

Executive Military Staff

Governor's FY 2019 Revised, FY 2020 Budget
and Capital Budget Recommendations
House Finance Committee
March 28, 2019

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

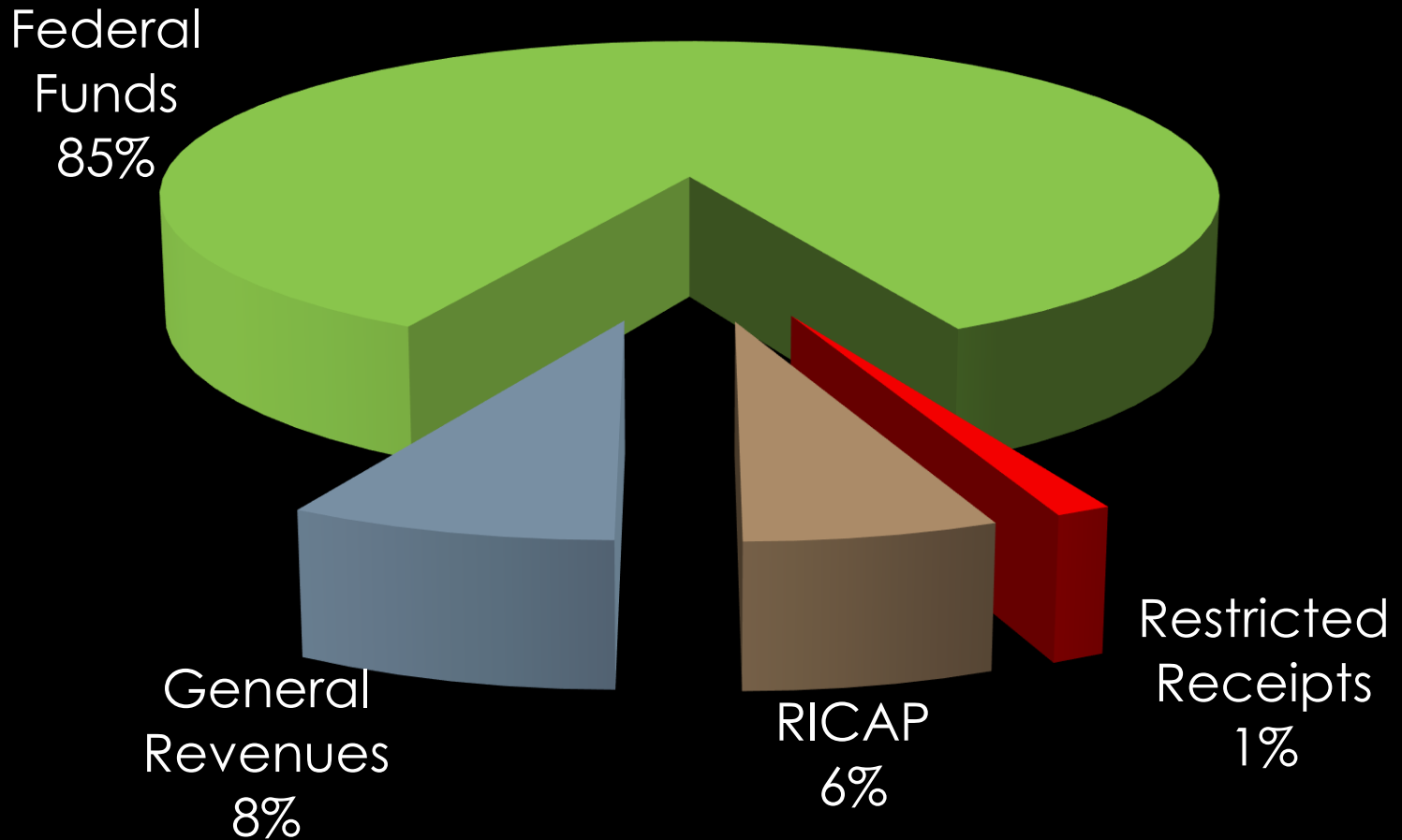
Target Budget

- Budget Office provided a general revenue target of \$3.0 million
 - \$68,987 for current service adjustments
 - 5.0% target reduction of \$155,114
 - Adjusts for certain exclusions
- Military Staff's constrained request
 - Suggested eliminating maintenance staff
- Not recommended by Governor

Summary

<i>Fiscal Year</i>	<i>General Revenues</i>	<i>All Funds</i>
2019 Enacted	\$3,081,090	\$30,292,314
2019 Rev. Request	3,089,746	44,001,635
2019 Governor Revised	3,097,681	44,294,074
<i>Revised Chng./ Enacted</i>	<i>\$16,591</i>	<i>\$14,001,760</i>
2020 Request	3,268,763	41,460,077
2020 Governor	3,219,493	40,129,489
<i>Rec. Chng./ Enacted</i>	<i>\$138,403</i>	<i>\$9,837,175</i>

FY 2020 Recommended



Military Staff

<i>(in millions)</i>	FY 2019 Enacted	FY 2019 Revised	FY 2020 Governor	Chng. to Enacted
Salaries & Benefits	\$9.4	\$9.3	\$10.5	\$1.2
Contracted Services	1.7	1.9	2.1	0.4
Operating	6.6	18.8	17.8	11.2
Assistance & Grants	0.3	0.3	0.3	-
Capital	12.4	14.1	9.4	(2.9)
Total	\$30.3	\$44.3	\$40.1	\$9.8

Statewide Savings Initiatives

- Governor distributes statewide general revenue savings enacted for FY 2019 in the Department of Administration
 - Prompt Payment - \$0.4 million
 - Vendors voluntarily offer a discount if payments are received within an agreed upon date
 - Contracts - \$3.0 million
 - Effort to reduce costs of certain commodities
 - Food, maintenance, office equipment, telecommunications
 - Insurance - \$0.5 million
 - Reductions in policies for property & crime

Statewide Savings

<i>Savings Initiatives</i>	<i>FY 2019 Revised</i>	<i>FY 2020 Gov. Rec.</i>
Prompt Payment	\$(126)	\$(126)
Contract	(23,432)	(22,990)
Insurance	(5,088)	(5,294)
Total	\$(28,646)	\$(28,410)

Staffing

Full-Time Equivalent Positions

Full-Time Positions	FTE	Chng. To Enacted
Enacted Authorized	92.0	-
FY 2019 Gov. Rev.	92.0	-
FY 2020 Request	98.0	6.0
FY 2020 Governor	98.0	6.0
FY 2020 Funded FTE	98.0	6.0
Filled as of March 16	83.0	(9.0)
FY 2018 Average Filled	83.0	(9.0)

Staffing

FY 2020 Governor Recommendation		
	Military Staff	Statewide
Gross Salaries (in millions)	\$6.0	\$1,249.1
Turnover (in millions)	-	(42.9)
Turnover %	-	3.4%
Turnover FTE	-	529.0
FY 2020 FTE recommended	98.0	15,413.1
Funded FTE	98.0	14,884.1
Filled as of March 16	83.0	14,123.6
Funded but not filled	9.0	760.5

New Positions

- Military Staff requests \$0.6 million from federal funds to fund 6.0 new FTE
 - Maintenance of federal buildings
 - Environmental programs
 - Security
- Governor concurs and includes funding and staffing authorization
 - Positions would start in July 2019

Firefighters – Quonset

- FY 2019 - \$3.8 million for 30.0 full-time equivalent positions
 - \$0.6 million or 16.7% is from general revenues
 - \$84,202 less than enacted
 - Savings: from injured on duty and statewide initiatives
 - Assumes \$180,443 for overtime, \$9,043 more than enacted
 - Expenditures through March 22 were \$144,737
 - \$274,293 for FY 2018
 - \$243,706 for FY 2017

Firefighters – Quonset

- FY 2020 - \$4.1 million for 30.0 full-time equivalent positions
 - \$0.8 million or 18.7% is from general revenues
 - Funds individuals out on injured on duty status
 - \$0.2 million more than enacted from all sources
 - Includes \$141,601 for overtime
 - \$29,799 less than enacted
 - \$38,842 less than revised recommendation

Firefighters – Quonset

- Military Staff previously subject to federal limitation on firefighter compensation
 - General revenues were 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

Firefighters – Quonset

- Federal government does not fund Injured on Duty Firefighters
 - U.S. Property & Fiscal Office audit findings
- Enacted budget assumes approx. 6 IOD firefighters
 - 3 out on injured on duty status
 - Increase in general revenues corresponds to reduction in federal funds
- Governor recommends IOD reform in Article 3, Section 27
 - Hearing held on March 7

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. 27 - Injured on Duty

- Article allows an independent medical examiner to certify that maximum medical improvement reached
 - Triggers 60 - day clock to apply for accidental disability benefits
 - Applies to all who are receiving benefits under this statute
 - Subsequent amendment requested limits changes to state employees only

Article 3, Sec. 27 - Injured on Duty

- Effective July 1, 2019 - current recipients would have 90 days to apply for accidental disability benefits
 - Including those injured prior to 2011
- Except individuals who have been injured less than 18 months
 - Those individuals will have at least 90 days to apply and no later than 18 months

Article 3, Sec. 27 - Injured on Duty

- Benefits will terminate if
 - Current recipients fail to apply for accidental disability within the proposed timeframes
 - Upon final ruling of State Retirement Board
 - Current recipients have previously been denied or approved for ordinary or accidental disability benefits

Article 3, Sec. 27 - Injured on Duty

- Budget assumes \$1.7 million of general revenues savings from the proposed changes as they apply to state employees
 - Budgeted centrally in DOA budget
 - Additional details attribute them to
 - \$1.4 million – DPS for Sheriffs & Capitol Police
 - \$0.2 million – Military Staff for Quonset firefighters
 - \$0.1 million – DEM Environmental Police Officers

Article 3, Sec. 27 - Injured on Duty

- Of the current 28 recipients – as of July 1, 2019
 - 24 will be receiving benefits longer than 18 months
 - Of those, 6 have been receiving benefits since prior to 2011

Agency	Individuals	Estimated FY 2019 Costs	Average
Public Safety	24	\$2,776,533	\$115,693
Military Staff	3	408,259	136,087
DEM	1	129,343	129,343
Total	28	\$3,314,135	\$118,365

Cybersecurity and Activations

- Governor includes \$116,395 from general revenues for FY 2019
 - \$64,757 more than enacted
 - Inauguration related expenses
 - Activation of National Guard troops
 - Provide support to civil authorities during emergency and non-emergency events
- Governor recommends \$51,638 for FY 2020
 - Consistent with enacted and request

Other Salaries and Benefits

- FY 2019 - \$32,269 less than enacted, primarily from federal funds
 - \$34,286 less than requested – reflects vacancies and statewide savings
- FY 2020 - \$5.8 million for 62.0 FTE
 - \$0.3 million more than enacted from all sources, primarily federal funds
 - Restored turnover savings
 - Revisions to benefits

Facilities Maintenance

- FY 2020 - \$4.6 million
 - \$4.2 million federal funds, \$0.4 million general revenues
 - \$1.0 million more than enacted
 - \$34,245 from general revenues
 - Minor renovations and repairs
 - Custodial and fire inspection
 - Security services
 - Primarily federally owned facilities

Utilities

- FY 2020 - \$3.1 million
 - \$2.5 million federal funds, \$0.6 million general revenues
 - \$0.4 million more 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 75% or 50% from federal sources

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
 - 2018 Assembly included costs in user agency budgets
 - Final FY 2018 & FY 2019 budget

Centralized Services

All Sources	FY 2019 Enacted	FY 2019 Rev.	Chng./ Enacted	FY 2020 Rec.	Chng./ Enacted
IT	\$35,470	\$29,207	\$2,663	\$30,958	\$3,413
HR	128,242	130,905	(6,263)	131,655	(4,512)
Total	\$163,712	\$160,112	\$(3,600)	\$162,613	\$(1,099)

Other Operations

- Education Benefits
 - Support tuition to National Guard members at state's public higher ed. institutions
 - \$0.1 million from gen. rev. in both years
 - Consistent with enacted
- Military Family Relief Fund
 - Provides financial support to families
 - \$55,000 from restricted receipts in both years
 - Supported through private donations and a check-off option on RI income tax forms

Other Operations

- FY 2020 - \$1.0 million
 - \$0.8 million federal funds, \$0.2 million general revenues
 - \$68,464 more than enacted
 - Adjustments for supplies, equipment and travel
 - Lease with Airport Corporation expired
 - Use of space at Quonset Air Base
 - Negotiations are ongoing
 - Recommendation does not include additional funding for potential increases

FY 2020 – FY 2024 Capital Plan

<i>Project</i>	<i>Status</i>	<i>Cost</i>	<i>Financing</i>	<i>End Date</i>
Counterdrug Training Facility	New	\$4.7 M	Federal	FY 2021
Asset Protection	Revised	\$30.8 M	Federal & RICAP	Perpetual
Quonset ANG Facilities	Revised	\$409.1 M	Federal	FY 2024
Joint Force HQ	Revised	\$30.1 M	Federal & RICAP	FY 2021

FY 2020 – FY 2024 Capital Plan

<i>Project</i>	<i>Status</i>	<i>Cost</i>	<i>Financing</i>	<i>End Date</i>
Armory of Mounted Comm.	Revised	\$9.5 M	Federal & RICAP	FY 2019
Middletown Armory Addition	Revised	\$4.4M	Federal & RICAP	FY 2020
Bristol Readiness Center	Ongoing	\$0.1 M	RICAP	FY 2019

Capital – Counterdrug Training Facility

- Counterdrug Training Facility - \$4.7 million from Google settlement funds
 - Construct new counterdrug facility at Camp Fogarty in East Greenwich
 - Design work in FY 2019
 - Construction in FY 2020 and FY 2021
- Awarded \$5 million from Google funds
 - Spent \$0.5 million from FY 2013 – FY 2018
 - Capital budget appears to be overstated by \$0.2 million
 - Given remaining available funds

Capital – Quonset Air National Guard Facilities

- Quonset ANG Facilities - \$73.0 million in five-year period
 - National Guard Bureau funds
 - Work through FY 2024
 - Examples of larger projects:
 - Repair and renovate base supply and vehicle maintenance buildings
 - Repair base fire and crash rescue station
 - Replace security fence
 - Upgrade airfield instrument landing system

Capital – Joint Force Headquarters

- New Headquarters - \$30.1 million
 - At Camp Fogarty in East Greenwich
 - \$18.6 million federal, \$11.5 million RICAP
 - Work through FY 2021
 - 80,680 square foot, two-story building
- Portion of current Command Readiness Center would be transferred to EMA

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)

Executive Military Staff

Governor's FY 2019 Revised, FY 2020 Budget
and Capital Budget Recommendations
House Finance Committee
March 28, 2019
