

Department of Emergency and Military Affairs

JLBC: Jeremy Olsen
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DESCRIPTION	FY 2006 ACTUAL	FY 2007 ESTIMATE	FY 2008 JLBC	FY 2009 JLBC
PROGRAM BUDGET				
Administration	1,880,500	1,951,200	1,948,900	1,948,900
Emergency Management	3,790,900	6,452,200	5,772,400	5,772,400
Military Affairs	4,716,200	6,123,400	5,616,700	5,616,700
AGENCY TOTAL	10,387,600	14,526,800	13,338,000	13,338,000

OPERATING BUDGET

<i>Full Time Equivalent Positions</i>	95.6	95.6	91.1	91.1
Personal Services	1,900,700	2,101,800	2,101,800	2,101,800
Employee Related Expenditures	630,100	752,300	750,600	750,600
Professional and Outside Services	130,400	89,900	89,900	89,900
Travel - In State	94,900	85,700	85,700	85,700
Travel - Out of State	15,400	26,100	26,100	26,100
Other Operating Expenditures	2,121,500	2,888,400	2,888,400	2,888,400
Food	35,000	0	0	0
Equipment	390,100	98,900	90,500	90,500
OPERATING SUBTOTAL	5,318,100	6,043,100	6,033,000	6,033,000

SPECIAL LINE ITEMS

Guardsmen Tuition Reimbursement	1,267,900	1,446,000	1,446,000	1,446,000
Military Gift Package Postage	0	100,000	100,000	100,000
Project Challenge	1,606,200	2,205,600	1,704,800	1,704,800
Civil Air Patrol	54,200	54,200	54,200	54,200
Governor's Emergency Fund	1,482,600	4,000,000	4,000,000	4,000,000
Nuclear Emergency Management Fund	658,600	677,900	0	0
AGENCY TOTAL	10,387,600	14,526,800	13,338,000	13,338,000

FUND SOURCES

General Fund	10,309,600	14,394,100	13,205,300	13,205,300
<u>Other Appropriated Funds</u>				
Emergency Response Fund	78,000	132,700	132,700	132,700
SUBTOTAL - Other Appropriated Funds	78,000	132,700	132,700	132,700
SUBTOTAL - Appropriated Funds	10,387,600	14,526,800	13,338,000	13,338,000
Other Non-Appropriated Funds	436,200	1,867,700	367,700	367,700
Federal Funds	100,607,200	136,605,800	58,171,900	58,159,200
TOTAL - ALL SOURCES	111,431,000	153,000,300	71,877,600	71,864,900

CHANGE IN FUNDING SUMMARY

	<u>FY 2007 to FY 2008 JLBC</u>		<u>FY 2008 to FY 2009 JLBC</u>	
	\$ Change	% Change	\$ Change	% Change
General Fund	(1,188,800)	(8.3%)	(1,188,800)	(8.3%)
Other Appropriated Funds	0	0.0%	0	0.0%
Total Appropriated Funds	(1,188,800)	(8.2%)	(1,188,800)	(8.2%)
Non Appropriated Funds	(79,933,900)	(57.7%)	(79,946,600)	(57.7%)
Total - All Sources	(81,122,700)	(53.0%)	(81,135,400)	(53.0%)

AGENCY DESCRIPTION — The department's Emergency Management Program prepares and coordinates emergency response plans for the state. The Military Affairs Program operates the Arizona National Guard and Project Challenge, an educational program for at-risk youth.

PERFORMANCE MEASURES	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2008 JLBC
<ul style="list-style-type: none"> • % of Project Challenge graduates either employed or in school Comments: The agency did not submit information for this measure in FY 2006 as required by the General Appropriation Act. The agency did not provide an explanation regarding this missing information. 	96	94	NA	95
<ul style="list-style-type: none"> • Customer satisfaction rating for communities served during disasters (Scale 1-8) Comments: The agency did not submit information for this measure in FY 2006 as required by the General Appropriation Act. The agency did not provide an explanation regarding this missing information. 	NA	NA	NA	6.0

CHANGES FROM FY 2007

Operating Budget

The JLBC includes \$6,033,000 and 65.1 FTE Positions for the operating budget in FY 2008 and FY 2009. This amount consists of:

	FY 2008	FY 2009
General Fund	\$5,900,300	\$5,900,300
Emergency Response Fund	132,700	132,700

These amounts would fund the following adjustments:

Standard Changes GF (1,700) (1,700)

The JLBC includes a decrease of \$(1,700) from the General Fund in FY 2008 and FY 2009 for standard changes.

One-Time AZNet

Appropriation GF (8,400) (8,400)

The JLBC includes a decrease of \$(8,400) from the General Fund in FY 2008 and FY 2009 to reflect the one-time appropriation for AZNet telecommunications charges.

Special Line Items

Guardsmen Tuition Reimbursement

The JLBC includes \$1,446,000 from the General Fund for the Guardsmen Tuition Reimbursement Program in FY 2008 and FY 2009. This amount is unchanged from FY 2007.

Monies in this line item are used to reimburse eligible guard members for qualifying higher education expenses. In FY 2006, the program awarded funding to 737 guardsmen, who received an average benefit of \$1,962.

Military Gift Package Postage

The JLBC includes \$100,000 from the General Fund for the Military Gift Package Postage Program in FY 2008 and FY 2009. This amount is unchanged from FY 2007. These funds will be used to reimburse individuals and corporations for the cost of mailing gift packages to military personnel serving overseas.

Project Challenge

The JLBC includes \$1,704,800 and 26 FTE Positions from the General Fund for Project Challenge in FY 2008 and FY 2009. This amount would fund the following adjustments:

Standard Changes GF (800) (800)

The JLBC includes a decrease of \$(800) from the General Fund in FY 2008 and FY 2009 for standard changes.

Multi-Purpose

Building GF (500,000) (500,000)

The JLBC includes a decrease of \$(500,000) from the General Fund in FY 2008 and FY 2009 to reflect one-time funding to construct a multipurpose building on the Project Challenge campus.

The Legislature appropriated \$500,000 in FY 2006 and FY 2007 for the construction of a building, which is anticipated to be approximately 18,000 square feet in size and will include cafeteria/multipurpose space. The building is expected to cost a total of \$4 million. Current private fundraising has collected \$2 million, leaving an outstanding balance of \$1 million.

Project Challenge is an educational program for at-risk youth located in Queen Creek, and accepts approximately 200 students per year. Students entering the program live in residence for 5 months to complete a curriculum in academics, career planning, and physical training, which is followed by a 12-month mentoring period. After completion of the program, most graduates will receive their GED.

Civil Air Patrol

The JLBC includes \$54,200 from the General Fund for the Civil Air Patrol in FY 2008 and FY 2009. This amount is unchanged from FY 2007. Monies in this line item are used to partially offset the costs of required operations and maintenance of aircraft used by volunteers to aid in search and rescue and other emergency missions.

Governor's Emergency Fund

The JLBC includes \$4,000,000 from the General Fund for the Governor's Emergency Fund in FY 2008 and FY 2009. This amount is unchanged from FY 2007. Monies in this

line item are authorized in A.R.S. § 35-192 and, therefore, are not included in the General Appropriation Act. The \$4,000,000 in FY 2008 and FY 2009 may be used by the department for emergencies. Under A.R.S. § 35-192, the Governor may, through emergency declarations, authorize up to \$4,000,000 annually from the General Fund for disaster prevention and mitigation without specific appropriation authority.

Nuclear Emergency Management Fund

The JLBC includes no funding from the General Fund in FY 2008 and FY 2009 for the Nuclear Emergency Management Fund Special Line Item (NEMF). This amount reflects the following adjustment:

Nuclear Emergency Management Fund

Appropriation **GF (677,900) (677,900)**

The JLBC includes a decrease of \$(677,900) and (4.5) FTE Positions from the General Fund in FY 2008 and FY 2009 to remove the FY 2007 appropriation from the department's budget. The FY 2008 allocation will be made through a bill separate from the General Appropriation Act, the amount of which will be determined at a later date.

The FY 2007 appropriation allocated \$312,328 to the Department of Emergency and Military Affairs' Emergency Management Division for administering and enforcing the state plan for off-site response to an emergency caused by an accident at the Palo Verde nuclear plant. The Emergency Management Division received \$309,161 to disburse to agencies of Maricopa County that receive assignments or responsibilities from the nuclear emergency response plan. The remaining \$56,408 was disbursed to departments and agencies of the Town of Buckeye for expenses incurred from participation in the nuclear emergency response plan.

The Legislature is required to biennially assess a fee against each group of public service and municipal corporations operating the Palo Verde Nuclear Generating Station. The fee is set at a level necessary to offset the General Fund appropriation to NEMF. Historically, funding has been provided in legislation separate from the

General Appropriation Act. The FY 2008 amount has yet to be determined.

Monies in the NEMF are used for the development and maintenance of a state plan for off-site responses to an emergency caused by an accident at a commercial nuclear generating station. NEMF monies are also used to provide for the equipment, personnel, facilities, training, and testing necessary to comply with federally prescribed criteria.

Monies appropriated to the NEMF are exempt from the provisions of A.R.S. § 35-190, relating to the lapsing of appropriations, except that monies left unexpended or unencumbered at the end of the fiscal year shall be used to offset the next year's assessment and appropriation.

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FORMAT — Operating Lump Sum with Special Line Items by Program

FOOTNOTES

Standard Footnotes

The Department of Emergency and Military Affairs appropriation includes \$1,215,000 for service contracts. This amount is exempt from A.R.S. § 35-190, relating to lapsing of appropriations, except that all FY 2008 monies remaining unexpended and unencumbered on October 31, 2008, AND ALL FY 2009 MONIES REMAINING UNEXPENDED AND UNENCUMBERED ON OCTOBER 31, 2009, shall revert to the state General Fund.

It is the intent of the Legislature that the Department of Emergency and Military Affairs submit a request to the United States Department of Defense by September 30, 2007 to allow the Department of Emergency and Military Affairs to conduct training exercises for Arizona National Guard units at the Arizona-Mexico border. The Department of Emergency and Military Affairs shall report to the Joint Legislative Budget Committee by December 31, 2007 on the response of the United States Department of Defense to this request.

SUMMARY OF FUNDS	FY 2006 Actual	FY 2007 Estimate
Camp Navajo Fund (MAA2106/A.R.S. § 26-152)		Non-Appropriated
Source of Revenue: Federal fees for storage and use of Camp Navajo, a munitions storage depot and National Guard training site.		
Purpose of Fund: To operate and maintain the Camp Navajo National Guard training and storage facility.		
Funds Expended	7,567,200	7,917,800
Year-End Fund Balance	673,900	323,900

SUMMARY OF FUNDS	FY 2006 Actual	FY 2007 Estimate
Emergency Management Registration Fees Fund (MAA2087/A.R.S. § 26-102)		Non-Appropriated
Source of Revenue: Emergency management course fees paid by private sector participants.		
Purpose of Fund: To pay for the costs of administering the emergency management course.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Emergency Response Fund (MAA3031/A.R.S. § 26-352)		Appropriated
Source of Revenue: The fund receives 10% of the Department of Environmental Quality's Hazardous Waste Management Fund.		
Purpose of Fund: To develop and administer a hazardous materials emergency management program, equip local emergency planning committees for the development of hazardous materials emergency response teams, and assist local agencies in providing adequate response to emergency situations.		
Funds Expended	78,000	132,700
Year-End Fund Balance	17,800	17,800
Federal Funds - Emergency (MAA2000/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Federal program grants. Homeland security funds received by Arizona after FY 2006 are reported in the Arizona Department of Homeland Security's budget.		
Purpose of Fund: To pay for the federal share of emergency planning, response and management programs.		
Funds Expended	59,448,600	95,832,100
Year-End Fund Balance	2,406,000	423,400
Federal Funds - Military (MAA2000/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Federal Service Contracts for security, maintenance and operations of the National Guard.		
Purpose of Fund: To provide the federal share of costs for Army National Guard and Air National Guard positions, capital and operating expenses.		
Funds Expended	33,591,400	32,855,900
Year-End Fund Balance	64,459,000	61,271,000
Freedom Academy Fund (MAA2104/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Governor's Office of Drug Policy and the Joint Counter Narcotics Task Force (federal Department of Justice, through the Department of Defense).		
Purpose of Fund: To provide middle and high school students with anti-drug and gang information. Student representatives throughout the state are invited to participate in weekend-long programs at Camp Navajo, where they also learn leadership, team building, communication, and crisis-management skills. The representatives return to their schools to educate fellow students.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Morale, Welfare and Recreation Fund (MAA2124/A.R.S. § 26-153)		Non-Appropriated
Source of Revenue: A portion of National Guard Member Special License Plate fees, funds generated from federally-defined recycling activities, monies from the disposal of unserviceable military property belonging to the state, or other non-state-appropriated monies.		
Purpose of Fund: To support morale, welfare, and recreational activities for guardsmen and non-state-employed support personnel.		
Funds Expended	73,200	67,700
Year-End Fund Balance	17,400	9,700

SUMMARY OF FUNDS	FY 2006 Actual	FY 2007 Estimate
National Guard Fund (MAA2140/A.R.S. § 26-152)		Non-Appropriated
Source of Revenue: Monies appropriated by the Legislature. A subaccount, which does not require a legislative appropriation, receives the proceeds from the rental or use of armories.		
Purpose of Fund: For general operating expenses of the National Guard. A subaccount that receives proceeds from the rental or use of armories is used for armory maintenance.		
Funds Expended	360,000	300,000
Year-End Fund Balance	272,900	252,900
National Guard Relief Fund (No Fund Number/A.R.S. § 26-183)		Non-Appropriated
Source of Revenue: Monies received from individual contributors who voluntarily donate through the state individual income tax return. Donors will be able to contribute to the fund beginning in the 2006 taxable year. Returns for 2006 will be filed in early 2007, at which point the fund will begin collecting contributions.		
Purpose of Fund: To provide assistance to families of National Guard members who are mobilized in support of a contingency operation or state emergency.		
Funds Expended	0	0
Year-End Fund Balance	0	0
State Armory Property Fund (MAA2146/A.R.S. § 26-231)		Non-Appropriated
Source of Revenue: Sale of surplus armory property.		
Purpose of Fund: For the construction and capital improvement of National Guard armories.		
Funds Expended	3,000	1,500,000
Year-End Fund Balance	1,548,300	48,300