

APPROPRIATIONS SUBCOMMITTEE ON INSTITUTIONS

January 23, 1979 - Room 108

An executive session of the Appropriations Subcommittee on Institutions was called to order at 9:00 a.m. by Chairman Yardley with the following members present:

Representative Howard Ellis
Representative Pat Gesek
Representative Art Lund
Senator Mark Etchart
Senator Bill Thomas

Also present at the session were Betty Waugh, Legislative Fiscal Analyst; Doug Booker and Ted Clack, Office of Budget and Program Planning; and Don Colburn, Personnel Division

Pine Hills School

Don Colburn, a witness, presented testimony for the Pine Hills farm. He was raised at the Montana Children's Home and knows what it is like to have the diversion of farm duties to take the kids' minds off their troubles. He told the committee members to not look at the tax dollars spent, instead to look at the therapeutic services the farm provides.

Rep. Ellis suggested putting the brakes on the sale of the livestock which was to start today. Rep. Ellis made a motion that the Department of Institutions hold off on any sales of livestock or farm equipment, etc., from the Pine Hills School farm until the committee has had some input on the various options that are available from the state. The motion was voted on and carried unanimously. Chairman Yardley requested the secretary to draft a letter to Mr. Larry Zanto, Director of the Department of Institutions regarding this matter.

Betty Waugh gave a presentation on how she determined the budgets for the institutions. The members of the committee received handouts. (See exhibit A.)

It was decided Doug Booker would give a presentation on the OBPP's recommendations for the institutions budgets.

Committee members want to visit all of the institutions plus an attention home, a group home and a mental health center.

There was discussion about the community mental health centers' pay scale. Rep. Lund felt the centers were running rampant as far as salaries were concerned and feels we should get a handle on that kind of spending. Mr. Booker replied that each center

was given the alternative of following the state pay plan but he thought only one or two centers decided to go with the state pay plan. Betty Waugh said it has been recommended that each center provide a list of the employee positions and their salaries. All members of the committee agreed that they would like to see a salary scale for each center before they go into the budget.

Ted Clack said the supplemental budget for Pine Hills School contains a very small amount to carry the farm until the end of the fiscal year and if the farm were to stay open it would cost an additional \$15,000 to expand the herd and buy some additional supplies and materials. He also added that in order to meet standards, Pine Hills will have to have an additional twelve FTEs in Care and Custody. When they closed the farm they moved those five FTEs over into Care and Custody and the other seven were budgeted in the next biennium. If the farm isn't closed they will have to come up with another 3-5 FTEs to comply with the evaluation of minimum standards. Chairman Yardley said he'd like to wait to hear more on Pine Hills until next Tuesday when the Pine Hills people come to testify.

Swan River Youth Forest Camp

- Personal Services - No variation between the OBPP and the LFA recommendations.
- Contracted Services - The OBPP's proposal is \$3,000 higher than the LFA's because they came up short for insurance and bonds. (The insurance and bonds were higher than anticipated for 1978-79.) Betty Waugh asked Doug Booker if they had to use the money for something else, but Doug explained that they didn't have enough money in the first place when they set up the budget and that was the shortage.
- Equipment - Betty Waugh noted that Swan River hadn't spent the \$3,000 for equipment this year (which was in their budget) so to make adjustments in other categories to help cover the shortages she recommended taking the money from equipment.
- Supplies and Materials - The Legislative Fiscal Analyst felt the agency could do with less money based on what they have spent so far this year.
- Repair and Maintenance - Same applies as with supplies and maintenance category.

Swan River had a purchase order out for a vehicle. (Checked by Mr. Booker who called personnel at Central Office during this meeting.) Since this was the case, Betty Waugh said the \$3,000 should be kept in equipment in the supplemental budget which would make the total LFA recommendation \$140,242.

Rep. Lund moved to adopt the \$140,242 supplemental budget. The motion was voted on and passed unanimously.

Eastmont Training Center - Supplemental Budget

Rep. Ellis moved that the committee accept the \$8,954 supplemental budget submitted by the agency. Sen. Thomas seconded the motion. The motion was voted on and carried unanimously.

Central Office Drug Abuse Program (Alcohol Division) - Supplemental

The request had originally come in at \$306,936 but when the agency recalculated the estimate of earmarked alcohol revenue, they decided they had to request \$89,202 less than the original estimate because they estimated they would be receiving less revenue.


Mr. Booker suggested to the committee that Mike Murray, Department of Institutions, come in and tell the committee how he plans to cut down his expenses because there will be less revenue.

Sen. Etchart said he wants to earmark enough money for the Glasgow hospital project if the committee doesn't go with the full appropriation for the Alcohol Program. If the hospital project doesn't have enough money, they will have to shut down.

Rep. Lund brought up the problem of the institutions taking money out of personal services. Sen. Etchart suggest the committee make a motion that money appropriated for personal services cannot be transferred out for other services and same would apply for money being transferred into personal services from other services. Chairman Yardley suggest that a guideline be put in concerning a 5 - 10% line item transfer and try it on one or two agencies as a pilot program, then see what happens. He added the committee shouldn't jump in and change policies.

It was brought up by Rep. Lund that the Governor can enlarge a budget line item by 15% anytime during the biennium. Therefore, no institution is locked into a do or die situation.

Chairman Yardley adjourned the meeting at 11:45 a.m.



Dan Yardley, Chairman