

MINUTES OF THE MEETING OF THE APPROPRIATIONS SUB-COMMITTEE ON
ELECTED OFFICIALS AND HIGHWAYS

February 1, 1983

(Tape 45, Sides A & B,
Tape 46, Side A)

The Appropriations Sub-committee on Elected Officials and Highways met at 8:30 a.m. on February 1, 1983 in Room 437 with Chairman Quilici presiding. The following members were present:

Chairman Quilici	Senator Dover
Rep. Connelly	Senator Keating
Rep. Lory	Senator Van Valkenburg
	Senator Stimatz

Also present: Cliff Roessner, LFA, and Doug Booker, OBPP.

Representing the Department of Administration: Morris Brusett, Dave Ashley, Rick Morgan and Deane Blanton.

Also present: James Flynn, Dept. of Fish, Wildlife and Parks and Robert Kuchenbrod, Dept. of Justice.

HEARING

DEPT. OF ADMINISTRATION

Overview of Department:

Dave Ashley, Deputy Director of the Department of Administration, gave the committee an overview of the responsibilities and services of the department. He furnished the committee with an organizational chart (Exhibit 1) and a 10-page presentation (Exhibit 2).

Rick Morgan, Centralized Services Division, answered questions for the committee regarding the FTE's.

In answer to a question from Rep. Lory, Mr. Ashley told the committee that there are two bills which have been introduced which would have an impact on the FTE's in the department. One bill would send the State Data Center to the Department of Commerce which would have an impact of three FTE's. Another bill would transfer the Local Government Services Division from the Department of Administration to the Department of Commerce and that would have an impact of 35 FTE's. These would be transfers and not decreases in FTE's. The committee discussed the 4.5% increase for the Pay Plan and the 3.5 vacancy savings. Mr. Ashley said they felt they could partially fund this cost through vacancy savings. However, this could only be done partially through vacancy savings, partially through reduction in FTE's and partially through the reduction or elimination of programs.

General Services

Deane Blanton, Administrator of General Services Division, addressed the committee. This division provides a wide range of services for the Capitol Complex. Some of these services include mechanical maintenance, janitorial service, ground maintenance and general repairs and maintenance. They maintain 1,058,000 square feet of space in about 32 buildings. This is funded by a revolving account and the general fund account. These accounts are split by approximately 80% revolving and 20% general fund. The revolving fund account is responsible for 661,619 square feet. This square footage is billed at the current annual rate in 1983 of \$2.69 a square foot. The general fund account is responsible for 220,535 square feet and this is not billed; this is provided by the general fund.

They also have pass-through bills for agencies who pay actual costs for the services provided for them. The square footage on those buildings is 119,501 square feet. They have warehouse and storage space which is 18,378 square feet. This is billed at the rate of \$1.74 a square foot. In addition they have a 3.6% vacancy rate of rentals which involves 38,000 square feet. These total 1,058,000 square feet.

Mr. Blanton furnished the committee with a packet of graphs and a breakdown of the General Services Program budget. (Exhibit 3) Mr. Blanton pointed out the areas of difference between the OBPP and LFA budget figures. (Exhibit 3, page 1, four items listed at bottom of page.)

Mr. Blanton said that he was not able to reconcile the FTE's. The major difference appears to be the classifications within the budget and not in actual FTE's. After some discussion, it was noted that the OBPP budget shows a transfer of four grounds maintenance people while the LFA has these four in General Services. These four people are going to be transferred to the Department of Fish, Wildlife and Parks.

At the request of the Chairman, Mr. Flynn addressed the committee regarding this transfer. (Exhibit 4 contains his testimony.)

Mr. Flynn concluded that the important aspect for his department is the funding for this service. He wants to make absolutely certain that this budget does not come out of sportsmen's dollars and that it is either a general fund appropriation or the agencies for which the services are provided would be reimbursing the department through a billing schedule of the Department of Administration.

Mr. Booker told the committee there would be no increase or decrease in the FTE's or the funding, that it would be a transfer of the entire package.

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Mr. Brusett and Mr. Flynn did not agree on the process of billing for agencies. This is something that will have to be worked out. Mr. Flynn told the committee that the breakdown for the Grounds Budget is found on the back of his page of testimony. (Exhibit 4)

After some discussion, Mr. Blanton returned to his presentation. (Exhibit 3)

The Executive Budget shows increased water and sewer costs to reflect a 96% increase. This was not addressed in the LFA presentation; this rate increase was effective the 22nd of November. This is under "Utilities".

Funding recommended by the LFA for the Governor's Mansion was apparently based on the FY82 cost records of the Historical Society which didn't include all the services that will be provided by General Services. They will also be taking over the maintenance costs for that building on July 1. An example of the services that were not provided is that General Services is paying for mechanical maintenance of the boiler at the Governor's Old Mansion because the Historical Society didn't have the money to do that. With the anticipated take-over of that building they determined that it would be best to provide coverage for that building now to insure safety and insurance compliance for the building. The City, prior to turning it back to the State, installed a new boiler system and maintenance of that system should be kept up because of insurance requirements as well as to prevent a loss to the boiler or the building itself.

Mr. Rick Morgan, Administrator of Central Services, addressed the committee. He said, when asked a question by Mr. Roessner, that Item 2 was left out of the OBPP budget as well as the LFA budget.

The Chairman noted for the record that both departments are in agreement with this transfer of FTE's, duties and appropriations. It is the intent of the committee that the transfer be made and that the budget committee for the Department of Fish, Wildlife and Parks is aware of this committee's action so they can adjust the budget in their committee.

After some discussion, the Chairman requested that the committee be given a revised budget from OBPP and LFA to reflect these changes which include (1) Fix the amount of FTE's (2) Adjust "Contracted Services" (3) address the water increase and (4) the amount to be transferred for FY84 is \$111,507 and for FY85 \$94,442 under "Accounting Entity Transfers". The Chairman also requested that the committee be furnished with FY83 figures for this budget.

Central Administration

Morris Brusett addressed the committee. He furnished the committee with a breakdown of the budget for this category. (Exhibit 5)

Mr. Brusett said that Mr. Morgan will address the budget breakdown sheet. He said, however, that he would like to speak to the FTE's. Mr. Brusett said they have nine in Central Administration; the Fiscal Analyst shows 4.5 FTE's. He said this department is big business and they have almost 500 employees and are responsible for over \$30 million. He said he doesn't think you can manage an organization properly unless you have some staff to manage it; that you don't save any money by cutting staff out of the central office. They did eliminate bureau chiefs and administrators; there is no need for higher level positions that are top heavy, you need workers.

Mr. Brusett said that instead of having a deputy director he would rather have an administrative assistant at a lower level. He said they badly need the administrative assistant and the attorney. He explained to the committee that the attorney is in a pool now but that this position was formerly in his office. He said they could use two attorneys they have so many suits to deal with. He would prefer to have the attorney in his office rather than the pool but they found that they had peaks and valleys in the workload and they wanted to make the best use of the attorneys' time. Also, when the two attorneys are together, the one with the most expertise in given areas can help the newer attorney. This has provided flexibility and strength. Mr. Brusett said he felt this attorney should be general funded instead of being billed for being in a pool. In the pool the attorney is funded by a revolving fund.

Mr. Roessner said if this attorney is 100% Central Services then this position could be funded 100% general fund. However, if he is working for other divisions, these divisions should bear their share of his salary to reflect the costs of those programs. Mr. Brusett said he felt this created more of a problem than it solved.

In answer to a question by Senator Keating, Mr. Brusett said the attorney is being paid now out of the Director's office but he is located in the pool. They have two secretaries now, we deduct half a secretary; the other is the administrative assistant. So out of the 4.5 FTE's; 2.5 are there now. There are two that are transferred in; they used to be a part of Consulting Services.

After some discussion, the Chairman suggested that the committee be furnished with a work sheet that would show all these transfers and deletions. The committee expressed confusion as to the

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over-all picture of the transfers, layoffs and a full picture of the FTE structure of the department.

Mr. Brusett said he thought the committee had a sheet, as was prepared last year, which showed the FY83 current level budget.

Mr. Booker suggested that a sheet could be put up on the wall to show the transfers of FTE's within the divisions of the department and have hand-outs for the committee members to follow along with it. The Chairman and the committee agreed that this would be a big help and requested that this be done.

The Chairman requested that the FTE discrepancy be resolved before the committee goes into Work Session on this budget.

Mr. Brusett said if this budget is cut back to 4.5 FTE's that means that either he or the deputy go. He said if they have to fund the Pay Plan they will have to eat \$11,500 the first year and \$23,000 the second year.

In answer to a question from the committee, Mr. Morgan said the costs for mandatory education reflect the Director's need, as a CPA, to have 120 hours of continuing education over a three-year period; this has been computed out to 40 hours per year.

Mr. Brusett said they also have training for the other staff and he feels this is an important part of keeping employees up to date.

Discussion by the committee on movement of money from "Personal Services" to "Operating Expenses" by agencies. Mr. Booker said this was a common procedure and was acceptable to his office instead of putting in supplementals. Senator Keating felt that this reflected poor management. The Chairman said that he had looked into this and part of the problem was that in most agencies the increase in utilities rates caused the operating costs to go beyond what was originally budgeted.

The committee discussed the philosophy of line iteming as opposed to allowing the agencies the flexibility to move the money from category to category. Senator Keating felt that they should put in for supplementals any time they are spending out of the categories that have been appropriated. It was noted that the Governor had put out a directive to the agencies discouraging their requests for supplementals.

Mr. Brusett told the committee that 90% of the money appropriated to agencies is in "Personal Services". He said he didn't feel the agencies could abuse the appropriations that the Legislature approves unless the agency people would take a lot of trips or buy a lot of equipment.

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The Chairman noted that it would be helpful to have the spread sheets to show where these FTE's are being moved so when it comes to explaining the sub-committee's actions to the full Appropriations Committee it can be explained fully and fairly.

The committee recessed at 10:45 a.m. (220)

WORK SESSION

The committee reconvened at 11:15 a.m.

Board of Visitors

Senator Lory made a MOTION that we approve one FTE. Discussion. Motion carried.

Mr. O'Brien explained to the committee that under "Contracted Services" the issue was that the agency spent money over and above the amount spent in FY82. The difference in "Travel" is due to the same reason. The Chairman noted that there was one board member who was not on the board for a period of time and that another member had a long way to travel to get to Helena. (279)

In answer to a question from Senator Van Valkenburg, Kelly Moorse told the committee that they have been paying \$100 a day for consultants since the inception of the Board. In answer to another question, she told the committee that they do have difficulty in getting psychiatrists for \$100 a day. She explained that the psychiatrists can get \$65 to \$75 an hour with their private patients and when they go on a site visit for two or three days they do lose a lot of income. Some of the people she can get for these visits are dedicated to the program and offer their services because of their interest in serving these particular people. She also said that they use different consultants with different specialties according to the needs of the facility they are visiting. Discussion.

Rep. Lory made a MOTION that the committee approve the OBPP budget for the Board of Visitors. Discussion. Motion carried.

Rep. Lory made a MOTION that the committee not approve the additional FTE. Discussion.

The committee discussed with Ms. Moorse the possibility of getting this job done without adding another FTE. Ms. Moorse told the committee that they have been able to make referrals and are doing everything they can to get these things taken care of without duplication. She said that Jim Johnson, who is the division attorney, has helped her coordinate these efforts.

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The committee discussed the aspect of whether they had more grievances because of the visibility of the Board or if there really are that many people who need help from the Board. Ms. Moorse replied that perhaps there would be more law suits if there was not a vehicle for these grievances. She also said these grievances would probably be handled by different agencies such as the Department of Institutions, the Governor's Office, Legal Services, etc.

In answer to a question from the committee Ms. Moorse said that about 55% of the grievances are legitimate. She said of the remaining, she feels they do have a positive effect on the people who ask for the Board's help in that they feel better knowing that they have someone who is interested in their problems and this alleviates some of their anxiety.

Discussion. Ms. Moorse explained that this person would be partly clerical and yet would do some preliminary calling, research, etc.

Senator Keating asked if a part-time or half-time employee would be of any benefit. Ms. Moorse said, "Certainly."

Rep. Lory withdrew his motion.

Rep. Connelly made a MOTION that the committee approve a .5 FTE in the Board of Visitors' budget. Motion carried. The Chairman voted "no".

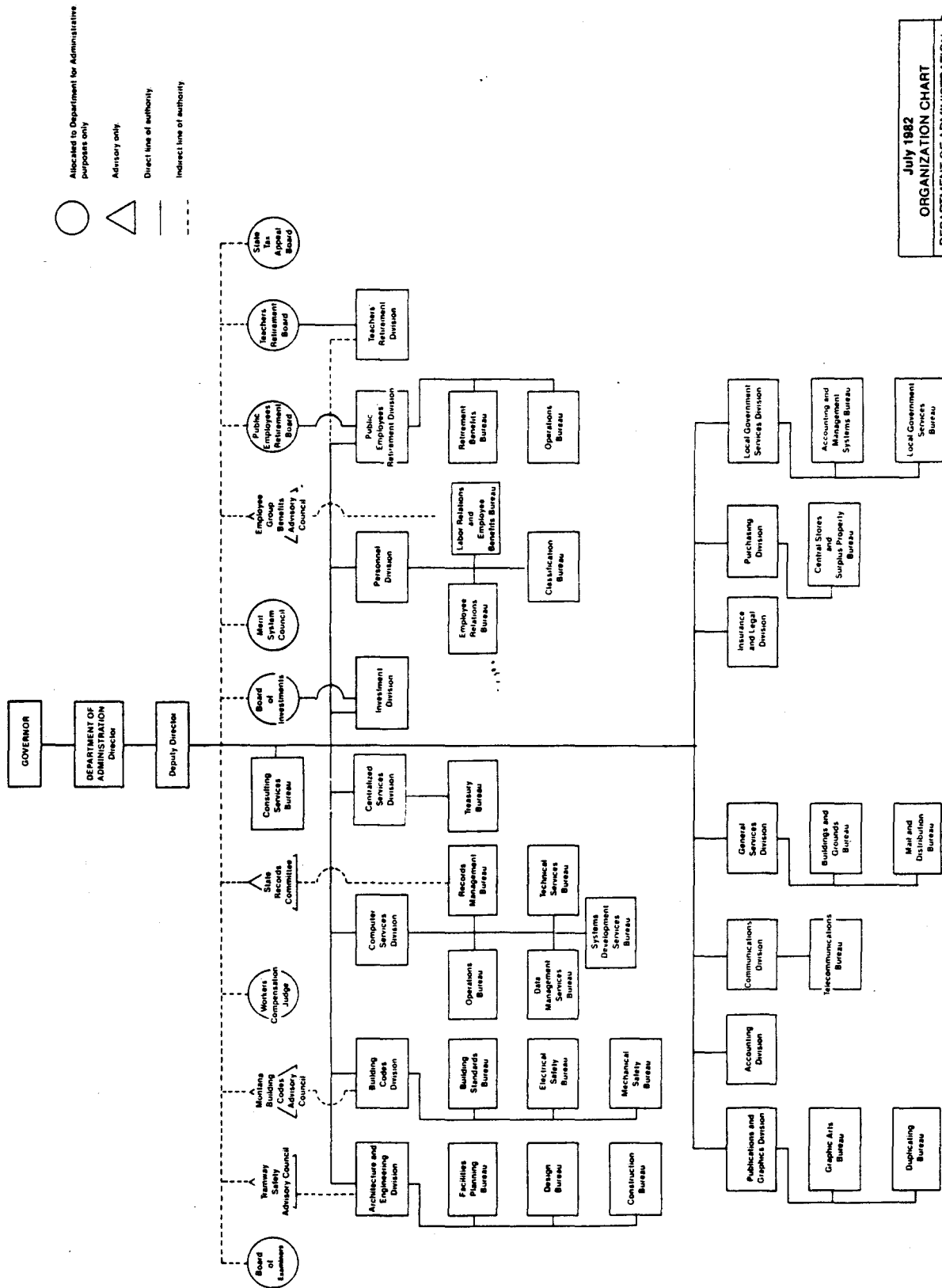
There are some operating expenses that go with this FTE. Ms. Moorse and JanDee May will get together and furnish the committee with a figure on these expenses.

The meeting adjourned at 11:45 a.m. (650)


Joe Quilici, Chairman

dm

February 1, 1983



July 1982
ORGANIZATION CHART
Monis Brach
Morris L. Byrass, Director
Ed Schmitt

INTRODUCTION

February 1, 1983

I Purpose of Department

The Department of Administration is a service department to the rest of state government. The department's clients are other state agencies which utilize the services provided by the department's 17 divisions and "attached to" agencies. Those services include a broad spectrum ranging from statewide accounting, data processing, purchasing, personnel, communications, investment of state funds, administration of retirement systems, upkeep of capital facilities and printing of state documents.

Several characteristics make the department unique. First, generally the department provides services not to the public directly, but rather to agencies whose job is to provide services to the public. As such, the department is a secondary provider of services.

Secondly, the department provides services most of which are billed for. These services are accounted for through revolving funds.

Thirdly, many of the services provided by the department can also be provided by other departments or by private vendors. This places the department in the position of having to justify its services both to government agencies and the general public. It also requires us to provide services in an efficient and economical fashion.

II Size of Department

The Department was authorized 495.29 full time equivalents in Fiscal 1982 and 487.09 in Fiscal 1983, of which 135.70 and 131.45 were funded by the general fund respectively. For the 1985 biennium our executive budget request includes a total FTE allocation of 469.09 in 1984, and 473.84 in 1985, of which 118.30 and 109.00 are funded by the general fund. This is a general fund FTE decrease of 13.15 (10%) from 1983 to 1984 and a decrease of 22.45 (17%) from 1983 to 1985.

As indicated earlier, funding of the total Department comes from a variety of sources. In 1982, the Department spent a total of \$47 million dollars of which \$9.1 million was general fund. The general fund spending was appropriated as follows:

Department Operations	\$4.9 million
Interest paid on tax anticipation notes	\$3.8 million
District Court Grants	\$375,000

For 1983, the Department is budgeted for \$52 million for general fund operations and \$375,000 for district court grants.

For 1984 and 1985, our executive budget submission requests:

1984	\$4.8 million for general fund operations
	\$1.6 million for district court grants in 1984, and
1985	\$4.5 million for general fund operations in 1985,
	\$1.8 million for district court grants

REORGANIZATIONS

I. Computer Services Division / Information Systems Division / Research and Information Systems Division.

A. RISD

This division was transferred to the Department of Administration on July 1, 1981, when the Department of Community Affairs was disbanded.

Because the department had two divisions with very similar names (Information Systems Division and the Research and Information Systems Division) we conducted a study to see if duplicate functions were being performed.

The study concluded that Research and Information Systems Division was losing money and that duplicate systems development work was occurring between RISD and ISD. Consequently, two divisions were merged.

B. ISD / CSD

These two divisions both related to computer services. Information Systems Division develops software systems for state agencies. CSD operates those systems on the computer hardware operated by the state.

These divisions were consolidated to:

1. Provide better coordination between systems development and the operation of those systems.
2. Reduce overhead costs. Particularly in ISD as the work load decreased, overhead, as a portion of total costs, increased making development projects very expensive to user agencies.

REORGANIZATIONS

II. Treasury / Central Services

The Treasury Division and the Centralized Services Division were consolidated in December of 1981.

The State Treasury (8 FTE now, 10 FTE in 1981) is a cashier function for State government collecting receipts from about 160 banks in the state. The Central Services group provides internal accounting, budgeting and management information services to the department.

This combination was completed because of the relatively small size of the two operations and because we wanted to emphasize effective cash management in the Treasury Division.

Other benefits include increased analytical skills, personnel management, and management information from the centralized services staff.

REORGANIZATIONS

III. Surplus Property / Central Stores

In July, 1982, the Department combined Central Stores and Surplus Property and placed those activities under the Purchasing Division. Prior to this, surplus property had been under the General Services Division.

This combination was completed after a survey of other states indicated that surplus property programs are generally related to the purchasing function.

The advantages of this combination are several:

1. Most importantly, inventory control is improved. We are now able to coordinate surplus property and purchasing so that before an agency purchases an item, we can first check to see whether that item is on inventory in surplus property. Cost savings to the state are possible through this coordination.
2. Secondly, better space allocation was possible through the consolidation. Both Central Stores and Surplus Property warehouse inventory. Combining the programs has allowed the bureau chief to allocate space between the two activities as necessary.

DEPARTMENT OF ADMINISTRATION
GENERAL FUND FULL TIME EQUIVALENTS

	<u>Fiscal 82</u>	<u>Fiscal 83</u>	1984		1985	
			<u>OBPP</u>	<u>LFA *</u>	<u>OBPP</u>	<u>LFA *</u>
Central Admin.	11.00	6.50	9.00	4.50	9.00	4.50
Accounting	15.00	13.00	12.50	12.50	12.50	12.50
Publications and Graphics	2.00	2.00	2.00	0	2.00	0
Information Systems	7.00	10.00	0	10.00	0	10.00
General Services	10.00	11.00	10.00	10.00	10.00	10.00
Tour Guides	1.50	1.50	0	0	0	0
Purchasing	18.00	17.00	17.00	17.00	17.00	17.00
Research and Information	4.00	--	--	--	--	--
Local Government	6.70	6.70	3.00	3.70	3.00	3.70
Accounting and Management	9.30	9.30	9.30	9.30	0	0
Treasury	10.00	14.45	15.00	12.50	15.00	12.50
Communications	1.70	2.00	0	0	0	0
Personnel	34.00	32.50	35.00	31.00	35.00	31.00
STAB	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>
	135.70	131.45	118.30	116.00	109.00	106.70

*Estimate of Department of Administration.

Full Time Equivalents General Fund

A.	1982	135.70
B.	1983	131.45
C.	1984	OBPP 118.30
		LFA 116.00
D.	1985	OBPP 109.00
		LFA 106.70

IMPACT OF UNFUNDED PAY PLAN

	<u>1984</u>	<u>1985</u>
STAB	\$ 5,757	\$ 11,721
Personnel	33,372	67,579
Treasury	14,346	29,192
Accounting and Management	1,103	----
Purchasing	15,083	36,174
General Services	7,193	14,549
P & G - Duplicating	1,337	2,223
Accounting	12,867	25,986
Central Administration	<u>11,542</u>	<u>23,165</u>
	\$102,600	\$210,589

	<u>1984*</u>	<u>1985*</u>
Total	\$437,777 <i>21,400</i>	\$866,914 <i>40,500</i>
General Fund	<u>\$102,600</u> <i>- 5,000</i>	<u>210,589</u> <i>10,500</i>
Other Funds	<u>\$335,177</u> <i>16,400</i>	<u>\$656,325</u>

Assumes a 4½% increase in 1984, and 4½% additional increase in 1985.
Assumption is based upon the executive budget.

UNFUNDED PAY PLAN

As you probably realize, the pay plan for the next biennium is unfunded. Departments will find it necessary to fund the plan from vacancy savings or reduced operational costs.

Assuming a 4½% pay plan increase each year, the department will need to find \$102,600 in 1984, and \$210,589 in 1985, to fund the plan.

LFA Concern on FTE'S

The Analyst in their budget book contend the Department has moved FTE from revolving fund to general fund and requested that these employees be continued as general fund employees.

We admit that the process of employee movement is complex and requires many forms to be filed and the duties of positions change throughout the process.

But in the final analysis, we can find no transfer that ultimately resulted in changing the funding type from revolving funds to general funds.

If the analyst will provide us the necessary information, the department will respond.

REVOLVING FUNDS

FUNDING

The department is funded in a variety of ways. General fund dollars are provided for those services provided to the state as a whole which cannot be allocated on a cost reimbursable basis.

Many of the departments operations, however, are small businesses described by the term "revolving fund." Revolving funds are actually:

1. Enterprise funds - for example, local government audit activities.
2. Internal service funds - for example, the communications activities.

Enterprise funds provide services to external, non-state agencies while internal service funds provide services for other state agencies.

The important characteristics of a revolving account are:

1. They operate like a private business.
2. They charge fees to user agencies to recover the costs of providing services.
3. They are demand sensitive. In other words, the amount spent relates to the services needed and requested by other state agencies.

REVOLVING FUNDS

"D"- Required Operating Reserve

(a) ESTIMATE OF 45-DAY OPERATING RESERVE NEEDED

FOR DEPARTMENT OF ADMINISTRATION REVOLVING ACCOUNTS

Account	Name	Actual FYE '82 Cash Balance	(b) Operating Reserve Indicated By FYE '82 Cash Balance	If 45-Day Operating Reserve
07007	Surplus Property	\$ 15,008	30 days	\$ 22,341
07159	Central Data Processing	499,845	45	498,390
07238	Reproduction & Distribution	8,444	1/2	82,740
07242	Construction Regulation	330,835	139	107,300
07253	Insurance Premium	189,845	134	63,686
07254	Intergovernmental Training	3,868	27	6,443
07258	Communications	397,620	45	395,520
07260	Investments	-0-	-	-0-
07264	Rent & Maintenance	423,756	86	222,257
07272	Publications & Graphics	44,959	14	146,522
07280	Central Stores	62,457	23	124,245
07013	Graphic Arts	25,351	31	36,258
07158	Local Government Services	289,280	256	50,849
	TOTALS	\$2,291,268	(c) 59	\$1,756,551

(a) Receivables & Payables not included.

(b) Actual (FY '82 Average # of Days
FYE '82 divided by divided by 30 = of Operating
Cash Balance Monthly Expenses) Reserve

(c) \$2,291,268 divided by (\$1,170,582 divided by 30)

Construction Regulation (Building Codes) This cash balance (139) days) accumulated from past years.

Insurance Premium This balance (134) days) has not yet been transferred to the self insurance trust fund.

Local Government Service This balance (25 days) results from a general fund appropriation for start up costs. (1981 session, \$157,500);

REPORT EBSR100
DATE : 01/08/83
TIME : 16/25/25

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

Exhibit 3
Feb. 1, 1983
PAGE 406

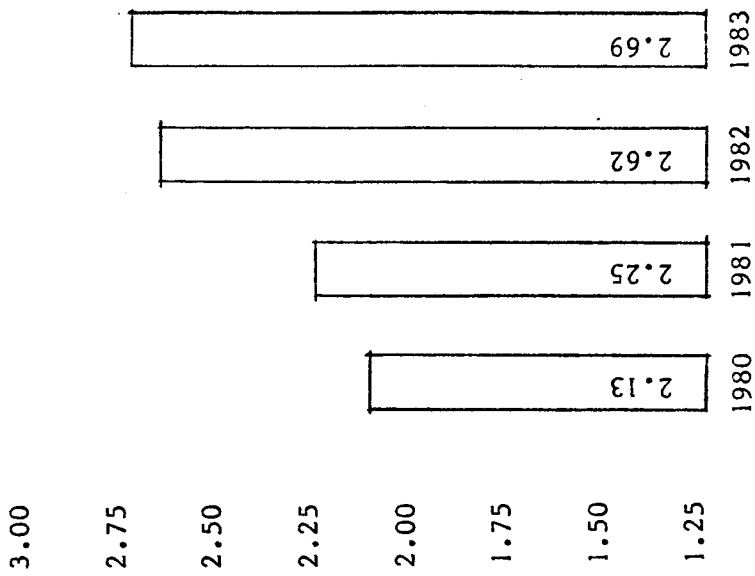
AGENCY : 6101 DEPARTMENT OF ADMINISTRATION
PROGRAM : 08 GENERAL SERVICES PROGRAM
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

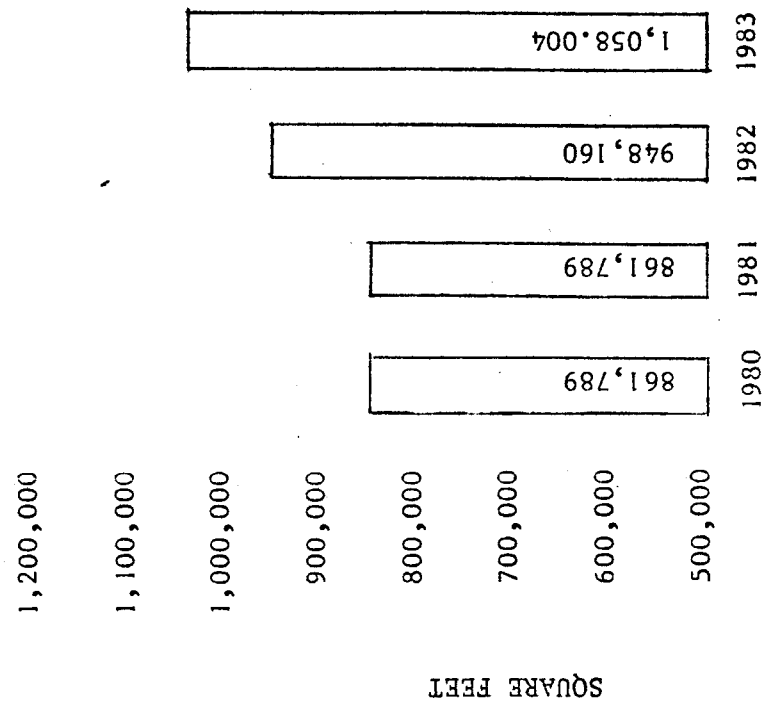
AT/DE	DESCRIPTION	OBPP FY 84	LFA FY 84	DIFF. FY 84	SUB-CMT. FY 84	OBPP FY 85	LFA FY 85	DIFF. FY 85	SUB-CMT. FY 85
0000	FULL TIME EQUIVALENT (FTE)	49,400	50,500	1,100		49,400	50,500	1,100	
1100	SALARIES	777,777	730,759	-47,018		777,794	728,036	-49,758	
1400	EMPLOYEE BENEFITS	116,822	111,421	-5,401		118,149	113,145	-5,004	
1500	HEALTH INSURANCE	47,000	48,480	1,480		47,000	48,480	1,480	
	TOTAL LEVEL	941,639	890,660	-50,979		942,943	889,661	-52,822	
2100	CONTRACTED SERVICES	808,737	870,094	61,357		857,027	869,059	12,032	
2200	SUPPLIES & MATERIALS	65,367	95,427	30,060		69,467	99,013	29,546	
2300	COMMUNICATIONS	7,880	8,283	403		9,117	9,500	423	
2400	TRAVEL	692	691	-1		717	714	-3	
2500	RENT	8,898	8,897	-1		9,432	9,429	-3	
2600	UTILITIES	909,176	870,694	-38,482		1,096,118	1,060,401	-35,717	
2700	REPAIR & MAINTENANCE	184,483	232,251	47,768		221,158	266,182	45,024	
2800	OTHER EXPENSES	26,510	25,996	-514		28,100	27,551	-549	
	TOTAL LEVEL	2,011,743	2,062,313	50,570		2,221,616	2,321,889	100,273	
3100	EQUIPMENT		16,463	16,463		1,500	9,147	7,647	
	TOTAL LEVEL		16,463	16,463		1,500	9,147	7,647	
R100	ACCOUNTING ENTITY TRANSFERS	111,507		-111,507		98,442		-9,065	
	TOTAL LEVEL	111,507		-111,507		98,442		-9,065	
	TOTAL PROGRAM	3,064,889	2,969,456	-95,433		3,329,463	3,220,697	-108,766	
01100	GENERAL FUND	602,978	566,081	-36,897		655,892	615,244	-40,648	
05008	CAPITOL BUILDING SR	50,000	50,000			50,000	50,000		
06528	RENT AND MAINTENANCE	2,411,911	2,353,375	-58,536		2,623,569	2,555,453	-68,116	

COMMENTS :

1. LFA Budget appears to have removed 9.05 FTE. No information was supplied to the division as to where cuts came from. Budget Office arrived at their allocation: 55.05 1983 less 1 1/2 tourguides less .55 budget analyst less 2 security guards less 1 clerk less 1 grounds maintenance officer equals 49.00 FTE.
2. Add \$38,643 to LFA Budget in 1984 and \$37,968 in 1985 for mechanical maintenance contracted service omitted in Executive Budget for estimated cost increase when rebid January 1984.
3. Add \$38,482 to LFA Budget in 1984 and \$35,717 in 1985 for 100% water rate increase for city of Helena approved by the Public Service Commission.
4. Use OBPP grounds maintenance cost as a transfer to FWP \$111,507 in 1984 and \$94,442 General Services is unable to unravel Fiscal Analyst proposal. Original budget request was \$129,736 and \$112,823 for the biennium.



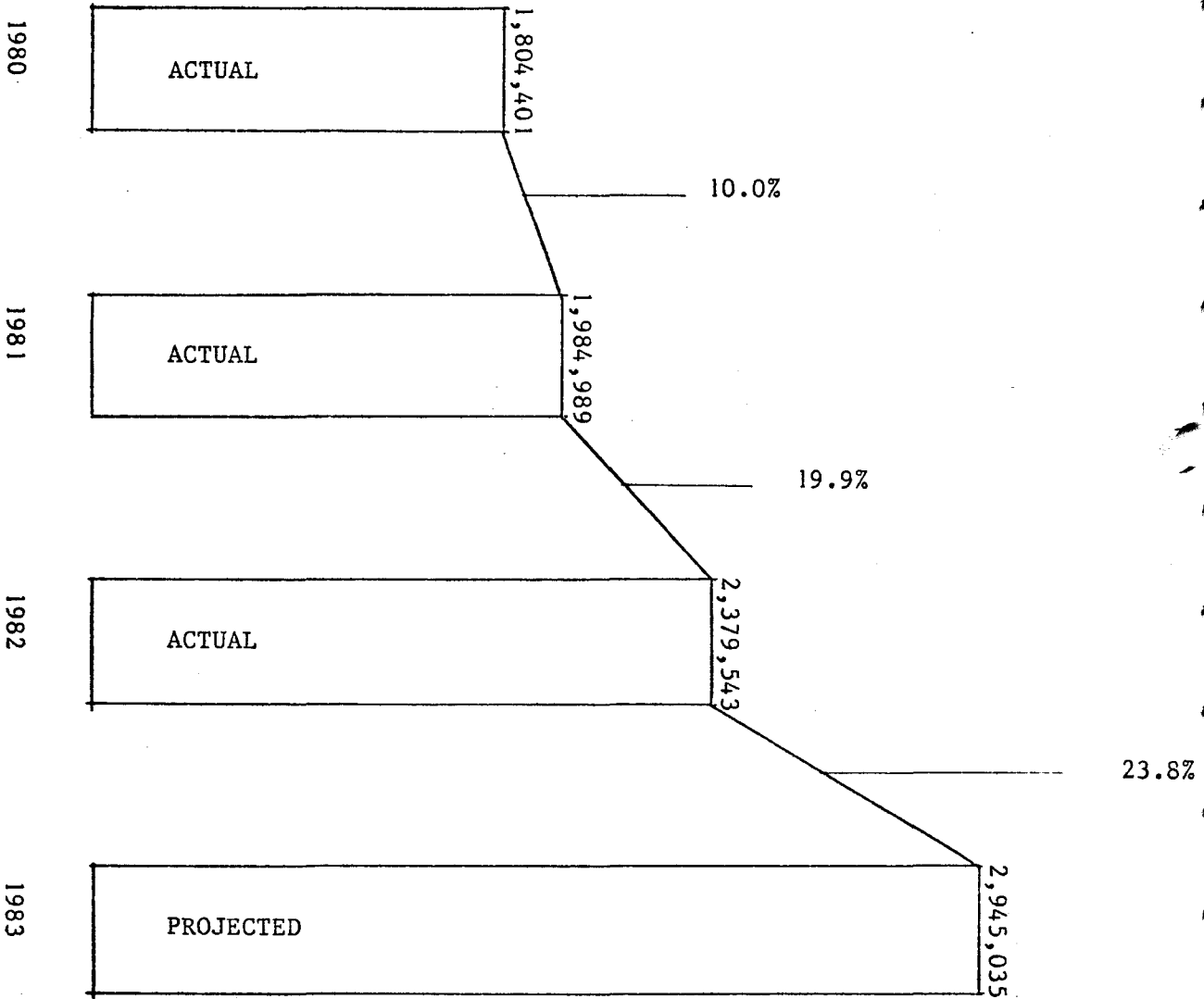
COST PER SQUARE FOOT



SQUARE FOOTAGE

EXPENSES

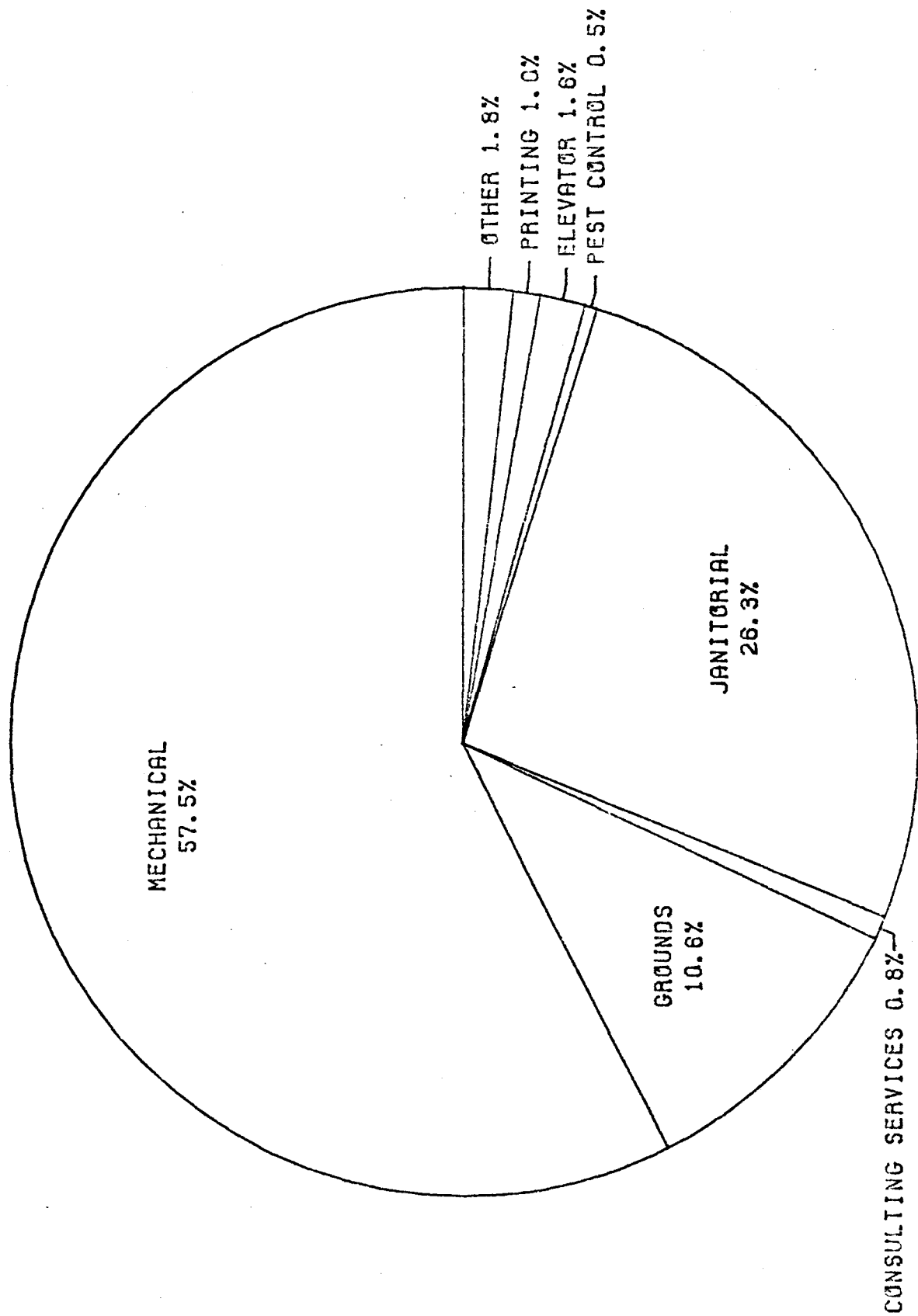
\$ 3,000,000
 \$ 2,900,000
 \$ 2,800,000
 \$ 2,700,000
 \$ 2,600,000
 \$ 2,500,000
 \$ 2,400,000
 \$ 2,300,000
 \$ 2,200,000
 \$ 2,100,000
 \$ 2,000,000
 \$ 1,900,000
 \$ 1,800,000
 \$ 1,700,000
 \$ 1,600,000
 \$ 1,500,000
 \$ 1,400,000
 \$ 1,300,000
 \$ 1,200,000
 \$ 1,100,000
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 \$ 1,000,000



1980 to 1981 ... 10.0% Increase
 1981 to 1982 .. 19.9% Increase
 1982 to 1983 .. 23.8% Increase

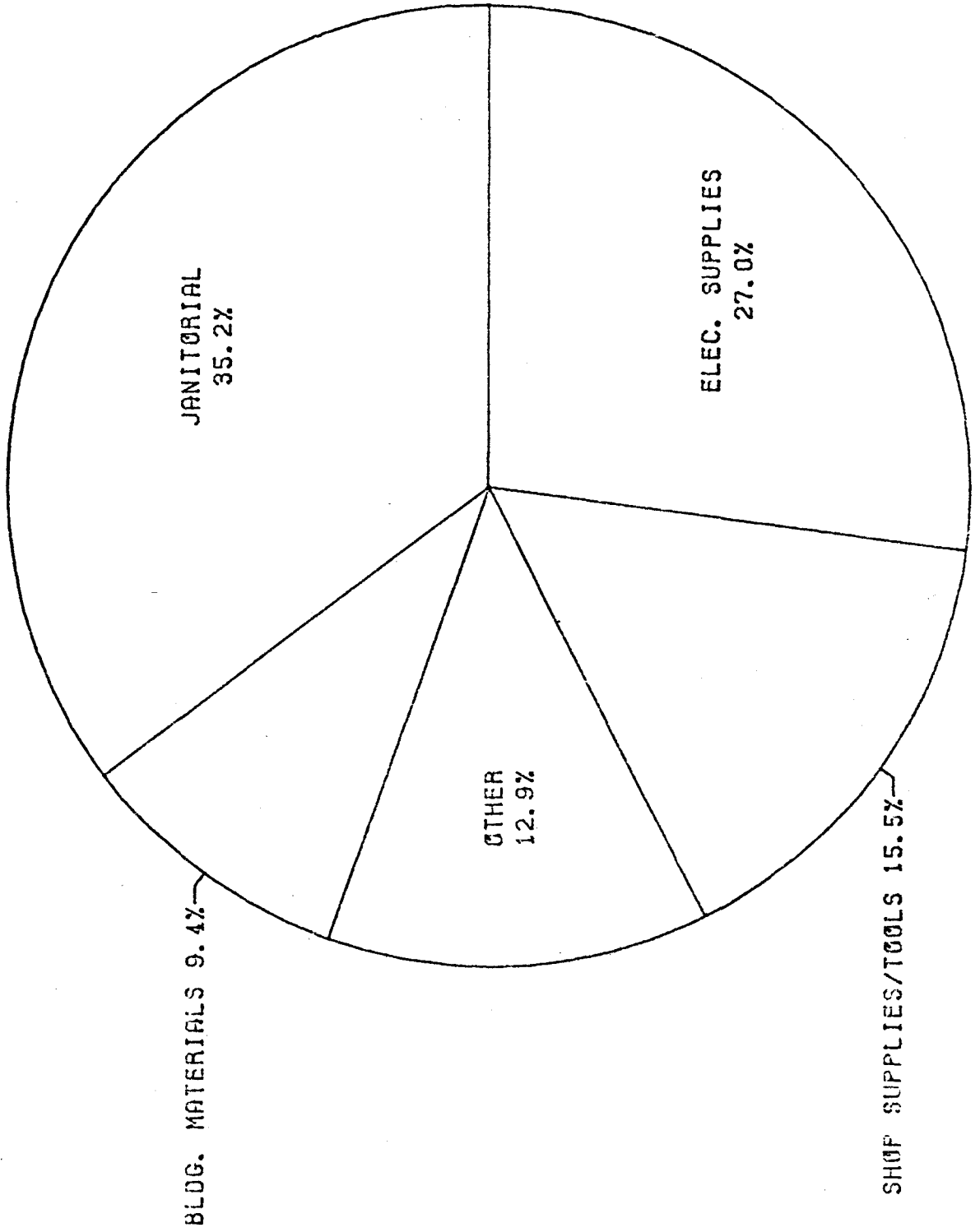
F.Y.E. 82 BLDGS. & GRNDS. EXPENSES

CONTRACTED SERVICES EXPENSES = \$699,288



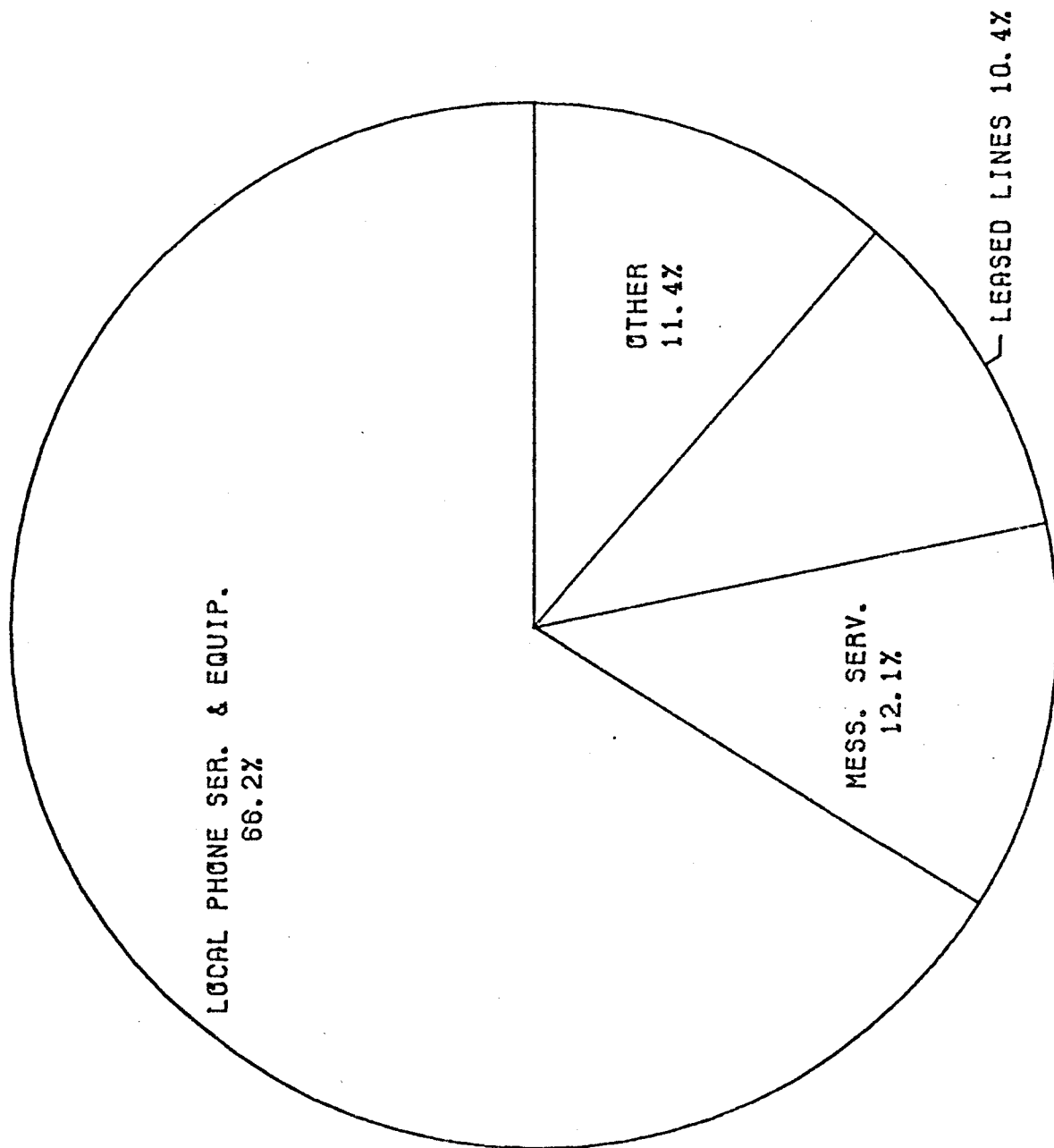
F.Y.E. 82 BLDGS. & GRNDS. EXPENSES

SUPPLIES & MATERIALS EXPENSES = \$57,171



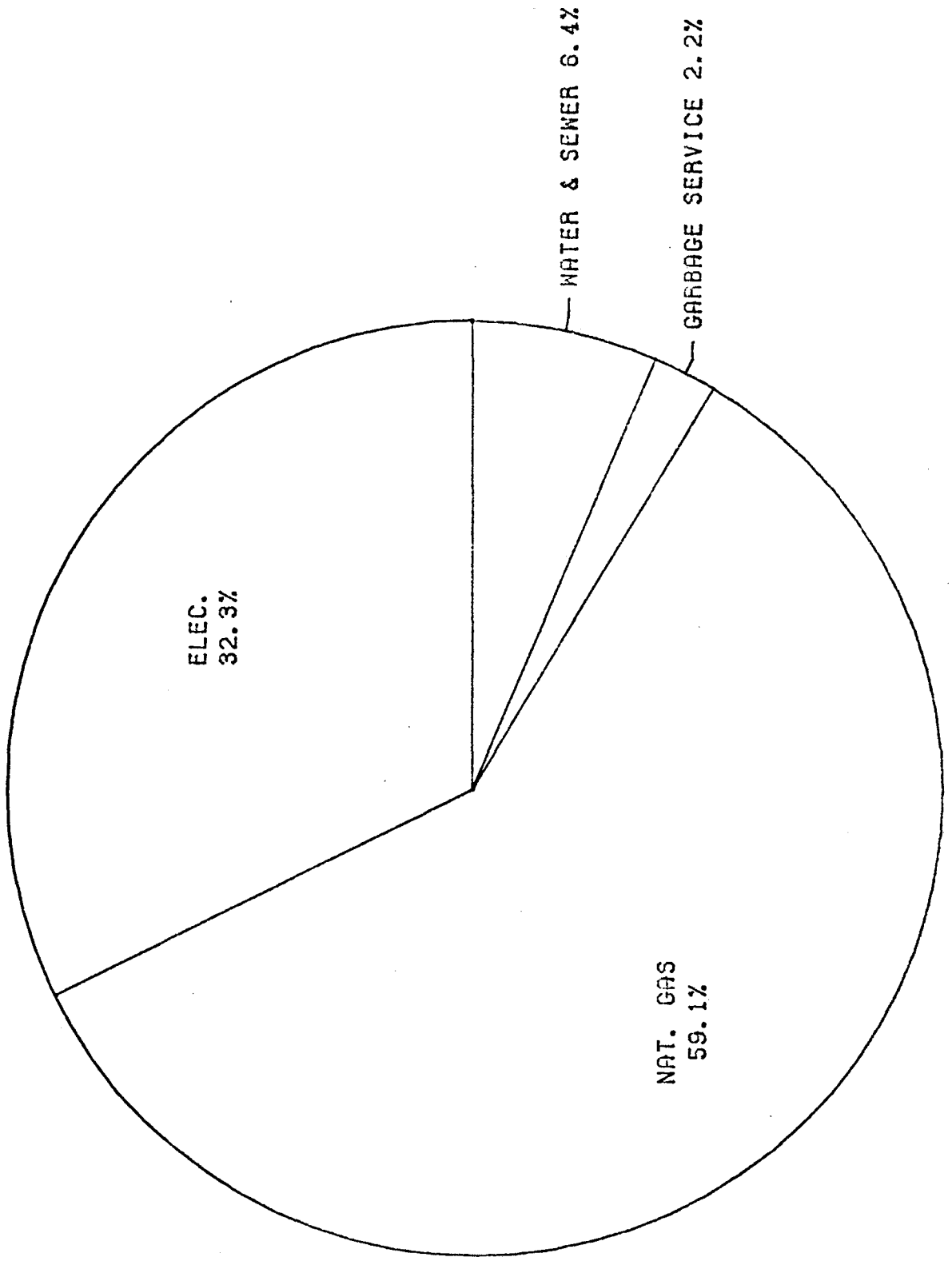
F.Y.E. 82 BLDGS. & GRNDS. EXPENSES

COMMUNICATIONS EXPENSES = \$9,160



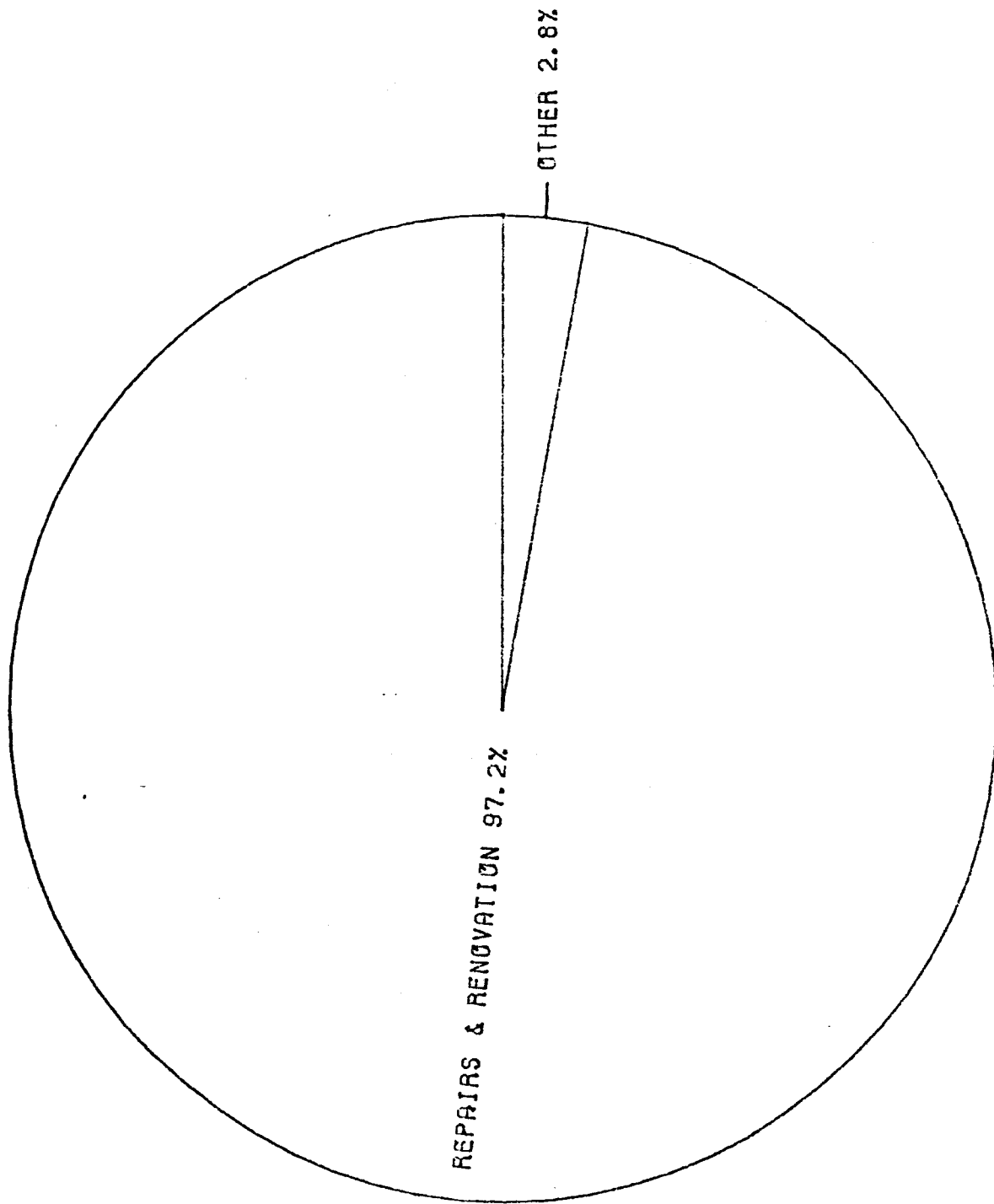
F.Y.E. 82 BLDGS. & GRNDS. EXPENSES

UTILITIES EXPENSES = \$585,598



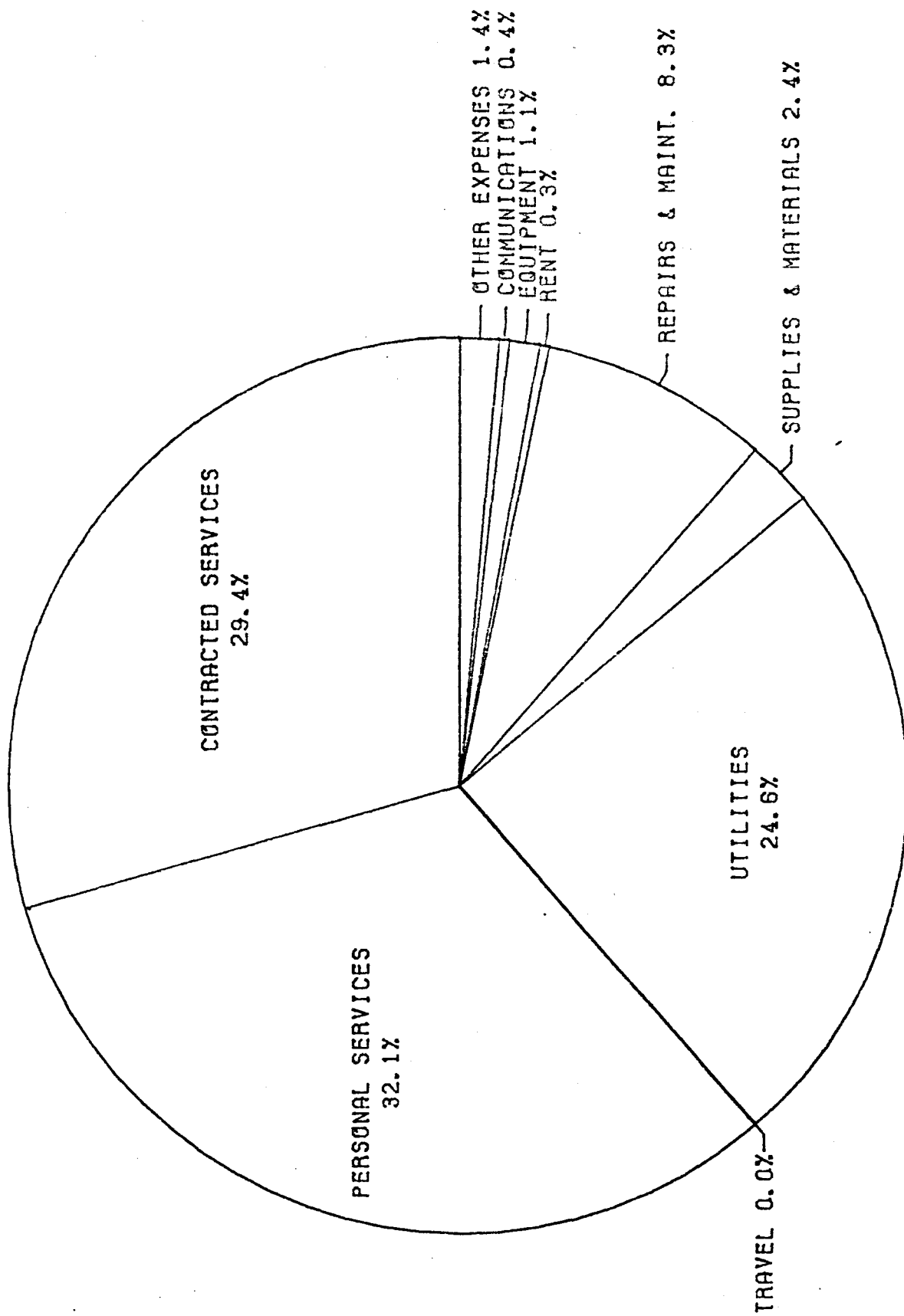
F.Y.E. 82 BLDGS. & GRNDS. EXPENSES

REPAIRS & MAINT. EXPENSES = \$197,111



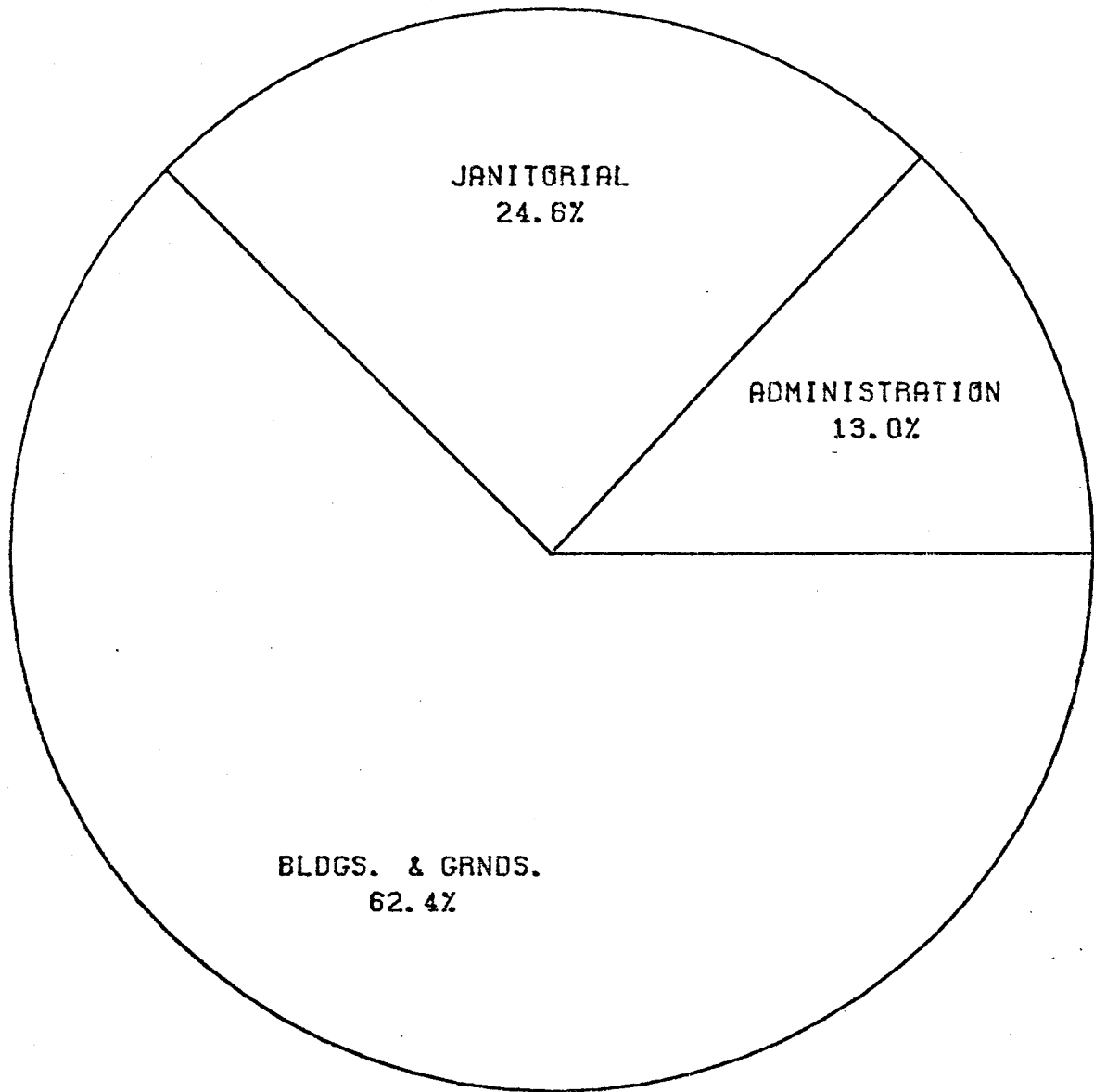
F.Y.E. 82 BLDGS. & GRNDS. EXPENSES

TOTAL EXPENSES = \$2,379,543



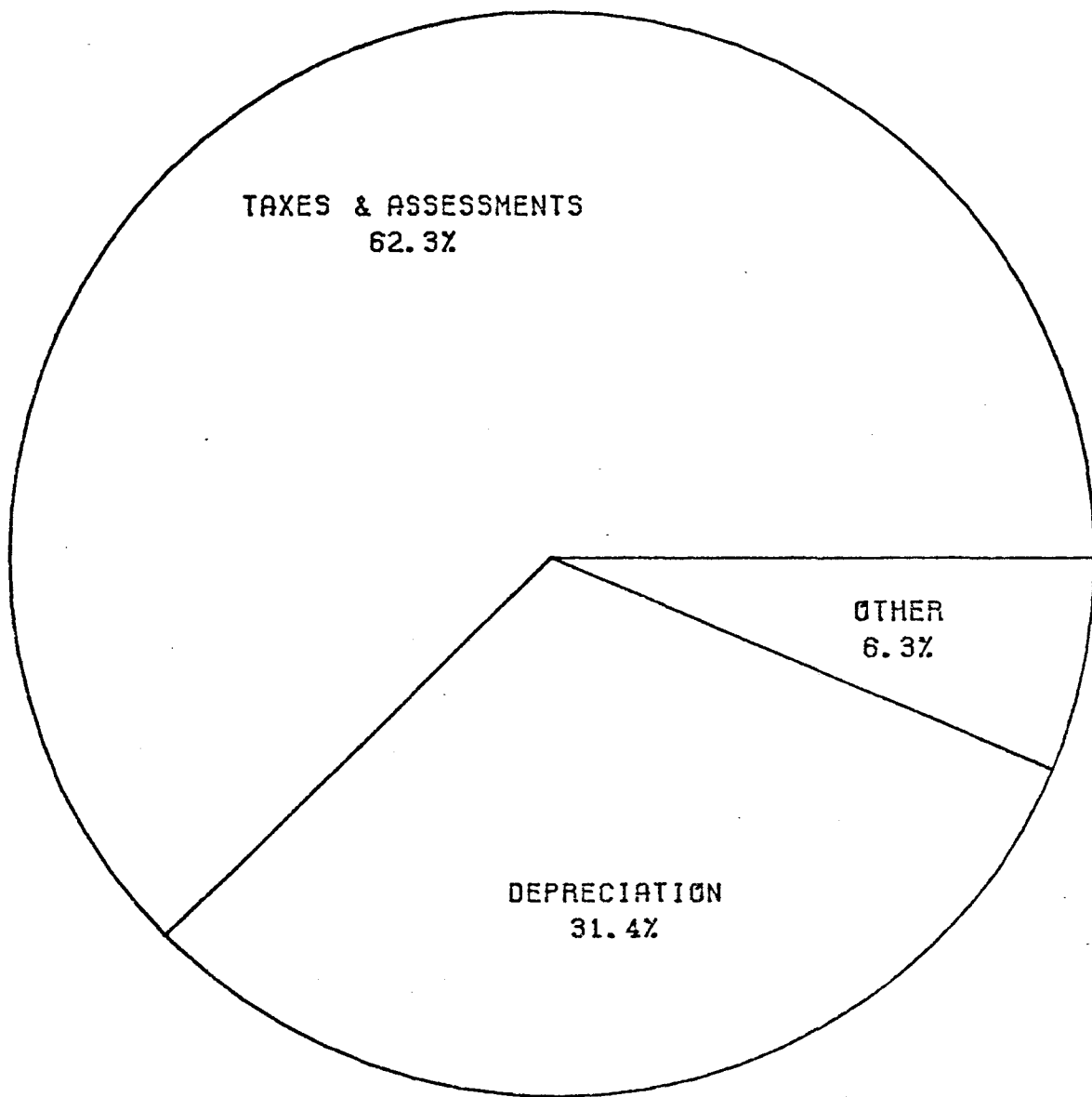
F.Y.E. 82 BLDGS. & GRNDS. EXPENSES

PERSONAL SERVICES EXPENSES = \$762,886



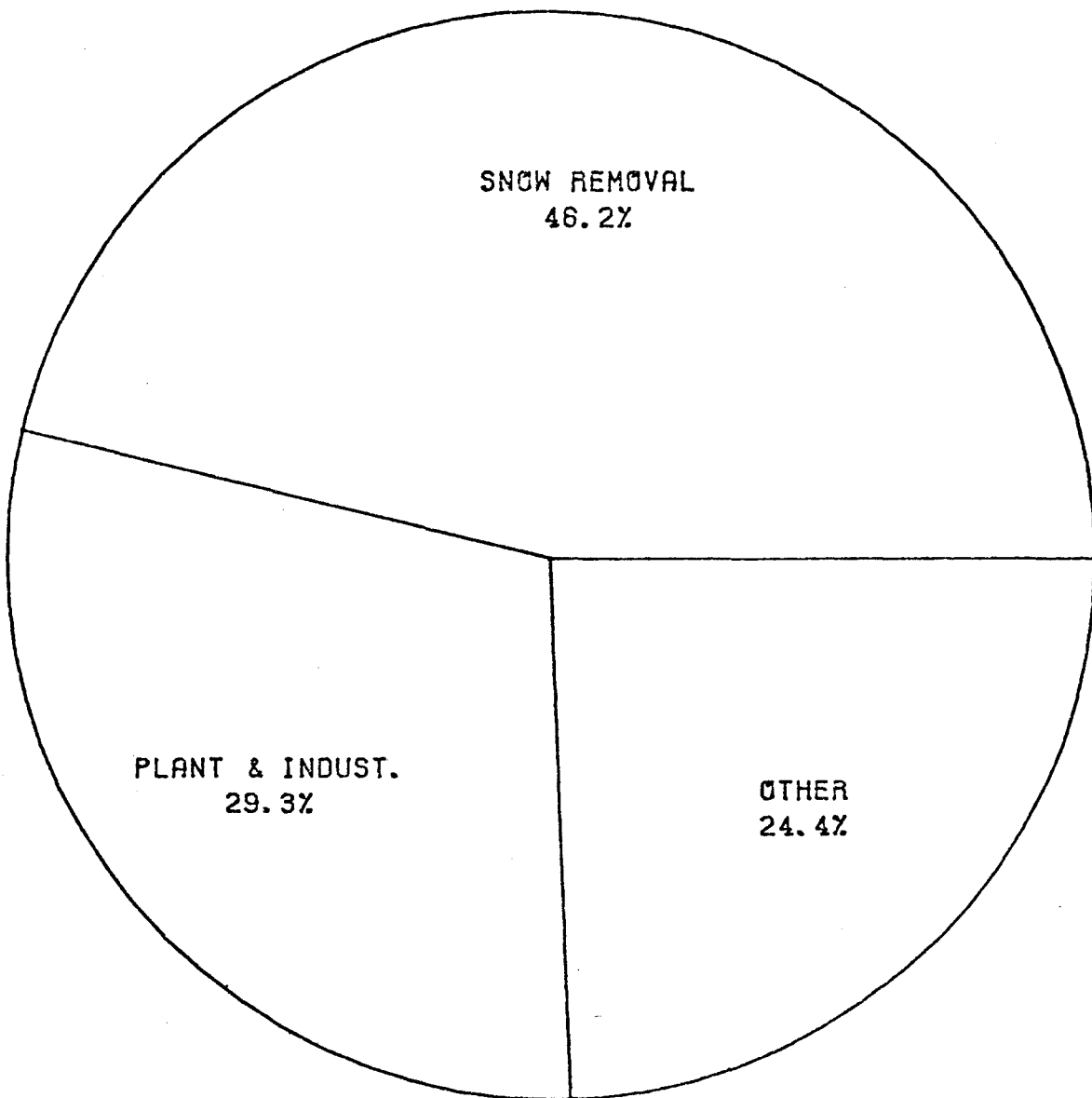
F. Y. E. 82 BLDGS. & GRNDS. EXPENSES

OTHER EXPENSES = \$33,399



F.Y.E. 82 BLDGS. & GRNDS. EXPENSES

EQUIPMENT EXPENSES = \$26,302



TESTIMONY
GOVERNOR'S COUNCIL ON MANAGEMENT'S RECOMMENDATION #60

I am Jim Flynn, Director of the Department of Fish, Wildlife and Parks, and I am here on behalf of the Governor's Council on Management's recommendation #60. The Governor's Council proposed that the grounds maintenance of the capitol complex in Helena be transferred from the Department of Administration to the Department of Fish, Wildlife and Parks.

Our department maintains a staff of qualified technicians in the fields of landscape architecture, civil engineering, and grounds maintenance. The department presently maintains areas throughout the state, including highly refined park areas and less manicured areas.

We have met several times with the Department of Administration to work out details of the transfer. Both our departments agree that the grounds maintenance and capitol complex snow removal functions should remain together since the same equipment and staff can be used for both functions. We, therefore, recommend transfer of additional funds for this and also recommend the transfer of the equipment used in snow removal.

It should be noted that permanent staff used for summer grounds maintenance can also be used for winter projects on a statewide basis on the various park and recreation areas. The staff would be kept busy year round preparing contract plans and specifications for work to be done the following summer. The grounds maintenance funds would not be used for this work.

In order to perform the grounds maintenance and snow removal functions, we need the addition of 3.75 FTE's and \$242,994 added to our biennial operations budget -- \$134,540 in FY 1984 and \$108,454 in FY 1985. It is important this funding be assured by either a general fund appropriation or by assurance that this amount will be forthcoming from other sources.

GROUNDS BUDGET

	<u>FY '84</u>	<u>FY '85</u>
A. <u>Equipment</u>		
1 ea. Excel Hustler, Model 295 mower deck	\$ 200	
1 ea. utility tractor, 17-19 H.P. mower deck, Front PTO	7,500	
1 ea. aerator, two type	700	
2 ea. edger/trimmer @ \$300	600	
1 ea. fertilizer broadcaster	400	
2 ea. weed eaters, gas powered, heavy duty @ \$400	800	
3 ea. mower 21' commercial @ \$510	1,530	
1 ea. chainsaw	350	
1 ea. lawn sweeper, tow type	5,500	
1 ea. sprayer, 100 gallon	1,800	
1 ea. hand held sprayer	40	
1 ea. wheel barrow	100	
	<hr/>	
TOTAL	\$ 19,520	
 B. <u>Operations</u>		
<u>Miscellaneous Equipment:</u>		
Garden hoses	\$ 1,000	\$ 1,000
Sprinklers and nozzles	600	600
*Snow equipment	4,113	4,113
 <u>Supplies and Materials:</u>		
Hand tools -- assortment	500	500
Flowers	6,500	6,500
Fertilizer	10,000	10,000
Herbicides	3,000	3,000
Pesticides	2,000	2,000
Gas and oil	1,200	1,200
Equipment repair	1,000	1,000
Underground sprinkler maintenance	5,000	5,000
Shrubs and trees	6,545	7,119
Shrub bed edgers	---	2,000
Equipment rental	4,500	4,500
*Storage modification	9,000	---
*Snow supplies and materials	1,200	1,200
	<hr/>	<hr/>
TOTAL	\$ 56,158	\$ 49,732
 c. <u>Personnel</u>		
1 FTE Grounds Supervisor, G-13	\$ 21,476	\$ 21,425
1 FTE Grounds Keeper, G-10	17,040	17,000
1 FTE Grounds Keeper, G-5	11,626	11,598
*.75 FTE Grounds Keeper, G-5	8,720	8,699
	<hr/>	<hr/>
TOTAL	\$ 58,862	\$ 58,722
 GRAND TOTALS	<u>\$134,540</u>	<u>\$108,454</u>

Exhibit

5

Feb. 1, 1983

AGENCY : 6101 DEPARTMENT OF ADMINISTRATION
PROGRAM : 01 CENTRAL ADMINISTRATION
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	ORPP FY 84	LFA FY 84	DIFF. FY 84	SUB-CMT. FY 84	ORPP FY 85	LFA FY 85	DIFF. FY 85	SUB-CMT. FY 85
0000	FULL TIME EQUIVALENT (FTE)	9.00	4.50	-4.50		9.00	4.50	-4.50	
1100	SALARIES	240,177	136,877	-103,300		239,593	136,354	-103,239	
1400	EMPLOYEE BENEFITS	34,441	18,744	-15,697		34,765	19,120	-15,645	
1500	HEALTH INSURANCE	8,600	4,320	-4,320		8,640	4,320	-4,320	
	TOTAL LEVEL	283,258	159,941	-123,317		282,998	159,794	-123,204	
2100	CONTRACTED SERVICES	78,573	76,707	-1,866		78,209	735	-1,478	
2200	SUPPLIES & MATERIALS	4,762	3,909	-853		5,047	4,141	-906	
2300	COMMUNICATIONS	4,999	3,174	-1,825		5,773	3,711	-2,062	
2400	TRAVEL	2,129	1,037	-1,092		2,266	1,080	-1,186	
2500	RENT	6,909	3,454	-3,455		7,643	3,660	-3,983	
2700	REPAIR & MAINTENANCE	1,117	978	-539		1,576	1,036	-540	
2800	OTHER EXPENSES	2,107	180	-1,927		2,233	189	-2,044	
2900	GOODS PURCHASED FOR RESALE		-3,069	-3,069			-3,253	-3,253	
	TOTAL LEVEL	100,996	86,370	-14,626		26,747	11,299	-15,448	
3100	EQUIPMENT		2,520	2,520			2,520	2,520	
	TOTAL LEVEL		2,520	2,520			2,520	2,520	
	TOTAL PROGRAM	384,254	248,831	-135,423		309,745	173,613	-136,132	
01100	GENERAL FUND	343,254	248,831	-94,423		309,745	173,613	-136,132	
06902	DEPT OF ADMIN TRAN	41,000		-41,000					
	TOTAL PROGRAM	384,254	248,831	-135,423		309,745	173,613	-136,132	

WAGNER

1. Add 4 1/2 FTE to LFA budget for 2 management analysts, 1 administrative assistant, 1 attorney and 1 clerical position.
2. Add to LFA budget operating costs for 2 FTE from Consulting Services Bureau Contract services \$1,516; supplies \$200; telephone \$1,600; travel \$375; rent \$656 for 1984 and inflated amounts for 1985.
3. Correct negative expenditures in LFA budget 1984 supplies \$578, goods for resale \$3,069; 1985 \$613 and \$3253.
4. Restore conference costs for mandatory education, conference costs and dues and subscription \$1,927 1984 \$12,044 1985.
5. Recognize travel costs for director for conference attendance \$717 in 1984 and \$1664 in 1985.

VISITOR'S REGISTER

HOUSE ELECTED OFFICIALS AND COMMITTEE
HIGHWAYS

~~SPONSOR~~ DEPT. OF ADMINISTRATION:

DATE February 1, 1983

~~SPONSOR~~ Central Administration &

8:30 a.m.

General Services

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
Sam Ahly	Helena	Dept of Admin		
Rick Morgan	✓	✓		
Neane Blanton	✓	✓		

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.