Executive Military Staff

FY 2018 Revised and FY 2019, and Capital Recommendations
House Finance Committee
March 29, 2018
Military Staff

- Train and prepare members of the Army and Air National Guard and the Rhode Island Militia
- Support active forces in the defense of the nation and its national security interests
- Provide peacetime responses to state emergencies as ordered by the Governor
Undistributed Savings

- FY 2018 enacted budget includes $25.0 million of statewide savings
  - Undistributed in DOA’s budget
- Governor’s revised budget has proposals that total $25.0 million
  - Not all repeat in FY 2019
- None of these savings have been attributed to Military Staff
Centralized Services

- 2017 Assembly authorized establishment of internal service funds for centralized services
  - Information technology, capital asset management & maintenance, & HR
- Costs previously budgeted in DOA
  - Methodology on distribution needs review
  - Long term impacts and transparency concerns
Centralized Services

- Governor’s budget allocates costs to user agencies

<table>
<thead>
<tr>
<th>All Sources</th>
<th>FY 2018</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Technology</td>
<td>$35,199</td>
<td>$35,470</td>
</tr>
<tr>
<td>Facilities</td>
<td>749,894</td>
<td>777,314</td>
</tr>
<tr>
<td>Human Resources</td>
<td>126,559</td>
<td>128,242</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$911,652</strong></td>
<td><strong>$941,026</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>General Revenues</th>
<th>FY 2018</th>
<th>FY 2019</th>
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<td>Facilities</td>
<td>749,894</td>
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<tr>
<td>Human Resources</td>
<td>$12,175</td>
<td>$12,337</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$797,268</strong></td>
<td><strong>$825,121</strong></td>
</tr>
</tbody>
</table>
Target Budget

- Budget Office provided a general revenue target of $2.4 million
  - Current service adjustments of $10,382
  - 10.0 percent target reduction of $0.3 million
  - Constrained request reduces funding for staffing and assumes changes to IOD laws
- Governor: $0.5 million above the target
  - Does not include staffing reduction
  - Proposes IOD reform in Article 3
## Summary – In Millions

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>General Revenues</th>
<th>All Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018 Enacted</td>
<td>$2.6</td>
<td>$38.2</td>
</tr>
<tr>
<td>2018 Rev. Request</td>
<td>2.3</td>
<td>36.8</td>
</tr>
<tr>
<td>2018 Governor Revised</td>
<td>3.9</td>
<td>38.4</td>
</tr>
<tr>
<td>Gov. 2018 Change to Enacted</td>
<td>$1.3</td>
<td>$0.2</td>
</tr>
<tr>
<td>2019 Request</td>
<td>3.3</td>
<td>27.0</td>
</tr>
<tr>
<td>2019 Governor</td>
<td>3.7</td>
<td>27.7</td>
</tr>
<tr>
<td>Gov. 2019 Change to Enacted</td>
<td>$1.0</td>
<td>($10.5)</td>
</tr>
</tbody>
</table>
Military Staff by Source

- Federal Funds: 67%
- General Revenue: 13%
- RICAP: 20%
- Res. Receipts: 0%
## Military Staff

<table>
<thead>
<tr>
<th>(in millions)</th>
<th>FY 2018 Enacted</th>
<th>FY 2018 Revised</th>
<th>FY 2019 Governor</th>
<th>Chng. to Enacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Benefits</td>
<td>$8.8</td>
<td>$8.9</td>
<td>$9.2</td>
<td>$0.3</td>
</tr>
<tr>
<td>Contracted Services</td>
<td>1.8</td>
<td>1.6</td>
<td>1.7</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Operating</td>
<td>7.0</td>
<td>6.7</td>
<td>7.3</td>
<td>0.3</td>
</tr>
<tr>
<td>Assistance and Grants</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>-</td>
</tr>
<tr>
<td>Capital</td>
<td>20.2</td>
<td>21.0</td>
<td>9.1</td>
<td>(11.1)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$38.2</strong></td>
<td><strong>$38.4</strong></td>
<td><strong>$27.7</strong></td>
<td><strong>($10.5)</strong></td>
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## Military Staff – Excluding Centralized Services

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<tr>
<th>(in millions)</th>
<th>FY 2018 Enacted</th>
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<td><strong>$37.5</strong></td>
<td><strong>$26.7</strong></td>
<td><strong>($11.5)</strong></td>
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</tbody>
</table>
## Staffing

### Full-Time Equivalent Positions

<table>
<thead>
<tr>
<th>Full-Time Positions</th>
<th>FTEs</th>
<th>Chg. To Enacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enacted Authorized</td>
<td>92.0</td>
<td>-</td>
</tr>
<tr>
<td>FY 2018 Gov. Rev.</td>
<td>92.0</td>
<td>-</td>
</tr>
<tr>
<td>FY 2019 Request</td>
<td>92.0</td>
<td>-</td>
</tr>
<tr>
<td>FY 2019 Governor</td>
<td>92.0</td>
<td>-</td>
</tr>
<tr>
<td>FY 2019 Funded FTE</td>
<td>87.7</td>
<td>(4.3)</td>
</tr>
<tr>
<td>Filled as of March 17</td>
<td>78.0</td>
<td>(14.0)</td>
</tr>
<tr>
<td>FY 2017 Average Filled</td>
<td>83.7</td>
<td>(8.3)</td>
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## Staffing

### FY 2019 Governor Recommendation

<table>
<thead>
<tr>
<th></th>
<th>Military</th>
<th></th>
<th>Statewide</th>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Gross Salaries (in millions)</strong></td>
<td>$5.8</td>
<td></td>
<td>$1,117.1</td>
<td></td>
</tr>
<tr>
<td><strong>Turnover (in millions)</strong></td>
<td>(0.3)</td>
<td></td>
<td>(42.9)</td>
<td></td>
</tr>
<tr>
<td><strong>Turnover %</strong></td>
<td>4.7%</td>
<td></td>
<td>3.8%</td>
<td></td>
</tr>
<tr>
<td><strong>Turnover FTE</strong></td>
<td>4.3</td>
<td></td>
<td>592.2</td>
<td></td>
</tr>
<tr>
<td><strong>FY 2019 FTE recommended</strong></td>
<td>92.0</td>
<td></td>
<td>15,426.5</td>
<td></td>
</tr>
<tr>
<td><strong>Funded FTE</strong></td>
<td>87.7</td>
<td></td>
<td>14,834.3</td>
<td></td>
</tr>
<tr>
<td><strong>Filled as of March 17</strong></td>
<td>78.0</td>
<td></td>
<td>13,875.0</td>
<td></td>
</tr>
<tr>
<td><strong>Funded but not filled</strong></td>
<td>9.7</td>
<td></td>
<td>959.3</td>
<td></td>
</tr>
</tbody>
</table>
Air National Guard Firefighter Program
- Specialized in fire containment and disaster response involving military vehicles
- Average RI firefighter salary: $65,800

Positions – 30.0 authorized, 2.0 vacant
- 20.0 Firefighters – 1.0 Injured on Duty
- 7.0 Crew Chiefs – 4.0 Injured On Duty
- 3.0 Assistant Chiefs – 1.0 Injured On Duty
Firefighters

- **FY 2018 - $3.5 million**
  - $50,177 less than enacted
  - Shifts $0.5 million from fed. funds to gen. rev.
- **FY 2019 - $3.8 million**
  - $0.3 million more than enacted
  - $0.2 million more from general revenues
  - Governor’s budget includes IOD reform proposal
Firefighters

- Military Staff previously subject to federal limitation on firefighter compensation
  - Previously general revenues required once firefighter salary surpassed this level
- Military Staff filed appeal to National Guard Bureau for variance to wage cap
  - Appeal filed in FY 2016
  - Military Staff can utilize federal funds for amounts over the cap as of July 1, 2017
    - Savings to general revenues
Firefighters

- Federal government no longer funds Injured on Duty Firefighters
  - U.S. Property & Fiscal Office audit findings
- Enacted budget assumes approx. 3 IOD firefighters
  - IOD firefighters have increased in recent fiscal years
    - Increase in general revenues corresponds to reduction in federal funds
Military Staff has emphasized its concerns about increasing number of IOD firefighters

- Impact on its budget and operations
- Military Staff submitted constrained budget proposal
  - Place firefighters under same workers’ comp. provisions & regs. as majority of other state employees
Injured on Duty – Current Law

- Injured on Duty provision applies to certain state and local public safety personnel
  - Police officers, firefighters, fire marshals
    - Police officers specifically include Capitol Police, Sheriffs, Environmental & Airport Police
  - If one suffers injury or illness while on duty or off-duty, if responding to an emergency
    - Full salaries and benefits
      - Exempt from personal income tax
Employees injured after July 1, 2011 must return to work or apply for disability pension after the later of:

- 18 months
- 60 days from when treating physician declares maximum medical recovery has been reached

Without this declaration, employee may remain on IOD status.
Article 3, Sec. 10-11, Injured on Duty

- Article requires use of application & processing rules for IOD benefits for state employees that qualify for them
- Instead of separate accidental disability procedure
  - Board or any court with jurisdiction allows accidental disability benefits, IOD benefits will terminate
  - Current law – only Workers’ Comp. Court can make this ruling
Article 3, Sec. 10-11, Injured on Duty

- Article allows independent medical examiner to certify that maximum medical improvement reached
  - State employees only
  - Triggers 60-day clock to apply for accidental disability benefits
- Retains current law provisions not to conflict with collective bargaining agreements regarding independent medical examinations
Proposed changes intended to apply only to state employees

- As submitted it would have broader application
- Governor requested an amendment to rework proposed language to clarify this
Article 3, Sec. 10-11, Injured on Duty

- Budget assumes $0.6 million from general revenues savings from IOD reform -
  - $0.3 million each for DPS and Military Staff
  - Savings assume 4 Sheriffs & 3 Firefighters will no longer be on IOD after the benefits for first quarter of FY 2019
- All are funded from general revenues
  - Federal funds not allowed for IOD
## Article 3, Sec. 10-11, Injured on Duty

<table>
<thead>
<tr>
<th>FY 2019 Estimated Costs</th>
<th>Sheriffs</th>
<th>Firefighters</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Average Cost</strong></td>
<td>$110,662</td>
<td>$128,075</td>
</tr>
<tr>
<td><strong>Annual Cost</strong></td>
<td>$442,648</td>
<td>$384,225</td>
</tr>
<tr>
<td>4 Sheriffs/3 FF</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Savings – 3 quarters</strong></td>
<td>$331,986</td>
<td>$288,169</td>
</tr>
</tbody>
</table>
Cybersecurity and Activations

- Governor includes enacted level - $50,000 from gen. rev. each year in FY 2018 and FY 2019
  - For National Guard participation in Governor’s Cybersecurity Commission working groups
  - National Guard cannot use federal funds to participate in such state programs
- $22,920 spent in FY 2018 for Bristol 4th of July Parade and NGA Conference
Other Salaries and Benefits

- FY 2018 - $0.1 million more than enacted, primarily from federal funds
  - $0.1 million less than requested – reflects vacancies
- FY 2019 - $5.4 million for 62.0 FTEs
  - $0.1 million more than enacted from all sources, primarily federal funds
  - Revisions to benefits and anticipated staffing
Asset Forfeiture – Google Funds

- FY 2018 revised - $209,500
- FY 2019 - $1,032,450
  - $1.0 million more than enacted for new counterdrug facility at Camp Fogarty
  - Funding can be used for travel expenses, equipment & supplies
- Total available to RING: $5.0 million
  - Spent or committed $0.7 million at end of FY 17
    - Military Staff works with USDOJ to identify eligible projects
Facilities Maintenance

- FY 2019 - $4.5 million
  - $4.1 million federal funds, $0.4 million general revenues
  - $0.4 million less than enacted
  - Minor renovations and repairs
  - Custodial and fire inspection
  - Security services
  - Primarily federally owned facilities
Utilities

- FY 2019 - $2.7 million
  - $2.2 million federal funds, $0.6 million general revenues
  - $0.4 million less than enacted
    - Based on actual expenditures & anticipated usage
    - Shares of federal funds and general revenues vary by building
      - Some buildings are 100% federally funded, others are 50% or 25% from federal sources
Other Operations

- FY 2019 - $1.0 million
  - $37,158 less than enacted
    - Adjustments for supplies & equipment, travel & IT expenses
  - Includes $0.1 million from restricted receipts for Military Family Relief Fund
## FY 2019 – FY 2023 Capital Plan

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Cost</th>
<th>Financing</th>
<th>End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Middletown Armory</td>
<td>New</td>
<td>$2.9 M</td>
<td>Federal</td>
<td>FY 2019</td>
</tr>
<tr>
<td>Asset Protection</td>
<td>Revised</td>
<td>$23.6 M</td>
<td>Federal &amp; RICAP</td>
<td>Perpetual</td>
</tr>
<tr>
<td>Quonset ANG Facilities</td>
<td>Revised</td>
<td>$145.9 M</td>
<td>Federal</td>
<td>FY 2023</td>
</tr>
<tr>
<td>Joint Force HQ</td>
<td>Revised</td>
<td>$32.4 M</td>
<td>Federal &amp; RICAP</td>
<td>FY 2019</td>
</tr>
</tbody>
</table>
### FY 2019 – FY 2023 Capital Plan

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<th>Status</th>
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<th>Financing</th>
<th>End Date</th>
</tr>
</thead>
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<tr>
<td>Armory of Mounted Comm.</td>
<td>Ongoing</td>
<td>$9.0 M</td>
<td>Federal &amp; RICAP</td>
<td>FY 2018</td>
</tr>
<tr>
<td>Benefit Street Arsenal</td>
<td>Ongoing</td>
<td>$0.7 M</td>
<td>RICAP</td>
<td>FY 2018</td>
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<tr>
<td>Bristol Readiness Center</td>
<td>Ongoing</td>
<td>$0.1 M</td>
<td>RICAP</td>
<td>FY 2018</td>
</tr>
</tbody>
</table>
Capital – Quonset Air National Guard Facilities

- Quonset ANG Facilities - $145.9 million
  - National Guard Bureau funds
  - Work through FY 2023
  - Examples of larger projects:
    - Repair & renovate base supply & vehicle maintenance buildings
    - Repair base fire & crash rescue station
    - Replace security fence
    - Upgrade airfield instrument landing system
New Headquarters - $32.4 million
- At Camp Fogarty in East Greenwich
- $21.7 million federal, $10.7 million RICAP
- Work through FY 2019
- 80,680 square foot, two-story building
- Portion of current Command Readiness Center would be transferred to EMA
  - EMA has identified state-owned building; Gov. includes $0.2 M for feasibility study
2013 Assembly enacted legislation requiring OMB to prepare, review and inventory all reports filed with Assembly.

- Report presented to Assembly as part of budget submission annually.

- Required to submit 2 reports - timely:
  - Military Family Relief Fund (annual)
  - RING Counterdrug Support Program Equitable Sharing & Certification (annual)
Executive Military Staff

FY 2018 Revised and FY 2019, and Capital Recommendations
House Finance Committee
March 29, 2018