

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**FY 2014-15 STAFF FIGURE SETTING
DEPARTMENT OF MILITARY AND VETERANS
AFFAIRS**

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

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February 13, 2014**

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DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Department Overview

The Department provides trained and ready military forces for the U.S. active armed services, and for preserving life and property during natural disasters and civil emergencies in Colorado; supports federal and state homeland security missions; maintains equipment and facilities for state military forces; provides for safekeeping of the public arms, military records, relics and banners of the state; assists veterans and National Guard members with benefits claims; maintains the Western Slope Veterans' Cemetery; supports the Civil Air Patrol, Colorado Wing; and assists in fighting the spread of drug trafficking and abuse.

Executive Request

The Department's request reflects an increase of \$718,439 total funds (0.3 percent) compared to the FY 2013-14 appropriation, including a \$475,502 (6.4 percent) increase in General Fund appropriations. The requested increase in total funds is primarily related to increases in employee salaries, state contribution for employee benefits, adjustments to centrally appropriated line items, and request items R-1 through R-2.

Staff Recommendation

Staff recommends the Department's request with a few changes. Minor adjustments have been made for centrally appropriated line items and total compensation common policies, as approved by the Committee. In addition, staff has adjusted the appropriation for the Colorado State Veteran's Trust Fund to reflect anticipated tobacco master settlement transfers.

DEPARTMENT REQUEST AND RECOMMENDATION SUMMARY

Department of Military and Veterans Affairs						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
S.B. 13-230 (Long Bill)	<u>\$223,858,252</u>	<u>\$7,378,715</u>	<u>\$1,239,695</u>	<u>\$800,000</u>	<u>\$214,439,842</u>	<u>1,389.6</u>
TOTAL	\$223,858,252	\$7,378,715	\$1,239,695	\$800,000	\$214,439,842	1,389.6
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$223,858,252	\$7,378,715	\$1,239,695	\$800,000	\$214,439,842	1,389.6
R1 Veterans cemetery growth	38,773	38,773	0	0	0	0.9
R2 Operations and maintenance growth	277,000	277,000	0	0	0	0.0
Non-prioritized requested changes	45,877	45,877	0	0	0	0.0
Centrally appropriated line item adjustments	572,902	245,199	8,023	0	319,680	0.0
Tobacco Revenue Forecast Adjustment	36,062	0	36,062	0	0	0.0
Statewide IT common policy adjustments	(92,721)	(92,721)	0	0	0	0.0
Annualize prior year budget actions	<u>(939)</u>	<u>(939)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.3</u>
TOTAL	\$224,735,206	\$7,891,904	\$1,283,780	\$800,000	\$214,759,522	1,390.8
Increase/(Decrease)	\$876,954	\$513,189	\$44,085	\$0	\$319,680	1.2
Percentage Change	0.4%	7.0%	3.6%	0.0%	0.1%	0.1%
FY 2014-15 Executive Request	\$224,576,691	\$7,851,217	\$1,245,863	\$800,000	\$214,679,611	1,390.8
Request Above/(Below) Recommendation	(\$158,515)	(\$40,687)	(\$37,917)	\$0	(\$79,911)	0.0

Description of Incremental Changes

R1 Veterans cemetery growth: The recommendation includes an increase of \$38,773 General Fund and 0.9 FTE to fund an additional groundskeeper to support facility maintenance and repair at the Western Slope Veterans' Cemetery in Grand Junction, CO.

R2 Operations and maintenance growth: The recommendation includes an increase of \$277,000 General Fund in the Utilities Line Item for increased utilities costs at newly opened armory facilities, and to support controlled maintenance projects costs.

Non-prioritized requested changes: The recommendation includes the annual fleet vehicle change from the Department of Personnel, a budget neutral adjustment from Capitol Complex Leased Space to Operating Expenses/Utilities for the Department of Personnel's request for

direct billing to agencies of utilities for Camp George West, and the following changes from the Office of Information Technology: secure Colorado phase II, eliminate redundant applications, Capitol Complex network resiliency, IT service management ecosystem, DTRS operations increase, and IT technical development.

Centrally appropriated line item adjustments: The recommendation includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; merit pay; salary survey; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; workers' compensation; shift differential; legal services; payment to risk management and property funds; and Capitol complex leased space.

Tobacco Revenue Forecast Adjustment: The recommendation includes an increase of \$36,062 cash funds to reflect anticipated transfers from the tobacco settlement forecast, and Committee policy.

Statewide IT common policy adjustments: The recommendation includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); information technology security; and communication services payments.

Annualize prior year budget actions: The recommendation includes adjustments related to prior year legislation and budget actions.

(1) EXECUTIVE DIRECTOR AND ARMY NATIONAL GUARD

The Executive Director's Office is responsible for the administration of the Department. It provides leadership to the Department by managing the general administrative functions, which include policy development; human resource management; accounting; purchasing and contracting; and budgeting. The Executive Director's Office is also responsible for the legislative program of the Department at the state and federal level.

The Army National Guard is funded by the federal government and managed and staffed by Federal Civil Service employees. The federal government fully funds National Guard training and provides most of the funding for construction of armories and other military facilities. Under its cooperative agreements with the federal government, the Department provides 50 percent of maintenance and utilities costs at nineteen state owned armories, and 20 or 25 percent of these costs at three federal armories.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

Executive Director and Army National Guard						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
S.B. 13-230 (Long Bill)	<u>\$11,691,902</u>	<u>\$4,951,474</u>	<u>\$125,764</u>	<u>\$800,000</u>	<u>\$5,814,664</u>	<u>85.7</u>
TOTAL	\$11,691,902	\$4,951,474	\$125,764	\$800,000	\$5,814,664	85.7
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$11,691,902	\$4,951,474	\$125,764	\$800,000	\$5,814,664	85.7
R2 Operations and maintenance growth	277,000	277,000	0	0	0	0.0
Non-prioritized requested changes	45,877	45,877	0	0	0	0.0
Centrally appropriated line item adjustments	403,226	195,705	3,278	0	204,243	0.0
Statewide IT common policy adjustments	(92,721)	(92,721)	0	0	0	0.0
Annualize prior year budget actions	(195)	(195)	0	0	0	0.1
TOTAL	\$12,325,089	\$5,377,140	\$129,042	\$800,000	\$6,018,907	85.8
Increase/(Decrease)	\$633,187	\$425,666	\$3,278	\$0	\$204,243	0.1
Percentage Change	5.4%	8.6%	2.6%	0.0%	3.5%	0.1%
FY 2014-15 Executive Request:	\$12,202,636	\$5,336,453	\$127,187	\$800,000	\$5,938,996	85.8
Request Above/(Below) Recommendation	(\$122,453)	(\$40,687)	(\$1,855)	\$0	(\$79,911)	0.0

LINE ITEM DETAIL – EXECUTIVE DIRECTOR AND ARMY NATIONAL GUARD

Personal Services

This line item funds the FTE in the Executive Director's Office which includes administrative and professional staff and labor trades and crafts FTE who maintain and repair armories and other military facilities. Cash funds for this purpose are from armory rental fees, federal funds are from cooperative agreements with the federal government for operations of the Colorado National Guard. The Department requests \$2,179,514 and 34.3 FTE for this purpose. **Staff recommends the request.**

Health, Life, and Dental

This line item funds the Department's share of group health, life and dental insurance plans for state employees. Health, life, and dental is appropriated to the Executive Director's Office and distributed as needed throughout the Department.

Request and Recommendation: The Department requests an appropriation of \$824,533 including a General Fund appropriation of \$244,983. **Staff recommends the request, consistent with Committee policy.**

Short-term Disability

This line item funds the Department's share of the short-term disability program for state employees, administered by the Department of Personnel. The Department requests an appropriation of \$15,974 total funds. **Staff recommends \$15,997 total funds, consistent with Committee policy.**

S.B. 04-257 Amortization Equalization Disbursement

This line item funds the costs associated with S.B. 04-257, which requires statutorily defined increases of state contributions for employees PERA accounts. The Department requests an appropriation of \$307,974 total funds. **Staff recommends, in accordance with Committee policy, an appropriation of \$308,244 total funds.**

S.B. 06-235 Supplemental Amortization Equalization Disbursement

Senate Bill 06-235 created a mechanism to increase the State's PERA contribution rate, in lieu of pay increases, beginning on January 1, 2008. The Department requests an appropriation of \$288,726, total funds. **Staff recommends, in accordance with Committee policy, an appropriation of \$288,980 total funds.**

Salary Survey

Pursuant to Section 24-50-104 (4) (c), C.R.S., the Department of Personnel's total compensation report recommends salary adjustments for each year, which are funded by this line item. The Department requests \$122,074 total funds for this purpose. **Staff recommends \$248,410 total funds, consistent with Committee policy.**

Merit Pay

Employee performance-based pay is centrally appropriated and funded by this line item pursuant to Section 24-50-104 (1) (c) (I), C.R.S. The Department requests \$130,167 total funds for this purpose. **Staff recommends \$130,158 total funds, consistent with Committee policy.**

Shift Differential.

This line item pays for shift premiums for personnel working outside of regular business hours. The Department requests \$26,806 for this purpose. **Staff recommends \$26,806, consistent with Committee policy.**

Workers' Compensation

This line item is used to pay the Department's share of the State's workers' compensation program administered by DPA. The Department requests an appropriation of \$85,660 total funds including \$29,561 General Fund. **Staff recommendation for this line item is pending the approval of a Committee policy.** Staff requests permission to adjust all pending line items and apply a fund split, once Committee policy is established.

Operating Expenses

Expenditures from this line item range from office equipment and supplies to travel expenses to utilities/maintenance costs. The Department requests \$2,367,685 (including \$1,479,980 General Fund) for this purpose. The request includes an increase of \$277,000 related to R2, and a decrease of \$4,703 for prior year legislation. **Staff recommends the request.**

➔ R2 Operations and maintenance growth

The request includes an increase of \$277,000 General Fund for increased utilities costs at newly opened armory facilities, and to support controlled maintenance projects costs.

In October 2007, the Federal National Guard Bureau awarded a new 800 soldier infantry battalion to Colorado, which generates approximately \$8.2 million in annual payroll. The battalion award mandated the construction of five new armories. The State must pay a share of the maintenance and utility costs associated with the operation of armories. For armories on State land the Department pays 50.0 percent of costs, if the armory is on federal land the state pays 25.0 percent of maintenance and utility costs.

The increase in utility costs can be attributed to an increase in square footage maintained through the state share of armory operation costs as the armories are completed. Staff believes funding this request is consistent with the intent of the General Assembly when funding was approved for construction of these armories.

➔ Non-prioritized requested changes

The request includes a budget neutral adjustment from Capitol Complex Leased Space to Operating Expenses/Utilities for the Department of Personnel's request for direct billing to agencies of utilities for Camp George West. **Staff recommendation for this line item is pending the approval of a Committee policy.**

Information Technology Asset Maintenance

This line item provides funding for the upkeep and maintenance of the Department's information technology infrastructure. **Staff recommends approving the Department's request for a continuing level of appropriation of \$22,372 General Fund.**

Legal Services for 110 Hours

This line item funds the purchase of legal services from the Department of Law. The Department requests a continuation appropriation of 110 hours of legal services. **Staff recommends the request, the dollar amount for this appropriation is pending Committee approval of the FY 2014-15 legal services rate.**

Payments to OIT

This line item is requested by the Office of Information Technology in FY 2014-15, along with five additional non-prioritized requests for the Department. The Department requests \$506,183 total funds for this line item. **Staff recommendation is pending Committee approval of a common policy for this line item.**

Purchase of Services from Computer Center

This line item provides funding for the Department's use of the centralized computer system maintained by the Office of Information Technology (OIT). Based on the request from OIT, the Department requests no appropriation for this line item in FY 2014-15. **Staff recommendation is pending Committee approval of a common policy for this line item.**

Multiuse Network Payments

This line item provides funding for the Department's costs for inclusion in the State network. Based on rates charged by OIT, the Department requests no appropriation for this purpose. **Staff recommendation is pending Committee approval of a common policy for this line item.**

Management and Administration of OIT

This line item provides funding for the Department's share of the operations of the Office of Information Technology. The Department requests that no appropriation for this line item. **Staff recommendation is pending Committee approval of a common policy for this line item.**

Payment to Risk Management and Property Funds

This line item funds the Department's share of the costs of the State's self-insurance program for property losses and other risks. The Department requests an appropriation of \$109,547 General Fund. **Staff recommendation is pending Committee approval of a common policy for this line item.**

Vehicle Lease Payments

This line item funds lease costs of the Department's vehicle fleet. The Department requests an appropriation of \$47,036 General Fund for this purpose. The Department requests replacement during FY 2014-15 three vehicles, which will exceed 130,000 by June 2015. **Staff recommends replacement of the requested three vehicles; the dollar amount is pending Committee action during figure setting for the Department of Personnel.**

Leased Space

This line item funds the lease for the offices of the Division of Veterans Affairs. The Department requests a continuing level of appropriation of \$44,978 General Fund. **Staff recommends request.**

Capitol Complex Leased Space

This line item provides funding for the buildings occupied by the Colorado National Guard occupied at Camp George West. The federal government pays a share of the Camp George West utilities costs; it does not pay any of the other Capital complex leased space costs. The Department requests an appropriation of \$55,813 total funds, including \$35,271 General Fund.



Non-prioritized requested changes

The request includes a budget neutral adjustment from Capitol Complex Leased Space to Operating Expenses/Utilities for the Department of Personnel's request for direct billing to agencies of utilities for Camp George West. **Staff recommendation for this line item is pending the approval of a Committee policy.**

Communications Services Payments

This line item funds the Department's costs for network and telephone communications services and the digital trunked radio network. The Department requests no appropriation for this line item. **Staff recommendation is pending Committee approval of a common policy for this line item.**

COFRS Modernization

This line item funds a project to replace the statewide accounting system (COFRS) used by the State Controller to record all state revenues and expenditures. The Department requests a continuation appropriation of \$1,418 General Fund. **Staff's recommendation is PENDING Committee common policy for Capital Construction.**

Civil Air Patrol Operations

The Civil Air Patrol is a federally-chartered nonprofit organization that serves as a civilian auxiliary of the U.S. Air Force. It has three key missions: emergency services (which includes search and rescue, and disaster relief operations), aerospace education, and cadet programs for teenage youth. The Colorado Wing of the Patrol consists of approximately 2,000 volunteers and has 15 aircraft located around the state. The Colorado Wing receives support from the Federal Government; the Department supports the Wing by providing 1.0 FTE and by paying part of the minor aircraft maintenance and operating expenses. **Staff recommends that the Committee approve the Department's request for a continuing appropriation of \$58,638 General Fund.**

Information Technology Security

This line item funds the Department's costs for information technology security provided by the Office of Information Technology. The Department requests no appropriation for this line item.

Local Armory Incentive Program

This line item provides spending authority for revenues collected for armory rentals and pays for rental-related costs. **Staff recommends that the Committee approve the Department's request for a continuing appropriation of \$46,610 cash funds from armory rental proceeds.**

Distance Learning

This line item provides spending authority for revenues received from the use of the Department's distance learning facilities. The Department requests an appropriation of \$3,000 cash funds from fees on distance learning facilities and equipment. **Staff recommends the request.**

Colorado National Guard Tuition Fund

This line item provides funding for tuition assistance for members of the Colorado National Guard who attend Colorado state universities and colleges. The Department requests an appropriation of \$1,296,157, comprised of \$496,157 General Fund, and \$800,000 reappropriated funds from the Department of Higher Education. **Staff recommends the request.**

Army National Guard Cooperative Agreement

This line item funds programs that are 100.0 percent federally funded under the Department's cooperative agreements with the U.S. National Guard Bureau for the operations and maintenance of the Colorado Army National Guard program. The line item includes both personal services and operating expenses.

Request and Recommendation: The Department requests an appropriation of \$3,647,331 federal funds and 51.5 FTE. **Staff recommends the request.**

(2) DIVISION OF VETERANS AFFAIRS

The Division of Veterans Affairs represents veterans in federal benefits claims, provides information and training to county veterans service officers, and operates and maintains the Western Slope Military Veterans Cemetery in Grand Junction. The State Board of Veterans Affairs advises the Division on matters pertaining to veterans, makes grants from the Colorado State Veterans Trust Fund for capital improvements and amenities at state veterans nursing homes; costs of state veterans cemeteries; costs of the Division, and for veterans programs operated by non-profit veterans organizations.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

Division of Veterans Affairs						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
S.B. 13-230 (Long Bill)	<u>\$3,293,178</u>	<u>\$2,062,347</u>	<u>\$1,113,931</u>	<u>\$0</u>	<u>\$116,900</u>	<u>16.3</u>
TOTAL	\$3,293,178	\$2,062,347	\$1,113,931	\$0	\$116,900	16.3
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$3,293,178	\$2,062,347	\$1,113,931	\$0	\$116,900	16.3
R1 Veterans cemetery growth	38,773	38,773	0	0	0	0.9
Centrally appropriated line item adjustments	43,048	38,303	4,745	0	0	0.0
Tobacco Revenue Forecast Adjustment	36,062	0	36,062	0	0	0.0
Annualize prior year budget actions	<u>(744)</u>	<u>(744)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.2</u>
TOTAL	\$3,410,317	\$2,138,679	\$1,154,738	\$0	\$116,900	17.4
Increase/(Decrease)	\$117,139	\$76,332	\$40,807	\$0	\$0	1.1
Percentage Change	3.6%	3.7%	3.7%	0.0%	0.0%	6.7%
FY 2014-15 Executive Request:	\$3,374,255	\$2,138,679	\$1,118,676	\$0	\$116,900	17.4
Request Above/(Below) Recommendation	(\$36,062)	\$0	(\$36,062)	\$0	\$0	0.0

LINE ITEM DETAIL – DIVISION OF VETERANS AFFAIRS

Veterans Service Operations

This line item funds salaries, operating and administrative expenses of the Division of Veterans Affairs. These FTE are responsible for assisting veterans in obtaining federal and state benefits, and provide training and support to county veterans service officers. The Department requests \$811,896 total funds including \$769,699 General Fund, and 12.0 FTE for this purpose.

Recommendation: Staff recommends the Committee approve \$811,896 total funds including \$769,669 General Fund and 12.0 FTE.

County Veterans Service Officer Payments

This line item funds payments to counties for administrative support of county veterans service officers. Section 28-5-801 (1), C.R.S. requires each county to appoint a County Veterans Service Officer (CVSO). The state reimburses the counties at the rate of \$200 per month for a part-time officer and \$400 per month for a full-time officer. This line item also funds a pilot program in five counties that reimburses counties for increasing veterans enrolled with the U.S. Department of Veterans Affairs.

Request and Recommendation: The Department requests a continuing level of appropriation of \$190,564 General Fund. **Staff recommends the request.**

Colorado State Veterans Trust Fund Expenditures

The Colorado State Veterans Trust fund is funded by a transfer of one percent of the revenue that the State receives from the Tobacco Master Settlement Agreement (MSA), up to a maximum of \$1.0 million per fiscal year. Pursuant to Section 28-5-709 (3) (c), C.R.S., 90.0 percent of the moneys transferred, plus accumulated interest earned by the Trust, are subject to annual appropriation by the General Assembly. These funds can be used for capital improvements and amenities at state veterans nursing homes; costs of state veterans cemeteries; costs of the Division, and for veterans programs operated by non-profit veterans organizations.

Request and Recommendation: The Department requests \$843,938 cash funds. Staff recommends \$880,000 cash funds, which reflects 90.0 percent of the anticipated tobacco transfer for FY 2014-15, and available interest in the fund.

Mental Health, Employment, Housing and other Veterans Services

This line item was added during conference committee for the Long Bill in FY 2012-13. The moneys are used to provide grants to non-profit and governmental agencies providing services to Veterans. The Department requests a continuing level appropriation of \$1.0 million General Fund. **Staff recommends the request.**

Western Slope Military Veterans Cemetery

This line item provides funding for personal services costs for the cemetery, as well as for cemetery operating costs such as utilities, routine maintenance, minor construction and improvement, and administrative costs.

Request and Recommendation: The Department requests an appropriation of \$527,767 total funds and 4.5 FTE. **Staff recommends the request.**

 R1 Veterans Cemetery Growth

The Department submitted two requests for funding in the FY 2014-15 budget request related to the Cemetery. The R1 request includes an increase of \$45,547 General Fund to hire a groundskeeper. This cost estimate for a monthly salary of \$2,748 is 22.7 percent lower than a

comparable private position, as reported by the Mesa County Work Force Center. As evidenced by the table below, workload directly related to burial services has increased 28.0 percent since 2007, while FTE have not increased over that same period. In addition to workload related to burial services, maintenance and repairs tasks have increased over this same time period due to aging facilities and equipment.

Western Slope Veterans' Cemetery Workload and FTE		
Year	Burials	Grounds FTE
2007	210	2.5
2008	265	2.5
2009	239	2.5
2010	254	2.5
2011	240	2.5
2012	269	2.5
% Increase 2007-2012	28.0%	0.0%

The second request is for Capital Construction moneys of \$4.6 million to improve and expand Cemetery capacity by 672 columbarium niches and 2,635 total niches. The request also includes an addition of 1,827 square foot for the administration and equipment storage buildings. The Department indicates approval of the 1.0 FTE request will be sufficient to maintain the Cemetery if the related Capital Construction request is also approved.

(3) AIR NATIONAL GUARD

This Division funds the State’s share of the costs of the Colorado Air National Guard and represents some of the related federal funding. The federal government fully funds National Guard training and provides most of the funding for construction of armories and other military facilities.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

Air National Guard						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
S.B. 13-230 (Long Bill)	<u>\$3,226,803</u>	<u>\$364,894</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,861,909</u>	<u>48.6</u>
TOTAL	\$3,226,803	\$364,894	\$0	\$0	\$2,861,909	48.6
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$3,226,803	\$364,894	\$0	\$0	\$2,861,909	48.6
Centrally appropriated line item adjustments	<u>126,628</u>	<u>11,191</u>	<u>0</u>	<u>0</u>	<u>115,437</u>	<u>0.0</u>
TOTAL	\$3,353,431	\$376,085	\$0	\$0	\$2,977,346	48.6
Increase/(Decrease)	\$126,628	\$11,191	\$0	\$0	\$115,437	0.0
Percentage Change	3.9%	3.1%	0.0%	0.0%	4.0%	0.0%
FY 2014-15 Executive Request:	\$3,353,431	\$376,085	\$0	\$0	\$2,977,346	48.6
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LINE ITEM DETAIL – AIR NATIONAL GUARD

Operations and maintenance agreement for Buckley/Greeley

This line item provides General Fund support and reflects federal support for the operations and maintenance costs of the Air National Guard activities that are housed at Buckley Air Force Base and Greeley. These costs include personal services, operating expenses, and utilities. The portion of General Fund and federal funds is based on the annual cooperative agreement between the Department and the U.S. Department of Defense.

Request and Recommendation: The Department requests \$2,056,610 total funds and 26.1 FTE for this line item. **Staff recommends the request.**

Buckley Cooperative Agreement

This line item reflects the federal contribution for operations and maintenance of the Air National Guard. It funds personal services, operating expenses, and utilities.

Request and Recommendation: The Department requests \$1,063,725 federal funds and 17.5 FTE. **Staff recommends the request.**

Security for Space Command Facility at Greeley

The federal government pays the State to employ five full-time security guards at the Greeley facility.

Request and Recommendation: The Department requests \$233,096 federal funds and 5.0 FTE for this purpose. **Staff recommends the request.**

(4) FEDERAL FUNDED PROGRAMS

This section is included for informational purposes only, and describes federal funding that is managed by the Department but is not subject to appropriation by the General Assembly. These programs provide training one weekend per month and two weeks per year for members of the Colorado National Guard.

DIVISION REQUEST AND RECOMMENDATION SUMMARY

Federal Funded Programs						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
S.B. 13-230 (Long Bill)	<u>\$205,646,369</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$205,646,369</u>	<u>1,239.0</u>
TOTAL	\$205,646,369	\$0	\$0	\$0	\$205,646,369	1,239.0
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	<u>\$205,646,369</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$205,646,369</u>	<u>1,239.0</u>
TOTAL	\$205,646,369	\$0	\$0	\$0	\$205,646,369	1,239.0
Increase/(Decrease)	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2014-15 Executive Request:	\$205,646,369	\$0	\$0	\$0	\$205,646,369	1,239.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LINE ITEM DETAIL – FEDERAL FUNDED PROGRAMS

Federal Funded Programs Operations

The Department requests a continuing level of appropriation of \$205,646,369 federal funds, and 1,239.0 FTE for FY 2014-15. **Staff recommends the request.**

Long Bill Footnotes and Requests for Information

LONG BILL FOOTNOTES

Staff recommends the following footnotes be **continued**:

Department of Military and Veterans Affairs, Division of Veterans Affairs, Mental Health, Employment, Housing and Other Veterans Services -- These moneys will be granted to non-profit or governmental entities that provide mental health, family counseling, job training, employment, housing, and other services to veterans; and that the Colorado Board of Veterans Affairs assist the Division in developing grant-making criteria and selecting grant recipients. Up to three percent of this appropriation may be used for related administrative expenses incurred by the department.

REQUESTS FOR INFORMATION

None.

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
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DEPARTMENT OF MILITARY AND VETERANS AFFAIRS H. Michael Edwards, Adjutant General

(1) EXECUTIVE DIRECTOR AND ARMY NATIONAL GUARD

Provides trained and ready forces to the U.S. active armed services and provides trained and ready forces for the preservation of life and property during natural disasters and civil emergencies in Colorado. The cash funds sources are armory rental fees, the Western Slope Military Veterans Cemetery Fund; real estate proceeds; and the Distance Learning Cash Fund. Reappropriated funds are from the Department of Higher Education.

Personal Services	<u>2,001,431</u>	<u>2,013,630</u>	<u>2,076,235</u>	<u>2,179,514</u>	<u>2,179,514</u>
FTE	30.2	30.2	34.2	34.3	34.3
General Fund	1,781,039	1,795,942	1,847,801	1,938,443	1,938,443
Cash Funds	0	0	3,729	3,907	3,907
Federal Funds	220,392	217,688	224,705	237,164	237,164
Health, Life, and Dental	<u>142,998</u>	<u>214,930</u>	<u>765,826</u>	<u>828,954</u>	<u>824,533</u>
General Fund	129,116	196,640	224,839	249,404	244,983
Cash Funds	13,882	18,290	15,836	15,836	15,836
Federal Funds	0	0	525,151	563,714	563,714
Short-term Disability	<u>3,705</u>	<u>4,119</u>	<u>13,270</u>	<u>15,974</u>	<u>15,997</u>
General Fund	3,379	3,998	4,547	5,805	5,779
Cash Funds	129	121	140	231	233
Federal Funds	197	0	8,583	9,938	9,985
S.B. 04-257 Amortization Equalization					
Disbursement	<u>57,909</u>	<u>73,739</u>	<u>262,764</u>	<u>307,974</u>	<u>308,244</u>
General Fund	52,820	71,536	89,488	111,479	110,810
Cash Funds	1,970	2,203	2,792	4,423	4,444
Federal Funds	3,119	0	170,484	192,072	192,990

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>46,248</u>	<u>63,075</u>	<u>236,934</u>	<u>288,726</u>	<u>288,980</u>
General Fund	42,159	61,182	80,504	104,512	103,885
Cash Funds	1,583	1,893	2,520	4,146	4,167
Federal Funds	2,506	0	153,910	180,068	180,928
Salary Survey	<u>0</u>	<u>0</u>	<u>306,058</u>	<u>122,074</u>	<u>248,410</u>
General Fund	0	0	99,159	43,347	89,745
Cash Funds	0	0	3,649	1,805	3,611
Federal Funds	0	0	203,250	76,922	155,054
Merit Pay	<u>0</u>	<u>0</u>	<u>120,176</u>	<u>130,167</u>	<u>130,158</u>
General Fund	0	0	38,188	42,303	42,335
Cash Funds	0	0	1,488	1,229	1,234
Federal Funds	0	0	80,500	86,635	86,589
Shift Differential	<u>23,433</u>	<u>24,020</u>	<u>23,433</u>	<u>26,806</u>	<u>26,806</u>
Federal Funds	23,433	24,020	23,433	26,806	26,806
Workers' Compensation	<u>58,445</u>	<u>67,511</u>	<u>77,843</u>	<u>85,660</u>	<u>85,660</u>
General Fund	19,870	22,954	26,864	29,561	29,561
Federal Funds	38,575	44,557	50,979	56,099	56,099
Operating Expenses	<u>2,226,955</u>	<u>2,204,153</u>	<u>2,062,423</u>	<u>2,367,685</u>	<u>2,367,685</u>
General Fund	1,084,744	1,161,474	1,186,851	1,479,980	1,479,980
Cash Funds	0	0	46,000	46,000	46,000
Federal Funds	1,142,211	1,042,679	829,572	841,705	841,705

JBC Staff Staff Figure Setting - FY 2014-15
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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Information Technology Asset Maintenance General Fund	<u>20,608</u> 20,608	<u>21,812</u> 21,812	<u>22,372</u> 22,372	<u>22,372</u> 22,372	<u>22,372</u> 22,372
Legal Services General Fund	<u>1,753</u> 1,753	<u>4,065</u> 4,065	<u>10,019</u> 10,019	<u>10,019</u> 10,019	<u>10,019</u> 10,019
Payments to OIT General Fund	<u>0</u> 0	<u>0</u> 0	<u>0</u> 0	<u>506,183</u> 506,183	<u>506,183</u> 506,183
Purchase of Services from Computer Center General Fund	<u>178,812</u> 178,812	<u>335,207</u> 335,207	<u>441,055</u> 441,055	<u>0</u> 0	<u>0</u> 0
Multiuse Network Payments General Fund	<u>59,906</u> 59,906	<u>92,051</u> 92,051	<u>86,378</u> 86,378	<u>0</u> 0	<u>0</u> 0
Management and Administration of OIT General Fund	<u>60,776</u> 60,776	<u>0</u> 0	<u>0</u> 0	<u>0</u> 0	<u>0</u> 0
Payment to Risk Management and Property Funds General Fund	<u>110,330</u> 110,330	<u>161,082</u> 161,082	<u>65,699</u> 65,699	<u>109,547</u> 109,547	<u>109,547</u> 109,547
Vehicle Lease Payments General Fund	<u>33,262</u> 33,262	<u>33,964</u> 33,964	<u>41,309</u> 41,309	<u>47,036</u> 47,036	<u>47,036</u> 47,036
Leased Space General Fund	<u>43,212</u> 43,212	<u>44,193</u> 44,193	<u>44,978</u> 44,978	<u>44,978</u> 44,978	<u>44,978</u> 44,978

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Capitol Complex Leased Space	<u>79,532</u>	<u>75,101</u>	<u>94,354</u>	<u>55,813</u>	<u>55,813</u>
General Fund	52,733	46,391	59,616	35,271	35,271
Federal Funds	26,799	28,710	34,738	20,542	20,542
Communication Services Payments	<u>13,001</u>	<u>26,235</u>	<u>19,902</u>	<u>0</u>	<u>0</u>
General Fund	13,001	26,235	19,902	0	0
COFRS Modernization	<u>0</u>	<u>0</u>	<u>1,418</u>	<u>1,418</u>	<u>1,418</u>
General Fund	0	0	1,418	1,418	1,418
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Civil Air Patrol Operations	<u>41,565</u>	<u>56,153</u>	<u>58,638</u>	<u>58,638</u>	<u>58,638</u>
General Fund	41,565	56,153	58,638	58,638	58,638
Information Technology Security	<u>0</u>	<u>0</u>	<u>5,692</u>	<u>0</u>	<u>0</u>
General Fund	0	0	5,692	0	0
Local Armory Incentive Plan	<u>18,873</u>	<u>16,434</u>	<u>46,610</u>	<u>46,610</u>	<u>46,610</u>
Cash Funds	18,873	16,434	46,610	46,610	46,610
Distance Learning	<u>0</u>	<u>0</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	3,000	3,000	3,000
Colorado National Guard Tuition fund	<u>842,082</u>	<u>993,818</u>	<u>1,296,157</u>	<u>1,296,157</u>	<u>1,296,157</u>
General Fund	246,157	246,157	496,157	496,157	496,157
Reappropriated Funds	595,925	747,661	800,000	800,000	800,000

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Army National Guard Cooperative Agreement	<u>7,084,872</u>	<u>5,773,803</u>	<u>3,509,359</u>	<u>3,647,331</u>	<u>3,647,331</u>
FTE	56.4	55.8	51.5	51.5	51.5
Federal Funds	7,084,872	5,773,803	3,509,359	3,647,331	3,647,331
TOTAL - (1) Executive Director and Army National Guard	13,149,708	12,299,095	11,691,902	12,202,636	12,325,089
FTE	<u>86.6</u>	<u>86.0</u>	<u>85.7</u>	<u>85.8</u>	<u>85.8</u>
General Fund	3,975,242	4,381,036	4,951,474	5,336,453	5,377,140
Cash Funds	36,437	38,941	125,764	127,187	129,042
Reappropriated Funds	595,925	747,661	800,000	800,000	800,000
Federal Funds	8,542,104	7,131,457	5,814,664	5,938,996	6,018,907

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
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(2) DIVISION OF VETERANS AFFAIRS

The Division represents veterans in federal benefits claims, provides information and training to county veterans service officers, and maintains the Western Slope Veterans' Cemetery in Grand Junction. The State Board of Veterans Affairs makes grants to veterans service organizations from the Veterans Trust Fund, which is derived from tobacco settlement proceeds.

Veterans Service Operations	<u>565,194</u>	<u>531,942</u>	<u>780,552</u>	<u>811,896</u>	<u>811,896</u>
FTE	8.4	8.4	11.8	12.0	12.0
General Fund	532,612	507,684	738,355	769,699	769,699
Cash Funds	32,582	24,258	42,197	42,197	42,197
Reappropriated Funds	0	0	0	0	0
County Veterans Service Officer Payments	<u>172,654</u>	<u>178,854</u>	<u>190,654</u>	<u>190,654</u>	<u>190,654</u>
General Fund	172,654	178,854	190,654	190,654	190,654
Colorado State Veterans Trust Fund Expenditures	<u>767,841</u>	<u>871,330</u>	<u>843,938</u>	<u>843,938</u>	<u>880,000</u>
Cash Funds	767,841	871,330	843,938	843,938	880,000
Mental Health, Employment, Housing and Other					
Veterans Services	0	963,336	1,000,000	1,000,000	1,000,000
General Fund	0	963,336	1,000,000	1,000,000	1,000,000
Western Slope Veterans Cemetery	<u>276,888</u>	<u>379,901</u>	<u>478,034</u>	<u>527,767</u>	<u>527,767</u>
FTE	4.5	5.0	4.5	5.4	5.4
General Fund	130,754	128,448	133,338	178,326	178,326
Cash Funds	43,134	201,047	227,796	232,541	232,541
Federal Funds	103,000	50,406	116,900	116,900	116,900

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
TOTAL - (2) Division of Veterans Affairs	1,782,577	2,925,363	3,293,178	3,374,255	3,410,317
<i>FTE</i>	<u>12.9</u>	<u>13.4</u>	<u>16.3</u>	<u>17.4</u>	<u>17.4</u>
General Fund	836,020	1,778,322	2,062,347	2,138,679	2,138,679
Cash Funds	843,557	1,096,635	1,113,931	1,118,676	1,154,738
Reappropriated Funds	0	0	0	0	0
Federal Funds	103,000	50,406	116,900	116,900	116,900

JBC Staff Staff Figure Setting - FY 2014-15
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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
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(3) AIR NATIONAL GUARD

Provides ready forces to the U.S. active armed services and provides ready forces for the preservation of life and property during natural disasters and in Colorado.

Operations and Maintenance Agreement for

Buckley/Greeley	<u>1,307,275</u>	<u>1,341,494</u>	<u>1,992,171</u>	<u>2,056,610</u>	<u>2,056,610</u>
FTE	0.0	16.9	26.1	26.1	26.1
General Fund	345,650	354,247	364,894	376,085	376,085
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	961,625	987,247	1,627,277	1,680,525	1,680,525
 Buckley Cooperative Agreement	 <u>1,616,874</u>	 <u>1,757,091</u>	 <u>1,013,550</u>	 <u>1,063,725</u>	 <u>1,063,725</u>
FTE	21.3	21.9	17.5	17.5	17.5
Federal Funds	1,616,874	1,757,091	1,013,550	1,063,725	1,063,725
 Security for Space Command Facility at Greeley	 <u>360,853</u>	 <u>360,355</u>	 <u>221,082</u>	 <u>233,096</u>	 <u>233,096</u>
FTE	7.0	6.5	5.0	5.0	5.0
Federal Funds	360,853	360,355	221,082	233,096	233,096

TOTAL - (3) Air National Guard	3,285,002	3,458,940	3,226,803	3,353,431	3,353,431
FTE	<u>28.3</u>	<u>45.3</u>	<u>48.6</u>	<u>48.6</u>	<u>48.6</u>
General Fund	345,650	354,247	364,894	376,085	376,085
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	2,939,352	3,104,693	2,861,909	2,977,346	2,977,346

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
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(4) FEDERAL FUNDED PROGRAMS

Trains state military forces. Note: This section is included in the Long Bill for informational purposes only. These funds are not subject to Assembly and do not pass through the state accounting system. Totals are reported based on the federal fiscal year beginning October 1, not the State beginning July 1.

Federal Funded Programs Operations	<u>205,646,369</u>	<u>205,646,369</u>	<u>205,646,369</u>	<u>205,646,369</u>	<u>205,646,369</u>
FTE	1,239.0	1,239.0	1,239.0	1,239.0	1,239.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	205,646,369	205,646,369	205,646,369	205,646,369	205,646,369

TOTAL - (4) Federal Funded Programs	205,646,369	205,646,369	205,646,369	205,646,369	205,646,369
FTE	<u>1,239.0</u>	<u>1,239.0</u>	<u>1,239.0</u>	<u>1,239.0</u>	<u>1,239.0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	205,646,369	205,646,369	205,646,369	205,646,369	205,646,369

TOTAL - Department of Military and Veterans					
Affairs	223,863,656	224,329,767	223,858,252	224,576,691	224,735,206
FTE	<u>1,366.8</u>	<u>1,383.7</u>	<u>1,389.6</u>	<u>1,390.8</u>	<u>1,390.8</u>
General Fund	5,156,912	6,513,605	7,378,715	7,851,217	7,891,904
Cash Funds	879,994	1,135,576	1,239,695	1,245,863	1,283,780
Reappropriated Funds	595,925	747,661	800,000	800,000	800,000
Federal Funds	217,230,825	215,932,925	214,439,842	214,679,611	214,759,522