

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

All Sources	FY 2018	FY 2019
Information Technology	\$35,199	\$35,470
Facilities	749,894	777,314
Human Resources	126,559	128,242
Total	\$911,652	\$941,026



General Revenues	FY 2018	FY 2019
Information Technology	\$35,199	\$35,470
Facilities	749,894	777,314
Human Resources	\$12,175	\$12,337
Total	\$797,268	\$825,121

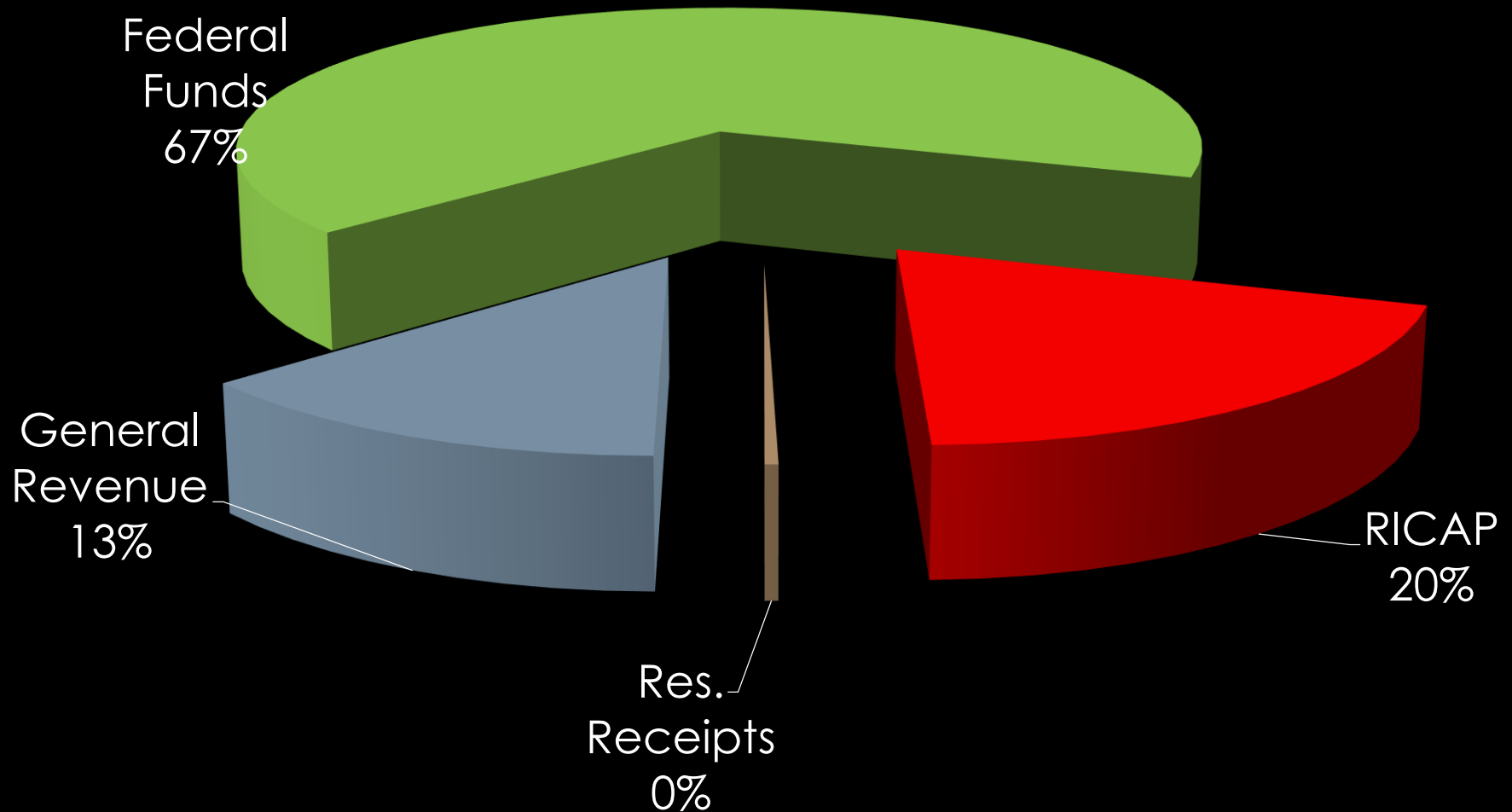
Target Budget

- 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

<i>Fiscal Year</i>	<i>General Revenues</i>	<i>All Funds</i>
2018 Enacted	\$2.6	\$38.2
2018 Rev. Request	2.3	36.8
2018 Governor Revised	3.9	38.4
<i>Gov. 2018 Change to Enacted</i>	<i>\$ 1.3</i>	<i>\$0.2</i>
2019 Request	3.3	27.0
2019 Governor	3.7	27.7
<i>Gov. 2019 Change to Enacted</i>	<i>\$ 1.0</i>	<i>(\$10.5)</i>

Military Staff by Source



Military Staff

<i>(in millions)</i>	FY 2018 Enacted	FY 2018 Revised	FY 2019 Governor	Chng. to Enacted
Salaries and Benefits	\$8.8	\$8.9	\$9.2	\$0.3
Contracted Services	1.8	1.6	1.7	(0.1)
Operating	7.0	6.7	7.3	0.3
Assistance and Grants	0.3	0.3	0.3	-
Capital	20.2	21.0	9.1	(11.1)
Total	\$38.2	\$38.4	\$27.7	(\$10.5)

Military Staff – Excluding Centralized Services

<i>(in millions)</i>	FY 2018 Enacted	FY 2018 Revised	FY 2019 Governor	Chng. to Enacted
Salaries and Benefits	\$8.8	\$8.9	\$9.2	\$0.3
Contracted Services	1.8	1.6	1.7	(0.1)
Operating	7.0	5.8	6.4	(0.6)
Assistance and Grants	0.3	0.3	0.3	-
Capital	20.2	21.0	9.1	(11.1)
Total	\$38.2	\$37.5	\$26.7	(\$11.5)

Staffing

Full-Time Equivalent Positions

Full-Time Positions	FTEs	Chg. To Enacted
Enacted Authorized	92.0	-
FY 2018 Gov. Rev.	92.0	-
FY 2019 Request	92.0	-
FY 2019 Governor	92.0	-
FY 2019 Funded FTE	87.7	(4.3)
Filled as of March 17	78.0	(14.0)
FY 2017 Average Filled	83.7	(8.3)

Staffing

FY 2019 Governor Recommendation		
	Military	Statewide
Gross Salaries (in millions)	\$5.8	\$1,117.1
Turnover (in millions)	(0.3)	(42.9)
Turnover %	4.7%	3.8%
Turnover FTE	4.3	592.2
FY 2019 FTE recommended	92.0	15,426.5
Funded FTE	87.7	14,834.3
Filled as of March 17	78.0	13,875.0
Funded but not filled	9.7	959.3

Firefighters

- 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

Firefighters

- 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

Injured on Duty – Current Law

- 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

Article 3, Sec. 10-11, Injured on Duty

- 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

FY 2019 Estimated Costs	Sheriffs	Firefighters
Average Cost	\$110,662	\$128,075
Annual Cost 4 Sheriffs/3 FF	\$442,648	\$384,225
Savings – 3 quarters	\$331,986	\$288,169

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

<i>Project</i>	<i>Status</i>	<i>Cost</i>	<i>Financing</i>	<i>End Date</i>
Middletown Armory	New	\$2.9 M	Federal	FY 2019
Asset Protection	Revised	\$23.6 M	Federal & RICAP	Perpetual
Quonset ANG Facilities	Revised	\$145.9 M	Federal	FY 2023
Joint Force HQ	Revised	\$32.4 M	Federal & RICAP	FY 2019

FY 2019 – FY 2023 Capital Plan

<i>Project</i>	<i>Status</i>	<i>Cost</i>	<i>Financing</i>	<i>End Date</i>
Armory of Mounted Comm.	Ongoing	\$9.0 M	Federal & RICAP	FY 2018
Benefit Street Arsenal	Ongoing	\$0.7 M	RICAP	FY 2018
Bristol Readiness Center	Ongoing	\$0.1 M	RICAP	FY 2018

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

Capital – Joint Force Headquarters

- 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

Reporting Requirements

- 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)

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