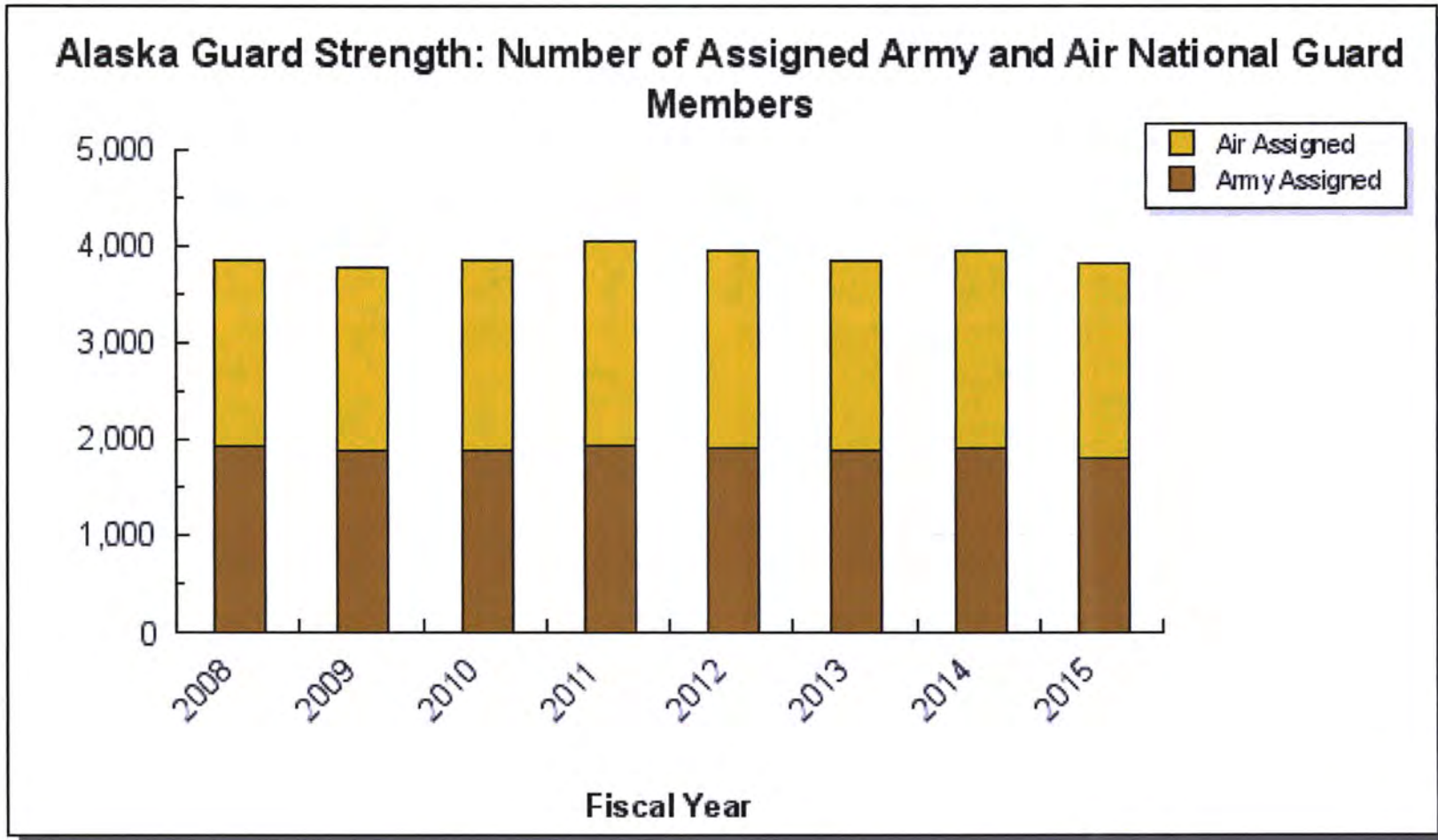
Army Guard Facilities Maintenance



- 45 full and 1 part time budgeted positions
- \$12,770.3 total budget request (\$2,689.1 UGF)
- Provides maintenance services for Alaska Army National Guard facilities
- Brings in \$51,165,550 direct federal dollars to the state economy

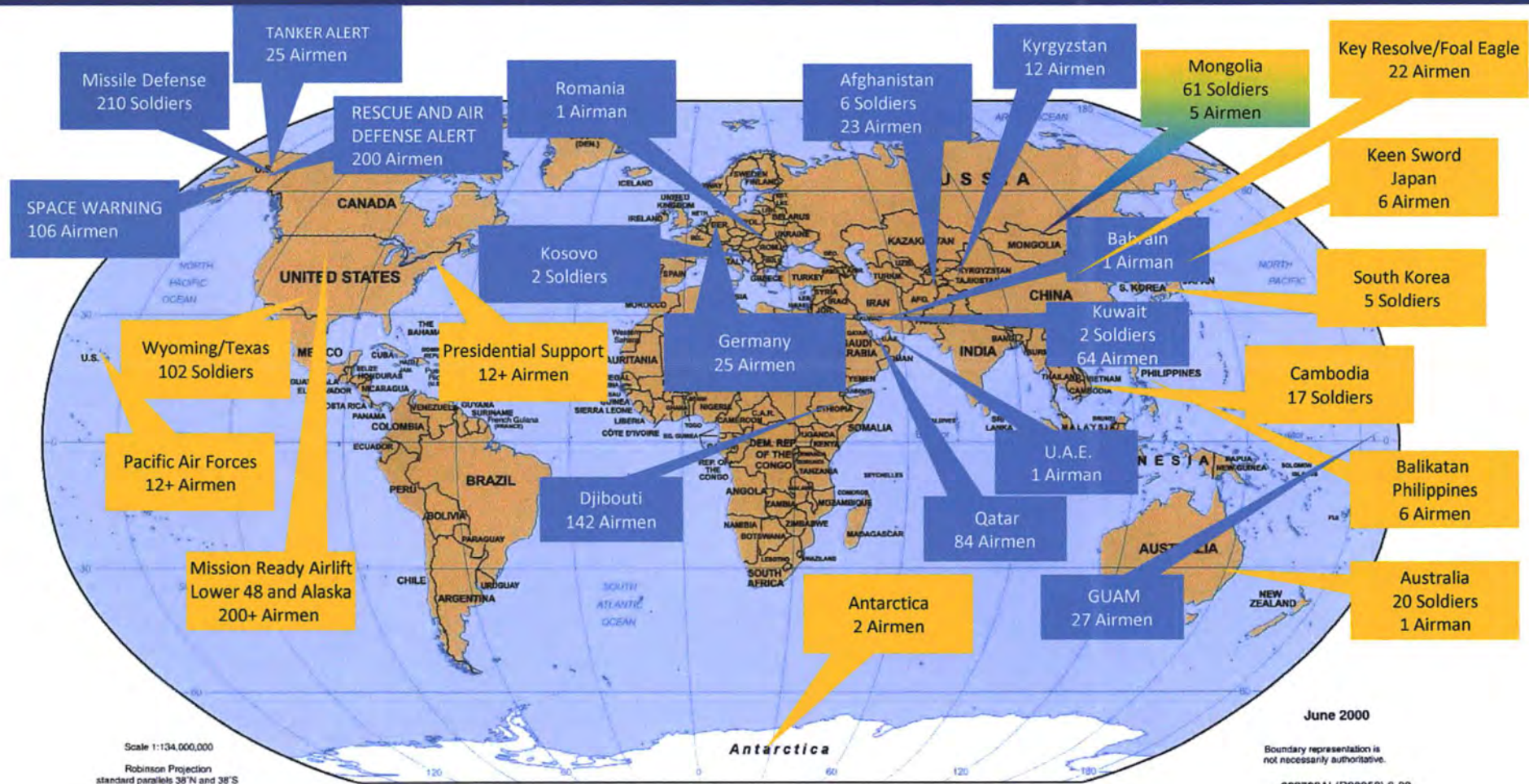


Measures & Results





Alaska National Guard 2015 Deployments



Training Event (Yellow callout)

Deployment (Blue callout)



Homeland Security & Emergency Management



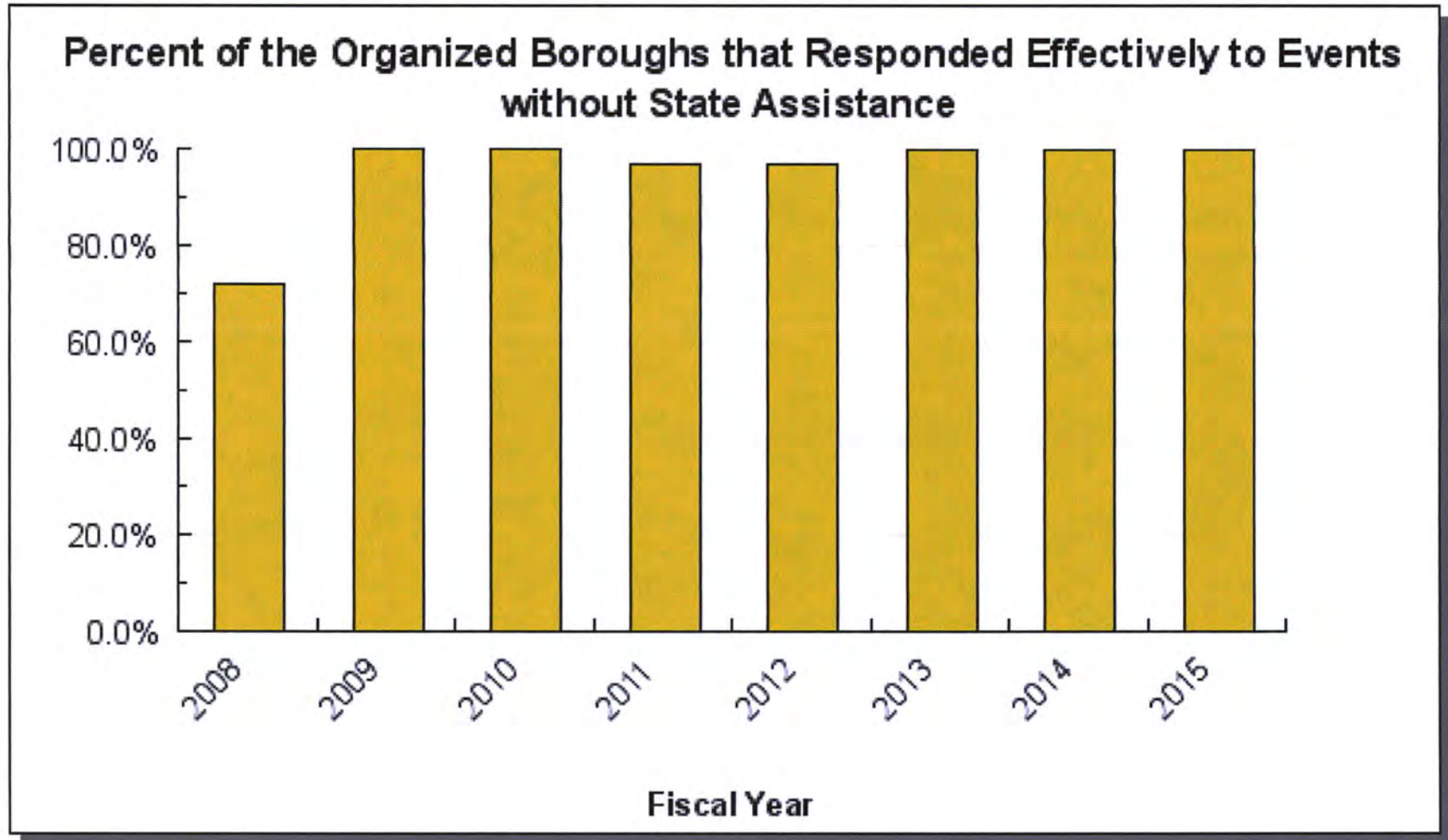
Critical services to protect lives and property from terrorism and all other hazards, as well as to provide emergency preparedness, response and rapid recovery from disasters.

- 62 full time budgeted positions
- \$9,454.4 total budget request (\$2,457.7 UGF)





Measures & Results





Office of Veterans Affairs



The Office of Veterans Affairs continues to help Alaska's veterans and their families improve the quality of their lives by helping them file claims for education, medical services, compensation and pension as well as assisting them in obtaining earned military awards.

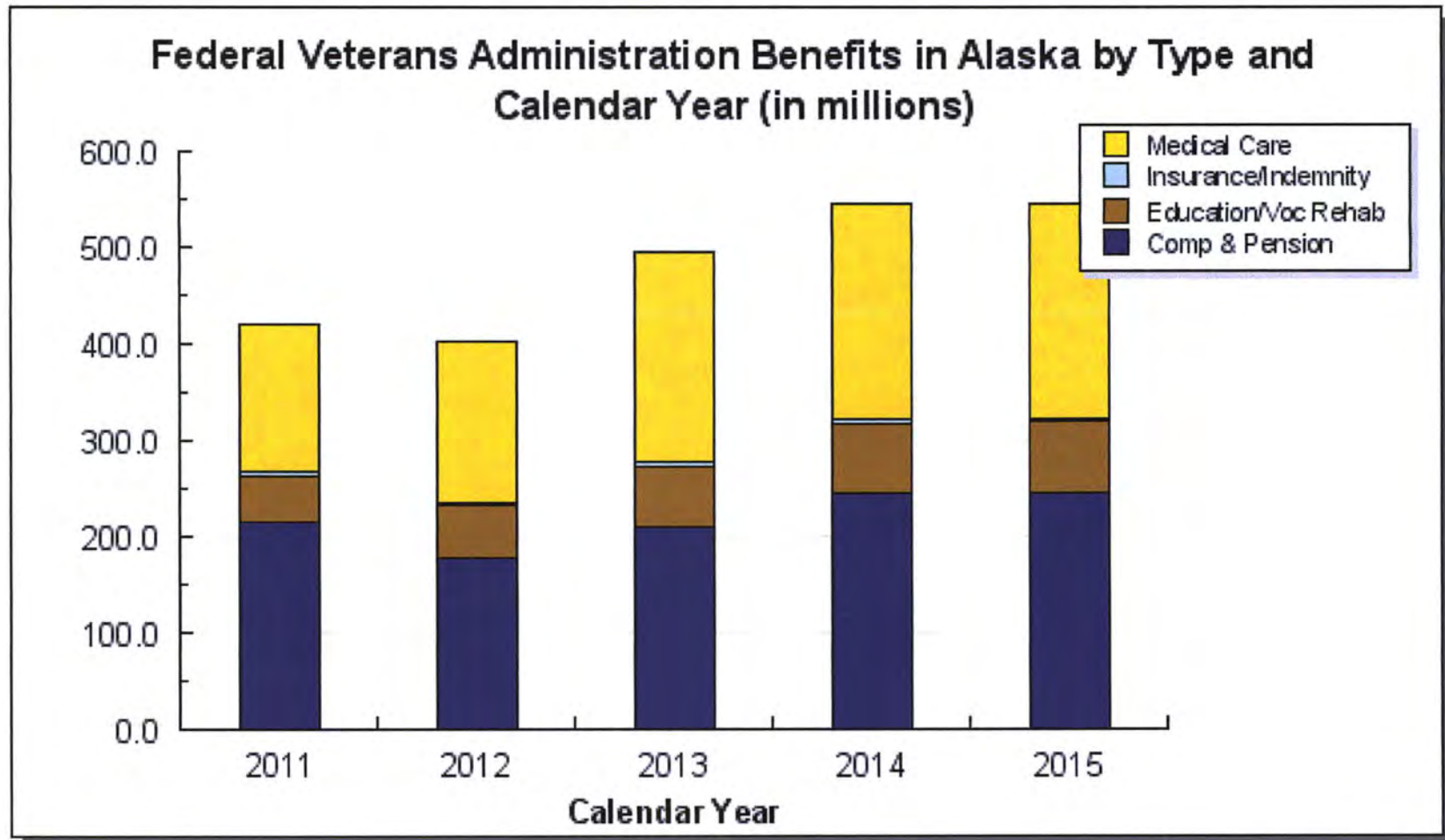
- **4 full time budgeted positions**
- **\$2,057.7 total budget request (\$1,794.9 UGF)**

**17 Veterans Service Officers-
Contractors**





Measures and Results





Alaska Military Youth Academy



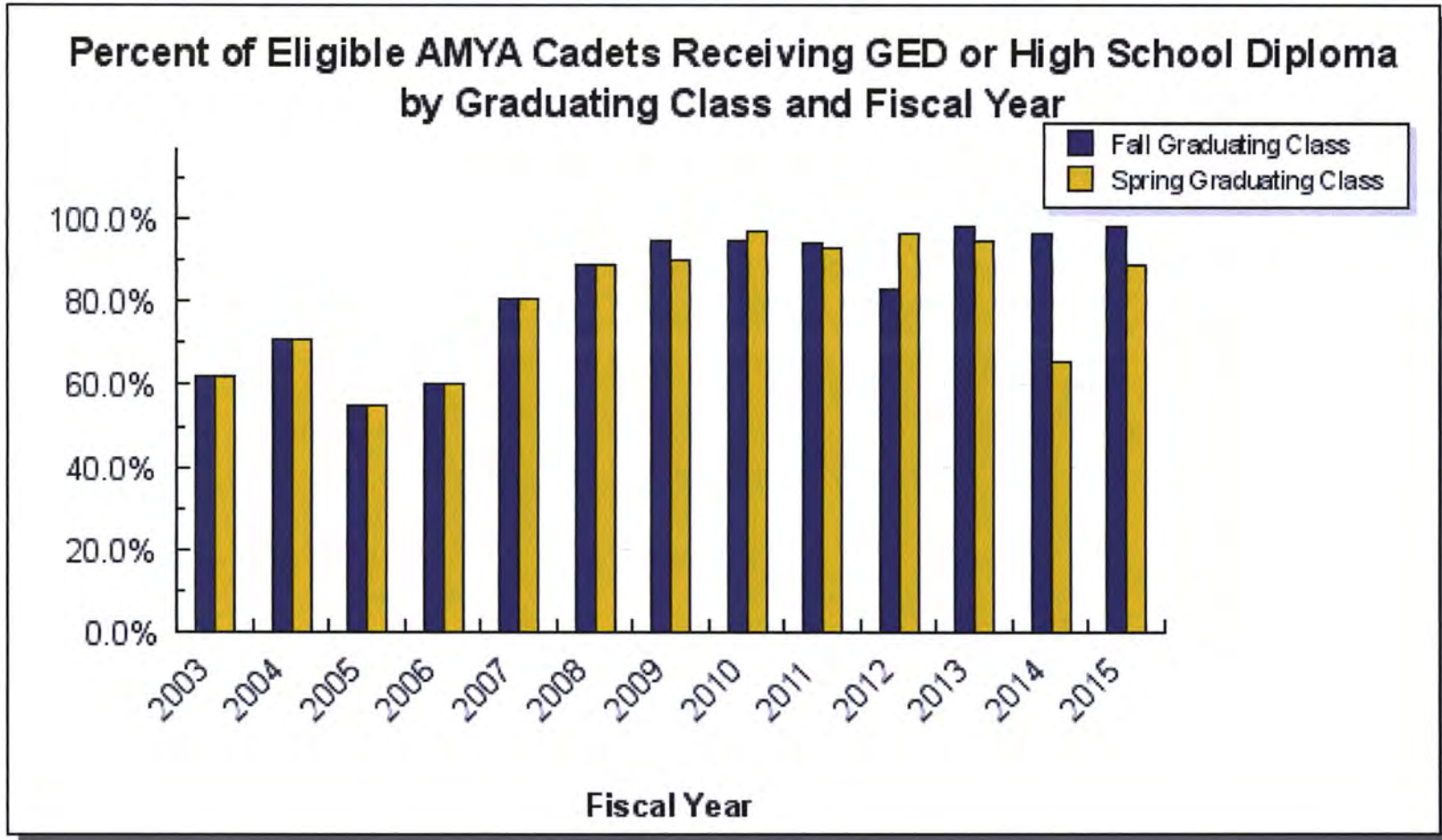
To meet the ***life coping skills and educational needs*** of 16-18 year old Alaskans who are at risk of not completing their secondary education, and to provide them with the ***values, skills, education, and self-discipline*** to succeed as adults.

- 82 full and 2 part time budgeted positions
- \$9,992.4 total budget request (\$4,557.7 UGF)





Measures and Results





Challenges & Pressing Issues



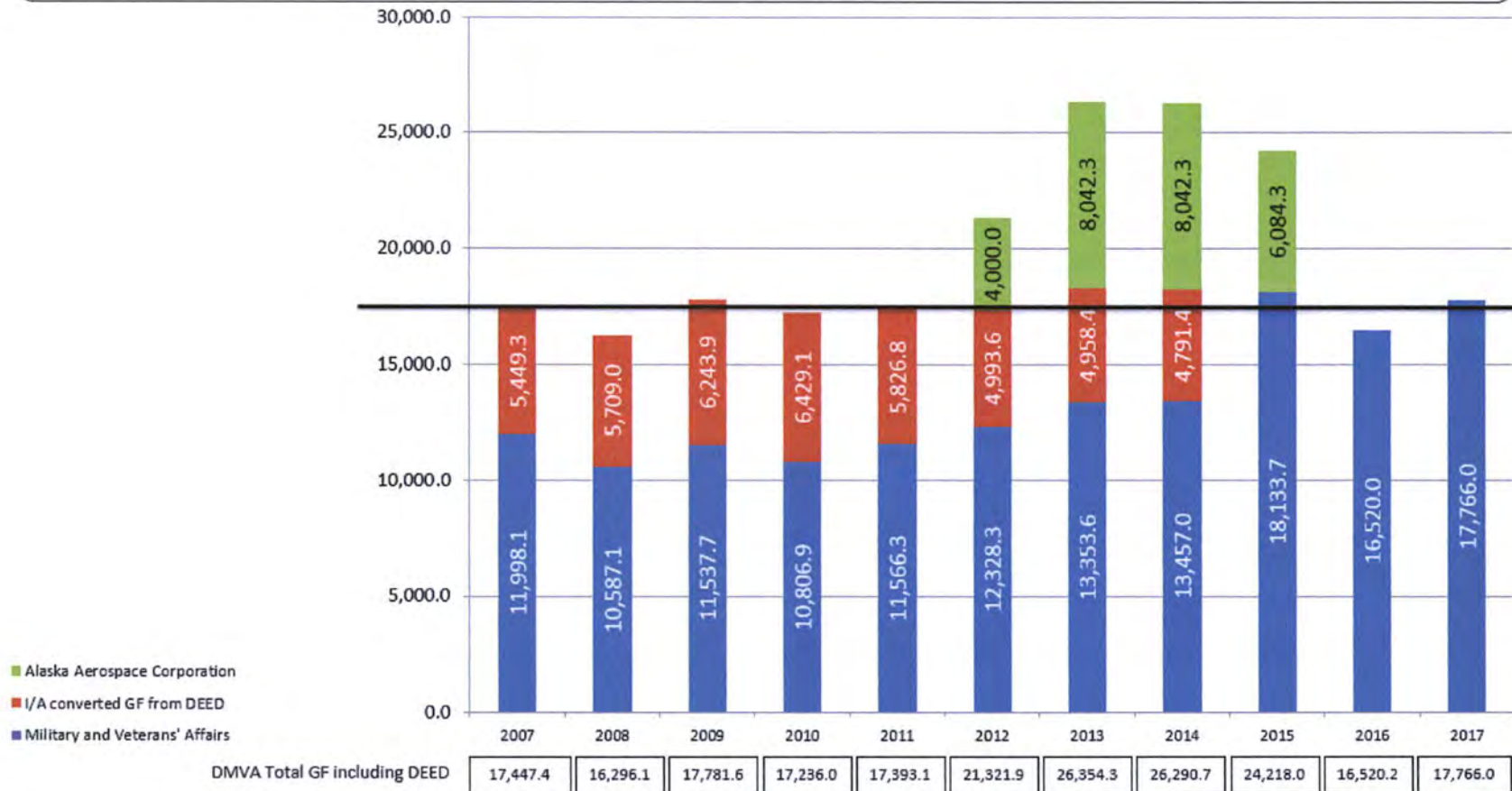
- Army National Guard nationwide force structure reduction
- National Guard Bureau regulations
- Increased frequency and severity of disasters
- Increased Arctic activity
- Meet 24/7 operational needs of an at-risk youth program while striving to remain within fiscal parameters



Look-Back with Funding Source Changes



DMVA normalized data to show Department of Early Education and Development (DEED) Inter Agency Receipts (I/A) converted to General Fund (GF) *



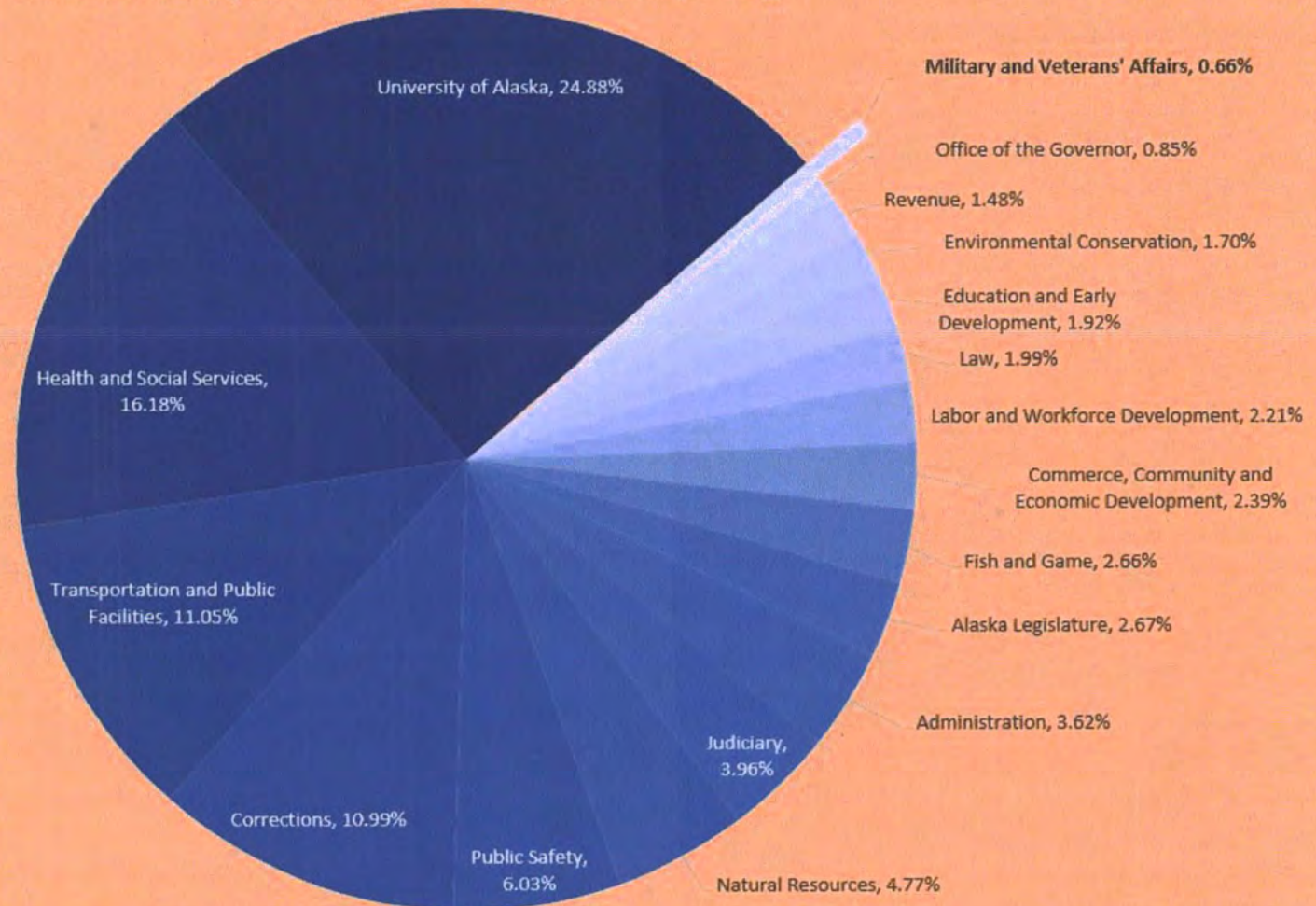
* Does not include Alaska National Guard Benefits



DMVA's Share of Alaska's GF Budget is Still the Smallest Piece of the Pie



FY17 Governors Request Share of Total Agency Operations (GF Only) *



* Includes Designated GF, GF only, and non formula



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

Alaska Department of
DMVA
 Military & Veterans Affairs

	AIR NATIONAL GUARD \$2,986,250	
ARMY NATIONAL GUARD \$4,771,850		ALASKA MILITARY YOUTH ACADEMY \$5,113,700
VETERANS SERVICES \$1,940,500		HOMELAND SECURITY & EMERGENCY MANAGEMENT \$3,601,800

	AIR NATIONAL GUARD \$3,503,100 STATE BUDGET FEDERAL DOLLARS \$163,185,206 DIRECT FEDERAL DOLLARS \$166,688,306 TOTAL FEDERAL DOLLARS	
ARMY NATIONAL GUARD \$6,536,800 STATE BUDGET FEDERAL DOLLARS \$51,165,550 DIRECT FEDERAL DOLLARS \$57,702,350 TOTAL FEDERAL DOLLARS		ALASKA MILITARY YOUTH ACADEMY \$3,635,900 STATE BUDGET FEDERAL DOLLARS
VETERANS SERVICES \$158,300 STATE BUDGET FEDERAL DOLLARS \$267,333,333 DIRECT FEDERAL DOLLARS \$267,491,633 TOTAL FEDERAL DOLLARS		HOMELAND SECURITY & EMERGENCY MANAGEMENT \$4,145,300 STATE BUDGET FEDERAL DOLLARS

Federal Dollars Received
\$499,634,756



Total Operations Look-Back

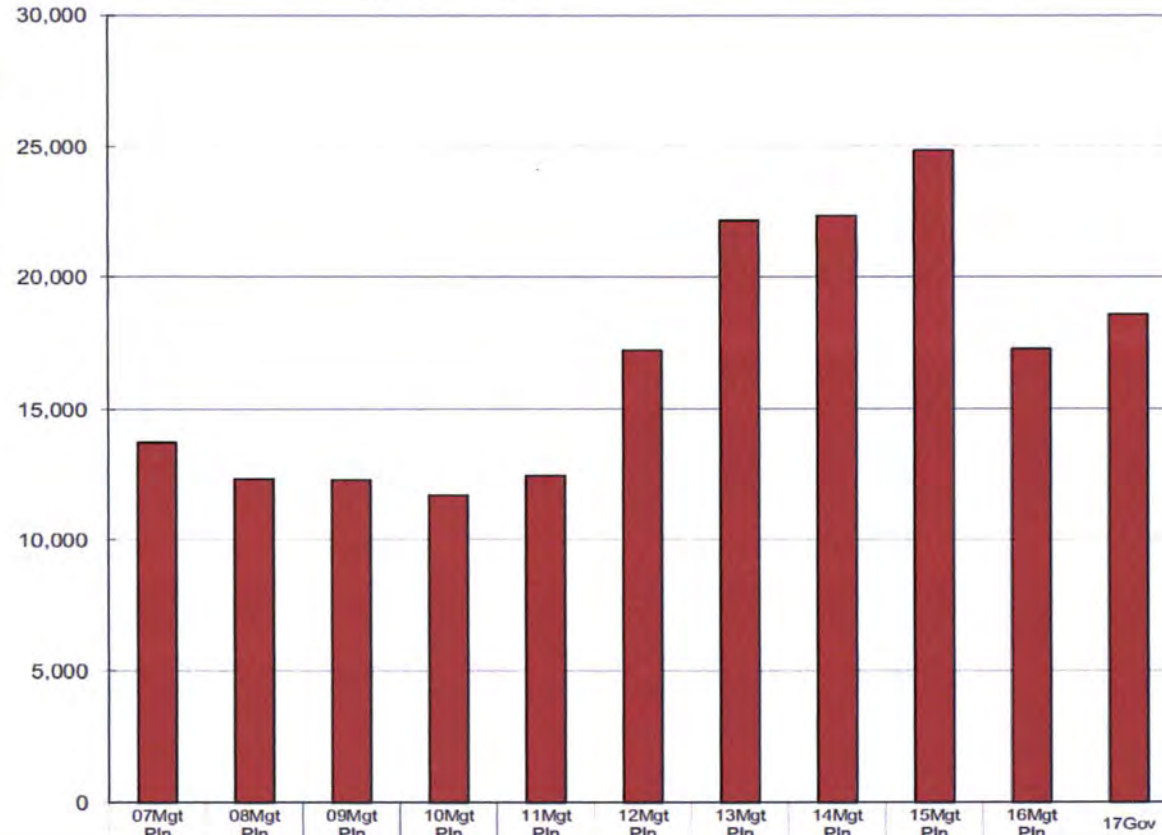


Department of Military & Veterans Affairs' Share of Total Agency Operations
(GF Only)
(\$ Thousands)

The Department's GF budget grew by \$4.8 million between FY07 and FY17 Governor's Request – an average annual growth rate of 3.1%.

The total percent of GF Growth from FY07 to FY17 Governor's Request is 35%.

The Department's total FY17 Governor's Request GF budget equals \$56 per resident worker.*



■ Total Agency Budget	13,735.5	12,324.5	12,288.5	11,687.7	12,447.5	17,210.5	22,135.0	22,326.3	24,845.3	17,254.5	18,563.5
% of Agency Budget to Total Agencies' budgets	0.38%	0.33%	0.30%	0.29%	0.28%	0.36%	0.44%	0.44%	0.47%	0.35%	0.38%

* According to the Department of Labor, there were 333,174, resident workers in Alaska in 2013.

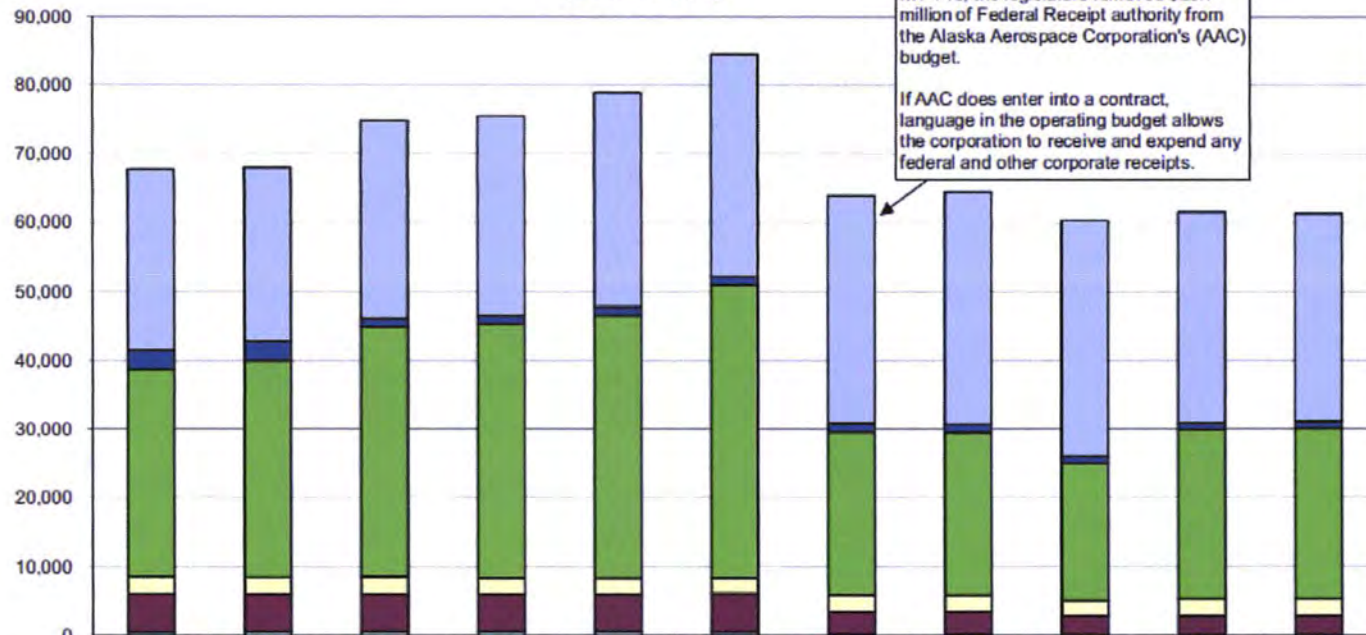


Look-Back by Line Item



The majority of the funding is in the following line items:
 Personal Services: 50%
 Services: 40%

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



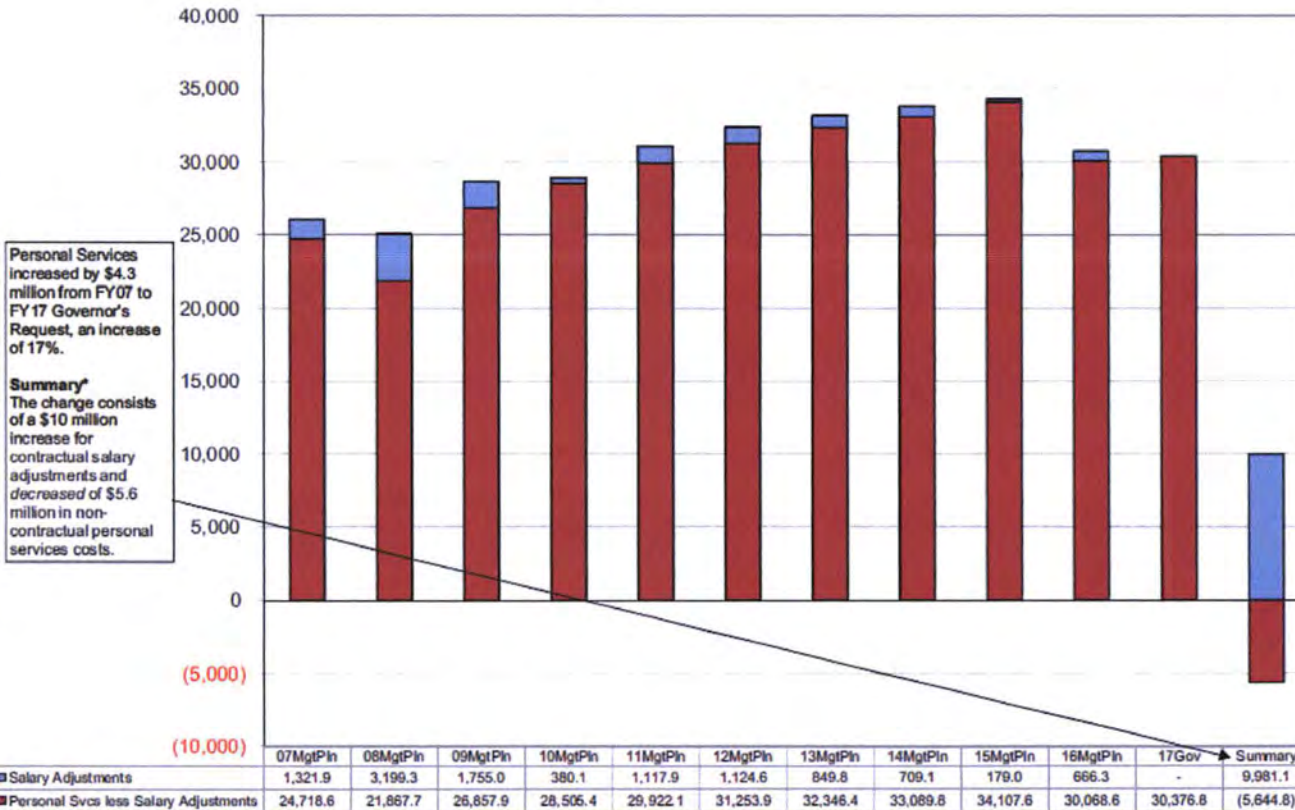
	07MgtPin	08MgtPin	09MgtPin	10MgtPin	11MgtPin	12MgtPin	13MgtPin	14MgtPin	15MgtPin	16MgtPin	17Gov
Personal Services	26,040.5	25,067.0	28,612.9	28,885.5	31,040.0	32,378.5	33,196.2	33,798.9	34,286.6	30,734.9	30,376.8
Travel	2,813.6	2,789.6	1,189.6	1,189.6	1,172.4	1,232.2	1,198.5	1,198.5	1,046.8	994.9	994.9
Services	30,230.0	31,659.8	36,557.0	37,161.4	38,460.3	42,676.6	23,621.9	23,635.9	19,863.6	24,441.2	24,624.2
Grants, Benefits	2,600.0	2,540.0	2,570.1	2,375.4	2,292.4	2,246.8	2,457.2	2,376.6	2,329.2	2,578.6	2,579.8
Commodities	5,459.0	5,336.5	5,386.5	5,386.5	5,391.5	5,552.5	3,274.2	3,274.2	2,692.1	2,692.1	2,692.1
Capital Outlay	496.8	556.8	556.8	556.8	556.8	509.8	187.1	187.1	118.8	118.8	118.8
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-



Personal Services Look-Back



Department of Military & Veterans' Affairs
 Salary Adjustment Increases and Personal Services Costs
 (All Funds)
 (\$ Thousands)



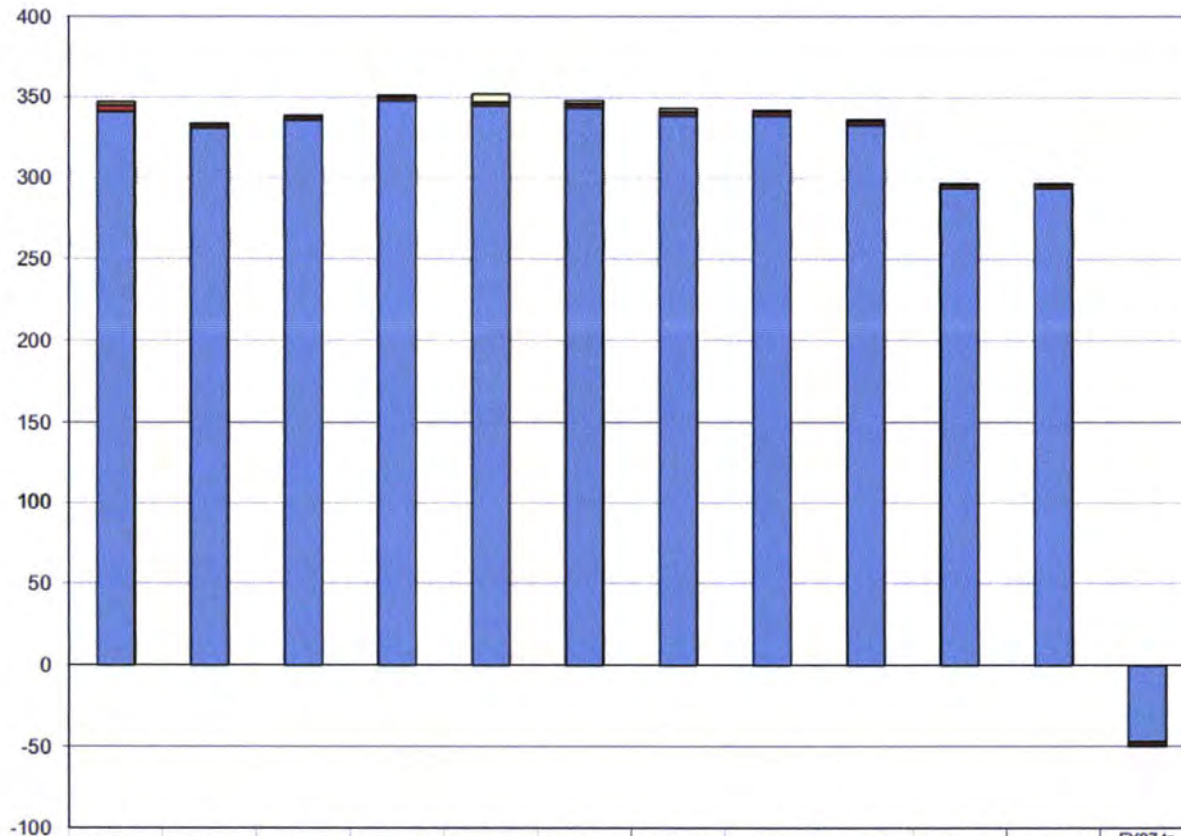
* Changes in the personal services line from FY07 to FY17 Governor's Request are segregated into two parts: (1) base increases (primarily due to contractual negotiations) and (2) other personal services increases such as transfers between line items or increases from new positions. The final column sums the two types of changes during the period.



Budgeted Positions Look-Back



Department of Military & Veterans' Affairs Budgeted Positions



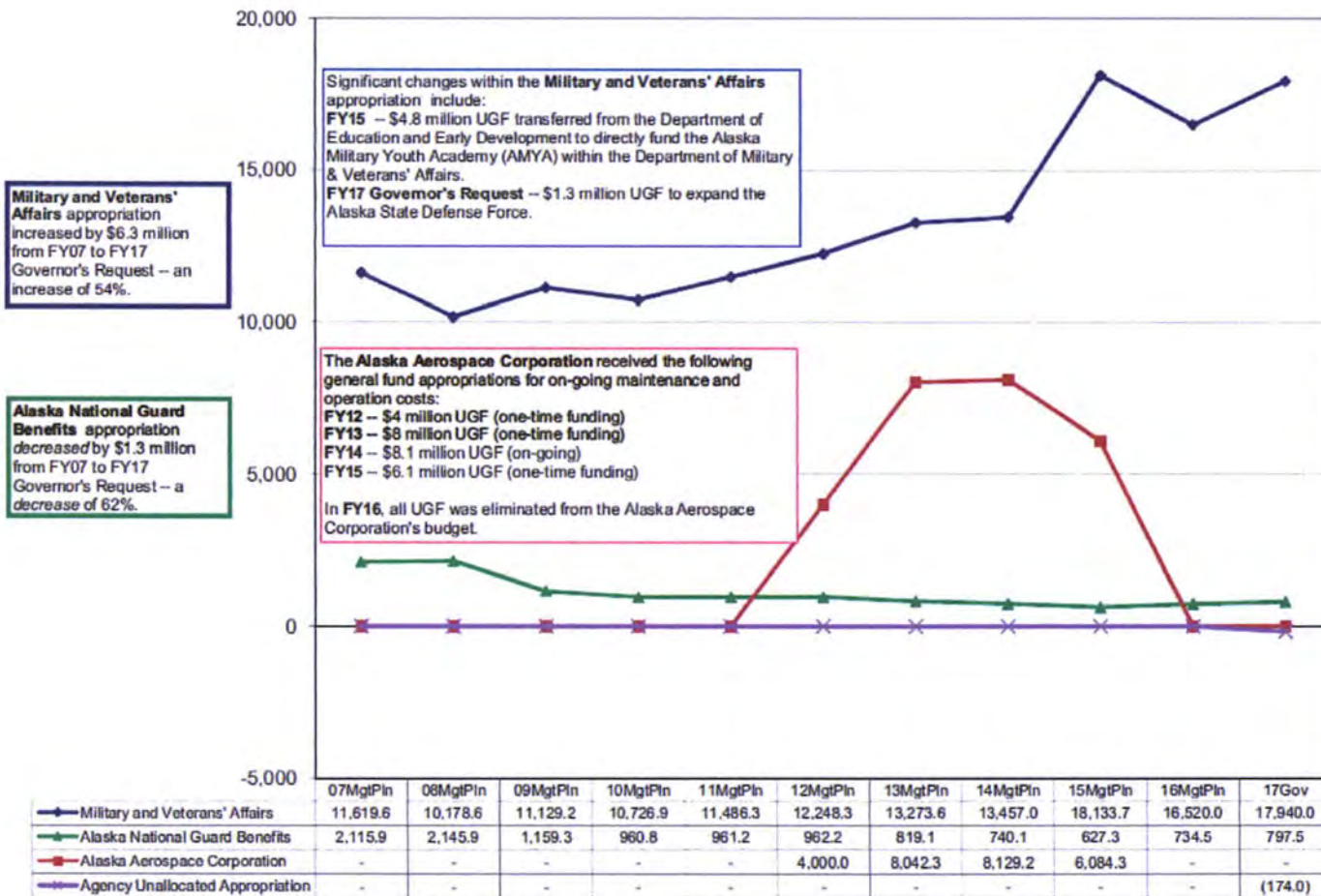
	07MgtPln	08MgtPln	09MgtPln	10MgtPln	11MgtPln	12MgtPln	13MgtPln	14MgtPln	15MgtPln	16MgtPln	17Gov	FY07 to FY17 Gov
Temporary	2	1	1	1	5	2	2	1	1	1	1	(1)
Perm Part Time	4	2	2	2	2	2	2	2	2	2	2	(2)
Perm Full Time	341	331	336	348	345	344	339	339	333	294	294	(47)



GF Only Look-Back



Appropriations within the Department of Military & Veterans' Affairs
(GF Only)
(\$ Thousands)

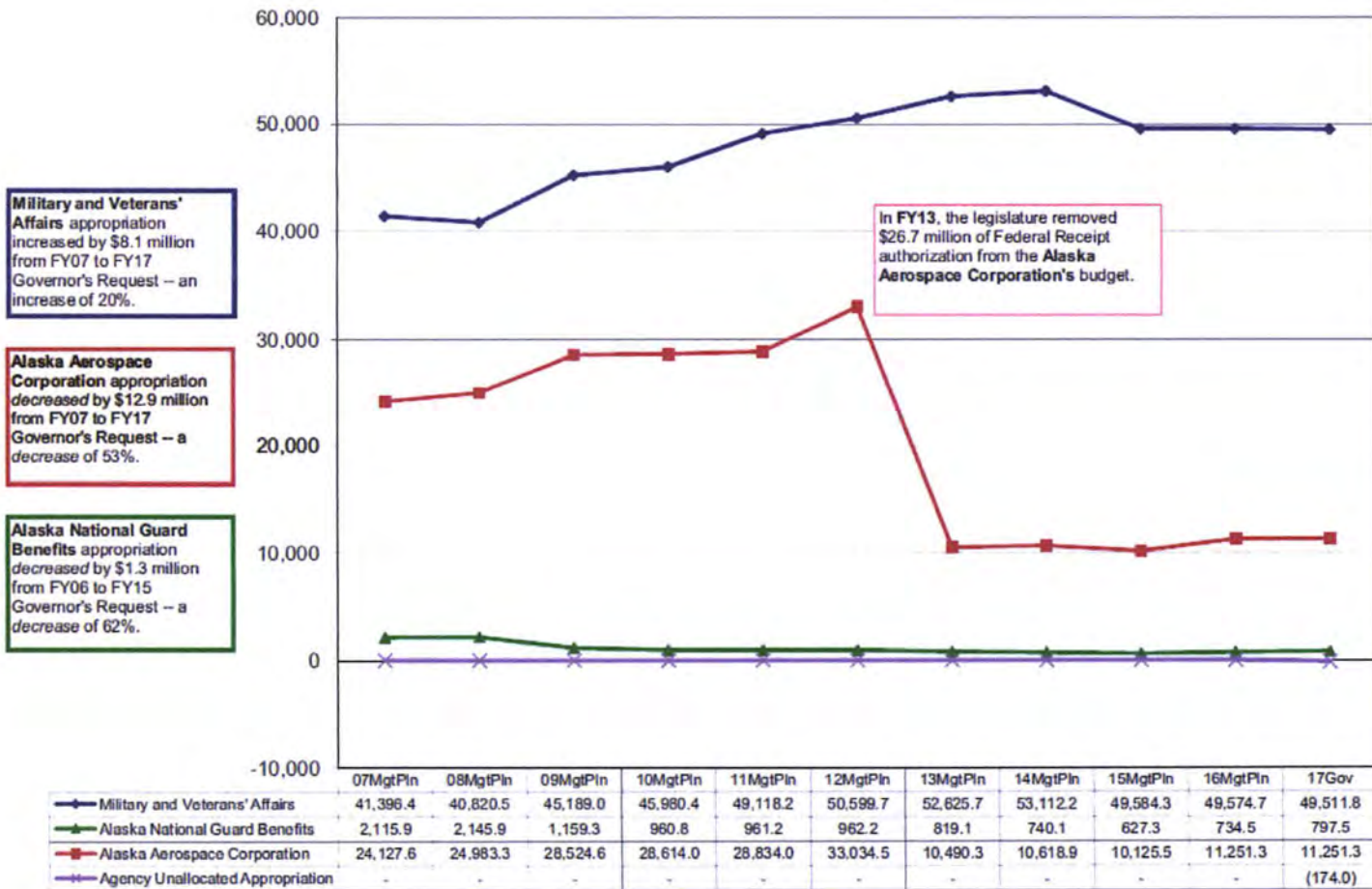




All Funds Look-Back



Appropriations within the Department of Military & Veterans' Affairs
(All Funds)
(\$ Thousands)





Look-Back by Allocation

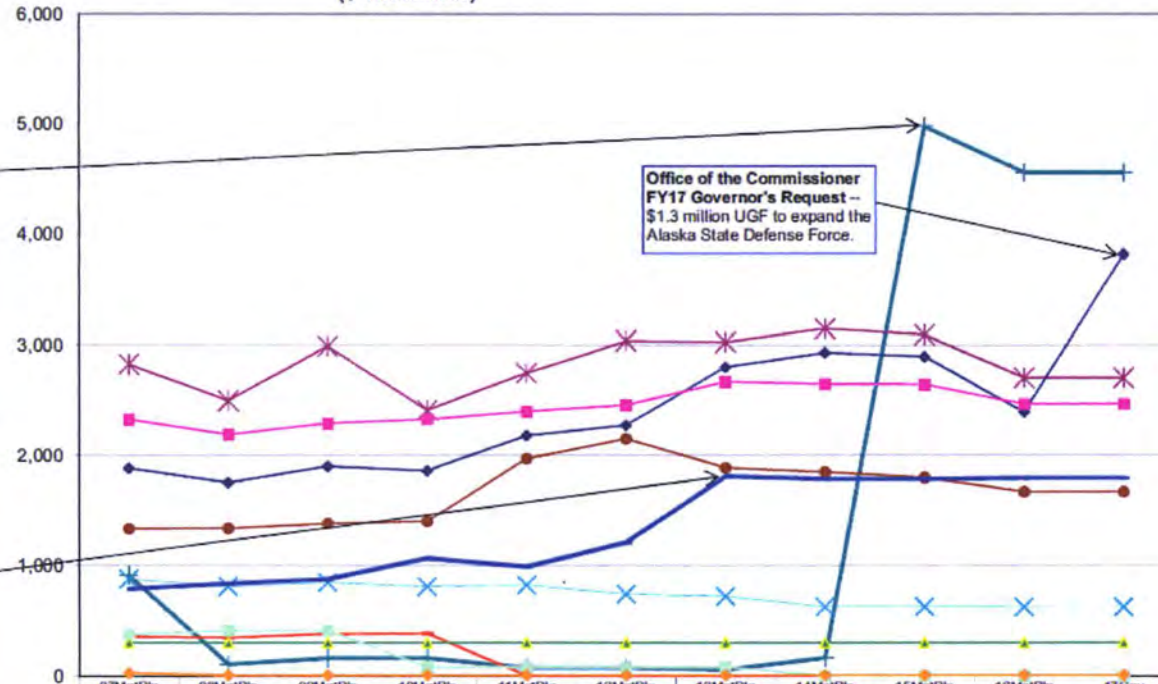


Department of Military & Veterans' Affairs
 Allocations within the Military & Veterans' Affairs Appropriation
 (GF Only)
 (\$ Thousands)

Military and Veterans' Affairs
 appropriation increased by \$6.3 million from FY07 to FY17 Governor's Request -- an increase of 54%.

Alaska Military Youth Academy
 FY08 -- \$847.0 UGF decremented (from the new platoon) and existing I/A Receipts will be used from DEED Formula Funding allocation
 FY15 -- \$4.8 million UGF was transferred from the Department of Education & Early Development to the Alaska Military Youth Academy (AMYA) within DMVA and \$5,654.7 excess I/A Receipts were deleted.
 FY16 -- AMYA reduced authorization for 6 PFT positions as part of the Department's share of the \$29.8 million Branch-wide Unallocated Reduction.

Veterans' Services
 FY13 Veterans Expansion totaled \$603.7 UGF for the following:
 --Move the Office of Veterans' Services to Anchorage
 --Increased site visits to remote locations
 --Cost of Living Allowance for VSO's
 --Continue the State Approving Agency program



	07MgtPln	08MgtPln	09MgtPln	10MgtPln	11MgtPln	12MgtPln	13MgtPln	14MgtPln	15MgtPln	16MgtPln	17Gov
Alaska Military Youth Academy	912.2	105.6	162.6	164.5	73.1	73.2	55.7	164.0	4,979.0	4,558.7	4,558.7
Army Guard Facilities Maintenance	2,829.2	2,498.4	2,989.6	2,414.6	2,740.2	3,037.7	3,027.6	3,147.3	3,093.5	2,706.9	2,706.9
Office of the Commissioner	1,877.5	1,749.0	1,895.9	1,855.4	2,181.2	2,275.1	2,804.2	2,935.3	2,898.6	2,396.2	3,816.2
Homeland Security and Emergency Management	2,328.0	2,189.3	2,293.2	2,329.1	2,401.2	2,461.5	2,669.9	2,649.5	2,646.9	2,467.3	2,467.3
Air Guard Facilities Maintenance	1,331.3	1,336.7	1,378.7	1,400.5	1,964.6	2,150.3	1,882.5	1,844.4	1,798.2	1,667.9	1,667.9
Alaska Statewide Emergency Communications	354.0	346.0	378.7	384.0	-	-	-	-	-	-	-
National Guard Military Headquarters	877.1	811.1	847.8	809.3	823.4	740.8	720.3	625.8	627.2	623.1	623.1
Local Emergency Planning Committee	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0	300.0
Educational Benefits	378.5	408.5	408.5	80.0	80.0	80.0	80.0	-	-	-	-
Veterans' Services	787.6	837.5	877.7	1,064.5	988.6	1,204.7	1,808.4	1,785.7	1,785.3	1,794.9	1,794.9
State Active Duty	22.7	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0

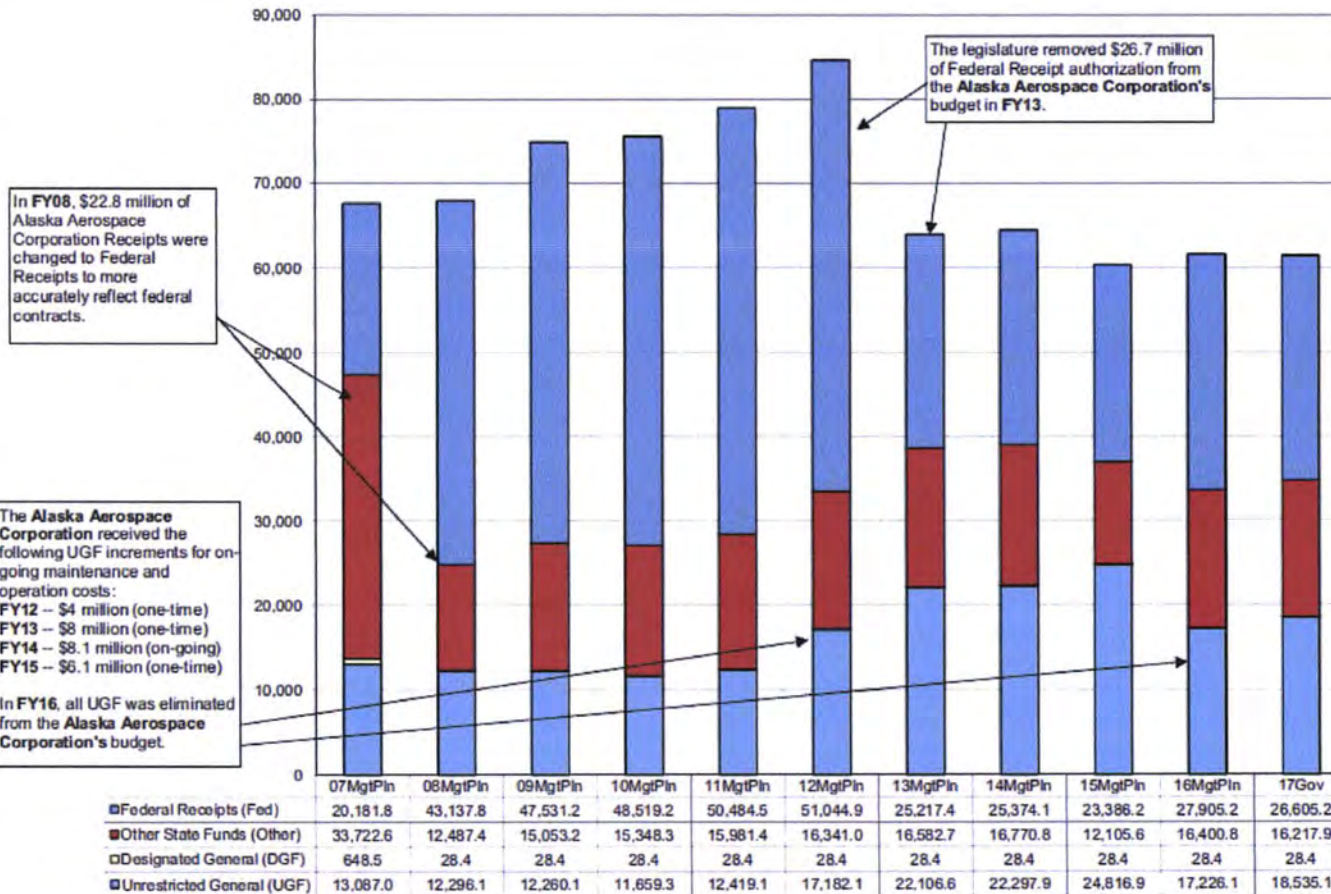


Look-Back by Fund Group



Department of Military & Veterans' Affairs Total Funding Comparison by Fund Group (All Funds) (\$ Thousands)

Between FY07 & FY17 Governor's Request:
 -UGF increased by \$5.4 million (42%)
 -DGF decreased by \$620.1 (-96%)
 -Other funds decreased by \$17.5 million (-52%)
 -Federal funds increased by \$6.4 million (32%)





FY2017 Budget Highlights



Unallocated UGF Salary Reductions in the Governor's FY2017 budget

-\$274.2 Unallocated FY17 UGF Salary Adjustments

\$100.2 Reverse to Correct for Negative Fund Source Change

-\$174.0 Net FY17 Unallocated UGF Salary Adjustments

Reductions will be met by:

Deleting positions

Reducing Services

Implementing Furloughs

The department is working to identify reductions.



FY2017 Budget Highlights



Undesignated General Fund (UGF) Increases in the Governor's FY2017 budget

Office of the Commissioner

- +\$120.0 GF Assistance for Enhancing Military, Community and Legislative Partnerships.
- +\$1,300.0 GF Rural Engagement



BRAC-Proofing



- Address potential impact of a Base Realignment and Closure Act (BRAC)
- Inform Department of Defense and Congressional policy and decision making
- Enhance Military, Community, and Legislative Partnerships
- Issue a Request for Proposal to hire a consultant with expertise in:
 - federal legislation affecting military base viability
 - reducing energy cost differences between Alaska and Outside bases
 - improving partnerships between host communities and military bases
 - developing enhanced use leases
- Hedge against proposed future force structure decrements



Rural Engagement



Issues

- Overcentralized emergency response capability
- Increasing trans-Arctic vessel traffic and foreign military operations
- Need for US military Arctic Operational Expertise

Solutions

- Expand the Alaska National Guard's rural presence
 - dictated by federal authorities
 - requires significant lead time
- Expand the Alaska State Defense Force (ASDF)
 - partner with rural leaders to help grow engagement off the road system
 - bridge the gap to Guard expansion
 - requires GF funds
 - expand to a battalion within 3-5 years
 - 81-member Bethel headquarters
 - 3 77-person companies of 4- or 5-member Scout teams
 - requested funding will form and equip initial force:
 - » headquarters team
 - » one company of Scouts



Status of FY2016 Unallocated Reductions



Requested FY16 Unallocated Travel Reduction was
\$51.9 Undesignated General Funds (UGF)

Reduction taken as follows:

Air Guard Facilities	\$15.0
Army Guard Facilities	\$16.9
Alaska Military Youth Academy	<u>\$20.0</u>
Total	\$51.9



Status of FY2016 Unallocated Reductions



Requested FY16 Unallocated UGF Reductions

Air Guard Facilities	\$ 33.7
Army Guard Facilities	\$ 54.1
Salary Adjustments	<u>\$374.4</u>
Total UGF Reduction	\$462.2



Status of FY2016 Unallocated Reductions



Unallocated UGF Reductions Taken as follows:

Deleted PCN in Commissioner's Office	\$ 36.7
Alaska Aerospace Reversal of COLA	\$100.2
Deleted 6 PCNs in the Alaska Military Youth Academy	<u>\$325.3</u>
Total UGF Reduction	\$462.2



FY2016 Position Deletions



Department of Military and Veterans Affairs
 FY2016 Position Deletions as of February 4, 2016

Fiscal Year	PCNS Removed From Budget	Personal Services Budget Authorization Removed	Vacant	Filled	Layoff
2016	28	\$3,215.4	25	3	3

Position Type

FT 28

Location

JBER 10
 Eielson AFB 1
 Anchorage 3
 Kodiak 14
 Total 28

Position Level

14 50% Expert/Professional Level (range 17 and above)
 11 39% Technical Level (range 12-16)
 3 11% Entry Level (range 5-11)
 28 Total

Deletions By Division	Filled	Vacant	Total
Office of the Commissioner	2	1	3
Army Guard FM		1	1
Air Guard FM		1	1
AMYA	1	5	6
AAC		3	3
AAC FM		14	14
Total	3	25	28



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