

APPROPRIATIONS - FINANCE & CLAIMS

SUB-COMMITTEE: HUMAN SERVICES

JANUARY 15, 1979 - CAPITOL ANNEX

The meeting was called to order at 8:10 a.m. by Vice-Chairman Pete Story with the following members present:

Senator Gary Aklestad
Representative Bill Hand
Representative Robert Marks
Senator Pat Regan
Senator Pete Story
Chairman Steve Waldron

Chairman Waldron took over the meeting.

Others present were: George Pendergast, Administrator of Local and Government Services; Tom Dundas, Administrator of Research and Information Systems; Harold Fryslie, Director of DCA; Martin T. Mangan, Deputy Director of DCA; David E. Wanzenried, Field Assistant of DCA; Dan Worsdell, Administrator of Centralized Services; Mark Lindsay, Financial Bureau Chief of Centralized Services; Linda Gambill, Executive Budget Office and Curt Nichols, Legislative Fiscal Analyst.

LOCAL GOVERNMENT SERVICES

This service is responsible for auditing cities, counties, towns school districts and single purpose districts. The only basic difference between the Executive Budget and the Fiscal Analyst Budget is: LFA recommends funding for five automobiles representing \$25,700.00 and the Executive Budget recommends funding for one automobile. The automobiles they now own have over 100,000 miles. Car pools are mainly limited to the Helena area.

The work load will depend on the proposed House Bill 57. This bill would enable the division to contract out audits at their discretion. At this time, 20% of the audits are contracted out; however it is up to the specific towns whether they contract out. At this point in time, 30% of the work does not get done on an annual basis due to the demand. All towns and counties request an annual audit. The division charges \$15.00 an hour for an audit. The money brought in goes directly to the general fund. It cannot be spent by the Local Government Division. This \$15.00 does include travel expenses and per diem. It was brought out that the State Auditor has nothing to do with local and town audits. There was a question if the HB 57 passes whether a new budget would need to be made up. Mr. Pendergast explained that this was not the case. The local government will pay the contracted amount and further funding is not necessary.

ACCOUNTING AND MANAGEMENT SYSTEMS

The difference between the Executive Budget and LFA Budget is again in the number of cars allowed. The Executive Budget recommends one automobile and the LFA recommends two autos. The Legislative Fiscal Analyst, Curt Nichols, expressed concern over the duration of the program. It was initially designed to be completed in 1981; however it now looks like it will be completed in 1985. The system is also advising that they will need continued funding to maintain the program and for training purposes. Linda Gambill responded by saying the division has agreed to one car; and that one FTE was eliminated through the hiring freeze. Senator Regan expressed some concern with programs being started and never ending. It was also questioned if the State was required to develop the towns' and counties' accounting systems. It was established that it is required by law. The members of the subcommittee were directed to the MT Revised Codes 82-45-10. Mr. Pendergast explained that the program is now in the implementing stage. The guidelines are already developed and ready to go. He explained that it is not a voluntary system; although up to this time they have only done towns who have requested the system. The subcommittee will have to look at this program becoming permanent in the work session.

RESEARCH AND INFORMATION PROGRAM

The LFA recommends approximately \$25,000.00 more for this operation. It also recommends \$18,000.00 less from the general fund. LFA recommends that the Research and Information Program use more funds from the revolving account and less from the general funds. Linda Gambill responded to the difference between the budgets. The Executive Branch has no objections to moving funding from the general funds to a revolving account. However, their budget figures do not reflect this change. The amount of monies involved stems from a reduction of 1.68 FTEs. The 1.68 reduction stemmed from the hiring freeze. The Deputy Director's position and an Information Technician position were deleted. Mr. Dundas was questioned on the need for these positions. He informed the committee that as the work load increased on housing mortgages, he would need the Technician position. Senator Regan asked if the position could be filled at the time it was needed by a budget amendment. It can be and it was suggested it be handled in that way. There are actually ten people in the program, however 1.5 FTEs are contracted. Also \$10,000.00 was not included in the Executive Budget for a Coal Board impact study which probably will be done.

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Mr. Dundas went into detail on the number of activities handled by the program. Activities included being the primary statistical agency for the State, providing population estimates, population projections, survey of manufactures every three years, County profiles, analysis, graphing out of data, analysis of economy, mapping natural resources, land inventories, special projects and many others.

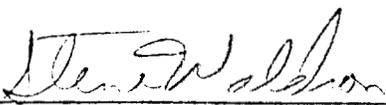
Mr. Dundas explained some of the problems the program is having. The first is shifting from the general fundings to a revolving account. They have to find business to carry on their kind of work. They are being forced to bid against private contractors. The Research and Information Program would prefer to remain on general funding. They do not feel they should have to advertise. Some one has to pay for the programs. They do charge a small fee for the booklets they publish. This generally is enough to cover the computer time and printing. Most times it does not even cover all publishing costs. Mr. Dundas was asked if he wanted more money. He replied he did not want more money, just more money from the general funds opposed to the revolving account.

It was established that the Research and Information Program does not duplicate any programs. It was felt by Representative Marks and Chairman Waldron that the program was very worthwhile and the subcommittee would look into help for it.

Mr. Fryslie was requested to provide the committee with a list of all employees in the Department, their title and grade.

The meeting was adjourned at 9:40 a.m.

Respectfully submitted:



Steve Waldron, Chairman
Approved