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<http://www.minnesotanationalguard.org/>

**AT A GLANCE**

- Serve the 13,307 members of the Minnesota Army (11,074) and Air (2,233) National Guard, local governments, and the citizens of Minnesota.
- Since 9/11, the Minnesota National Guard has deployed more than 26,000 Army and Air Guard members to more than 33 countries worldwide.
- Responsible for approximately \$350 - \$425 million per year from the federal government.
- 307 FTEs (full-time equivalents) cross the state - only 34 are 100% state-funded
- Provided assistance to over 22 state active duty missions in response to floods, fires, blizzards and other natural disasters as well as other emergencies
- Provided more than 23,000 state active duty work days by service members since 2005

**PURPOSE**

Federal: As a federal entity, military members of the Minnesota National Guard serve as a reserve force for the United States Army and Air Force. They are subject to be called to federal active duty for extended periods of time by the President.

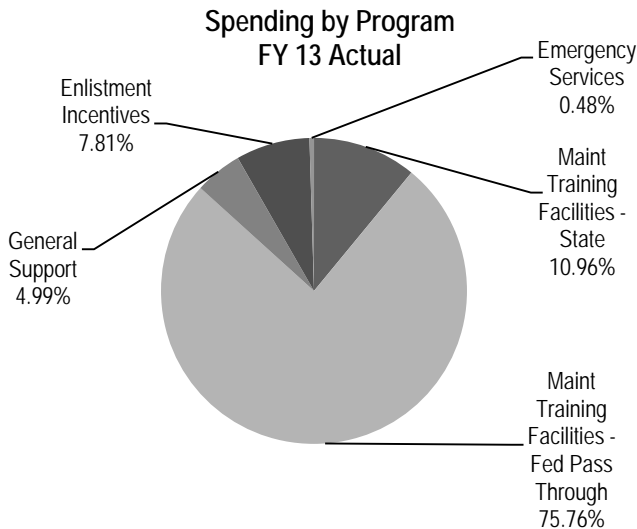
State: As a state entity, the Minnesota National Guard provides support to local law enforcement agencies during natural disasters and other emergencies at the direction of the Governor.

Community: The Minnesota National Guard is also involved in community support projects throughout the state. These projects give our soldiers a chance to "give back to the community."

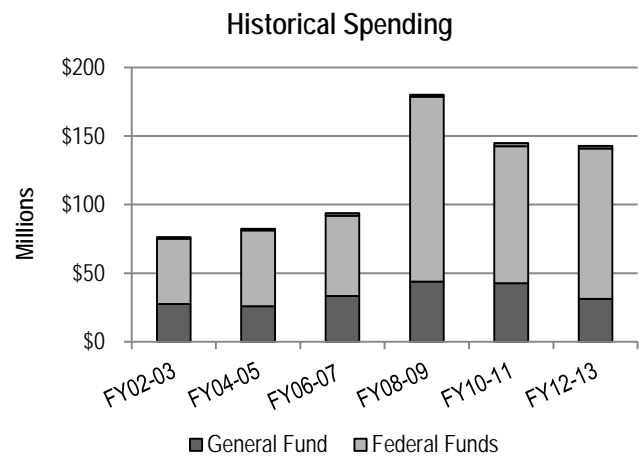
We are comprised of and include the military forces of the state, The Office of The Adjutant General, all military reservations, military installations, armories, air bases, and facilities owned or controlled by the state for military purposes, and civilians employed by the state for the administration of the military department.

We support the following statewide outcome:  
**People in Minnesota are safe**

**BUDGET**

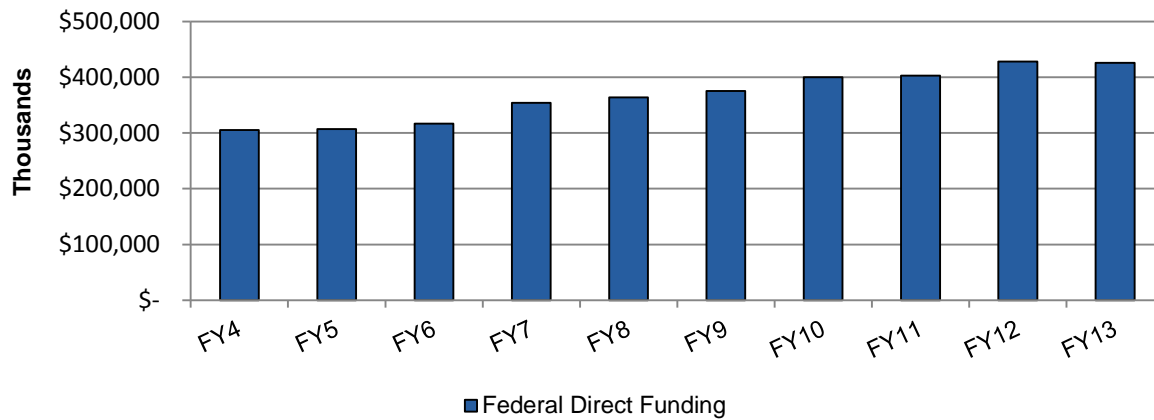


Source: SWIFT



\* Does not include federal direct spending  
 Source: Consolidated Fund Statement

### Historical Spending - Federal Direct Funding



Source: Minnesota National Guard Annual Reports

Ninety-six percent of our total budget comes from the federal government through direct federal funding, cooperative agreements for facilities construction and maintenance, telecommunications, security, firefighting, and the STARBASE educational program serving inner city school students. The state General Fund accounts for 3.5% of our budget, and approximately 0.5% comes from other sources (local government, facility sales, housing operations, etc.). Additionally, we are responsible for approximately \$350 - \$425 million per year from the federal government. These funds are paid to individuals and vendors for federal-related activities and do not pass through the state treasury. The department's staff includes 307 FTEs and only 34 FTEs are 100% state-funded. The remainder are predominantly federally funded -- some at 100% and most others at 75% or 80%.

### STRATEGIES

We integrate federal and state resources to pursue strategies in two lines of effort. The first is **Provide Ready Units** which includes actions that provide a competent ready force, sustain optimal force structure and provide support response to any cyber events. The second is **Relationship Integration** which includes actions that maintain and enhance suitable infrastructure and facilities, sustain the "Beyond the Yellow Ribbon" activities, and diversify the force.

We have four core programs that support the Minnesota National Guard and implement these two lines of effort:

The **Maintenance of Military Training Facilities Program** maintains the state's facilities used to train and house the members of the Minnesota National Guard and to protect the state's investment in facilities including the MN State Armory Building Commission (MSABC) facilities. Each Air National Guard base has a civil engineering function responsible for the maintenance of the federal facilities that are supported with state and federal dollars.

The **Enlistment Incentives Program** supports and manages the department's enlistment incentives and tuition reimbursement programs. These programs provide incentives to the men and women who enlist and maintain their memberships in the Army and Air National Guard.

**Emergency Services** funds emergency response activities at the order of the Governor when the National Guard is activated in response to state emergencies.

**General Support** provides the general administrative, financial, accounting, budgeting, project management, strategic planning, and human resource support necessary for the operation of the department.

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MNDMA's legal authority is provided from M.S. 190 – 195 (<https://www.revisor.mn.gov/statutes/?view=part&start=190&close=195>).

**Expenditures By Fund**

|                                      | Actual        |               | Actual        | Estimate       | Forecast Base  |                | Governor's Recommendation |                |
|--------------------------------------|---------------|---------------|---------------|----------------|----------------|----------------|---------------------------|----------------|
|                                      | FY12          | FY13          | FY14          | FY15           | FY16           | FY17           | FY16                      | FY17           |
| 1000 - General                       | 14,814        | 16,356        | 15,294        | 17,139         | 17,886         | 18,344         | 31,346                    | 21,804         |
| 2000 - Restricted Misc Special Rev   | 937           | 818           | 1,314         | 1,292          | 1,247          | 1,260          | 1,247                     | 1,260          |
| 3000 - Federal                       | 51,441        | 58,202        | 59,070        | 92,448         | 87,070         | 87,070         | 87,070                    | 87,070         |
| <b>Total</b>                         | <b>67,192</b> | <b>75,376</b> | <b>75,678</b> | <b>110,880</b> | <b>106,203</b> | <b>106,674</b> | <b>119,663</b>            | <b>110,134</b> |
| <i>Biennial Change</i>               |               |               |               | 43,989         |                | 26,320         |                           | 43,240         |
| <i>Biennial % Change</i>             |               |               |               | 31             |                | 14             |                           | 23             |
| <i>Governor's Change from Base</i>   |               |               |               |                |                |                |                           | 16,920         |
| <i>Governor's % Change from Base</i> |               |               |               |                |                |                |                           | 8              |

**Expenditures by Program**

|  |               |               |               |                |                |                |                |                |
|--|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|
| Program: Maintenance Training Facilities | 56,911        | 65,361        | 65,612        | 98,909         | 93,381         | 93,391         | 106,381        | 96,391         |
| Program: General Support                 | 3,489         | 3,764         | 3,475         | 4,288          | 3,983          | 3,986          | 4,443          | 4,446          |
| Program: Enlistment Incentives           | 5,613         | 5,895         | 6,427         | 7,286          | 8,443          | 8,901          | 8,443          | 8,901          |
| Program: Emergency Services              | 1,179         | 355           | 164           | 396            | 396            | 396            | 396            | 396            |
| <b>Total</b>                             | <b>67,192</b> | <b>75,376</b> | <b>75,678</b> | <b>110,880</b> | <b>106,203</b> | <b>106,674</b> | <b>119,663</b> | <b>110,134</b> |

**Expenditures by Category**

|                              |               |               |               |                |                |                |                |                |
|------------------------------|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|
| Compensation                 | 18,797        | 19,711        | 20,526        | 22,657         | 23,829         | 24,181         | 23,829         | 24,181         |
| Operating Expenses           | 37,800        | 43,475        | 37,089        | 64,705         | 64,115         | 64,213         | 77,575         | 67,673         |
| Other Financial Transactions | 487           | 310           | 812           | 858            | 819            | 821            | 819            | 821            |
| Grants, Aids and Subsidies   | 5,816         | 7,032         | 6,761         | 8,425          | 8,654          | 9,110          | 8,654          | 9,110          |
| Capital Outlay-Real Property | 4,292         | 4,848         | 10,490        | 14,234         | 8,786          | 8,349          | 8,786          | 8,349          |
| <b>Total</b>                 | <b>67,192</b> | <b>75,376</b> | <b>75,678</b> | <b>110,880</b> | <b>106,203</b> | <b>106,674</b> | <b>119,663</b> | <b>110,134</b> |

**Full-Time Equivalent**

|  |              |              |              |              |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|  | <b>289.7</b> | <b>276.6</b> | <b>295.7</b> | <b>316.1</b> | <b>316.6</b> | <b>315.6</b> | <b>316.6</b> | <b>315.6</b> |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|

(Dollars in Thousands)

**1000 - General**

|  | Actual        |               | Actual<br>FY 14 | Estimate<br>FY15 | Forecast Base |               | Governor's<br>Recommendation |               |
|--|---------------|---------------|-----------------|------------------|---------------|---------------|------------------------------|---------------|
|  | FY12          | FY 13         |                 |                  | FY16          | FY17          | FY16                         | FY17          |
| Balance Forward In                       | 2,727         | 11,652        | 14,497          | 18,723           | 21,332        | 23,193        | 21,332                       | 23,193        |
| Direct Appropriation                     | 22,371        | 19,368        | 19,368          | 19,368           | 19,368        | 19,368        | 19,368                       | 19,368        |
| Open Appropriation                       | 1,179         | 355           | 164             | 396              | 396           | 396           | 396                          | 396           |
| Receipts                                 | 0             | 1             | 0               | 0                | 0             | 0             | 0                            | 0             |
| Net Transfers                            | (10)          | (11)          | (12)            | (17)             | (17)          | (17)          | (17)                         | (17)          |
| Cancellations                            |               | 513           |                 |                  |               |               |                              |               |
| <b>Expenditures</b>                      | <b>14,814</b> | <b>16,356</b> | <b>15,294</b>   | <b>17,139</b>    | <b>17,886</b> | <b>18,344</b> | <b>31,346</b>                | <b>21,804</b> |
| Balance Forward Out                      | 11,453        | 14,496        | 18,723          | 21,332           | 23,193        | 24,596        | 9,733                        | 7,676         |
| <i>Biennial Change in Expenditures</i>   |               |               |                 | 1,263            |               | 3,798         |                              | 20,718        |
| <i>Biennial % Change in Expenditures</i> |               |               |                 | 4                |               | 12            |                              | 64            |
| <i>Gov's Exp Change from Base</i>        |               |               |                 |                  |               |               |                              | 16,920        |
| <i>Gov's Exp % Change from Base</i>      |               |               |                 |                  |               |               |                              | 47            |
| FTEs                                     | 39.4          | 42.7          | 39.5            | 41.0             | 41.0          | 40.0          | 41.0                         | 40.0          |

**2000 - Restricted Misc Special Rev**

|  | Actual     |            | Actual<br>FY 14 | Estimate<br>FY15 | Forecast Base |              | Governor's<br>Recommendation |              |
|--|------------|------------|-----------------|------------------|---------------|--------------|------------------------------|--------------|
|  | FY12       | FY 13      |                 |                  | FY16          | FY17         | FY16                         | FY17         |
| Balance Forward In                       | 1,666      | 3,082      | 3,764           | 3,815            | 2,162         | 2,076        | 2,162                        | 2,076        |
| Receipts                                 | 1,863      | 991        | 873             | 677              | 688           | 698          | 688                          | 698          |
| Net Transfers                            | 489        | 504        | 491             | (1,039)          | 473           | 473          | 473                          | 473          |
| <b>Expenditures</b>                      | <b>937</b> | <b>818</b> | <b>1,314</b>    | <b>1,292</b>     | <b>1,247</b>  | <b>1,260</b> | <b>1,247</b>                 | <b>1,260</b> |
| Balance Forward Out                      | 3,081      | 3,759      | 3,815           | 2,162            | 2,076         | 1,987        | 2,076                        | 1,987        |
| <i>Biennial Change in Expenditures</i>   |            |            |                 | 851              |               | (99)         |                              | (99)         |
| <i>Biennial % Change in Expenditures</i> |            |            |                 | 49               |               | (4)          |                              | (4)          |
| <i>Gov's Exp Change from Base</i>        |            |            |                 |                  |               |              |                              | 0            |
| <i>Gov's Exp % Change from Base</i>      |            |            |                 |                  |               |              |                              | 0            |
| FTEs                                     | 11.8       | 14.0       | 14.4            | 17.7             | 18.2          | 18.2         | 18.2                         | 18.2         |

**3000 - Federal**

|                     | Actual        |               | Actual<br>FY 14 | Estimate<br>FY15 | Forecast Base |               | Governor's<br>Recommendation |               |
|---------------------|---------------|---------------|-----------------|------------------|---------------|---------------|------------------------------|---------------|
|                     | FY12          | FY 13         |                 |                  | FY16          | FY17          | FY16                         | FY17          |
| Balance Forward In  | 7,825         | 8,283         | 8,427           | 4,502            | 4,325         | 4,325         | 4,325                        | 4,325         |
| Receipts            | 51,830        | 55,393        | 55,145          | 92,270           | 87,070        | 87,070        | 87,070                       | 87,070        |
| Net Transfers       |               |               | 0               |                  |               |               |                              |               |
| <b>Expenditures</b> | <b>51,441</b> | <b>58,202</b> | <b>59,070</b>   | <b>92,448</b>    | <b>87,070</b> | <b>87,070</b> | <b>87,070</b>                | <b>87,070</b> |
| Balance Forward Out | 8,214         | 5,474         | 4,502           | 4,325            | 4,325         | 4,325         | 4,325                        | 4,325         |

(Dollars in Thousands)

**3000 - Federal**

|  |       |       |       |        |       |        |       |        |
|--|-------|-------|-------|--------|-------|--------|-------|--------|
| <i>Biennial Change in Expenditures</i>   |       |       |       | 41,875 |       | 22,622 |       | 22,622 |
| <i>Biennial % Change in Expenditures</i> |       |       |       | 38     |       | 15     |       | 15     |
| <i>Gov's Exp Change from Base</i>        |       |       |       |        |       |        |       | 0      |
| <i>Gov's Exp % Change from Base</i>      |       |       |       |        |       |        |       | 0      |
| FTEs                                     | 238.5 | 219.9 | 241.8 | 257.4  | 257.4 | 257.4  | 257.4 | 257.4  |

# Department of Military Affairs

## FY16-17 Biennial Budget Change Item

### Change Item Title: One-Time Transfer to the "Maintenance of Military Training Facilities" Appropriation

| Fiscal Impact (\$000s)                           | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
|--|---------|---------|---------|---------|
| General Fund                                     |         |         |         |         |
| Expenditures                                     | 0       | 0       | 0       | 0       |
| Revenues   | 0       | 0       | 0       | 0       |
| Other Funds                                      |         |         |         |         |
| Expenditures                                     | 0       | 0       | 0       | 0       |
| Revenues   | 0       | 0       | 0       | 0       |
| Net Fiscal Impact =<br>(Expenditures – Revenues) | 0       | 0       | 0       | 0       |
| FTEs   | 0       | 0       | 0       | 0       |

#### Recommendation:

The governor recommends a one-time transfer of \$10 million from the "Incentives" appropriation to a "Special – Direct" maintenance appropriation to address a significant maintenance backlog to their military training and community centers throughout the state of Minnesota. The transferred amount will be available until expended. This will result in net zero growth in MDMA's budget as a whole.

#### Rationale/Background:

Insufficient funding in the "Maintenance" appropriation has created a significant maintenance backlog of the Department of Military Affairs' military training and community centers. While the Army National Guard's mission has changed to an "Operational Force", 60% of their facilities are categorized as either "Poor" or "Failing" based on the Facility Condition Index (FCI). Without additional funding to meet the immediate needs of facilities for military training and state emergency operations, the facilities' condition will continue to deteriorate and lag behind national averages. In addition, MDMA is currently experiencing a significant increase in construction renovation costs.

MDMA's State Tuition Reimbursement (STR) policy requires service members to apply for the Federal Tuition Assistance (FTA) program before applying for the STR program. This policy has resulted in a lower utilization rate for the STR program and has contributed to a large carry-forward balance in the "Incentives" appropriation. This proposal will result in net zero growth in the MDMA's overall budget and more effectively utilize a portion of the unspent appropriated funds to correct facility deficiencies.

#### Proposal:

This is a change to an existing program and will allow the agency to meet the immediate financial needs of the maintenance backlog that has accumulated over the past several years. It will also enhance MDMA's ability to leverage federal and state matching funds to upgrade military training and community centers. Also, it will assist the organization meet its priority goal of "Developing Sustainable Infrastructure", which is one of the six priorities established by The Adjutant General. It will also support the Governor's Executive Order #11-12, which directs state agencies to identify and make cost-effective energy improvements in state facilities, and sets a goal of a 20 percent reduction in state energy consumption. The implementation date for this proposal is July 1, 2015.

#### IT Related Proposals:

Not applicable.

#### Results:

Without a significant investment in facilities and maintenance, MDMA's facilities condition index is projected to deteriorate. Currently, approximately 60% of their facilities are either considered to be "poor" or "failing." This investment will allow 6% of their facilities to move from the "poor" category to "fair" category by 2020.

#### Statutory Change(s):

Not applicable.

# Department of Military Affairs

## FY16-17 Biennial Budget Change Item

Change Item Title: "Net Zero Growth" Base Budget Adjustments to the "General Support", "Maintenance of Military Training Facilities", and "Incentives" Appropriations

| Fiscal Impact (\$000s)                           | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
|--|---------|---------|---------|---------|
| General Fund                                     |         |         |         |         |
| Expenditures                                     | 0       | 0       | 0       | 0       |
| Revenues   | 0       | 0       | 0       | 0       |
| Other Funds                                      |         |         |         |         |
| Expenditures                                     | 0       | 0       | 0       | 0       |
| Revenues   | 0       | 0       | 0       | 0       |
| Net Fiscal Impact =<br>(Expenditures – Revenues) | 0       | 0       | 0       | 0       |
| FTEs   | 0       | 0       | 0       | 0       |

### Recommendation:

The governor recommends the following net zero growth base budget adjustments:

1. Maintenance Appropriation – Increase annual budget by \$3M
2. General Support Appropriation – Increase annual budget by \$0.46M
3. Incentives Appropriation – Decrease annual budget by \$3.46M

### Rationale/Background:

MDMA's military training and community centers have a significant maintenance backlog that the current "Maintenance" appropriation has not been sufficient to address. While the Army National Guard's mission has changed to an "Operational Force", 60% of its facilities are categorized as either "Poor" or "Failing" based on the Facility Condition Index (FCI). MN Statute §16A.11 directs agencies request one percent of the ARCHIBUS replacement value (\$10M) as their base maintenance budget. The MDMA's current "Maintenance" appropriation budget amount of \$6.661M does not permit the agency to meet on-going maintenance requirements to support military training and state emergency operations.

MDMA's "General Support" appropriation budget lacks funding to replace its aging wheeled vehicle fleet to support military and state emergency operations. Also, an increase is necessary to meet increasing compensation costs for employees, as well as other increasing operating costs.

MDMA's State Tuition Reimbursement (STR) policy requires service members to apply for the Federal Tuition Assistance (FTA) program before applying for the STR program. This policy has resulted in a lower utilization rate for the STR program and has contributed to a large carry-forward balance in the "Incentives" appropriation. This proposal is cost neutral to MDMA's overall budget and more effectively allocates and executes base budgets to support all MDMA programs.

### Proposal:

This is a change to existing programs and will allow the agency to meet on-going financial needs of their maintenance and general support requirements in support of military training and state emergency operations. Moreover, it will enhance their ability to take advantage of federal funding opportunities to upgrade our military training and community centers. The implementation date for this proposal is July 1, 2015.

### IT Related Proposals:

Not applicable.

### Results:

By reallocating funds that are underused to a program in need of resources, MDMA will reduce its maintenance backlog of \$108M by \$3M per year.

### Statutory Change(s):

Not applicable.



# Department of Military Affairs

## FY16-17 Biennial Budget Change Item

### Change Item: Reclassification Bonus Payments

| Fiscal Impact (\$000s)                           | FY 2016  | FY 2017  | FY 2018  | FY 2019  |
|--|----------|----------|----------|----------|
| General Fund                                     |          |          |          |          |
| Expenditures                                     | 0        | 0        | 0        | 0        |
| Revenues   | 0        | 0        | 0        | 0        |
| Other Funds                                      |          |          |          |          |
| Expenditures                                     | 0        | 0        | 0        | 0        |
| Revenues   | 0        | 0        | 0        | 0        |
| Net Fiscal Impact =<br>(Expenditures – Revenues) | 0        | 0        | 0        | 0        |
| <b>FTEs</b>                                      | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> |

### Recommendation:

The Governor recommends a "Net Zero Growth" change item to add a reclassification bonus authority to the Department of Military Affairs' (MDMA) current incentives program as authorized in the Mn. Stat. §192.501. All reclassification bonus payments will be funded from the agency's current "Enlistment Incentives" appropriation.

### Rationale/Background:

The Enlistment Incentives program provides funding for the state's enlistment incentives program to recruit and retain service members in shortage job skills and grades. The agency requires additional incentive bonus authority to influence reclassification into critical military occupational specialty or air force specialty code positions that have been identified by The Adjutant General to be necessary for the enhanced readiness of the Minnesota National Guard.

### Proposal:

Add a reclassification bonus authority to the Minnesota Statute §192.501.

### IT Related Proposals:

Not applicable.

### Results:

| Type of Measure | Name of Measure  | Previous                            | Current                             | Dates       |
|-----------------|--|-------------------------------------|-------------------------------------|-------------|
| Results         | <i>Competent Ready Force (LOA 1)</i> . The Minnesota National Guard's enduring mission is to protect the nation by providing forces and capabilities in support of the Governor, Combatant Commanders and domestic operations. We will accomplish this by achieving and maintaining the required personnel, equipment, training and resourcing levels that ensure our success. | 3 of 4 objectives meeting standards | 3 of 4 objectives meeting standards | 2012 & 2014 |

### Performance Measures Notes:

LOA = Line of Action

## Statutory Change(s)

Mn. Stat. §192.501

"Subd. 1d.Reclassification bonus program.

(a) The adjutant general may establish a program to provide a bonus to eligible members of the Minnesota National Guard who complete training that results in the award of a new military occupational specialty or air force specialty code in specialties that are identified by the Adjutant General to be necessary for the enhanced readiness of the Minnesota National Guard.

(b) Eligibility for the bonus is limited to a member of the National Guard who:

(1) is serving satisfactorily as determined by the adjutant general;

(2) has 16 or fewer years of service creditable for retirement; and

(3) undergoes military training deemed by the adjutant general as sufficiently important to the readiness of the National Guard or a unit of the National Guard to warrant the payment of a bonus in an amount to generally encourage the member's participation in such training.

The adjutant general may, within the limitations of this paragraph and other applicable laws, determine additional eligibility criteria for the bonus, and must specify all of the criteria in regulations and publish changes as necessary.

(c) The bonus payments must be made on a schedule that is determined and published in department regulations by the adjutant general.

(d) If a member fails to complete a term of reenlistment or an obligated term of commissioned service for which a bonus was paid, the adjutant general may seek to recoup a prorated amount of the bonus as determined by the adjutant general."

# Department of Military Affairs

## FY16-17 Biennial Budget Change Item

### Change Item: State Service Death Gratuity Appropriation Adjustment

| Fiscal Impact (\$000s)                           | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
|--|---------|---------|---------|---------|
| General Fund                                     |         |         |         |         |
| Expenditures                                     | 0       | 0       | 0       | 0       |
| Revenues   | 0       | 0       | 0       | 0       |
| Other Funds                                      |         |         |         |         |
| Expenditures                                     | 0       | 0       | 0       | 0       |
| Revenues   | 0       | 0       | 0       | 0       |
| Net Fiscal Impact =<br>(Expenditures – Revenues) | 0       | 0       | 0       | 0       |
| FTEs   | 0       | 0       | 0       | 0       |

#### Recommendation:

The Governor recommends that the death gratuity payment while a service member is on state active duty service be the same amount given to a service member on federal active duty service. The status difference should not negatively impact the service member in state active service that dies during a state active service response under a governor's executive order for defense support to local officials. The Governor also recommends that the payment come from the "Emergency Services" appropriation rather than the "Maintenance of the State Military Forces" appropriation.

#### Rationale/Background:

The current statute Mn. Stat. §192.38 is ambiguous to the intent and payment amount in the case of a death of a service member in State Active Service as defined in Mn. Stat. §190.05, subd. 5(a). A death gratuity payment is allowed for temporary relief in cases of severe hardship and the amount is determined by The Adjutant General. There are cases when service members are responding in state active service and federal active service status during disasters and emergencies and the death gratuity payment should be consistent across both statuses. The current statute instructs the agency to provide the payment from the appropriation for the "Maintenance of the State Military Forces" and not the Emergency Services" appropriation for which the service member's pay and expenses are being paid while in state active service. As of 02/27/2015, the agency has not experienced a death of a service member while in state active service as defined in Mn. Stat. §190.05, subd. 5(a).

#### Proposal:

Change the current Minnesota Statute §192.38 to reflect the following changes when a service member dies from disease contracted or injuries received, or is killed while in state active service as defined in Mn. Stat. §190.05, subd. 5(a):

- 1) Pay service members a death gratuity equal to the federal death gratuity amount allowed while on federal active service (current federal death gratuity amount is \$100,000, 2014)
- 2) Make the payment from the "Emergency Services" appropriation.

#### IT Related Proposals:

Not applicable.

#### Results:

| Type of Measure | Name of Measure  | Previous                            | Current                             | Dates       |
|-----------------|--|-------------------------------------|-------------------------------------|-------------|
| Results         | <i>Competent Ready Force (LOA 1)</i> . The Minnesota National Guard's enduring mission is to protect the nation by providing forces and capabilities in support of the Governor, Combatant Commanders and domestic operations. We will accomplish this by achieving and maintaining the required personnel, equipment, training and resourcing levels that ensure our success. | 3 of 4 objectives meeting standards | 3 of 4 objectives meeting standards | 2012 & 2014 |

Performance Measures Notes:

LOA = Line of Action

**Statutory Change(s):**

Mn. Stat. §192.38

"If any officer or enlisted member of the military forces is wounded or otherwise disabled, dies from disease contracted or injuries received, or is killed while in state active service as defined in section 190.05, subdivision 5a, the officer or member, or in the case of death the officer's or member's dependent spouse, child, or parent, may be provided with ~~immediate temporary relief as necessary in cases of severe hardship, a death gratuity payment equal to the amount allowed for service members in a federal active service status, in an amount to be determined by the adjutant general and approved by the governor.~~ All payments under this subdivision shall be made from appropriations for ~~the maintenance of the state military forces~~ emergency services. The adjutant general shall notify the Department of Management and Budget of any payments made pursuant to this subdivision and the amount of it shall be subtracted from any award made by the Department of Management and Budget."

**Program: Maintenance of Military Training Facilities**

<http://www.minnesotanationalguard.org/>

**AT A GLANCE**

In 2014, we:

- Provided maintenance services to 64 Training and Community Centers (TACCs) – commonly known as armories, two airbases, two Army Aviation Support Facilities, and nine maintenance facilities in 61 communities
- Completed Cedar Street facility renovation at a cost of \$10 million (state and federal funds)
- Provided construction and professional service contracting services for the agency
- Provided procurement services for goods, fixed assets, and services for the agency

**PURPOSE & CONTEXT**

This program is responsible for maintaining the state's facilities used to train and house the members of the Minnesota National Guard and to protect the state's investment in these facilities. We maintain and develop sustainable infrastructure which includes Camp Ripley Training Center, two airbases, two army aviation support facilities and the Training & Community Centers (TACCs) in 61 communities of the State.

**SERVICES PROVIDED**

Maintain and develop sustainable infrastructure which includes Camp Ripley Training Center, two airbases, two army aviation support facilities and the Training & Community Centers (TACCs) to include the MN State Armory Building Commission (MSABC) facilities, in 61 communities of the State. Military Affairs has a series of cooperative agreements in place for operations and maintenance of state owned and licensed facilities, for providing security at the Air Bases, Camp Ripley, and the Army Aviation Support Facilities, and for firefighting services at the Duluth Air Base and Camp Ripley.

We provide employees and services that enable the federal forces to utilize state facilities to accomplish their mission of preparing soldiers and airmen for federal and state missions. Each Air National Guard Base in Minneapolis and Duluth has a civil engineering function that is responsible for the maintenance of the federal facilities that are supported with state and federal dollars.

**RESULTS**

Specific aspects of these results including objectives, performance measures and results can be found in the Annual Report and Campaign Plan at [www.Minnesotanationalguard.org](http://www.Minnesotanationalguard.org).

| Type of Measure | Name of Measure   | Previous                             | Current                              | Dates       |
|-----------------|---|--------------------------------------|--------------------------------------|-------------|
| Quality         | <i>Optimize infrastructure capabilities (LOA 3.1).</i> Optimizing our infrastructure capabilities and efficiencies includes our training areas, roads, buildings, Training and Community Centers and Facility Maintenance Shops. The MNNG will optimize its infrastructure capabilities and improve efficiencies in order to reduce net output of greenhouse gas emissions to zero. | 3 of 4 objectives meeting standards  | 2 of 4 objectives meeting standards  | 2012 & 2014 |
| Quality         | <i>Improve Infrastructure Efficiency to Net-Zero Goal (LOA 3.2).</i> The MNNG will work toward optimizing our infrastructure capabilities to improve efficiencies to reduce net consumption of water, energy and waste. We will decrease facility energy consumption and  | 7 of 10 objectives meeting standards | 6 of 10 objectives meeting standards | 2012 & 2014 |

| <i>Type of Measure</i> | <i>Name of Measure</i>   | <i>Previous</i>                     | <i>Current</i>                      | <i>Dates</i> |
|------------------------|--|-------------------------------------|-------------------------------------|--------------|
|                        | track and monitor solid waste disposal in accordance with Federal Executive Order and the Army Sustainability Campaign Plan.   |                                     |                                     |              |
| Result                 | <i>Competent Ready Force (LOA 1)</i> . The Minnesota National Guard's enduring mission is to protect the nation by providing forces and capabilities in support of the Governor, Combatant Commanders and domestic operations. We will accomplish this by achieving and maintaining the required personnel, equipment, training and resourcing levels that ensure our success. | 3 of 4 objectives meeting standards | 3 of 4 objectives meeting standards | 2012 & 2014  |

Performance Measures Notes:

LOA = Line of Action

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MNDMA's legal authority is provided from M.S. 190 – 195 (<https://www.revisor.mn.gov/statutes/?view=part&start=190&close=195>).

**Expenditures By Fund**

|                                      | Actual        |               | Actual        | Estimate      | Forecast Base |               | Governor's Recommendation |               |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------------------|---------------|
|                                      | FY12          | FY13          | FY14          | FY15          | FY16          | FY17          | FY16                      | FY17          |
| 1000 - General                       | 5,535         | 7,613         | 6,327         | 6,995         | 6,661         | 6,661         | 19,661                    | 9,661         |
| 2000 - Restricted Misc Special Rev   | 800           | 591           | 801           | 672           | 678           | 688           | 678                       | 688           |
| 3000 - Federal                       | 50,576        | 57,157        | 58,485        | 91,242        | 86,042        | 86,042        | 86,042                    | 86,042        |
| <b>Total</b>                         | <b>56,911</b> | <b>65,361</b> | <b>65,612</b> | <b>98,909</b> | <b>93,381</b> | <b>93,391</b> | <b>106,381</b>            | <b>96,391</b> |
| <i>Biennial Change</i>               |               |               |               | 42,249        |               | 22,252        |                           | 38,252        |
| <i>Biennial % Change</i>             |               |               |               | 35            |               | 14            |                           | 23            |
| <i>Governor's Change from Base</i>   |               |               |               |               |               |               |                           | 16,000        |
| <i>Governor's % Change from Base</i> |               |               |               |               |               |               |                           | 9             |

**Expenditures by Budget Activity**

|   |               |               |               |               |               |               |                |               |
|---|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|
| Budget Activity: Maintenance of Training Facilities | 26,148        | 30,800        | 65,612        | 98,909        | 93,381        | 93,391        | 106,381        | 96,391        |
| Budget Activity: Armory Maintenance                 | 24,298        | 27,440        | 0             | 0             | 0             | 0             | 0              | 0             |
| Budget Activity: Air Base Maintenance-Twin Cities   | 2,148         | 2,502         | 0             | 0             | 0             | 0             | 0              | 0             |
| Budget Activity: Air Base Maintenance-Duluth        | 4,316         | 4,619         | 0             | 0             | 0             | 0             | 0              | 0             |
| <b>Total</b>  | <b>56,911</b> | <b>65,361</b> | <b>65,612</b> | <b>98,909</b> | <b>93,381</b> | <b>93,391</b> | <b>106,381</b> | <b>96,391</b> |

**Expenditures by Category**

|   |               |               |               |               |               |               |                |               |
|---|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|
| Compensation                              | 15,938        | 17,569        | 18,460        | 20,276        | 20,624        | 20,983        | 20,624         | 20,983        |
| Operating Expenses                        | 35,913        | 42,223        | 35,981        | 63,576        | 63,147        | 63,233        | 76,147         | 66,233        |
| Other Financial Transactions              | 472           | 310           | 679           | 815           | 816           | 818           | 816            | 818           |
| Grants, Aids and Subsidies                | 296           | 495           | 2             | 8             | 8             | 8             | 8              | 8             |
| Capital Outlay-Real Property              | 4,292         | 4,765         | 10,490        | 14,234        | 8,786         | 8,349         | 8,786          | 8,349         |
| <b>Total</b>                              | <b>56,911</b> | <b>65,361</b> | <b>65,612</b> | <b>98,909</b> | <b>93,381</b> | <b>93,391</b> | <b>106,381</b> | <b>96,391</b> |
| Total Agency Expenditures                 | 56,911        | 65,361        | 65,612        | 98,909        | 93,381        | 93,391        | 106,381        | 96,391        |
| <b>Expenditures Less Internal Billing</b> | <b>56,911</b> | <b>65,361</b> | <b>65,612</b> | <b>98,909</b> | <b>93,381</b> | <b>93,391</b> | <b>106,381</b> | <b>96,391</b> |
| <b>Full-Time Equivalents</b>              | <b>268.7</b>  | <b>253.8</b>  | <b>274.0</b>  | <b>292.6</b>  | <b>292.6</b>  | <b>292.6</b>  | <b>292.6</b>   | <b>292.6</b>  |

Program: Maintenance Training  
Facilities

Program Financing by Fund

(Dollars in Thousands)

**1000 - General**

|  | Actual       |              | Actual<br>FY 14 | Estimate<br>FY15 | Forecast Base |              | Governor's<br>Recommendation |              |
|--|--------------|--------------|-----------------|------------------|---------------|--------------|------------------------------|--------------|
|  | FY12         | FY 13        |                 |                  | FY16          | FY17         | FY16                         | FY17         |
| Balance Forward In                       |              | 1,213        |                 | 334              | 0             | 0            | 0                            | 0            |
| Direct Appropriation                     | 6,660        | 6,660        | 6,661           | 6,661            | 6,661         | 6,661        | 9,661                        | 9,661        |
| Receipts                                 | 0            | 1            | 0               | 0                | 0             | 0            | 0                            | 0            |
| Net Transfers                            |              | 0            |                 |                  |               |              | 10,000                       |              |
| Cancellations                            |              | 262          |                 |                  |               |              |                              |              |
| <b>Expenditures</b>                      | <b>5,535</b> | <b>7,613</b> | <b>6,327</b>    | <b>6,995</b>     | <b>6,661</b>  | <b>6,661</b> | <b>19,661</b>                | <b>9,661</b> |
| Balance Forward Out                      | 1,125        |              | 334             | 0                | 0             | 0            | 0                            | 0            |
| <i>Biennial Change in Expenditures</i>   |              |              |                 | 174              |               | 1            |                              | 16,001       |
| <i>Biennial % Change in Expenditures</i> |              |              |                 | 1                |               | 0            |                              | 120          |
| <i>Gov's Exp Change from Base</i>        |              |              |                 |                  |               |              |                              | 16,000       |
| <i>Gov's Exp % Change from Base</i>      |              |              |                 |                  |               |              |                              | 120          |
| FTEs                                     | 19.0         | 20.7         | 19.0            | 20.0             | 20.0          | 20.0         | 20.0                         | 20.0         |

**2000 - Restricted Misc Special Rev**

|  | Actual     |            | Actual<br>FY 14 | Estimate<br>FY15 | Forecast Base |            | Governor's<br>Recommendation |            |
|--|------------|------------|-----------------|------------------|---------------|------------|------------------------------|------------|
|  | FY12       | FY 13      |                 |                  | FY16          | FY17       | FY16                         | FY17       |
| Balance Forward In                       | 83         |            | 5               | 54               | 48            | 48         | 48                           | 48         |
| Receipts                                 | 718        | 591        | 849             | 667              | 678           | 688        | 678                          | 688        |
| Net Transfers                            |            |            | 0               |                  |               |            |                              |            |
| <b>Expenditures</b>                      | <b>800</b> | <b>591</b> | <b>801</b>      | <b>672</b>       | <b>678</b>    | <b>688</b> | <b>678</b>                   | <b>688</b> |
| Balance Forward Out                      |            |            | 54              | 48               | 48            | 48         | 48                           | 48         |
| <i>Biennial Change in Expenditures</i>   |            |            |                 | 81               |               | (107)      |                              | (107)      |
| <i>Biennial % Change in Expenditures</i> |            |            |                 | 6                |               | (7)        |                              | (7)        |
| <i>Gov's Exp Change from Base</i>        |            |            |                 |                  |               |            |                              | 0          |
| <i>Gov's Exp % Change from Base</i>      |            |            |                 |                  |               |            |                              | 0          |
| FTEs                                     | 11.1       | 13.2       | 13.2            | 15.2             | 15.2          | 15.2       | 15.2                         | 15.2       |

**3000 - Federal**

|  | Actual        |               | Actual<br>FY 14 | Estimate<br>FY15 | Forecast Base |               | Governor's<br>Recommendation |               |
|--|---------------|---------------|-----------------|------------------|---------------|---------------|------------------------------|---------------|
|  | FY12          | FY 13         |                 |                  | FY16          | FY17          | FY16                         | FY17          |
| Balance Forward In                     | 7,825         | 8,099         | 7,568           | 3,300            | 3,301         | 3,301         | 3,301                        | 3,301         |
| Receipts                               | 50,781        | 53,673        | 54,216          | 91,242           | 86,042        | 86,042        | 86,042                       | 86,042        |
| Net Transfers                          |               |               | 0               |                  |               |               |                              |               |
| <b>Expenditures</b>                    | <b>50,576</b> | <b>57,157</b> | <b>58,485</b>   | <b>91,242</b>    | <b>86,042</b> | <b>86,042</b> | <b>86,042</b>                | <b>86,042</b> |
| Balance Forward Out                    | 8,030         | 4,615         | 3,300           | 3,301            | 3,301         | 3,301         | 3,301                        | 3,301         |
| <i>Biennial Change in Expenditures</i> |               |               |                 | 41,994           |               | 22,357        |                              | 22,357        |



Program: Maintenance Training  
Facilities

Program Financing by Fund

(Dollars in Thousands)

**3000 - Federal**

|  |       |       |       |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|-------|-------|-------|
| <i>Biennial % Change in Expenditures</i> |       |       |       | 39    |       | 15    |       | 15    |
| <i>Gov's Exp Change from Base</i>        |       |       |       |       |       |       |       | 0     |
| <i>Gov's Exp % Change from Base</i>      |       |       |       |       |       |       |       | 0     |
| FTEs                                     | 238.5 | 219.9 | 241.8 | 257.4 | 257.4 | 257.4 | 257.4 | 257.4 |

Program: General Support

<http://www.minnesotanationalguard.org/>

**AT A GLANCE**

In 2014, we:

- Provided accounting and administrative services to support cooperative agreement projects totaling over \$59 million
- Provided human resources, payroll, and administrative services to 307 Full-time Equivalents (FTEs)
- Supported 277 Yellow Ribbon Entities (212 cities, 25 counties, and 40 companies)
- Provided grants to service members, family support groups, and other veteran services from the proceeds of the Support Our Troops (SOT) license plates

**PURPOSE & CONTEXT**

Administrative Services provides the general administrative, financial, accounting, budgeting, project management, strategic planning, and human resource support necessary for the operation of the department. It also provides the support for members of the National Guard called to state active duty by the Governor.

**SERVICES PROVIDED**

Under the administrative services activity we provide support to the Adjutant General's staff, the department directors responsible for the cooperative agreements with the federal government, the state employees of the department, and, in times of state declared emergencies, the members of the Minnesota Army and Air National Guard called to state active duty. We administer programs that support military members of the Minnesota National Guard. And we provide the leadership, planning, technical, and administrative support for the state agency and conducts training and exercises to enhance readiness to perform support to civil authorities. Additionally, we provide the support for the separate grants and programs authorized by the legislature, such as the Beyond the Yellow Ribbon Program and Support Our Troops funding

**RESULTS**

Specific aspects of these results including objectives, performance measures and results can be found in the Annual Report and Campaign Plan at <http://www.minnesotanationalguard.org/aboutus/>

| <i>Type of Measure</i> | <i>Name of Measure</i>   | <i>Previous</i>                    | <i>Current</i>                     | <i>Dates</i> |
|------------------------|--|------------------------------------|------------------------------------|--------------|
| Quality                | <i>Sustainable Infrastructure (LOA 3).</i> We will develop Sustainable Infrastructure including our two airbases and the facilities in 63 communities across the state. It is crucial that we optimize the physical capabilities at each location which will facilitate enhancing partnerships throughout the communities in which we serve. | 0 of 2 objectives meeting standard | 1 of 2 objectives meeting standard | 2012 & 2014  |
| Result                 | <i>Support Beyond the Yellow Ribbon Program (LOA 4).</i> We will continue development of a comprehensive program that connects Service Members (SM) and their families (MFM) with community support, training, services and resources in networks.   | 1 of 3 objectives meeting standard | 0 of 2 objectives meeting standard | 2012 & 2014  |
| Result                 | <i>Competent Ready Force (LOA 1).</i> The Minnesota National Guard's enduring mission is to protect the nation by providing forces and   | 3 of 4 objectives meeting          | 3 of 4 objectives                  | 2012 & 2014  |

| <i>Type of Measure</i> | <i>Name of Measure</i>   | <i>Previous</i> | <i>Current</i>   | <i>Dates</i> |
|------------------------|--|-----------------|------------------|--------------|
|                        | capabilities in support of the Governor, Combatant Commanders and domestic operations. We will accomplish this by achieving and maintaining the required personnel, equipment, training and resourcing levels that ensure our success. | standard        | meeting standard |              |

Performance Measures Notes:

LOA = Line of Action

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MNDMA's legal authority is provided from M.S. 190 – 195 (<https://www.revisor.mn.gov/statutes/?view=part&start=190&close=195>).

**Expenditures By Fund**

|                                      | Actual       |              | Actual       | Estimate     | Forecast Base |              | Governor's Recommendation |              |
|--------------------------------------|--------------|--------------|--------------|--------------|---------------|--------------|---------------------------|--------------|
|                                      | FY12         | FY13         | FY14         | FY15         | FY16          | FY17         | FY16                      | FY17         |
| 1000 - General                       | 2,487        | 2,492        | 2,376        | 2,462        | 2,386         | 2,386        | 2,846                     | 2,846        |
| 2000 - Restricted Misc Special Rev   | 137          | 227          | 514          | 620          | 569           | 572          | 569                       | 572          |
| 3000 - Federal                       | 865          | 1,045        | 585          | 1,206        | 1,028         | 1,028        | 1,028                     | 1,028        |
| <b>Total</b>                         | <b>3,489</b> | <b>3,764</b> | <b>3,475</b> | <b>4,288</b> | <b>3,983</b>  | <b>3,986</b> | <b>4,443</b>              | <b>4,446</b> |
| <i>Biennial Change</i>               |              |              |              | 510          |               | 206          |                           | 1,126        |
| <i>Biennial % Change</i>             |              |              |              | 7            |               | 3            |                           | 15           |
| <i>Governor's Change from Base</i>   |              |              |              |              |               |              |                           | 920          |
| <i>Governor's % Change from Base</i> |              |              |              |              |               |              |                           | 12           |

**Expenditures by Budget Activity**

|  |              |              |              |              |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Budget Activity: Administrative Services-DMA | 2,482        | 2,496        | 2,378        | 2,475        | 2,391        | 2,391        | 2,851        | 2,851        |
| Budget Activity: Auxiliary Services          | 167          | 236          | 279          | 486          | 549          | 552          | 549          | 552          |
| Budget Activity: Starbase Minnesota          | 865          | 1,045        | 585          | 1,206        | 1,028        | 1,028        | 1,028        | 1,028        |
| Budget Activity: Camp Ripley Timber Sales    | -25          | -13          | 233          | 121          | 15           | 15           | 15           | 15           |
| <b>Total</b>                                 | <b>3,489</b> | <b>3,764</b> | <b>3,475</b> | <b>4,288</b> | <b>3,983</b> | <b>3,986</b> | <b>4,443</b> | <b>4,446</b> |

**Expenditures by Category**

|   |              |              |              |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Compensation                              | 1,360        | 1,377        | 1,457        | 1,919        | 2,014        | 2,003        | 2,014        | 2,003        |
| Operating Expenses                        | 1,200        | 934          | 1,055        | 841          | 682          | 696          | 1,142        | 1,156        |
| Other Financial Transactions              | 16           | 0            | 133          | 40           | 0            | 0            | 0            | 0            |
| Grants, Aids and Subsidies                | 914          | 1,370        | 830          | 1,488        | 1,287        | 1,287        | 1,287        | 1,287        |
| Capital Outlay-Real Property              |              | 84           | 0            | 0            | 0            | 0            | 0            | 0            |
| <b>Total</b>                              | <b>3,489</b> | <b>3,764</b> | <b>3,475</b> | <b>4,288</b> | <b>3,983</b> | <b>3,986</b> | <b>4,443</b> | <b>4,446</b> |
| Total Agency Expenditures                 | 3,489        | 3,764        | 3,475        | 4,288        | 3,983        | 3,986        | 4,443        | 4,446        |
| <b>Expenditures Less Internal Billing</b> | <b>3,489</b> | <b>3,764</b> | <b>3,475</b> | <b>4,288</b> | <b>3,983</b> | <b>3,986</b> | <b>4,443</b> | <b>4,446</b> |
| <b>Full-Time Equivalents</b>              | <b>19.0</b>  | <b>20.8</b>  | <b>20.1</b>  | <b>21.5</b>  | <b>22.0</b>  | <b>21.1</b>  | <b>22.0</b>  | <b>21.1</b>  |

Program: General Support

Program Financing by Fund

(Dollars in Thousands)

**1000 - General**

|  | Actual       |              | Actual<br>FY 14 | Estimate<br>FY15 | Forecast Base |              | Governor's<br>Recommendation |              |
|--|--------------|--------------|-----------------|------------------|---------------|--------------|------------------------------|--------------|
|  | FY12         | FY 13        |                 |                  | FY16          | FY17         | FY16                         | FY17         |
| Balance Forward In                       | 984          | 950          | 555             | 526              | 407           | 363          | 407                          | 363          |
| Direct Appropriation                     | 2,363        | 2,360        | 2,359           | 2,359            | 2,359         | 2,359        | 2,819                        | 2,819        |
| Receipts                                 |              |              | 0               |                  |               |              |                              |              |
| Net Transfers                            | (10)         | (11)         | (12)            | (17)             | (17)          | (17)         | (17)                         | (17)         |
| Cancellations                            |              | 252          |                 |                  |               |              |                              |              |
| <b>Expenditures</b>                      | <b>2,487</b> | <b>2,492</b> | <b>2,376</b>    | <b>2,462</b>     | <b>2,386</b>  | <b>2,386</b> | <b>2,846</b>                 | <b>2,846</b> |
| Balance Forward Out                      | 850          | 555          | 526             | 407              | 363           | 319          | 363                          | 319          |
| <i>Biennial Change in Expenditures</i>   |              |              |                 | (141)            |               | (66)         |                              | 854          |
| <i>Biennial % Change in Expenditures</i> |              |              |                 | (3)              |               | (1)          |                              | 18           |
| <i>Gov's Exp Change from Base</i>        |              |              |                 |                  |               |              |                              | 920          |
| <i>Gov's Exp % Change from Base</i>      |              |              |                 |                  |               |              |                              | 19           |
| FTEs                                     | 18.3         | 20.0         | 18.9            | 19.0             | 19.0          | 18.0         | 19.0                         | 18.0         |

**2000 - Restricted Misc Special Rev**

|  | Actual     |            | Actual<br>FY 14 | Estimate<br>FY15 | Forecast Base |            | Governor's<br>Recommendation |            |
|--|------------|------------|-----------------|------------------|---------------|------------|------------------------------|------------|
|  | FY12       | FY 13      |                 |                  | FY16          | FY17       | FY16                         | FY17       |
| Balance Forward In                       | 1,583      | 1,950      | 2,247           | 2,250            | 2,114         | 2,028      | 2,114                        | 2,028      |
| Receipts                                 | 13         | 20         | 24              | 10               | 10            | 10         | 10                           | 10         |
| Net Transfers                            | 489        | 504        | 491             | 473              | 473           | 473        | 473                          | 473        |
| <b>Expenditures</b>                      | <b>137</b> | <b>227</b> | <b>514</b>      | <b>620</b>       | <b>569</b>    | <b>572</b> | <b>569</b>                   | <b>572</b> |
| Balance Forward Out                      | 1,949      | 2,247      | 2,250           | 2,114            | 2,028         | 1,939      | 2,028                        | 1,939      |
| <i>Biennial Change in Expenditures</i>   |            |            |                 | 770              |               | 8          |                              | 8          |
| <i>Biennial % Change in Expenditures</i> |            |            |                 | 212              |               | 1          |                              | 1          |
| <i>Gov's Exp Change from Base</i>        |            |            |                 |                  |               |            |                              | 0          |
| <i>Gov's Exp % Change from Base</i>      |            |            |                 |                  |               |            |                              | 0          |
| FTEs                                     | 0.7        | 0.8        | 1.2             | 2.5              | 3.0           | 3.1        | 3.0                          | 3.1        |

**3000 - Federal**

|  | Actual     |              | Actual<br>FY 14 | Estimate<br>FY15 | Forecast Base |              | Governor's<br>Recommendation |              |
|--|------------|--------------|-----------------|------------------|---------------|--------------|------------------------------|--------------|
|  | FY12       | FY 13        |                 |                  | FY16          | FY17         | FY16                         | FY17         |
| Balance Forward In                       |            | 184          |                 | 178              |               |              |                              |              |
| Receipts                                 | 1,049      | 861          | 763             | 1,028            | 1,028         | 1,028        | 1,028                        | 1,028        |
| <b>Expenditures</b>                      | <b>865</b> | <b>1,045</b> | <b>585</b>      | <b>1,206</b>     | <b>1,028</b>  | <b>1,028</b> | <b>1,028</b>                 | <b>1,028</b> |
| Balance Forward Out                      | 184        |              | 178             |                  |               |              |                              |              |
| <i>Biennial Change in Expenditures</i>   |            |              |                 | (119)            |               | 264          |                              | 264          |
| <i>Biennial % Change in Expenditures</i> |            |              |                 | (6)              |               | 15           |                              | 15           |

Program: General Support

Program Financing by Fund

(Dollars in Thousands)

**3000 - Federal**

|                                     |  |  |   |
|-------------------------------------|--|--|---|
| <i>Gov's Exp Change from Base</i>   |  |  | 0 |
| <i>Gov's Exp % Change from Base</i> |  |  | 0 |

**Program: Enlistment Incentives**

<http://www.minnesotanationalguard.org/education/>

**AT A GLANCE**

In 2014, we:

- Disbursed \$5.929 million from the State Tuition Reimbursement (STR) program.
- Disbursed \$0.325 million from the State Reenlistment (SRB) program.
- Disbursed \$0.063 million from the State Medic Bonus (SMB) program.

**PURPOSE & CONTEXT**

The Enlistment Incentives program provides selective incentives to the men and women who enlist and maintain their memberships in the Army and Air National Guard to meet the needs of our military force. These incentives allow the Minnesota National Guard to compete with neighboring states and other services in recruitment.

**SERVICES PROVIDED**

Manage programs and provide funding for the state’s enlistment incentives program to recruit and retain service members in shortage job skills and grades to maintain a competent and ready force. Execute and update Minnesota National Guard Circular 621-5-1 which describes the eligibility criteria and procedures for administering the Minnesota State Incentive Programs. We review and update the incentive programs annually based on both the state and federal financial environment.

**RESULTS**

Specific aspects of these results including objectives, performance measures and results can be found in the Annual Report and Campaign Plan at <http://www.minnesotanationalguard.org/education/>

| <i>Type of Measure</i> | <i>Name of Measure</i>  | <i>Previous</i>                     | <i>Current</i>                     | <i>Dates</i> |
|------------------------|---|-------------------------------------|------------------------------------|--------------|
| Result                 | <i>Competent Ready Force (LOA 1).</i> The Minnesota National Guard’s enduring mission is to protect the nation by providing forces and capabilities in support of the Governor, Combatant Commanders and domestic operations. We will accomplish this by achieving and maintaining the required personnel, equipment, training and resourcing levels that ensure our success. | 3 of 4 objectives meeting standard  | 3 of 4 objectives meeting standard | 2012 & 2014  |
| Quantity               | <i>Increase diversity among first-term enlistments (LOA 5-1).</i> The first step in increasing the diversity of our force is to recruit a large pool of diverse Soldiers/Airmen that can subsequently be retained and promoted to all levels of the organization as their careers progress.   | 8 of 10 objectives meeting standard | 4 of 8 objectives meeting standard | 2012 & 2014  |

|          |  |                                    |                                    |             |
|----------|--|------------------------------------|------------------------------------|-------------|
| Quantity | <i>Increase diversity among mid-grades (LOA 5-2). Having a large pool of diverse first-term enlistments will assist toward achieving this objective, but other initiatives are required to ensure continued success. It must begin with career development programs implemented at all levels of command. These programs will help SMs envision and develop plans for their future service, which will provide them with the tools to successfully manage their careers.</i> | 4 of 7 objectives meeting standard | 1 of 5 objectives meeting standard | 2012 & 2014 |
|----------|--|------------------------------------|------------------------------------|-------------|

Performance Measures Notes:

LOA = Line of Action

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M.S. 192.501 (<https://www.revisor.mn.gov/statutes/?id=192.501>) provides the legal authority for MNDMA's Incentives Program.



***Expenditures By Fund***

|                                      | Actual       |              | Actual<br>FY14 | Estimate<br>FY15 | Forecast Base |              | Governor's<br>Recommendation |              |
|--------------------------------------|--------------|--------------|----------------|------------------|---------------|--------------|------------------------------|--------------|
|                                      | FY12         | FY13         |                |                  | FY16          | FY17         | FY16                         | FY17         |
| 1000 - General                       | 5,613        | 5,895        | 6,427          | 7,286            | 8,443         | 8,901        | 8,443                        | 8,901        |
| <b>Total</b>                         | <b>5,613</b> | <b>5,895</b> | <b>6,427</b>   | <b>7,286</b>     | <b>8,443</b>  | <b>8,901</b> | <b>8,443</b>                 | <b>8,901</b> |
| <i>Biennial Change</i>               |              |              |                | 2,204            |               | 3,631        |                              | 3,631        |
| <i>Biennial % Change</i>             |              |              |                | 19               |               | 26           |                              | 26           |
| <i>Governor's Change from Base</i>   |              |              |                |                  |               |              |                              | 0            |
| <i>Governor's % Change from Base</i> |              |              |                |                  |               |              |                              | 0            |

***Expenditures by Budget Activity***

|  |              |              |              |              |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Budget Activity: Enlistment Incentives | 5,613        | 5,895        | 6,427        | 7,286        | 8,443        | 8,901        | 8,443        | 8,901        |
| <b>Total</b>                           | <b>5,613</b> | <b>5,895</b> | <b>6,427</b> | <b>7,286</b> | <b>8,443</b> | <b>8,901</b> | <b>8,443</b> | <b>8,901</b> |

***Expenditures by Category***

|   |              |              |              |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Compensation                              | 1,007        | 728          | 497          | 349          | 1,076        | 1,078        | 1,076        | 1,078        |
| Operating Expenses                        | 0            | 0            | 0            | 5            | 5            | 5            | 5            | 5            |
| Other Financial Transactions              |              |              |              | 3            | 3            | 3            | 3            | 3            |
| Grants, Aids and Subsidies                | 4,606        | 5,167        | 5,929        | 6,929        | 7,359        | 7,815        | 7,359        | 7,815        |
| Capital Outlay-Real Property              |              |              |              | 0            |              |              |              |              |
| <b>Total</b>                              | <b>5,613</b> | <b>5,895</b> | <b>6,427</b> | <b>7,286</b> | <b>8,443</b> | <b>8,901</b> | <b>8,443</b> | <b>8,901</b> |
| Total Agency Expenditures                 | 5,613        | 5,895        | 6,427        | 7,286        | 8,443        | 8,901        | 8,443        | 8,901        |
| <b>Expenditures Less Internal Billing</b> | <b>5,613</b> | <b>5,895</b> | <b>6,427</b> | <b>7,286</b> | <b>8,443</b> | <b>8,901</b> | <b>8,443</b> | <b>8,901</b> |

***Full-Time Equivalents***

|  |     |     |     |     |     |     |     |     |
|--|-----|-----|-----|-----|-----|-----|-----|-----|
|  | 2.0 | 2.0 | 1.7 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
|--|-----|-----|-----|-----|-----|-----|-----|-----|

Program: Enlistment Incentives

Program Financing by Fund

(Dollars in Thousands)

**1000 - General**

|  | Actual       |              | Actual<br>FY 14 | Estimate<br>FY15 | Forecast Base |              | Governor's<br>Recommendation |              |
|--|--------------|--------------|-----------------|------------------|---------------|--------------|------------------------------|--------------|
|  | FY12         | FY 13        |                 |                  | FY16          | FY17         | FY16                         | FY17         |
| Balance Forward In                       | 1,743        | 9,488        | 13,941          | 17,863           | 20,925        | 22,830       | 20,925                       | 22,830       |
| Direct Appropriation                     | 13,348       | 10,348       | 10,348          | 10,348           | 10,348        | 10,348       | 6,888                        | 6,888        |
| Net Transfers                            |              |              | 0               |                  |               |              | (10,000)                     |              |
| <b>Expenditures</b>                      | <b>5,613</b> | <b>5,895</b> | <b>6,427</b>    | <b>7,286</b>     | <b>8,443</b>  | <b>8,901</b> | <b>8,443</b>                 | <b>8,901</b> |
| Balance Forward Out                      | 9,478        | 13,940       | 17,863          | 20,925           | 22,830        | 24,277       | 9,370                        | 7,357        |
| <i>Biennial Change in Expenditures</i>   |              |              |                 | 2,204            |               | 3,631        |                              | 3,631        |
| <i>Biennial % Change in Expenditures</i> |              |              |                 | 19               |               | 26           |                              | 26           |
| <i>Gov's Exp Change from Base</i>        |              |              |                 |                  |               |              |                              | 0            |
| <i>Gov's Exp % Change from Base</i>      |              |              |                 |                  |               |              |                              | 0            |
| FTEs                                     | 2.0          | 2.0          | 1.7             | 2.0              | 2.0           | 2.0          | 2.0                          | 2.0          |

**Program: Emergency Services**

<http://www.minnesotanationalguard.org/currentops/>

**AT A GLANCE**

In 2014, we:

- Supported winter storm rescue and flood missions
- Provided 802 state active duty work days and equipment to assist local authorities during state active duty missions

**PURPOSE & CONTEXT**

On order of the Governor of Minnesota, the Minnesota National Guard provides support to state and local police and fire departments to save lives, prevent human suffering and mitigate property damage for the citizens of Minnesota and partner states.

Under the Governor’s Executive Order supporting emergency operations, the Adjutant General submits a funding request to MMB. This open emergency appropriation is used to pay for emergency operations performed by the Army and Air National Guard. The state may be eligible for reimbursement by FEMA, other federal entities, and other supported states.

**SERVICES PROVIDED**

The Minnesota National Guard conducts **Support to Civil Authorities** operations in support of the Governor of Minnesota, federal agencies or the Department of Defense as stipulated under federal and state laws and statutes. Some of the supported emergency events include Red River Valley Flooding, Duluth Flood, and Northern Minnesota Wildfires.

The Minnesota National Guard develops and maintains an **All Hazard Contingency Plan** considering potential emergency situations which contain provisions for actions to be taken before, during and after disasters.

The Minnesota National Guard maintains **dual-status commander capability** in the case that active federal military support is required during a response. This is an important legal distinction for Command and Control authority of federal assets and personnel that are involved in support of state emergencies.

**RESULTS**

Specific aspects of these results including objectives, performance measures and results can be found in the Annual Report and Campaign Plan at <http://www.minnesotanationalguard.org/aboutus/>

| <i>Type of Measure</i> | <i>Name of Measure</i>   | <i>Previous</i>                    | <i>Current</i>                     | <i>Dates</i> |
|------------------------|--|------------------------------------|------------------------------------|--------------|
| Result                 | <i>Competent Ready Force (LOA 1).</i> The Minnesota National Guard’s enduring mission is to protect the nation by providing forces and capabilities in support of the Governor, Combatant Commanders and domestic operations. We will accomplish this by achieving and maintaining the required personnel, equipment, training and resourcing levels that ensure our success.                    | 3 of 4 objectives meeting standard | 3 of 4 objectives meeting standard | 2012 & 2014  |
| Quality                | <i>Optimal Force Structure (LOA 2).</i> The Minnesota National Guard will plan to achieve an optimal force structure that provides the capabilities to support federal and state missions effectively. We will continually assess and evaluate the right mix of personnel and equipment to leverage our capabilities while balancing the ideal composition for current and anticipated missions. | 0 of 3 objectives meeting standard | 0 of 3 objectives meeting standard | 2012 & 2014  |

| <i>Type of Measure</i> | <i>Name of Measure</i>  | <i>Previous</i>                    | <i>Current</i>                     | <i>Dates</i> |
|------------------------|---|------------------------------------|------------------------------------|--------------|
| Result                 | <i>Achieve and Maintain Required Equipment Readiness Levels (LOA 1-2). We will continue to train and maintain our equipment readiness to achieve and maintain capability for our federal, state and local missions.</i> | 1 of 4 objectives meeting standard | 2 of 4 objectives meeting standard | 2012 & 2014  |

Performance Measures Notes:

LOA = Line of Action

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M.S. 192.52 (<https://www.revisor.mn.gov/statutes/?id=192.52>) provides the legal authority for MNDMA's Emergency Services.

***Expenditures By Fund***

|                                      | Actual       |            | Actual     | Estimate   | Forecast Base |            | Governor's Recommendation |            |
|--------------------------------------|--------------|------------|------------|------------|---------------|------------|---------------------------|------------|
|                                      | FY12         | FY13       | FY14       | FY15       | FY16          | FY17       | FY16                      | FY17       |
| 1000 - General                       | 1,179        | 355        | 164        | 396        | 396           | 396        | 396                       | 396        |
| <b>Total</b>                         | <b>1,179</b> | <b>355</b> | <b>164</b> | <b>396</b> | <b>396</b>    | <b>396</b> | <b>396</b>                | <b>396</b> |
| <i>Biennial Change</i>               |              |            |            | (974)      |               | 232        |                           | 232        |
| <i>Biennial % Change</i>             |              |            |            | (63)       |               | 41         |                           | 41         |
| <i>Governor's Change from Base</i>   |              |            |            |            |               |            |                           | 0          |
| <i>Governor's % Change from Base</i> |              |            |            |            |               |            |                           | 0          |

***Expenditures by Budget Activity***

|                                     |              |            |            |            |            |            |            |            |
|-------------------------------------|--------------|------------|------------|------------|------------|------------|------------|------------|
| Budget Activity: Emergency Services | 1,179        | 355        | 164        | 396        | 396        | 396        | 396        | 396        |
| <b>Total</b>                        | <b>1,179</b> | <b>355</b> | <b>164</b> | <b>396</b> | <b>396</b> | <b>396</b> | <b>396</b> | <b>396</b> |

***Expenditures by Category***

|   |              |            |            |            |            |            |            |            |
|---|--------------|------------|------------|------------|------------|------------|------------|------------|
| Compensation                              | 492          | 37         | 111        | 113        | 115        | 117        | 115        | 117        |
| Operating Expenses                        | 687          | 318        | 53         | 283        | 281        | 279        | 281        | 279        |
| <b>Total</b>                              | <b>1,179</b> | <b>355</b> | <b>164</b> | <b>396</b> | <b>396</b> | <b>396</b> | <b>396</b> | <b>396</b> |
| Total Agency Expenditures                 | 1,179        | 355        | 164        | 396        | 396        | 396        | 396        | 396        |
| <b>Expenditures Less Internal Billing</b> | <b>1,179</b> | <b>355</b> | <b>164</b> | <b>396</b> | <b>396</b> | <b>396</b> | <b>396</b> | <b>396</b> |

Program: Emergency Services

Program Financing by Fund

(Dollars in Thousands)

**1000 - General**

|  | Actual       |            | Actual<br>FY 14 | Estimate<br>FY15 | Forecast Base |            | Governor's<br>Recommendation |            |
|--|--------------|------------|-----------------|------------------|---------------|------------|------------------------------|------------|
|  | FY12         | FY 13      |                 |                  | FY16          | FY17       | FY16                         | FY17       |
| Open Appropriation                       | 1,179        | 355        | 164             | 396              | 396           | 396        | 396                          | 396        |
| <b>Expenditures</b>                      | <b>1,179</b> | <b>355</b> | <b>164</b>      | <b>396</b>       | <b>396</b>    | <b>396</b> | <b>396</b>                   | <b>396</b> |
| <i>Biennial Change in Expenditures</i>   |              |            |                 | (974)            |               | 232        |                              | 232        |
| <i>Biennial % Change in Expenditures</i> |              |            |                 | (63)             |               | 41         |                              | 41         |
| <i>Gov's Exp Change from Base</i>        |              |            |                 |                  |               |            |                              | 0          |
| <i>Gov's Exp % Change from Base</i>      |              |            |                 |                  |               |            |                              | 0          |

**2000 - Restricted Misc Special Rev**

|                     | Actual |       | Actual<br>FY 14 | Estimate<br>FY15 | Forecast Base |      | Governor's<br>Recommendation |      |
|---------------------|--------|-------|-----------------|------------------|---------------|------|------------------------------|------|
|                     | FY12   | FY 13 |                 |                  | FY16          | FY17 | FY16                         | FY17 |
| Balance Forward In  | 0      | 1,132 | 1,512           | 1,512            |               |      |                              |      |
| Receipts            | 1,132  | 380   | 0               | 0                | 0             | 0    | 0                            | 0    |
| Net Transfers       |        |       |                 | (1,512)          |               |      |                              |      |
| Balance Forward Out | 1,132  | 1,512 | 1,512           |                  |               |      |                              |      |

**3000 - Federal**

|                     | Actual |       | Actual<br>FY 14 | Estimate<br>FY15 | Forecast Base |       | Governor's<br>Recommendation |       |
|---------------------|--------|-------|-----------------|------------------|---------------|-------|------------------------------|-------|
|                     | FY12   | FY 13 |                 |                  | FY16          | FY17  | FY16                         | FY17  |
| Balance Forward In  |        |       | 859             | 1,024            | 1,024         | 1,024 | 1,024                        | 1,024 |
| Receipts            | 0      | 859   | 165             | 0                | 0             | 0     | 0                            | 0     |
| Net Transfers       |        |       | 0               |                  |               |       |                              |       |
| Balance Forward Out | 0      | 859   | 1,024           | 1,024            | 1,024         | 1,024 | 1,024                        | 1,024 |

# FY16-17 Federal Funds Summary

| Federal Agency and CFDA #       | Federal Award Name and Brief Purpose  | New Grant | 2014 Actuals | 2015 Budget | 2016 Base | 2017 Base | State Match or MOE Required? | FTEs   |
|---------------------------------|---|-----------|--------------|-------------|-----------|-----------|------------------------------|--------|
| Department of Defense<br>12.400 | National Guard Military Construction:<br>Provide for the acquisition of facilities necessary for the training and administration of Army National Guard (ARNG) units  | No        | 9,065        | 31,823      | 31,823    | 31,823    | Yes                          | 0.00   |
| Department of Defense<br>12.401 | National Guard Military Operations and Maintenance (O&M) Projects:<br>Support the operations and maintenance of Army National Guard (ARNG) and Air National Guard (ANG) facilities and provide authorized service support activities to National Guard units and personnel                                      | No        | 49,420       | 59,419      | 54,219    | 54,219    | Yes                          | 270.08 |
|                                 | Budget Activity Total   |           | 58,485       | 91,242      | 86,042    | 86,042    |                              | 270.08 |
|                                 | Program Total   |           | 58,485       | 91,242      | 86,042    | 86,042    |                              | 270.08 |
| Department of Defense<br>12.404 | National Guard Challenge Program:<br>Civilian youth opportunities program, including supervised work experience in community service and conservation projects, to civilian youth who cease to attend secondary school after graduating so as to improve the life skills and employment potential of such youth | No        | 763          | 1,028       | 1,028     | 1,028     | No                           | 0.00   |
|                                 | Budget Activity Total   |           | 763          | 1,028       | 1,028     | 1,028     |                              | 0.00   |
|                                 | Program Total   |           | 763          | 1,028       | 1,028     | 1,028     |                              | 0.00   |
|                                 | Federal Fund – Agency Total   |           | 59,248       | 92,270      | 87,070    | 87,070    |                              | 270.08 |

## Narrative:

The Department of Military Affairs has a Master Cooperative Agreement with the Federal Government through the National Guard Bureau that has a series of funding appendices that provide federal funding for the operation, maintenance and repair of facilities used by the MN National Guard for training service members. The recurring, general operational portion of this funding is about \$45 - \$54M per year. The one-time, construction funding varies from year to year but is generally in the \$40M to \$80M range.

The state is required to hire employees to provide direct services such as base security, airfield firefighting, facilities operation, maintenance and repair, and construction and design services. The state also needs a complement of employees to provide the indirect services such as accounting, budgeting, human resources, planning, safety, and administrative services required to support those activities.

State matches are required in several areas. These vary from 50% to 75% depending on what type of activities and facilities are supported. The recurring portion of these match requirements are approximately \$4M per year. Army National Guard facility construction for facilities not on federally supported land usually require a 25% state contribution. Facilities on supported land are

usually 100% federally funded. These construction projects each require a separate cooperative agreement. Remodeling/renovation projects generally require a 50%-50% match. State funds for those projects are provided through capital bonding appropriations.

Estimates are based on the best federal funding information currently available at the time this document is prepared. Most federal awards that impact state FY 2015-2017 are not yet confirmed. Therefore, we use historical trend information from recent years for ongoing programs along with funding estimates from federal program managers. We anticipate a slowdown in the rate of growth in federal funding over the next several years.