

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
FY 2020-21 JOINT BUDGET COMMITTEE HEARING AGENDA

Tuesday, December 3, 2019
3:15 pm – 4:15 pm

4:00-4:20 INTRODUCTIONS AND OPENING COMMENTS

Presenter: Michael A. Loh, Adjutant General and Executive Director

4:20-4:40 VETERANS AFFAIRS

Main Presenters:

- Michael A. Loh, Adjutant General and Executive Director
- Greg Dorman, Acting Deputy Director and Legislative Liaison

Topics:

- Western Region OneSource and Request R1: Page 1-2, Questions 1-4 in the packet, Slide 4

4:40-5:00 NATIONAL GUARD

Main Presenters:

- Michael A. Loh, Adjutant General and Executive Director
- Greg Dorman, Acting Deputy Director and Legislative Liaison

Topics:

- National Guard Tuition Assistance and Request R3: Page 2, Questions 5-6 in the packet, Slide 4
- R2 Energy Study Project: Page 2, Question 7 in the packet, Slide 4

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VETERANS AFFAIRS

WESTERN REGION ONE SOURCE AND REQUEST R1

- 1) When the Capital Development Committee visited the shell building in 2017, the CDC heard that there was already community buy-in and the Department would be able to lease the available space. What happened to those prospects? What is the current status of the Department's efforts to find and contract with tenants?**

The Department actively engaged the community throughout the process of developing, and constructing, the Western Region OneSource. Unfortunately the delta between interested parties, and interested parties able to fund a lease with the WROS has been challenging. Several parties were in existing leases and one current tenant (Volunteers of America) only came on in the last two months due to the rollover of their fiscal year in October. Our largest prospective tenant, the Federal VA is in the process of leasing space, but their internal procedures will take at least six months to complete.

DMVA Wildly Important Goal #2 Increase understanding of veterans needs and implement strategies to improve the veteran customer service experience across all 64 counties by June 30, 2022.

- 2) Is the additional position requested for the facility in R1 warranted based on current walk-in traffic?**

The Department requested this position based on the need to triage incoming veterans and family members, often with acute or emergent needs to include homelessness and/or substance abuse disorder. The current staff includes three appointment-based employees and the Division director. When these employees are engaged, there is no one to monitor the entrance, direct visitors, and assist veterans and/or family members in crisis. While the walk-in traffic numbers may portray a dearth of visitors on a per-hour basis, the frequency and urgency of walk-in visitors does require the ability to immediately respond.

- 3) Based on the Department's analysis of actual operating and maintenance costs to-date, as well as the Grand Junction market for leased space, could lease rates be adjusted now or in the future to incorporate the cost of the new front desk position requested in R1?**

The Department will continue to monitor the WROS' operating expenses. During its infancy stage we feel it's a little premature to adjust rates at this time, until the facility is close to full occupancy. As the facility increases occupancy, utility costs will rise. The Department is concerned that if the delta between comparable/market rate and actual cost is too significant, then we will eliminate any potential lessees.

- 4) Given the Department's history of reversions and the flexibility in its budget, could the new position be funded within existing resources on a temporary or ongoing basis?**

No. While the Department's flexibility in budget line items is greatly appreciated, the limited amount of funds in the Division of Veterans Affairs line item does not allow sufficient flexibility to cover this position. The Department plans to significantly reduce reversions and as this funding would not be available until the FY 20-21 budget year, the funding will be appropriate at the time it is available. If upon figure setting it looks likely the decision item will be recommended the Department may hire if POTS and other funding is available.

NATIONAL GUARD

NATIONAL GUARD TUITION ASSISTANCE AND REQUEST R3

- 5) Would reducing the appropriation of General Fund for National Guard Tuition Assistance reduce the funding available for any individuals who are eligible for or receiving tuition assistance or would it simply eliminate excess appropriations?**

Reducing the General Fund Appropriation for the National Guard Tuition Assistance fund in line with the Department's budget proposal (\$175,000) will not negatively impact the funding available for service members currently utilizing tuition assistance. As indicated by staff, it is difficult to forecast the utilization for future semesters.

- 6) How large a reserve do you believe should be retained in the National Guard Tuition Assistance Fund, based on the history of spending for this program? Please respond to the staff recommendation for a one-time reduction in FY 2020-21 to address an anticipated increase in the reserve level.**

The Department feels a fund balance of \$600,000 should be sufficient. This amount is equivalent to one-semester. This can give us the flexibility based on utilization if a summer session could be offered.

R2 ENERGY STUDY PROJECT

- 7) Would the requested funding allow the Department to evaluate every facility? If not, how would the funding be used?**

This request supports an energy study for six locations in the Front Range Corridor. They are:

- Fort Lupton RC – 35,052 SF
- Watkins RC – 52,066 SF
- Windsor RC – 30,707 SF
- Joint Force Head Quarters (JFHQ) 1 story, #258 – 19,451 SF
- JFHQ 2 story, #268 - 28,923 SF
- JFHQ 3 story, #248 – 42,000 SF

These sites were selected because of their geographic proximity and are a representative sample of readiness centers, which will make potential energy savings efforts more economically attractive. This request is in line with DMVA WIG #3 Improve environmental and energy stewardship 27% by June 30, 2022. This request is in direct support of one of the Governors Bold 4 initiatives.

ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED. PLEASE RETAIN THE NUMBERING IN ORDER TO MAINTAIN CONSISTENT LABELING FOR COMMON QUESTIONS ACROSS DEPARTMENTS.

[These will be sent under separate cover, once the Committee has identified common questions]



Colorado Department of Military and Veterans Affairs



Mission: Colorado's Department of Military and Veterans Affairs supports the Division of the Colorado National Guard (CONG) in delivering land, air, space, and cyber power in support of state and federal operations; enables the Division of Veterans Affairs (DVA) to deliver high quality service to the State's Veterans and their families; and oversees operations of the Colorado Wing of the Civil Air Patrol (CAP) in delivering aerospace education and emergency services.

Vision: We aim to earn and maintain the trust and confidence in those we serve at the local, state and federal levels...be recognized for excellence in service to our Veterans, members, and families...and become the state of choice for future force structure gains and infrastructure investment.



Briefing to the Joint Budget Committee 3 December 2019

Colorado Department of Military and Veterans Affairs



The Adjutant General of Colorado
Maj. Gen. Michael A. Loh



Interim Deputy
Executive Director
Greg Dorman



Div. of Veterans Affairs - East
Director Richard Tremaine



Div. of Veterans Affairs - West
Director Joanne Iglesias



Division of the National Guard



Wing Commander, Civil Air Patrol
Col. John Rhodes



Assistant Adjutant General, Army
Brig. Gen. Douglas A. Paul



Director of the Joint Staff
Brig. Gen. Gregory T. White



Assistant Adjutant General, Air
Brig. Gen. Floyd Dunstan

Department of Military and Veterans Affairs Command Team



Colorado Department of Military and Veterans Affairs



Department WIGs

- WIG 1 - Reduce the stigma of seeking mental health assistance, which is reflected by increasing all types of mental health requests for assistance 25% (from 358 to 447) by June 30, 2022.
- WIG 2 - Increase understanding of veterans needs and implement strategies to improve the veteran customer service experience across all 64 counties by June 30, 2022.
- WIG 3 – Improve environmental and energy stewardship 27% across 73 facilities in 27 locations by June 30, 2022.
- WIG 4 – Increase the number of middle and high schools with Civil Air Patrol cadets 10% by June 30, 2022.



Colorado Department of Military and Veterans Affairs



Issue Items

- Western Region OneSource Staffing – WIG #2
- Energy Study – WIG #3
- Tuition Assistance – Spending Authority Realignment
- State Active Duty Pay – Employer of Choice
- State Awards Program – Employer of Choice





Colorado Department of Military and Veterans Affairs



FY 20-21 Decision Items

Division	FTE	Total Funds	GF	CF	FF
R-01 WROS Service Reception/Triage Specialist	0.9	\$71,534	\$71,534	\$0	\$0
R-02 DMVA Energy Study	0.0	\$72,870	\$72,870	\$0	\$0
R-03 Realignment of Spending Authority for NG Tuition Assistance	0.0	(\$175,000)	(\$175,000)	\$0	\$0
Total	0.9	(\$30,596)	(\$30,596)	\$0	\$0



Colorado Department of Military and Veterans Affairs



FY 20-21 Budget Request

Division	FTE	Total Funds	GF	CF	FF
Executive Director's Office	109.5	\$21,912,398	\$7,571,192	\$122,348	\$14,214,715
Veterans Affairs	23.1	\$5,154,600	\$3,762,711	\$1,391,889	\$0
Air National Guard	48.6	\$3,689,008	\$414,957	\$0	\$3,274,051
Federal Funded Program	2,399.0	\$101,500,000	\$0	\$0	\$101,500,00
Total	2,580.2	\$132,256,006	\$11,748,860	\$1,514,237	\$118,988,766



Colorado Department of Military and Veterans Affairs



LRFP – Financial Forecast

The department's forecast is modest.

- Two primary budget drivers exist for the Department of Military and Veterans Affairs. In the Division of Veterans Affairs, the largest budget driver is the ongoing support for Colorado's veterans and the efforts to assist them in securing the federal and state benefits that they have earned. In addition to two grant streams in support of veterans, the Department manages a reimbursement fund for County Veterans Service Officers
- The downstream effects of federal defense appropriations on the Army and Air Force can drive many budget decisions. The primary method for state/federal partnership is cost sharing through the cooperative agreement process