

MINUTES OF THE MEETING
GENERAL GOVERNMENT AND HIGHWAYS SUBCOMMITTEE
50TH LEGISLATIVE SESSION
HOUSE OF REPRESENTATIVES

The meeting of the General Government and Highways Subcommittee was called to order by Chairman Rehberg on February 11, 1987 at 8:00 a.m. in Room 132 of the State Capitol.

ROLL CALL: All committee members were present. Also present were Norm Rostocki, Budget Analyst from the Office of Budget & Program Planning (OBPP) and Jim Haubein, Principal Fiscal Analyst from the Office of the Legislative Fiscal Analyst. (LFA)

79A:0.00

DEPARTMENT OF HIGHWAYS:

Gross Vehicle Weight Program

As Norm Rostocki from the OBPP was absent, Jim Haubein presented the LFA budget. (Exhibit No. 1). Jim reviewed the major issues.

Gary Wicks, Director of the Department of Highways, addressed the issues of concern to the department. (Exhibit No. 2). In travel, the department requested \$3,000 of the \$4,760 difference be reinstated to cover travel expense for staff to open new station at DeBorgia. In repair and maintenance, the department requested \$71,241 in FY 89 be restored. This is used to repair G.V.W. stations throughout the state of Montana and they are presently upgrading these stations.

There was discussion regarding the possibility of combining the weighing and safety inspection functions. This would involve changing a statute and has been discussed in the past.

Jesse Munro, Administrator of the Division, said they generate approximately \$31,800,000 per year in revenue. About \$9,200,000 of that has to be distributed to counties and other states, resulting in \$22,500,000 net collections that stays in the special revenue account. Mr. Wicks continued his review of the issues.

Capital Outlay Program

As Norm Rostocki from the OBPP was absent, Jim Haubein said there were no differences between the two proposed budgets. The \$16,500,000 in FY 88 and \$16,500,000 in FY 89 reflect the debt service payments both for the highway buildings bonds and the construction bonds. (Exhibit No. 3).

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Bill Salisbury, Administrator of Centralized Services Division, said these are now statutory appropriations. The building complex bonds will be paid off in 1990, as will bond 1. About \$5,000,000 is interest.

(24.00)

Construction Program

As Norm Rostocki from the OBPP was absent, Jim Haubein presented the LFA budget and addressed the major issues. (Exhibit No. 4).

Mr. Wicks addressed the issues. (Exhibit No. 5). The department needs the nineteen FTE for the construction program and their analysis is based on the Construction Management System. Most positions are to be used in the field to administer the construction contracts. The department feels they are at the minimum in needs with the OBPP recommendation and the LFA recommendation would make it difficult to do the job and get quality construction. There was discussion with Jim regarding the lists provided to the department regarding vacant positions. Rep. Quilici suggested that Norm, Jim and the agency get together on the positions and provide the committee with the proper numbers and positions.

Bill Salisbury explained the department's method used to determine vacancies. He pointed out the four percent vacancy savings is the equivalent of the eighty FTE in this program. Mr. Wicks said they were not asking for people they do not need.

79B:0.00

There was discussion with the department regarding the positions requested.

Sen. Gage asked Mr. Wicks where the gas and diesel tax would show up if it goes through. Mr. Wicks said it would show up on a modified requesting preconstruction and construction to handle the extra workload. Mr. Wicks referred to the issues in materials testing. The department requested the committee appropriate \$1,134,000 in FY 88 and \$956,390 in FY 89. This represents a partial restoration of the funds, not at the full level shown in the OBPP request, and that it be split up in different years. This totals approximately \$2,090,000.

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Norm Rostocki came to the meeting.

(33.20)

Pre-Construction Program

Norm Rostocki presented the OBPP budget. (Exhibit No. 6). In personal services, the OBPP reduced thirty-one positions from the 86 base and the LFA reduced by an additional 2.92. The primary issues in contracted services are the legal fees and the appraisal fees that the department had requested in training. This shows as a negative expenditure. There is also a difference in funding splits in this program. He said after the committee decides the expenditure categories, he will get together with Jim and determine how much will be available in federal funds.

(Tape 80A:0.00)

Jim Haubein presented the budget for the LFA and reviewed the major issues. (Exhibit No. 7). He said it was difficult to identify the positions deleted by the department as they were by class code number rather than by position number.

(8.15)

Mr. Wicks addressed the issues. (Exhibit No. 8). He stated the department was about as low as possible in professional FTE in order to get the job done and requested the two civil engineering positions be restored. In contracted services, Mr. Wicks said there was a large turnover in the area of appraisers and the department will have to use fee appraisers. The vacant positions are currently being filled and the department definitely needs those people on board.

In Consultant and Professional Services, the department's request includes maintenance on the CADD equipment that was not operational in 1985. The legal fees and court costs represent a contingency account that has been set up for \$25,000 in the past and the department does not always spend this amount. If it is not needed, the department does not spend it.

The payroll service fees reflect the bill from the State Auditor for processing payroll. The increase requested for education and training will be used for more training for CADD and the right-of-way personnel. The 86 actual represents only twenty-five percent of the cost for the full year of computer training for CADD. This is also true in data processing supplies. CADD was in operation

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for only twenty-five percent of the time and the department requests a full year's appropriation in this category. There is a funding error in this category of \$20,000.

Mr. Wicks questioned the LFA comparison of 84 and 85 expenditures. Chairman Rehberg said he had requested Jim to go back to establish an historical pattern in every area for the informaton of the committee as he had not previously served on this subcommittee. Mr. Wicks said the department had made several changes since 1984 and this would complicate the comparison.

(16.30)

There was discussion regarding the vacancy savings and the number of FTE reduced by the LFA versus the request by the department.

Sen. Keating requested a comparison of the percentage of administration to workers and what the department did in the last biennium regarding upgrades in the administrative level, increases in salaries as compared to the cost at the staff level and promotions and salary increases to permanent employees. He said the committee needed to know the money was being spent to build roads and not to fill desk slots. Mr. Wicks said they could furnish the information regarding upgrades.

Norm reviewed Exhibit No. 9, covering the five percent cuts and the pay plan reductions in each program. One thing not shown on the exhibit due to lack of space was the department came in with large reductions and did not count it toward either the five percent cut or the pay plan reduction. If these had been included, the total would far exceed the \$4,000,000 required. The LFA took the \$4,050,000 and the OBPP took \$2,394,000 and the large differences are due directly to those reductions. If the committee goes with the LFA budget all the way through and does not include any of the five percent cuts, \$4,000,000 would be added.

The committee recessed at 9:50 a.m.

The committee reconvened at 10:10 a.m.

Tape 80B:0.00

Maintenance Program

Norm presented the budget for the OBPP. (Exhibit No. 10). In personal services, there is a difference of 13.1 FTE that are not included in the LFA due primarily to vacancies used to generate vacancy savings. There is an issue of

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overtime. Most of the division's overtime is in winter and it is not unusual to see that overtime is not expended at the same rate as the portion of the fiscal year that has elapsed, especially before the winter months.

The two issues in Contracted Services are caretaker services at rest areas along the highways and weed control. There is a minor difference in supplies and in repair, the difference is primarily due to road oil mix.

Jim presented the issues for the LFA. (Exhibit No. 11). He addressed the overtime. (Exhibit No. 12). (Exhibit No. 13), Overtime Analysis, Fiscal 87 to date through 1-16-87, shows there is a significant amount of overtime filled where there are vacant FTE. There could be some positions filled here on a temporary basis to cut down on overtime and to get more utility out of the productive hours. Jim continued his review.

(13.55)

Mr. Wicks addressed the issues. (Exhibit No. 14). The Maintenance Management System allows the department to identify levels of services and what will happen if there are budget reductions. Winter maintenance is being held constant.

He said the major impact in terms of the LFA budget would be in roadway repair. He referred to the number of positions that have been held vacant and the overtime fluctuation. (17.45) 1987 overtime has been low due to the mild weather conditions. The budget request is based on the expenditures for overtime during the past several years and anticipated expenditures during normal winter conditions. The department requested this be restored.

The department was audited by the Department of Labor and there are additional costs the Highway Department will have to pay in the contracts for caretaker services. The increase is requested to cover this item. The department has requested an increase in weed control to cover the additional costs for insurance. In repair and maintenance, the department requested the funding be restored to the OBPP level.

(22.30)

There was discussion regarding vacancy savings and overtime. Mr. Wicks pointed out overtime in winter utilized experienced employees. The problems involved with the

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caretakers was discussed. Mr. Wicks said the department is trying to maintain the rest areas, but the biggest problem is not having somebody there when they are needed. Rep. Quilici suggested the department could have a better handle on this if they brought it in house and there would be better service offered to the public. Mr. Wicks said the department has a rest area plan and there will be some areas closed when they get to the point of needing repairs.

81A:12.30

At the request of Sen. Stimatz, Don Gruel, Administrator of the Maintenance and Equipment Divison, addressed the weed control problem. He said the demand for weed spraying has increased significantly in the last year because of the spread of knapweed. The cost to the department has been approximately \$118,000 for four counties. The amount funded has been based on historical needs and was left to the discretion of the Highway Department.

Bill Salisbury requested the boilerplate language to account for higher than anticipated costs for accounts receivable due to the damage by traveling public. Jim will provide this language. (Exhibit No. 15).

(20.14)

State Motor Pool Division

Norm presented the budget for the OBPP. (Exhibit No. 16). The only issue pertains to the amount of inflation applied to gasoline. Jim agreed with Norm's statement. The inflation issue will have to be resolved by the committee.

Mr. Wicks said he felt the issue could be solved with language in the appropriations bill. Jim will provide the language. (See Exhibit No. 16).

(28.00)

Mr. Wicks said the department has a funding problem in Motor Pool. (Exhibit No. 17). Bill Salisbury said the department would like to be able to switch the purchase of the equipment. They requested the authority of \$427,000 in FY 88 and \$334,000 in FY 89. The total would remain the same as shown in the LFA recommendation, but this would follow the schedule for equipment replacement.

There was discussion regarding self service purchases for gas. Bruce Barrett, Equipment Bureau Chief, said this

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policy had been adopted in 1983 and there was a substantial decrease in the cost of gas for the Motor Pool. He said the major cities are no problem, but in the rural areas, gas is at a premium price and they have to use what is available.

(31.30)

Stores Inventory

Norm presented the OBPP budget. (Exhibit No. 18). He said this program purchased materials used by other programs. The two issues are the inflation category for gas and gravel in the repair and maintenance category. The OBPP incorporated the five percent cuts and the LFA did not.

Jim agreed with Norm's presentation. The difference in the repairs category is for oil mixed materials.

The revised sheet was provided by the agency. There is a difference in the numbers and the agency will work on this with Norm. The committee will go back to this program tomorrow.

81B:0.00

Service Revolving Program

Norm presented the budget for the OBPP. (Exhibit No. 19). This program provides services to other programs within the department. There is a difference of 1.2 FTE. The difference in supplies is for the CADD system. The travel is increased slightly to allow the Helena data processing staff to travel to field offices to assist with data processing problems. This was not included by the LFA. In repair and maintenance, this expenditure was previously changed to the Preconstruction Program. Due to the problem of not being able to get federal reimbursement, the expense was moved to this program. This adjustment was included in both programs.

Jim reviewed the major issues. (Exhibit No. 20).

Mr. Wicks addressed the issues. (Exhibit No. 21). He stated the lab position was of concern to the department as it was used during the summer time. The department believes they will need this position again next summer and requested that the position be reinstated. Sen. Keating asked if it could be a .5 FTE since the position was filled just during the summer. Mr. Wicks will check on this. He pointed out

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the \$21,225 difference in contracted services was the inflation factor and will be determined by the committee. Norm said this was an oversight and be believed it should be deflated.

Mr. Wicks requested the \$2,705 be restored in supplies and materials to furnish gas to operate the airplane. He also requested \$44,000 be restored in supplies and materials category, 2200. He said be believed the LFA used the 84 base for printing and the department used two codes for expenditures in that year. The two combined totals \$70,000 instead of the \$26,000. Jim will check on this. In repair and maintenance, the LFA did not allow the agency's request to calibrate the aerial camera. Bill Salisbury said this repair had previously been charged in the Pre-Construction Program. This has been deleted from that program and placed in this program and the cost can be recovered from the federal government. In the other expenses, the difference is in the cost of freight and the department requested the \$17,246 be restored.

ADJOURNMENT: The meeting was adjourned at 12:00 p.m.


Dennis R. Rehberg, Chairman

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2-11-87

Gross Vehicle Weight Program

<u>Major Issues</u>	LFA Lower (Higher) Than Executive	
	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
1. Personal Services - LFA current level is 2.97 FTE higher than the executive budget. The LFA current level did not delete the 3.00 FTE GVW enforcement officers that were deleted in the executive budget as part of the fiscal 1986 pay plan reduction. These positions were left in LFA current level as positions needed with the opening of the two weigh stations. LFA current level reduced the 0.14 FTE office clerk II position while the executive budget reduced this position by 0.11 FTE. This accounts for the other 0.03 FTE difference.		
2. Contracted Services - Scale inspector fees are in the executive budget at \$6,725 each fiscal year. LFA current level is at fiscal 1986 level of \$3,420 each year because there was no explanation of why the 96 percent increase.	\$3,305	\$3,305
3. Travel		
A. Meals and away from office allowances for roving officers are in the executive budget at \$14,790 and \$13,790 in fiscal 1988 and 1989 respectively. LFA current level has \$12,080 each fiscal year which is the fiscal 1986 expenditure.	2,710	1,710
B. Out-of-state travel is in the executive budget at \$4,685 each fiscal year. LFA current level is at the fiscal 1986 level of \$2,635 each year.	<u>2,050</u>	<u>2,050</u>
Total Travel Major Issues	<u><u>\$4,760</u></u>	<u><u>\$3,760</u></u>
4. Repairs - Building repairs are in executive budget at \$172,534 and \$195,034 for fiscal 1988 and 1989 respectively. LFA current level is at \$101,183 which was the department's request for fiscal 1988. The department's requested budget for the two fiscal years is \$71,351 under the executive budget.	71,351	93,851
5. Other Expenditures		
A. The executive budget includes \$36,000 and \$18,000 for fiscal years 1988 and 1989 respectively for relocation expenses. This is based on the department's request. LFA current level is based on fiscal 1986 level expenditures of \$13,125 each year. Fiscal 1985 expenditures were \$4,197. The increase requested by the department represents a 274 percent increase from fiscal 1986 to fiscal 1988.	22,875	4,875

B. Allowances - The executive budget has \$59,400 each fiscal year for this category. This is the department's request. LFA current level projected \$55,850 each fiscal year based on fiscal 1986 expenditure level of \$48,331 and projecting \$7,519 each year for the additional officers.	3,550	3,550
C. Recruiting expenditures are in the executive budget at \$4,025 and \$2,700 for fiscal years 1988 and 1989 respectively. LFA current level is \$1,982 which is the 1986 base expenditure level.	<u>2,043</u>	<u>718</u>
Total Other Expenditures Major Issues	<u><u>\$28,468</u></u>	<u><u>\$9,143</u></u>

JH1A:bn:sagvw.

OFFICE OF BUDGET & PROGRAM PLANNING
 EXECUTIVE BUDGET SYSTEM
 AGENCY/PROGRAM/CONTROL -- BUDGET DETAIL COMPARISONS

REPORT EBSR99
 DATE : 01/07/87
 TIME : 17/23/43

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
 PROGRAM : 22 G.V.W.
 CONTROL : 00000

AE/OE	DESCRIPTION	ACTUAL FY 86	BUDGET FY 87	OBPP FY 88	LFA FY 88	DIFF FY 88	CURRENT LEVEL SERVICES ONLY			DIFF FY 89
							OBPP FY 89	LFA FY 89	DIFF FY 89	
0000	FULL TIME EQUIVALENT (FTE)	107.14	118.14	110.03	113.00	-2.97	110.03	113.00	-2.97	
1100	SALARIES	1,880,733.44	2,250,146	2,156,692	2,202,164	-45,472	2,149,803	2,198,083	-48,280	
1300	OTHER COMPENSATION	1,555.25		3,696		3,696	1,848		1,848	
1400	EMPLOYEE BENEFITS	416,784.11	324,898	365,018	363,327	1,691	374,176	373,403	-773	
1500	HEALTH INSURANCE		141,600	151,841	155,940	-4,099	151,841	155,940	-4,099	
1600	VACANCY SAVINGS		-102,958	-106,942	-105,760	-1,182	-107,107	-105,839	-1,268	
1800				9,399	9,399	-9,399	9,399	9,399	-9,399	
	TOTAL LEVEL	2,299,072.80	2,613,686	2,570,305	2,625,070	-54,765	2,570,561	2,630,986	-60,425	
2023	COMMUNICATIONS-INFLATION			74	74		113	114	-1	
2026	UTILITIES-INFLATION			9,154	9,155		17,812	17,814	-2	
2100	CONTRACTED SERVICES	185,833.60	158,950	197,139	194,651	2,488	194,122	191,494	2,628	
2200	SUPPLIES & MATERIALS	48,171.31	40,000	47,690	47,690		47,690	47,690		
2300	COMMUNICATIONS	41,775.57	39,105	47,917	46,946	971	47,916	46,946	970	
2400	TRAVEL	94,140.64	86,805	85,191	88,913	4,760	83,561	79,803	3,760	
2500	REH	133,802.90	122,475	136,493	135,913	580	136,493	135,913	580	
2600	UTILITIES	43,896.98	49,960	49,947	49,947		49,947	49,947		
2700	REPAIR & MAINTENANCE	161,081.85	206,076	180,823	109,582	71,241	203,323	109,582	93,741	
2800	OTHER EXPENSES	80,622.83	84,850	117,654	87,873	29,781	97,704	87,873	9,831	
	TOTAL LEVEL	789,325.68	788,221	872,082	762,262	109,820	878,681	767,174	111,507	
3100	EQUIPMENT	116,452.37	33,560	54,920	54,920		54,120	54,120		
	TOTAL LEVEL	116,452.37	33,560	54,920	54,920		54,120	54,120		
	TOTAL PROGRAM	3,204,850.85	3,435,467	3,497,307	3,442,252	55,055	3,503,362	3,452,280	51,082	
02422	HIGHWAYS SPECIAL REVENUE	3,204,850.85	3,435,467	3,497,307	3,442,252	55,055	3,503,362	3,452,280	51,082	
	TOTAL PROGRAM	3,204,850.85	3,435,467	3,497,307	3,442,252	55,055	3,503,362	3,452,280	51,082	

ex. 2
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G. V. W.
 ANALYSIS OF OBPP AND LFA 88-89 BIENNIUM RECOMMENDATIONS
 CURRENT LEVEL SERVICES ONLY

Date: 2/9/87

Description	Current Level Actual FY86 Expenditure	FY88		FY89		Difference LFA (over) under
		OBPP	LFA	OBPP	LFA	
Full Time Equivalent (FTE)	107.14	110.03	113.00	110.03	113.00	(2.97)
Agency Request		OBPP	LFA			
		115.14	115.14			
Less Cuts						
Cty. Col. Sec. Supvr.		(1.00)	(1.00)			
Adm. Clerk II		(1.00)	(1.00)			
Office Clerk II		(.11)	(.14)			
GVW Enf. Off. I		(3.00)				
Total		110.03	113.00			(2.97)

CVW (continued)
 ANALYSIS OF OBPP AND LFA 88-89 BIENNIIUM RECOMMENDATIONS
 CURRENT LEVEL SERVICES ONLY

Date: 2/10/87

Description	Current Level Actual FY86 Expenditures	FY88			FY89		
		OBPP	LFA	Difference LFA (over) under	OBPP	LFA	Difference LFA (over) under
2400 - Travel	\$94,141	\$85,191	\$80,431	\$4,760	\$83,561	\$79,801	\$3,760

The department requests an additional \$3,000 in FY88 and in FY89 over the LFA recommendation to cover meals and lodging for the new staff at the DeBorgia Station.

2700 - Repair & Maintenance

	\$161,082	\$180,823	\$109,582	\$71,241	\$203,323	\$109,582	\$93,741
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The LFA allowed \$109,582 in FY88 and FY89. The agency requests an additional \$71,241 in FY88 and \$93,741 in FY89 over the LFA requests for CVW station upgrades.

G.V.W. (continued)
 ANALYSIS OF OBPP AND LFA 88-89 BIENNIAL RECOMMENDATIONS
 CURRENT LEVEL SERVICES ONLY

Date: 2/10/87

Description	Current Level Actual FY86 Expenditures		FY88		FY89		Difference LFA (over) under
	OBPP	LFA	OBPP	LFA	OBPP	LFA	
2800 - Other Expenses	\$80,523	\$117,654	\$87,873	\$87,873	\$97,704	\$87,873	\$9,831

LFA allowed \$87,873 in FY88 and in FY89. The agency requests an additional \$22,875 in FY88 and an additional \$4,875 in FY89 over the LFA requests for relocation expenses. The DeBorgia station is scheduled to open in FY88.

REPORT EBSR106
 DATE : 01/07/87
 TIME : 15/24/40

OFFICE OF BUDGET & PROGRAM PLANNING
 EXECUTIVE BUDGET SYSTEM
 AGENCY/PROGRAM/CONTROL --- BUDGET WORKSHEET

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
 PROGRAM : 11 CAPITAL OUTLAY PROGRAM
 CONTROL : 00000

AE/OE	DESCRIPTION	CURRENT LEVEL SERVICES ONLY							
		OBPP FY 88	LFA FY 88	DIFF FY 88	SUB-CMT FY 88	OBPP FY 89	LFA FY 89	DIFF FY 89	SUB-CMT FY 89
8000	TRANSFERS	16,565,098	16,565,098			16,572,990	16,572,990		
	TOTAL PROGRAM	16,565,098	16,565,098			16,572,990	16,572,990		
02422	HIGHWAYS SPECIAL REVENUE	16,565,098	16,565,098			16,572,990	16,572,990		
	TOTAL PROGRAM	16,565,098	16,565,098			16,572,990	16,572,990		

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Construction Program

LFA Lower (Higher)	
Than Executive	
Fiscal	Fiscal
<u>1988</u>	<u>1989</u>

Major Issues

1. Personal Services. The LFA current level is 19.45 FTE less than the executive budget.

Engineering Tech II	4.00
Engineering Tech III	8.00
Survey Aide III	1.00
Lab Tech I	1.00
Lab Tech III	1.00
Field Project Manager	2.00
Research Aide II	.25
Typist I	.20
Accounting Clerk II	1.00
Drill Operator II	<u>1.00</u>

19.45

These were vacant positions deleted by the LFA current level that are in the executive budget.

Total Personal Services Major Issues

<u>\$356,052</u>	<u>\$354,351</u>
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2. Contracted Services

A. Storage fees were included in the executive budget at \$168,053 and \$252,326 for fiscal 1988 and 1989 respectively. This was a new code projected by the Construction Management System and when it was questioned, the LFA was informed by department personnel it should be deleted.

168,053	252,326
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B. Lab Testing - Expenditures in this category were:

Appropriated Level	\$854,124
Fiscal 1985	\$1,000,051
Fiscal 1986	\$815,555

The executive budget includes the department request of \$1,149,102 and \$1,040,027 in fiscal 1988 and 1989 respectively. LFA current level is at fiscal 1985 level.

<u>149,051</u>	<u>39,976</u>
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Total Contracted Services Major Issues

<u>\$317,104</u>	<u>\$292,302</u>
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3. Repairs - The Construction Management System had a one-time expenditure projection in fiscal 1988 of \$30,061 in the repairs general category. The projection for fiscal 1989 was \$73. There was no explanation of this one-time expenditure so it was not included in the LFA current level.

Total Repairs Major Issues

\$ 30,061

\$ -0-

4. Funding differences can be handled for this program once the budget expenditure levels are determined.

JH1A:bn:sacp.

OFFICE OF BUDGET & PROGRAM PLANNING
 EXECUTIVE BUDGET SYSTEM
 AGENCY/PROGRAM/CONTROL -- BUDGET DETAIL COMPARISONS

REPORT EBSR99
 DATE : 01/07/87
 TIME : 17/23/43

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
 PROGRAM : 02 CONSTRUCTION PROGRAM
 CONTROL : 00000

AE/0E	DESCRIPTION	ACTUAL FY 86	BUDGET FY 87	OBPP FY 88	LFA FY 88	DIFF FY 88	CURRENT LEVEL SERVICES ONLY			DIFF FY 89
							OBPP FY 89	LFA FY 89	DIFF FY 89	
0000	FULL TIME EQUIVALENT (FTE)	655.40	619.65	571.00	551.55	19.45	565.00	545.55	19.45	351,512
1100	SALARIES	13,846,914.26	14,687,734	13,756,101	13,402,581	242,331	2,223,487	1,979,709	243,778	243,778
1300	OTHER COMPENSATION	3,806.00				26,841	780,390	753,549	26,841	26,841
1400	EMPLOYEE BENEFITS	2,856,983.02	2,076,756	2,190,087	1,947,756	56,836	-634,864	-576,888	-57,976	-57,976
1500	HEALTH INSURANCE		855,117	788,670	761,829	-56,836				
1600	VACANCY SAVINGS	-1,540,391	-637,848	-637,848	-581,012	-209,804		209,804	-209,804	
1800										
	TOTAL LEVEL	16,707,703.28	16,079,216	16,097,010	15,740,958	356,052	16,017,129	15,662,778	354,351	
2022	SUPPLIES & MATERIALS-INFLAT			10,285	10,423	-138	18,281	18,342	-61	
2023	COMMUNICATIONS-INFLATION			182	288	-106	273	449	-176	
2026	UTILITIES-INFLATION			6,255	6,247	8	12,483	12,935	-452	
2100	CONTRACTED SERVICES	171,645,533.31	155,660,501	103,850,484	103,545,513	304,971	96,527,457	96,248,425	279,032	
2200	SUPPLIES & MATERIALS	338,797.48	218,124	305,132	304,153	979	308,702	302,724	5,978	
2300	COMMUNICATIONS	157,127.55	128,683	135,268	132,772	2,496	130,232	124,603	5,629	
2400	TRAVEL	1,285,531.76	1,463,846	1,099,959	1,096,715	3,244	1,065,008	1,061,264	3,744	
2500	RENT	1,142,070.89	889,308	988,669	988,672	-3	974,694	974,697	-3	
2600	UTILITIES	100,113.54	117,426	100,151	100,113	38	99,560	100,113	-553	
2700	REPAIR & MAINTENANCE	280,444.66	60,597	225,461	255,497	-30,036	210,338	210,443	-105	
2800	OTHER EXPENSES	19,583.70	39,095	20,492	19,583	909	20,446	19,583	863	
	TOTAL LEVEL	174,969,202.89	158,577,580	106,742,338	106,459,976	282,362	99,367,474	99,073,578	293,896	
3100	EQUIPMENT	249,637.70	149,685	174,866	174,856	10	174,931	174,931		
	TOTAL LEVEL	249,637.70	149,685	174,866	174,856	10	174,931	174,931		
	TOTAL PROGRAM	191,926,543.87	174,806,481	123,014,214	122,375,790	638,424	115,559,534	114,911,287	648,247	
02050	HWY REV BOND PROCEEDS	14,589,385.92	6,821,855	4,100,000	5,231,956	-1,131,956	25,561,769	18,719,355	6,842,414	
02100	CONSTRUCTION ACCOUNT NO. 2	12,896,699.75	2,552,865	26,517,869	22,029,752	4,488,117	2,946,768	7,925,812	-4,979,044	
02422	HIGHWAYS SPECIAL REVENUE	14,669,564.43	17,046,031	7,015,939	7,739,159	-723,220	87,050,997	88,266,120	-1,215,123	
02424	HIGHWAYS RECONSTRUCTION	29,576,326.38	41,910,387	85,380,406	87,374,923	-1,994,517	114,911,287	114,911,287		
03407	HIGHWAY TRUST - SP REV	120,194,567.39	106,475,343	85,380,406	87,374,923	-1,994,517	114,911,287	114,911,287	648,247	
	TOTAL PROGRAM	191,926,543.87	174,806,481	123,014,214	122,375,790	638,424	115,559,534	114,911,287	648,247	

CONSTRUCTION
ANALYSIS OF OBPP AND LFA 88-89 BIENNIAL RECOMMENDATIONS
CURRENT LEVEL SERVICES ONLY

Date: 2/6/87

Description	Current Level Actual FY86 Expenditures		FY88		FY89		Difference LFA (over) under
	OBPP	LFA	OBPP	LFA	OBPP	LFA	
<u>FTE</u>	655.40	571.00	551.55	551.55	565.00	545.55	19.45
<u>Personal Services</u>	\$16,707,703	\$16,097,010	\$15,740,958	\$15,740,958	\$16,017,129	\$15,662,778	\$354,351
The LFA deleted an additional 19.45 FTE beyond the department's reduction of 84.40 FTE.							
Agency FY86 Authorized DOH FY87 Work Load Reduction FY87 Authorized	655.40 (30.75) <u>624.65</u>	655.40 (30.75) <u>624.65</u>	655.40 (30.75) <u>624.65</u>	655.40 (30.75) <u>624.65</u>	655.40 (30.75) <u>624.65</u>	655.40 (30.75) <u>624.65</u>	
OBPP FY87 Unfunded Pay Plan							
Design Tech II -	CADD (1.00)				(1.00)		
Engineering Tech I	(1.00)				(1.00)		
Engineering Tech II	(5.00)				(5.00)		
Engineering Tech III	(4.00)				(4.00)		
Survey Aid II	(15.50)				(15.50)		
Lab Tech III	(1.00)				(1.00)		
Training Officer II	(1.00)				(1.00)		
Drill Operator	(1.00)				(1.00)		
Total	(79.50)		(29.50)		(79.50)		
FY88 Work Load Reduction							
Civil Engineer II	(4.00)				(4.00)		
Design Tech II -	(3.00)				(3.00)		
Engineering Tech I	(2.00)				(2.00)		
Engineering Tech II	(4.00)				(4.00)		
Engineering Tech III	(6.00)				(6.00)		
Survey Aid II	(2.15)				(8.15)		
Lab Tech III	(1.00)				(1.00)		
Field Project Manager	(1.00)				(1.00)		
Admin. Clerk I	(1.00)				(1.00)		
Total	(74.15)		(74.15)		(74.15)		
Total Reductions	(53.65)		(53.65)		(59.65)		
OBPP Requested	571.00		571.00		565.00		
LFA Cuts of FTE							
Engineering Tech II			(4.00)				(4.00)
Engineering Tech III			(8.00)				(8.00)
Field Project Manager			(3.00)				(3.00)
Civil engineer III			(2.00)				(2.00)
Design Tech			(1.00)				(1.00)
Survey Aide II			(1.45)				(1.45)
Total			(19.45)				(19.45)
FTEs after LFA Cuts	571.00		551.55		565.00		545.55

CONSTRUCTION (Continued)
 ANALYSIS OF OBPP AND LFA 88-89 BIENNIAL RECOMMENDATIONS
 CURRENT LEVEL SERVICES ONLY

Date: 2/9/87

Description	FY88		FY89		Difference LFA (over) under
	OBPP	LFA	OBPP	LFA	
Current Level Actual FY86 Expenditures					

14.45 of these FTE are currently filled and most of the current incumbents were in place prior to FY 87, some as far back as August 1967. Five FTE that were vacant positions earlier in FY87 have been transferred into an aggregate position. The Position Control Report as of 1/16/87 reflects that all of Construction's aggregate positions together were 66% expended, as related to 54% of time elapsed. The Department considers this normal considering that contractor payments through January normally are at 62%. However, had the FTE and budget authority of the 5 vacant positions not been moved, the total aggregate positions would be 74% expended.

The department uses the Construction Management System (CMS) to develop field project staffing levels and associated operating expenses. The CMS has resulted in some areas of the department reducing the permanent positions and staffing projects with more temporary employees to meet this changing work load.

Besides the fact the 19.45 FTE listed above are presently being utilized, another factor must be considered. With a 4% vacancy savings requirement, an equivalent of 23 FTE in FY88 and FY89 must be left vacant in the Construction Program. Approximately this same number of FTE was determined to be needed for vacancy savings in FY87. As of 1/16/87, the Construction Program is \$187,912 short of achieving vacancy savings and all available positions being held vacant for that purpose have already been taken into account. Due to this situation in FY87, it may be necessary to move FY86 authority to FY87 to cover the shortfall and provide for the needs of the upcoming spring construction season. This situation is very likely to occur again in FY88 and FY89, and LFA cutting 19.45 FTE below what the Department has requested will only make the situation worse.

<u>Contract Services</u>	\$171,645,533	\$103,850,484	\$103,545,513	\$304,971	\$96,527,457	\$96,248,425	\$279,032
<u>Materials Testing</u>	\$815,556	\$1,148,102	\$1,000,051	\$148,051	\$1,040,027	\$1,000,051	\$39,976

LFA allowed \$1,000,051 in both years. A recent analysis by the department of the revolving services indicates our needs to be \$1,134,055 in FY88 and \$956,390 in FY89. The department requests LFA \$1,000,051 plus \$134,004 or \$1,134,055 in FY88 and LFA \$1,000,051 minus \$43,661 or \$956,390 in FY89.

CONSTRUCTION
Modified Level Services Only

2/11/87

Description	FY88			FY89		
	DOH	LFA	Difference	DOH	LFA	Difference
FTE	29.6	-0-	29.6	46.00	-0-	46.00
1100 Salaries	502,798	-0-	502,798	768,611	-0-	768,611
1400 Employee Benefits	72,258	-0-	72,258	106,577	-0-	106,577
1500 Health Insurance	<u>40,848</u>	-0-	<u>40,848</u>	<u>63,480</u>	-0-	<u>63,480</u>
Total Level	615,904	-0-	615,904	938,668	-0-	938,668
2100 Contracted Services	20,419,382	-0-	20,419,382	31,550,671	-0-	31,550,671
2200 Supplies & Materials	11,157	-0-	11,157	17,205	-0-	17,205
2300 Communications	4,504	-0-	4,504	6,199	-0-	6,199
2400 Travel	53,201	-0-	53,201	81,557	-0-	81,557
2500 Rent	37,992	-0-	37,992	56,485	-0-	56,485
2600 Utilities	4,003	-0-	4,003	5,431	-0-	5,431
2700 Repair & Maintenance	5,231	-0-	5,231	4,451	-0-	4,451
2800 Other Expense	<u>841</u>	-0-	<u>841</u>	<u>1,071</u>	-0-	<u>1,071</u>
Total Level	20,536,311	-0-	20,536,311	31,723,070	-0-	31,723,070
Total Program	21,152,215	-0-	21,152,215	32,661,738	-0-	32,661,738
Highway Reconstruction	21,152,215	-0-	21,152,215	32,661,738	-0-	32,661,738

CONSTRUCTION MODIFIED

	<u>FY88</u>	<u>FY89</u>
Engineering Tech II	13.00	22.00
Survey Aid II	<u>16.60</u>	<u>24.00</u>
	29.60	46.00

OFFICE OF BUDGET & PROGRAM PLANNING
 EXECUTIVE BUDGET SYSTEM
 AGENCY/PROGRAM/CONTROL -- BUDGET DETAIL COMPARISONS

REPORT EBSR99
 DATE : 01/07/87
 TIME : 17/23/43

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
 PROGRAM : 05 PRECONSTRUCTION PROGRAM
 CONTROL : 00000

AE/OE	DESCRIPTION	ACTUAL FY 86	BUDGET FY 87	OBPP FY 88	LFA FY 88	DIFF FY 88	OBPP FY 89	LFA FY 89	DIFF FY 89
0000	FULL TIME EQUIVALENT (FTE)	243.00	243.00	212.00	209.08	2.92	212.00	209.08	2.92
1100	SALARIES	5,427,960.15	6,029,226	5,410,416	5,345,562	64,854	5,397,810	5,332,403	65,407
1300	OTHER COMPENSATION	1,449.09		300		300	300		300
1400	EMPLOYEE BENEFITS	1,061,792.75	891,552	814,381	800,952	13,129	827,519	813,846	13,673
1500	HEALTH INSURANCE		335,310	292,905	288,875	4,030	292,905	288,875	4,030
1600	VACANCY SAVINGS		-577,725	-260,720	-251,750	-8,970	-260,741	-251,472	-9,269
1800					3,944	-3,944		3,944	-3,944
	TOTAL LEVEL	6,491,201.99	6,678,393	6,257,282	6,187,583	69,699	6,257,793	6,187,596	70,197
2021	CONTRACTED SERVICES-INFLATI			-7		-7	-15		-15
2022	SUPPLIES & MATERIALS-INFLAT			1		1			
2023	COMMUNICATIONS-INFLATION			325		325	487	318	169
2100	CONTRACTED SERVICES	1,322,628.06	1,546,259	1,410,752	1,352,945	87,807	1,426,383	1,352,986	73,397
2200	SUPPLIES & MATERIALS	72,375.68	41,468	69,596	50,214	19,382	69,515	50,214	19,301
2300	COMMUNICATIONS	95,375.25	87,493	84,704	84,648	56	84,705	84,648	57
2400	TRAVEL	236,471.74	317,524	220,000	220,001	-1	190,000	190,001	-1
2500	RENT	9,997.84	11,358	7,858	8,008	-150	7,858	8,008	-150
2600	UTILITIES	257.75	11,373						
2700	REPAIR & MAINTENANCE	10,713.67	109,177	5,755	5,255	500	5,755	5,255	500
2800	OTHER EXPENSES	36,065.22	71,703	11,637	8,618	3,019	9,977	8,618	1,359
	TOTAL LEVEL	1,783,885.21	2,186,355	1,840,621	1,729,888	110,733	1,794,669	1,700,048	94,621
3100	EQUIPMENT	1,129,527.26	1,650	425,458	24,958	400,500	394,500	25,000	369,500
3400	INTANGIBLE ASSETS	2,999.24			400,500	-400,500		369,500	-369,500
	TOTAL LEVEL	1,132,526.50	1,650	425,458	425,458		394,500	394,500	
4000	CAPITAL OUTLAY	2,080,970.86	2,758,108	3,313,950	3,313,826	124	1,668,600	1,668,300	300
	TOTAL LEVEL	2,080,970.86	2,758,108	3,313,950	3,313,826	124	1,668,600	1,668,300	300
	TOTAL PROGRAM	11,488,584.56	11,624,506	11,837,311	11,656,755	180,556	10,115,562	9,950,444	165,118
02422	HIGHWAYS SPECIAL REVENUE	4,787,503.59	3,165,851	4,325,797	3,974,625	351,172	3,715,335	3,385,519	329,816
02424	HIGHWAY RECONSTRUCTION	10,387.03	2,000,000	240,000	240,000	208,001	208,001	208,000	1
03407	HIGHWAY TRUST - SP REV	6,690,693.94	6,458,655	7,271,514	7,442,130	-170,616	6,192,226	6,356,925	-164,699
	TOTAL PROGRAM	11,488,584.56	11,624,506	11,837,311	11,656,755	180,556	10,115,562	9,950,444	165,118

7
2-11-89

Pre-Construction Program

LFA Lower (Higher)
Than Executive
Fiscal 1988 Fiscal 1989

Major Issues

1. Personal Services

LFA current level made reductions in FTE from information provided with the department's budget. The budget included 31 FTE to be deleted plus a list of 10.75 FTE reductions related to the 5 percent cut and the pay plan reduction. There were some duplications in the lists. LFA current level deletes the 31 FTE plus 2.92 FTE from the list of 10.75.

Civil Engineers	2.00
Steno Clerk	<u>.92</u>
	<u>2.92</u>

Total Personal Services Major Issues	<u>\$69,699</u>	<u>\$70,197</u>
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2. Contracted Services

A. Appraiser fees are in the executive budget at \$90,000 each year which is the department's request. Expenditures in this category were:

Fiscal 1985	\$67,665
Fiscal 1986	\$40,041

The justification for the increase was based on fewer employees in Right-of-Way. The department's reductions include six right-of-way agents and supervisors. At fiscal year-end, there were seven vacant positions in the bureau and appraiser fees were at \$40,041. LFA current level took the fiscal 1985 level of \$68,000

	22,000	22,000
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B. Consulting Services - Executive budget includes \$784,395 and \$778,500 in fiscal 1988 and 1989 respectively. The justification stated that it was to annualize contract for CADD because fiscal 1988 did not reflect a full year. Fiscal 1989 request was \$5,895 less than fiscal 1988 which appears inconsistent with the justification. Therefore, the LFA current level is at the fiscal 1986 level of \$765,607.

	18,788	12,893
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C. Legal Services - The executive budget has \$25,400 each year for legal services which reflects the department's request. There was no justification provided for the increase so LFA current level is at fiscal 1986 base of \$13,280 each year.

	12,120	12,120
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D. Contractor payment and utility relocation had negative expenditure balances of \$20,597 each year. This is reflected in the LFA current level but not in the executive budget.	\$20,597	\$20,597
E. Education and Training - The executive budget reflects the department's request of \$33,825 and \$38,240 for fiscal years 1988 and 1989 respectively. Sufficient justification for an increase was not provided so current level is at fiscal 1986 cost of \$21,354 per year.	12,471	16,886
F. Computer Processing, Programming, etc. - The executive budget reflects the department's request with both additions and reductions in these categories. LFA current level left these categories at fiscal 1986 levels and therefore is higher than the executive budget.	(2,513)	(15,944)
G. Printing - The executive budget has \$111,784 and \$111,294 for fiscal years 1988 and 1989 respectively. Justification was not provided for an increase so LFA current level is left at fiscal 1986 level of \$106,017 per year.	<u>5,767</u>	<u>5,277</u>
Total Contract Services Major Issues	<u>\$89,230</u>	<u>\$73,829</u>

3. Supplies

A. Books and Reference Materials - Expenditures in this category were:

Appropriated Level	\$6,353
Fiscal 1985	\$8,717
Fiscal 1986	\$10,078

The executive budget reflects the department's request of \$9,697 and \$8,753 for fiscal years 1988 and 1989 respectively. LFA current level is at the appropriated base level of \$6,353.

3,344	2,400
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B. Office Supplies - Expenditures in this category were:

Appropriated Level	\$26,064
Fiscal 1985	\$31,309
Fiscal 1986	\$49,367

The executive budget has \$37,978 and \$38,656 for fiscal years 1988 and 1989 respectively. The LFA current level is based on fiscal 1985 level.

6,699	7,347
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C. Data Processing - Expenditures in this category were:

Appropriated Level	\$302
Fiscal 1985	\$3,715
Fiscal 1986	\$971

The executive budget has \$11,798 and \$11,946 for fiscal 1988 and 1989 respectively. LFA current level was based on fiscal 1985.

\$ 8,083	\$ 8,231
<u>\$18,126</u>	<u>\$17,978</u>

Total Supplies Major Issues

4. Funding differences can be handled for this program once the budget expenditure levels have been determined.

JH1A:bn:sapc.

PRECONSTRUCTION (Continued)
ANALYSIS OF OBPP AND LFA 88-89 BIENNIAL RECOMMENDATIONS
CURRENT LEVEL SERVICES ONLY

Date: 2/9/87

Description	FY88			FY89			Difference	
	Current Level Actual FY86 Expenditures	OBPP	LFA	LFA (over) under	OBPP	LFA	LFA (over) under	

The Civil Engineer and Design Tech positions were held open for vacancy savings. Total FTE in the Preconstruction Program were 294 in 1982; this was reduced to 243 in 1986; now we're down to 212 which is critically low. If reduced any further, the department will not be able to deliver plans and specs on time and would run the risk of not being able to use all federal-aid.

Steno Clerk position was held open for vacancy savings. Most of clerical duties are being handled by right-of-way agents reducing the time they have available for field work. Filling position would increase agents' productivity.

<u>Contracted Services</u>	\$1,322,628	\$1,440,752	\$1,352,945	\$87,807	\$1,426,383	\$1,352,986	\$73,397
<u>Appraiser Fees</u>	\$40,041	\$90,000	\$67,664	\$22,336	\$90,000	\$67,664	\$22,336

LFA allowed FY86 actual expenditures. The department requests \$22,336 more in both years for the following reasons:

The turnover rate for right-of-way agents is extraordinarily high, due to higher salary schedules used by other states. During the past three years it has exceeded 150 percent; during the past year, even higher. As a result, inexperienced agents aren't capable of dealing with difficult parcels. Highway attorneys handling condemnations need appraisals from competent fee appraisers to produce independent third-party valuations for court proceedings. 1987 expenditures for this item will be about \$93,000. The project management system has identified projects scheduled between September 1987 and September 1989 which have unusually large numbers of parcels. An example is a project on Hwy. 93 near Darby which has over 200 parcels.

<u>Consultant and Professional Services</u>	\$765,607	\$779,222	\$765,607	\$13,615	\$779,222	\$765,607	\$13,615
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LFA allowed FY86 actual expenditures. The department requests an additional \$13,615 in both years for the following reasons:

PRECONSTRUCTION (Continued)
 ANALYSIS OF OBPP AND LFA 88-89 BIENNIAL RECOMMENDATIONS
 CURRENT LEVEL SERVICES ONLY

Date: 2/9/87

Description	Current Level Actual FY86 Expenditures		FY88		FY89		Difference LFA (over) under
	OBPP	LFA	OBPP	LFA	OBPP	LFA	

FY86 actual expenditures includes only two months of the CADD maintenance contract of \$10,000 per month. FY86 actual expenditures of consultant design was \$600,000. The request for FY88 and FY89 is \$525,000. The net effect of the other areas of Preconstruction is a reduction of \$11,385.

Additional CADD Maintenance Request	\$100,000
Reduced Request	\$75,000
Other Reduced Request	<u>11,385</u>
Net Additional Request	\$13,615

Legal Fees and Court Costs	\$13,280	\$25,400	\$13,280	\$25,400	\$13,280	\$12,120	\$13,280	\$12,120
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LFA allowed FY86 actual expenditures. The department requests an additional \$12,120 in both years for the following reasons.

The purpose of this expenditure item is to have funds available in the event the department is required to pay the attorneys fees of the opposing party in an action filed against it. Such an action could be a writ of mandamus, writ of prohibitions or other action requiring the payment of attorneys' fees. It has also been used to pay for the services of attorneys from the Agency Legal Services Bureau to represent the department in certain personnel cases.

Payroll Service Fees	\$9,883	\$13,330	\$9,883	\$13,041	\$9,883	\$3,447	\$13,041	\$9,883	\$3,158
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LFA allowed FY86 actual expenditures. The department requests an additional \$3,447 in FY88 and \$3,158 in FY89 for the following reason.

These are revolving fund reimbursements determined by the State Auditor. A State Auditor memorandum of August 20, 1986, stated to use \$60.36 per FTE in FY88 and \$58.86 per FTE in FY89.

Education and Training	\$21,354	\$33,825	\$21,354	\$38,240	\$21,354	\$12,471	\$38,240	\$21,354	\$16,886
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LFA allowed FY86 actual expenditures. The department requested an additional \$12,471 in FY88 and \$16,886 in FY89 for the following reasons.

PRECONSTRUCTION (Continued)
 ANALYSIS OF OBPP AND LFA 88-89 BIENNIUM RECOMMENDATIONS
 CURRENT LEVEL SERVICES ONLY

Date: 2/9/87

Description	Current Level Actual FY86 Expenditures	FY88		FY89		Difference LFA (over) under
		OBPP	LFA	OBPP	LFA	
<u>Other Expense</u>	\$36,065	\$11,637	\$8,618	\$9,977	\$8,618	\$1,359

OBPP cut this category by \$9,759 in FY88 and \$6,259 in FY89 from the Department's request.
 LFA is cutting an additional \$3,019 in FY88 and \$1,359 in FY89. The Department requests OBPP.

FY89

FY88

Description	DOH	LFA	Difference	DOH	LFA	Difference
FTE	20.0	-0-	20.0	20.0	-0-	20.0
1100 Salaries	406,676	-0-	406,676	405,320	-0-	405,320
1400 Employee Benefits	61,579	-0-	61,579	62,534	-0-	62,534
1500 Health Insurance	27,600	-0-	27,600	27,600	-0-	27,600
1600 Vacancy Savings	(19,834)	-0-	(19,834)	(19,818)	-0-	(19,818)
Total Level	476,021	-0-	476,021	475,636	-0-	475,636
2100 Contracted Services	100,000	-0-	100,000	100,000	-0-	100,000
2200 Supplies & Materials	5,000	-0-	5,000	5,000	-0-	5,000
2300 Communications	6,000	-0-	6,000	6,000	-0-	6,000
2400 Travel	10,000	-0-	10,000	10,000	-0-	10,000
2700 Repair & Maintenance	3,560	-0-	3,560	3,618	-0-	3,618
2800 Other Expense	4,669	-0-	4,669	9,204	-0-	9,204
Total Level	129,229	-0-	129,229	133,822	-0-	133,822
4100 Land & Related Costs	1,855,650	-0-	1,855,650	586,500	-0-	586,500
Total Level	2,460,900	-0-	2,460,900	1,195,958	-0-	1,195,958
02422 Highway Special Revenue	843,815	-0-	843,815	410,080	-0-	410,080
02424 Highway Reconstruction	50,000	-0-	50,000	24,300	-0-	24,300
03407 Highway Trust - Federal	1,567,085	-0-	1,567,085	761,578	-0-	761,578
Total Program	2,460,900	-0-	2,460,900	1,195,958	-0-	1,195,958

PRECONSTR. ION
Modified Level Services Only

2/4/87

FY89

FY88

Description	DOH	LFA	Difference	DOH	LFA	Difference
FTE	20.0	-0-	20.0	20.0	-0-	20.0
1100 Salaries	406,676	-0-	406,676	405,320	-0-	405,320
1400 Employee Benefits	61,579	-0-	61,579	62,534	-0-	62,534
1500 Health Insurance	27,600	-0-	27,600	27,600	-0-	27,600
1600 Vacancy Savings	(19,834)	-0-	(19,834)	(19,818)	-0-	(19,818)
Total Level	476,021	-0-	476,021	475,636	-0-	475,636
2100 Contracted Services	100,000	-0-	100,000	100,000	-0-	100,000
2200 Supplies & Materials	5,000	-0-	5,000	5,000	-0-	5,000
2300 Communications	6,000	-0-	6,000	6,000	-0-	6,000
2400 Travel	10,000	-0-	10,000	10,000	-0-	10,000
2700 Repair & Maintenance	3,560	-0-	3,560	3,618	-0-	3,618
2800 Other Expense	4,669	-0-	4,669	9,204	-0-	9,204
Total Level	129,229	-0-	129,229	133,822	-0-	133,822
4100 Land & Related Costs	1,855,650	-0-	1,855,650	586,500	-0-	586,500
Total Level	2,460,900	-0-	2,460,900	1,195,958	-0-	1,195,958
02422 Highway Special Revenue	843,815	-0-	843,815	410,080	-0-	410,080
02424 Highway Reconstruction	50,000	-0-	50,000	24,300	-0-	24,300
03407 Highway Trust - Federal	1,567,085	-0-	1,567,085	761,578	-0-	761,578
Total Program	2,460,900	-0-	2,460,900	1,195,958	-0-	1,195,958

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2-11-87

OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL -- BUDGET DETAIL COMPARISONS

REPORT EBSR99
DATE : 01/01/87
TIME : 17/23/43

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
PROGRAM : 03 MAINTENANCE PROGRAM
CONTROL : 00000

AE/OE	DESCRIPTION	ACTUAL FY 86	BUDGET FY 87	OBPP FY 88	LFA FY 88	DIFF FY 88	CURRENT LEVEL SERVICES ONLY		
							OBPP FY 89	LFA FY 89	DIFF FY 89
0000	FULL TIME EQUIVALENT (FTE)	662.83	662.83	642.33	629.23	13.10	642.33	629.23	13.10
1100	SALARIES	15,012,862.61	15,933,125	15,815,991	15,073,774	742,217	15,776,369	15,035,140	741,229
1300	OTHER COMPENSATION	2,105.60		1,687		1,687	1,687		1,687
1400	EMPLOYEE BENEFITS	3,532,876.87	2,615,666	3,047,679	2,773,619	274,060	3,158,115	2,881,167	276,948
1500	HEALTH INSURANCE		914,705	887,188	868,006	19,182	887,188	868,006	19,182
1600	VACANCY SAVINGS		-1,665,805	-790,102	-706,684	-83,418	-792,934	-708,848	-84,086
1800					167,772	-167,772		167,772	-167,772
	TOTAL LEVEL	18,547,845.08	17,797,691	18,962,443	18,176,487	785,956	19,030,425	18,243,237	787,188
2022	SUPPLIES & MATERIALS-INFLAT			266	190	76	506	507	-1
2023	COMMUNICATIONS-INFLATION			238	238		381	379	2
2026	UTILITIES-INFLATION			168,824	168,559		330,515	330,361	154
2100	CONTRACTED SERVICES	1,006,752.47	1,289,554	1,129,271	1,125,838	265	1,150,875	1,124,933	25,942
2200	SUPPLIES & MATERIALS	616,398.37	559,208	592,889	580,827	3,433	592,601	580,827	11,774
2300	COMMUNICATIONS	199,907.61	147,063	199,921	199,910	11	199,921	199,910	11
2400	TRAVEL	107,285.74	187,806	104,180	104,200	11	104,180	104,200	-20
2500	RENT	8,299,449.33	7,470,366	8,127,929	8,120,881	7,048	8,127,929	8,120,881	7,048
2600	UTILITIES	1,276,568.00	1,115,642	1,198,569	1,198,569		1,198,569	1,198,569	
2700	REPAIR & MAINTENANCE	10,954,879.35	9,917,799	9,881,169	9,614,043	267,126	9,881,169	9,614,043	267,126
2800	OTHER EXPENSES	41,736.87	22,887	22,003	21,401	602	22,003	21,401	602
	TOTAL LEVEL	22,502,977.74	20,710,325	21,425,259	21,134,656	290,603	21,608,649	21,296,011	312,638
3100	EQUIPMENT	337,195.03	80,363	100,204	99,204	1,000	100,090	100,090	1,000
4000	CAPITAL OUTLAY	337,195.03	80,363	100,204	99,204	1,000	100,090	100,090	1,000
	TOTAL LEVEL	158,484.00	100,000	133,030	133,030		133,030	133,030	
	TOTAL LEVEL	158,484.00	100,000	133,030	133,030		133,030	133,030	
	TOTAL PROGRAM	41,546,501.85	38,688,379	40,620,936	39,543,377	1,077,559	40,872,194	39,772,368	1,099,826
02422	HIGHWAYS SPECIAL REVENUE	41,546,501.85	38,688,379	40,620,936	39,543,378	1,077,558	40,872,194	39,772,368	1,099,826
	TOTAL PROGRAM	41,546,501.85	38,688,379	40,620,936	39,543,378	1,077,558	40,872,194	39,772,368	1,099,826

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
 PROGRAM : 03 MAINTENANCE PROGRAM
 CONTROL : 00000

MODIFIED LEVEL SERVICES ONLY

AF/OE	DESCRIPTION	ACTUAL FY 86	BUDGET FY 87	OBPP FY 88	LFA FY 88	DIFF FY 88	OBPP FY 89	LFA FY 89	DIFF FY 89
1100	SALARIES	14,315.47							
1400	EMPLOYEE BENEFITS	2,604.87							
	TOTAL LEVEL	16,920.34							
2100	CONTRACTED SERVICES	21,453.30							
2200	SUPPLIES & MATERIALS	3,894.86							
2500	RENT	8,113.08							
2700	REPAIR & MAINTENANCE	5,564.73							
	TOTAL LEVEL	39,025.97							
	TOTAL PROGRAM	55,946.31							
03407	HIGHWAY TRUST - SP REV	55,946.31							
	TOTAL PROGRAM	55,946.31							

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2-11-81

Maintenance Program

<u>Major Issues</u>	LFA Lower (Higher) Than Executive	
	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
1. Personal Services - The LFA current level has deleted 13.10 vacant positions that are still in the executive budget.		
Administrative Assistant IV	1.00	
Accounting Clerk III	.20	
Office Clerk II	.40	
Administrative Clerk III	1.00	
Equipment Operator I	2.50	
Equipment Operator II	2.00	
Laborer	1.70	
Truck Driver	<u>4.30</u>	
	13.10	
		\$303,095 \$304,327
2. Overtime was included in the LFA current level in the amount of \$756,675 based on the department's October 10, 1986 position control. At that time, the expenditures were 14 percent of the budget with 27 percent of the fiscal year elapsed. This was a reduction from the \$1,161,587 fiscal 1986 overtime.		
		\$482,861 \$482,861
Total Personal Services Major Issues		<u>\$785,956</u> <u>\$787,188</u>
3. Contracted Services		
A. Weed control was included in the executive budget at \$546,283 and \$556,555. Fiscal 1986 expenditure level was \$446,857. LFA current level used the department's fiscal 1988 request level for both fiscal years.		-0- 10,272
B. Contracted Services is included in the executive budget at \$245,941 and \$258,148 for fiscal 1988 and 1989 respectively. Fiscal 1986 expenditures were \$217,168. LFA current level is at \$241,863 for both years of the biennium but should have been \$245,941 each year.		4,078 16,285
Total Contracted Services Major Issues		<u>\$4,079</u> <u>\$26,557</u>
4. Supplies		
A. Office Supplies are in the executive budget at \$44,536 each year which is the fiscal 1986 level. The appropriated level was \$33,177 which was used in the LFA current level.		11,361 11,361

- | | | | |
|----|---|----------|----------|
| 5. | Rent - The fiscal 1986 expenditures includes a negative expenditure in the general category of rent. This is excluded in the executive budget but included in LFA current level | \$ 7,047 | \$ 7,047 |
| 6. | Repairs - Oil mixed materials and road oil were in the fiscal 1986 base at \$6,492,008. The executive reduced these two categories by \$958,626. The LFA current level reduced them by \$1,224,243. Information included with the departments budget show the reductions were to be \$1,687,834. LFA current level looked at expenditure patterns for fiscal 1985 and appropriated levels and did not take full reductions. | 267,126 | 267,126 |
| 7. | Funding for this program is totally from the Highway State Special Revenue account and should be acted on when expenditure levels are determined by the subcommittee. | | |

JH1A:bn:samp.

#12
2-11-87

Office of the Legislative Fiscal Analyst
Department of Highways
Maintenance Program - Overtime Cost By District
October 10, 1986 - January 16, 1987

	Fiscal Year									
	October 10, 1986	October 24, 1986	November 7, 1986	November 21, 1986	December 5, 1986	December 19, 1986	January 2, 1987	January 16, 1987	Fiscal Year To Date	Overtime
Missoula	\$ 2,861	\$2,206	\$ 3,681	\$ 31,369	\$19,189	\$18,571	\$ 8,549	\$10,641	\$122,166	
Kalispell	598	733	4,346	23,815	15,540	10,876	10,774	11,348	79,353	
Butte	2,189	1,600	5,084	30,213	7,107	12,816	3,869	4,775	87,499	
Bozeman	904	1,032	2,371	19,778	3,698	3,028	1,325	5,248	64,078	
Great Falls	209	221	1,328	14,238	2,923	5,590	370	1,880	30,758	
Havre	2,181	112	761	3,444	1,957	878	27	1,452	16,860	
Glendive	678	216	1,049	4,922	1,097	276	158	-0-	9,664	
Holf Point	4,000	870	236	2,755	1,260	237	510	51	14,244	
Miles City	6,143	645	1,246	5,276	2,540	743	624	226	24,096	
Billings	1,015	1,115	2,469	19,159	1,854	2,677	891	1,576	35,824	
Lewistown	2,683	406	856	7,366	560	2,376	721	701	18,158	
Other	60	40	474	124	67	115	81	86	1,937	
Total	\$23,521	\$9,196	\$23,901	\$162,459	\$57,792	\$58,183	\$27,899	\$37,984	\$494,637	
Total Positions Vacant	73.39	71.19	67.59	63.24	59.24	63.74	61.64	61.16		

OFFICE OF THE LEGISLATIVE FISCAL ANALYST
DEPARTMENT OF HIGHWAYS - MAINTENANCE PROGRAM

Overtime Analysis

Fiscal 1987 Year to Date Through January 16, 1987

	Overtime Hours	Overtime FTE	Average Salary Plus Insurance	Prorated Salary (55%)	Straight Time Costs	Actual Overtime Costs	Difference	Vacant Positions
Missoula	7,831	6.80	\$23,097	\$12,749	\$ 86,693	\$122,166	\$ 35,473	7.20
Kalispell	4,894	4.25	23,826	13,145	55,866	79,353	23,487	11.45
Butte	5,978	5.19	21,756	12,003	62,296	87,499	25,203	6.20
Bozeman	2,836	2.46	23,012	12,696	31,232	44,078	12,846	1.20
Great Falls	2,253	1.96	20,384	11,246	22,042	30,758	8,716	5.70
Havre	1,301	1.13	19,420	10,714	12,107	16,860	4,753	2.20
Glendive	627	0.54	22,845	12,604	6,806	9,664	2,858	0.20
Wolf Point	933	0.81	22,636	12,489	10,116	14,244	4,128	4.00
Miles City	1,631	1.42	21,951	12,111	17,198	24,096	6,898	1.50
Billings	2,451	2.13	21,730	11,989	25,537	35,825	10,288	4.20
Lewistown	2,125	1.84	19,232	10,610	19,524	18,158	(1,366)	4.00
Other	-0-	-0-	-0-	-0-	-0-	1,936	-0-	13.31
Totals	32,860	28.53			\$349,417	\$484,637	\$135,284	61.16

LFA Current Level FTE Reduction

Vacant Positions After Current Level Reduction

(33.60)

27.56

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2-11-87

#14
9-11-89

MAINTENANCE
ANALYSIS OF OBPP AND LFA 88-89 BIENNIAL RECOMMENDATIONS
CURRENT LEVEL SERVICES ONLY

Date: 2/6/87

Description	Current Level Actual FY86 Expenditures	FY88		FY89		Difference LFA (over) under	Difference LFA (over) under
		OBPP	LFA	OBPP	LFA		
Full Time Equivalent (FTE)	662.83	642.33	629.23	642.33	629.23	13.10	13.10
<p>The OBPP reduced the department's request by 20.5 FTE and the LFA reduced the department's request by 33.6 FTE. The FTE reductions consist of the following:</p>							
Truck Driver		OBPP	LFA				
Custodial Worker III		19.50	23.80				
Admin. Asst. IV		1.00	1.00				
Acc'tg Clerk III			.20				
Office Clerk II			.40				
Admin. Clerk III			1.00				
Equip. Operator I			2.50				
Equip. Operator II			2.00				
Laborer			1.70				
Total		20.50	33.60				
Salaries	\$15,012,863	\$15,815,991	\$15,073,774	\$15,776,369	\$15,035,140	\$742,217	\$741,229

The LFA reduced salaries \$259,359 in FY88 and \$258,371 in FY89 to reflect the additional FTE reductions. The LFA also reduced the department's request for overtime by \$482,858 in FY88 and in FY89.

Other Compensation \$2,106 \$1,687 \$1,687 \$1,687

The LFA did not allow the department's request for other compensation.

Employee Benefits \$3,532,877 \$3,047,679 \$2,773,619 \$3,158,115 \$2,881,167 \$274,060 \$276,948

The LFA reduced benefits \$50,577 in FY88 and \$52,474 in FY89 to reflect the additional FTE reductions. The LFA also disallowed the department's request of \$223,483 in FY88 and \$224,474 in FY89 for the benefits on the overtime and differential requests; although, it appears a portion was allowed under the 1800 category.

MAINTENANCE (Continued)
 ANALYSIS OF OBPP AND LFA 88-89 BIENNIAL RECOMMENDATIONS
 CURRENT LEVEL SERVICES ONLY

Date: 2/6/87

Description	Current Level Actual FY86 Expenditures		FY88		FY89		Difference LFA (over) under
	OBPP	LFA	OBPP	LFA	OBPP	LFA	
Health Insurance	\$887,188	\$868,006	\$19,182	\$868,006	\$887,188	\$868,006	\$19,182
The LFA reduced health insurance \$19,182 in FY88 and in FY89 to reflect the additional FIE reductions.							
Vacancy Savings	\$(790,102)	\$(706,684)	\$(83,418)	\$(708,848)	\$(792,934)	\$(708,848)	\$(84,086)
The difference in vacancy savings is the result of the LFA personal services adjustments.							
Contracted Services	\$1,006,752	\$1,125,838	\$3,433 ^A	\$1,124,933	\$1,150,875	\$1,124,933	\$25,942 ^B
The differences between the OBPP and the LFA are due primarily to rest area caretakers and county weed control.							
(A) The LFA did not allow the requested increase for rest area caretaker services. The department is placing greater emphasis on cleanliness of the rest areas. The department has reduced the number of rest areas, but requires a higher level of service for the remaining facilities. The increase also reflects additional costs for Workers' Compensation and Unemployment Insurance assumed by the department in fiscal year 1987.							
(B) In addition to not allowing the requested increase for rest area caretaker services, the LFA did not allow the requested increase in contracts with the counties for spraying noxious weeds. 7-14-2132, MCA, requires the district weed board to control noxious weeds on the county roads. The cost of controlling such weeds growing along the right-of-way of a state or federal highway shall, upon presentation by the board of a verified account of the expenses incurred, be paid by the Department of Highways. The increase in county weed control is due to increases in the cost of chemicals and liability insurance and increased spraying activities to comply with the law.							
Supplies & Materials (Base)	\$616,398	\$592,889	\$12,062	\$580,827	\$592,601	\$580,827	\$11,774

The differences between the OBPP and the LFA are due primarily to office supplies/non-state proc. The LFA reduced the office supplies below the fiscal year 1986 actual expenditures. It appears that the LFA used the FYE 84 expenditures. The department is anticipating expenditures at the 86 level; therefore, we are requesting the 86 base.

MAINTENANCE (Continued)
 ANALYSIS OF OBPP AND LFA 88-89 BIENNIAL RECOMMENDATIONS
 CURRENT LEVEL SERVICES ONLY

Date: 2/6/87

Description	Current Level Actual FY86 Expenditures	FY88		FY89		Difference LFA (over) under
		OBPP	LFA	OBPP	LFA	
Repair & Maintenance	\$10,954,879	\$9,881,169	\$9,614,043	\$9,881,169	\$9,614,043	\$267,126

The difference between the OBPP and the LFA is due to oil mixed materials. The Department of Highways requested \$5,742,254 for oil mixed materials, which was the 86 base. The OBPP reduced the department's request by \$708,626 (14%) below the 86 actuals and \$1,306,326 (22%) below the past three year average. The LFA reduced the department's request by \$975,752 (19%) below the 86 actuals and \$1,573,452 (27%) below the past three year average.

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2-11-87

General Appropriation Language

1. Budget Amendment language for damages collected by Maintenance Division:

The Legislature anticipates that the Maintenance Division will receive, by budget amendment, spending authority for any funds in excess of \$394,098 in fiscal 1986 and \$400,073 in fiscal 1987 that it collects from damage situations.

2. Budget Amendment language for Motor Pool in the event of gasoline price increases:

The Legislature anticipates the Motor Pool will receive, by budget amendment, spending authority from the proprietary fund account if gasoline costs exceed \$126,249 in fiscal year 1988 and \$130,464 in fiscal 1989 due to increases in gasoline prices greater than a 7 percent decrease per gallon from fiscal 1986 to fiscal 1988 and 2.8 percent increase per gallon from fiscal 1986 to fiscal 1989.

JH1A:bn:gal.

General Appropriation Language

15
2-11-89

1. Budget Amendment language for damages collected by Maintenance Division:

The Legislature anticipates that the Maintenance Division will receive, by budget amendment for each fiscal year of the 1989 biennium, spending authority for any funds in excess of \$292,840 each fiscal year that it collects from damage situations.

2. Budget Amendment language in the event of gasoline price increases:

The Legislature anticipates the Equipment Program will receive, by budget amendment, spending authority from the proprietary fund account if gasoline costs exceed \$1,519,802 in fiscal year 1988 and \$1,571,409 in fiscal 1989 due to increases in gasoline prices greater than a 1 percent increase per gallon from fiscal 1986 to fiscal 1988 and 4.4 percent increase per gallon from fiscal 1986 to fiscal 1989.

The Legislature anticipates the Motor Pool will receive, by budget amendment, spending authority from the proprietary fund account if gasoline costs exceed \$131,684 in fiscal year 1988 and \$136,169 in fiscal 1989 due to increases in gasoline prices greater than a 1 percent increase per gallon from fiscal 1986 to fiscal 1988 and 4.4 percent increase per gallon from fiscal 1986 to fiscal 1989.

3. Language addressing additional federal funds.

In the event additional federal highway funds become available, additional spending authority and additional FTE may be requested through budget amendment.

4. Transfer of funds to reflect personal services expenditures.

Funding may be transferred among all program, including stores inventory, to reflect personal services expenditures.

5. Language setting limits for transfers to the reconstruction trust fund from the highway state special revenue account.

The department is appropriated \$11,058,000 in fiscal year 1988 and \$21,920,000 in fiscal year 1989 for a cash transfer from the highway special revenue account to the highway reconstruction trust account.

6. Language requiring construction work plan report for the 1989 Legislature.

The Department of Highways is directed to submit to the 1989 Legislature a construction work plan for the 1991 biennium that is detailed by year, project phase, and fund. This work plan must specify, by road system or project area, proposed projects on which \$1 million or more would be spend during the

1991 biennium and an aggregate cost for projects with anticipated expenditures of less than \$1 million. Costs must be detailed by year, fund, and project phase.

7. Budget amendment language for airplane overhaul.

The internal service program may request a budget amendment for \$210,000 in fiscal year 1988 or fiscal year 1989 to overhaul the department's airplane.

8. Language allowing adjustments of appropriations for the Construction and Pre-Construction Programs.

The department may adjust appropriations in the construction and preconstruction programs between fiscal years and funding sources to reflect actual expenditures related to the projected work plan.

JH1A:bn:gal.

#16
2-11-87

OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL -- BUDGET DETAIL COMPARISONS

REPORT EBSR99
DATE : 01/07/87
TIME : 17/23/43

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
PROGRAM : 07 STATE MOTOR POOL
CONTROL : 00000

AE/DE	DESCRIPTION	ACTUAL FY 86	BUDGET FY 87	OBPP FY 88	LFA FY 88	DIFF FY 88	CURRENT LEVEL SERVICES ONLY		
							OBPP FY 89	LFA FY 89	DIFF FY 89
0000	FULL TIME EQUIVALENT (FTE)	6.00	6.00	6.00	6.00		6.00	6.00	
1100	SALARIES	114,776.55	121,639	123,233	123,199	34	122,950	122,916	34
1400	EMPLOYEE BENEFITS	28,099.48	20,028	22,324	21,590	734	23,048	22,314	734
1500	HEALTH INSURANCE		8,280	8,280	8,280		8,280	8,280	
1600	VACANCY SAVINGS		-10,303	-6,153	-5,909	-244	-6,171	-5,920	-251
1800						-810		810	-810
1900	PERSONAL SERVICES-OTHER	-10,489.00							
	TOTAL LEVEL	132,387.03	139,644	147,684	147,970	-286	148,107	148,400	-293
2022	SUPPLIES & MATERIALS-INFLAT			1,317	-9,131	10,448	5,789	84	5,705
2025	RENT-INFLATION			609	253	-253		351	-351
2100	CONTRACTED SERVICES	28,715.34	42,451	31,544	31,544		1,215	1,213	
2200	SUPPLIES & MATERIALS	150,729.66	146,410	133,582	133,582		31,536	31,536	
2300	COMMUNICATIONS	1,042.58	1,154	1,043	1,043		1,043	1,043	
2500	RENT	2,636.00	2,698	3,093	2,636	457	3,201	2,636	565
2600	UTILITIES	5,883.89	8,786	5,884	5,884		5,884	5,884	
2700	REPAIR & MAINTENANCE	35,787.67	36,677	35,643	35,643		35,643	35,643	
2800	OTHER EXPENSES	169,646.07	352	89	89		89	89	
	TOTAL LEVEL	394,441.21	238,528	212,804	202,148	10,656	217,982	212,061	5,921
3100	EQUIPMENT	40,505.00	322,120	402,120	402,120		360,620	360,620	
	TOTAL LEVEL	40,505.00	322,120	402,120	402,120		360,620	360,620	
	TOTAL PROGRAM	567,333.24	700,292	762,608	752,238	10,370	726,709	721,081	5,628
06506	MOTOR POOL - INT SVC	567,333.24	700,292	762,608	752,238	10,370	726,709	721,081	5,628
	TOTAL PROGRAM	567,333.24	700,292	762,608	752,238	10,370	726,709	721,081	5,628

#17
2-11-87

MOTOR POOL
ANALYSIS OF OBPP AND LFA 86-89 BIENNIAL RECOMMENDATIONS
CURRENT LEVEL SERVICES ONLY
Date: 2/6/87

Description	Current Level Actual FY86 Expenditures		FY88		FY89		Difference LFA (over) under
	OBPP	LFA	Difference LFA (over) under		OBPP	LFA	
			LFA	OBPP			
Supplies & Materials (Base)							
Gasoline	\$146,455	\$130,380	\$130,380	\$130,380	\$130,380	\$130,380	
Other Items	4,275	3,202	3,202	3,202	3,202	3,202	
Total Base	\$150,730	\$133,582	\$133,582	\$133,582	\$133,582	\$133,582	
Supplies & Materials (Inflation)							
Gasoline	\$1,317	(\$9,131)	(\$9,131)	\$10,448	\$5,789	\$84	\$5,705
Other Items							
Total Inflation	\$1,317	(\$9,131)	(\$9,131)	\$10,448	\$5,789	\$84	\$5,705
Supplies & Materials (Total)							
Gasoline	\$146,455	\$131,697	\$121,249	\$10,448	\$136,169	\$130,464	\$5,705
Other Items	4,275	3,202	3,202	3,202	3,202	3,202	
Total Base & Inflation	\$150,730	\$134,899	\$124,451	\$10,448	\$139,371	\$133,666	\$5,705

The difference between the OBPP and the LFA is due to different inflation factors being applied on gasoline. The Department of Highways originally requested 135,813 gallons of gasoline at .96 per gallon. The department has subsequently completed a performance budgeting system for the Motor Pool. This system reflects the need for 142,202 gallons of gasoline (3,100,000 miles driven ÷ 21.8 average mpg) at \$1.078 per gallon (average of credit card purchases and Stores purchases). The department accepts the LFA recommendations on the other items and is requesting language regarding gasoline be input to the appropriation bill to read: The Motor Pool is authorized \$153,294 for gasoline. If, as a result of market fluctuations and/or loss of the federal fuel tax exemption, gasoline expenditures exceed this amount, the Motor Pool may request a budget amendment for additional spending authority. In the event gasoline expenditures are less than this amount, the Motor Pool shall revert the excess authority. The revised totals are as follows:

Gasoline	\$153,294
Other Items	3,202
Total	\$156,496

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2-11-87

REVISED

OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL -- BUDGET DETAIL COMPARISONS

PAGE 229

REPORT ENR99
DATE : 01/07/87
TIME : 17/23/43

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
PROGRAM : 12 STORES INVENTORY
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	ACTUAL FY 86	BUDGET FY 87	ORPP FY 88	LFA FY 88	DIFF FY 88	OBPP FY 89	LFA FY 89	DIFF FY 89
2022	SUPPLIES & MATERIALS-INFLAT			30,298	112,681	142,979	100,810	22,763	78,047
2100	CONTRACTED SERVICES	67,825.01	19,023	288,000	288,000		288,000	288,000	
2200	SUPPLIES & MATERIALS	2,799,296.31	3,168,004	3,036,400	3,037,296	-896	3,036,400	3,037,296	-896
2300	COMMUNICATIONS	5,638.85	11,482	5,639	5,651		5,639	5,639	
2400	TRAVEL	5,650.96	17,305	5,651	5,651		5,651	5,651	
2500	RENT	737,298.35	873,630	737,299	737,299		737,299	737,299	
2600	UTILITIES	345.71	122	346	346		346	346	
2700	REPAIR & MAINTENANCE	6,831,499.92	6,512,105	9,503,665	9,675,457	-171,792	9,503,665	9,675,457	-171,792
2800	OTHER EXPENSES		42,300						
	TOTAL LEVEL	12,442,555.11	12,643,971	13,602,298	13,632,007	-29,709	13,672,810	13,767,451	-94,641
	TOTAL PROGRAM	12,442,555.11	12,643,971	13,602,298	13,632,007	-29,709	13,672,810	13,767,451	-94,641
02422	HIGHWAYS SPECIAL REVENUE	12,442,555.11	12,643,971	13,602,298	13,632,007	-29,709	13,672,810	13,767,451	-94,641
	TOTAL PROGRAM	12,442,555.11	12,643,971	13,602,298	13,632,007	-29,709	13,672,810	13,767,451	-94,641

Totals agree with the LFA book that was released in January 1987.

STORES
 ANALYSIS OF OBPP AND LFA 88-89 BIENNIAL RECOMMENDATIONS
 CURRENT LEVEL SERVICES ONLY

Date: 7/9/87

Description	Current Level Actual FY86 Expenditures	FY88		FY89		Difference LFA (over) under
		OBPP	LFA	OBPP	LFA	
Total Program	\$12,442,555	\$13,602,298	\$13,632,007	\$13,672,810	\$13,767,451	\$194,641

The difference between the OBPP and the LFA is due primarily to inflation on gasoline and differences in the base for road oil and for gravel. The department accepts the OBPP recommendations.

#19
2-11-87

REPORT EBSR99
DATE : 01/07/87
TIME : 17/23/43

OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL -- BUDGET DETAIL COMPARISONS

PAGE 225

AGENCY :	5401	DEPARTMENT OF HIGHWAYS																
PROGRAM :	06	HIGHWAY SERVICE REVOLVING																
CONTROL :	00000																	
AE/OE	DESCRIPTION	ACTUAL FY 86	BUDGET FY 87	OBPP FY 88	LFA FY 88	DIFF FY 88	OBPP FY 89	LFA FY 89	DIFF FY 89	CURRENT LEVEL SERVICES ONLY								
0000	FULL TIME EQUIVALENT (FTE)	68.25	73.25	68.25	67.05	1.20	68.25	67.05	1.20									
1100	SALARIES	1,539,092.81	1,688,621	1,593,369	1,577,159	16,210	1,589,598	1,573,449	16,149									
1400	EMPLOYEE BENEFITS	311,513.43	250,242	244,077	240,697	3,380	248,380	244,911	3,469									
1500	HEALTH INSURANCE		101,085	95,634	94,254	1,380	95,634	94,254	1,380									
1600	VACANCY SAVINGS		-177,609	-77,323	-75,040	-2,283	-77,344	-74,973	-2,371									
1800					520	-520		520	-520									
1900	PERSONAL SERVICES-OTHER	-2,680.00																
	TOTAL LEVEL	1,847,926.24	1,862,339	1,855,757	1,837,590	18,167	1,856,268	1,838,161	18,107									
2021	CONTRACTED SERVICES-INFLATI				-21,225	21,225		-41,122	41,122									
2022	SUPPLIES & MATERIALS-INFLAT				570	2,705		5,183	1,475									
2023	COMMUNICATIONS-INFLATION			3,275	6	6	9	9	9									
2100	CONTRACTED SERVICES	637,699.70	726,492	645,620	645,162	458	645,520	645,062	458									
2200	SUPPLIES & MATERIALS	203,458.86	214,056	203,454	159,442	44,012	203,454	159,442	44,012									
2300	COMMUNICATIONS	24,877.70	37,576	24,877	24,877		24,877	24,877										
2400	TRAVEL	21,554.16	24,564	23,470	21,556	1,914	22,595	21,556	1,039									
2500	RENT	6,055.67	4,375	6,056	6,056		6,056	6,056										
2600	UTILITIES	1,953.62	3,568	1,953	1,953		1,953	1,953										
2700	REPAIR & MAINTENANCE	62,622.57	81,990	66,495	62,622	3,873	68,495	62,622	5,873									
2800	OTHER EXPENSES	121,644.80	24,901	67,413	50,167	17,246	68,902	50,167	18,735									
	TOTAL LEVEL	1,079,867.08	1,117,522	1,042,775	951,340	91,435	1,048,834	936,120	112,714									
3100	EQUIPMENT	6,485.75	238,000	33,276	33,276		26,286	26,286										
	TOTAL LEVEL	6,485.75	238,000	33,276	33,276		26,286	26,286										
	TOTAL PROGRAM	2,934,279.07	3,217,861	2,931,808	2,822,206	109,602	2,931,388	2,800,567	130,821									
06507	HIGHWAY DEPT. INT SERVICE	2,934,279.07	3,217,861	2,931,808	2,822,206	109,602	2,931,388	2,800,567	130,821									
	TOTAL PROGRAM	2,934,279.07	3,217,861	2,931,808	2,822,206	109,602	2,931,388	2,800,567	130,821									

Service Revolving Program

LFA Lower (Higher)
Than Executive
Fiscal Fiscal
1988 1989

Major Issues

1. Personal Services

LFA current level reduces FTE by 1.20 vacant positions.
These are:

Lab Aide II	1.00
Data Entry Operator III	<u>.20</u>
Total	<u>1.20</u>

2. Inflation

A. The executive budget does not apply inflation to the computer processing costs. The inflation was applied in LFA current level and is a negative factor both years.

\$21,225 \$41,122

B. Gasoline - The executive inflation factor for gasoline is higher than the inflation factor used in the LFA current level.

2,705 1,475

Total Inflation Major Issues

\$23,930 \$42,597

3. Supplies

Printing supplies are in the executive budget at \$70,778, the fiscal 1986 base. LFA current level used the appropriated level of \$26,760.

Total Supplies Major Issues

\$44,018 \$44,018

4. Repairs

Photo equipment repairs is in the executive budget at \$10,424 and \$12,424 for fiscal 1988 and 1989 respectively. LFA current level is at the fiscal 1986 level of \$6,551.

Total Repairs Major Issues

\$-3,873 \$-5,873

5. Other Expenditures

The executive budget has freight expense budgeted at \$30,198 and \$31,687 for fiscal years 1988 and 1989 respectively, which is the fiscal 1986 level. The appropriated level was \$12,938 and fiscal 1985 was \$22,863. LFA current level is at the appropriated level of \$12,938.

Total Other Expenditures Major Issues

\$17,260 \$18,749

5. Funding for this program is from one proprietary fund and can be handled when the expenditure levels have been determined.

JH1A:bn:sasrp.

#21
2-11-87

INTERNAL SERVICE REVOLVING PROGRAM
ANALYSIS OF OBPP AND LFA 88-89 BIENNIAL RECOMMENDATIONS
CURRENT LEVEL SERVICES ONLY

Date: 2/9/87

Description	Current Level Actual FY86 Expenditures		FY88		FY89		Difference LFA (over) under
	OBPP	LFA	OBPP	LFA	OBPP	LFA	
Full Time Equivalent (FTE)	68.25	68.25	67.05	67.05	68.25	67.05	1.20
Following positions were not recommended by the LFA:							
Title	Position No.	FTE	Grade				
Lab-Aide II	94032	1.00	8				
Data Entry Opr. III	98204	.20	7				
Total		1.20					

INTERNAL SERVICE REVOLVING PROGRAM (Continued)
 ANALYSIS OF OBPP AND LFA 88-89 BIENNIAL RECOMMENDATIONS
 CURRENT LEVEL SERVICES ONLY

Date: 2/9/87

Description	Current Level Actual FY86 Expenditures		FY88		FY89		Difference LFA (over) under
	OBPP	LFA	OBPP	LFA	OBPP	LFA	
2021 - Inflation - Contracted Service	-0-		-0-	\$(21,225)	-0-	\$(41,122)	\$41,122
LFA applied a deflation factor of 3.5% in FY88 and 3.4% in FY89 on all Data Processing services received from the Department of Administration.							
2022 - Inflation - Supplies & Mat.	\$3,275		\$3,275	\$570	\$6,658	\$5,103	\$1,475
LFA applied a deflationary factor of 11.6% in FY87 to gasoline.							
2200 - Supplies & Materials	\$203,459		\$203,454	\$159,442	\$203,454	\$159,442	\$44,012
The department requests an additional \$44,012 in FY88 and FY89 over the LFA recommendation.							

Previous expenditure data on printing supplies is as follows:

Object	FY84 Expenditures	FY85 Expenditures	FY86 Expenditures
2214 Printing Supplies	\$26,760	\$72,974	\$70,778

Apparently LFA used the FY84 base for object of expenditures 2214.

Use of the FY84 base expenditures is erroneous because the Printing Unit used two object of expenditures for printing supplies during FY84. This equals the amount requested for FY88 and FY89.

Object of Expenditure	Actual FY84 Expenditure
2214 Printing	\$26,760
2241 Office Supplies	44,182
Total Printing Supplies	\$70,942

Two objects of expenditures were used in FY84 because the object of expenditure codes were changed.

INTERNAL SERVICE REVOLVING PROGRAM (Continued)
 ANALYSIS OF OBPP AND LFA 88-89 BIENNIAL RECOMMENDATIONS
 CURRENT LEVEL SERVICES ONLY

Date: 2/9/87

Description	Current Level		FY88		FY89		Difference LFA (over) under
	Actual FY86 Expenditures		OBPP	LFA	OBPP	LFA	
2400 - Travel	\$21,554		\$23,470	\$21,556	\$22,595	\$21,556	\$1,039

LFA allowed \$21,556 in FY88 and FY89. The department requests an additional \$1,914 in FY88 and \$1,039 in FY89.

The department's data processing personnel will attend additional seminars and training sessions to learn new technologies and strategies to provide more cost-effective methods for end-user computing and automation of the Data Processing design and development process. They will also be trained in the use of new road design systems and drafting systems.

INTERNAL SERVICE REVOLVING PROGRAM (Continued)
 ANALYSIS OF OBPP AND LFA 88-89 BIENNIAL RECOMMENDATIONS
 CURRENT LEVEL SERVICES ONLY

Date: 2/9/87

Description	Current Level Actual FY86 Expenditures	FY88		FY89		Difference LFA (over) under
		OBPP	LFA	OBPP	LFA	
2700 - Repair & Maint.	\$62,622	\$66,495	\$62,222	\$68,495	\$62,622	\$5,873
LFA allowed \$62,222 in FY88 and FY89. The department requests an additional \$3,873 in FY88 and \$5,873 in FY89.						
LFA did not allow agency FY88 and FY89 requests to calibrate the aerial camera under object of expenditure 2714 - photographic equipment repair and maintenance. This expenditure was previously changed to the Preconstruction program. This did not allow us to recover this cost from federal billings. This expense has been deleted from that program.						
2800 - Other Expense	\$121,645	\$67,413	\$50,167	\$68,902	\$50,167	\$18,735
LFA allowed \$50,167 in FY88 and FY89. The department requests an additional \$17,246 in FY88 and \$18,735 in FY89.						
LFA did not allow agency requests for freight and express of \$30,198 in FY88 and \$30,198 in FY89. Apparently LFA used the FY84 base of \$12,938 for freight and express. Expenditure date on freight and express is as follows:						

FY84 = \$12,938
 FY85 = \$22,863
 FY86 = \$30,198

Increased expenditures are due to more gravel crushing contracts, new tests of gravel, new bridge program, and more pavement overlays.

