

GOVERNMENTAL OPERATIONS

Agency 245

**Military Department
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	328.0	15,586	285,353	300,939
Maintenance Comp Changes:				
1. Move Pension Fund Shift to Agencies	0.0	(1,243)	1,243	0
2. Updated PEBB Rate	0.0	(65)	(146)	(211)
3. Paid Family Leave--Employer Premium	0.0	3	2	5
Maintenance -- Comp Total	0.0	(1,305)	1,099	(206)
Maintenance Central Services Changes:				
4. Audit Services	0.0	(9)	0	(9)
5. Legal Services	0.0	(1)	0	(1)
6. CTS Central Services	0.0	4	0	4
7. OFM Central Services	0.0	8	0	8
8. Workers' Compensation	0.0	(76)	0	(76)
9. DES Rate Compensation Changes	0.0	1	0	1
Maintenance -- Central Svcs Total	0.0	(73)	0	(73)
Total Maintenance Changes	0.0	(1,378)	1,099	(279)
2017-19 Maintenance Level	328.0	14,208	286,452	300,660
Policy Other Changes:				
10. Carlton Complex Fire Relief	0.0	0	(761)	(761)
11. Next Generation 911	0.0	0	4,200	4,200
12. Disaster Recovery	0.0	0	27,616	27,616
Policy -- Other Total	0.0	0	31,055	31,055
Policy Comp Changes:				
13. PERS & TRS Plan 1 Benefit Increase	0.0	7	15	22
Policy -- Comp Total	0.0	7	15	22
Policy Central Services Changes:				
14. Legal Services	0.0	2	0	2
15. CTS Central Services	0.0	24	0	24
16. OFM Central Services	0.0	23	0	23

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Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
17. CTS Fee for Service Adjustment	0.0	38	0	38
Policy -- Central Svcs Total	0.0	87	0	87
Total Policy Changes	0.0	94	31,070	31,164
2017-19 Policy Level	328.0	14,302	317,522	331,824

POLICY CHANGES

1. Move Pension Fund Shift to Agencies

In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

2. Updated PEBB Rate

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Federal; Enhanced 911 Account-State; other accounts)

3. Paid Family Leave--Employer Premium

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State; General Fund-Federal)

4. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State)

5. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State)

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Military Department (cont.)**Recommendation Summary****6. CTS Central Services**

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State)

7. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State)

8. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State)

9. DES Rate Compensation Changes

Funding is provided to cover compensation and central service cost increases that were included in the 2017-19 biennial budget in lines of business at the Department of Enterprise Services that have a fee for service structure. (General Fund-State)

10. Carlton Complex Fire Relief

Funding is reduced from the Disaster Response Account to reflect the correct amount of carryover funding available from the previous biennium for Okanogan and Ferry counties to address deficiencies within their communications infrastructure for 911 dispatch. (Disaster Response Account-State)

11. Next Generation 911

Funding is provided to continue implementation of Next Generation 911. Costs incurred have been higher than initially anticipated due to technical and contractual issues. This enhancement allows the public to send images, text messages and video to public safety answering points. (General Fund-Federal)

12. Disaster Recovery

Funding is provided for changes related to disaster recovery efforts for 13 presidentially-declared state disasters specific to the Public Assistance and Hazard Mitigation programs. (Disaster Response Account-State; Disaster Response Account-Federal)

13. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State; General Fund-Federal; Enhanced 911 Account-State; other accounts)

14. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State)

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Recommendation Summary

15. CTS Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State)

16. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State)

17. CTS Fee for Service Adjustment

Rates for wireless, virtual private network, and server infrastructure services are increased effective January 1, 2018 to align revenues with WaTech's cost of providing services. Monthly rates per device or service will increase for wireless to \$50, Centrex services to \$45 and virtual private network to \$285 per tunnel per month with a \$500 setup fee. (General Fund-State)