

MINUTES OF THE MEETING  
GENERAL GOVERNMENT AND HIGHWAYS SUBCOMMITTEE  
MONTANA STATE  
JOINT SUBCOMMITTEE

February 1, 1985

The meeting of the General Government and Highways Subcommittee was called to order by Chairman Quilici on February 1, 1985 at 8:00 a.m. in Room 437 of the State Capitol.

ROLL CALL: All members were present. Also present were Don Witmer and Cliff Roessner from the LFA Office, and Doug Booker from the Executive Office.

HOUSE BILL 433

Exhibit No. 1 is the House Bill 433 that was presented to the committee by Representative Grady. John Strandell, President of the Montana Crime Prevention and Crimestoppers, described the purpose of the association (41;A;20). Exhibits No. 2 and 3 were passed out to the committee for information. Exhibit No. 4 is the remarks of John Strandell.

McGruff, better known as the crime fighting dog, appeared and asked the committee to help take a bite out of crime by supporting House Bill 433.

Mike Lavin, Administrator for the State Crime Control Division, described how they have been involved with the crimestoppers previously (41;A;77). The division supports the association efforts 100 percent and discussed the possibility of the crimestoppers becoming self efficient in the future.

John McPherson, a law enforcement officer from Butte, talked about the crimestoppers and told the committee their program is fourth in the United States out of the International Crime-stoppers Association, and they have also helped other surrounding states set up their programs (41;A;107). He feels this is a good prevention program.

Marge Green, from the Montana Farm Bureau, went on record for supporting the appropriations (41;A;132).

George Bryce, Assistant Chief of Police in Livingston, is in favor of the passage of this bill (41;A;137). He represented the smaller communities of the state.

Funds from the program for awards come from the local areas. No money appropriated from this bill will be used to pay awards (41;A;192). The funds are for the organization of a centralized place for statewide activities.

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DEPARTMENT OF ADMINISTRATION

Ellen Feaver, Director, described the functions of the department, and an overview of the structure, the activities, and the priorities of the Department of Administration. She also explained some of the services (41;A;292). Exhibit No. 5 is a list of the General Fund Full Time Equivalents for the department. Exhibit No. 6 describes a proprietary fund. Exhibit No. 7 is a letter from Bob Ringwood that supports the department's request for appropriation authority to pay annual dues to the Government Accounting Standards Board.

There was discussion on personal classification and reclassification (41;A;590).

Central Administration (Work Session)

Ellen Feaver, then discussed the budget for the Central Administration Office found on Exhibit No. 8 (41;B;111). She explained the different budget issues. The issues included travel, funding, debt service, and funds needed for the per diem of two legislators on the Capital Finance Advisory Council. There was also discussion on one additional attorney for legal assistance in the department. The divisions who would use this lawyer would be billed for the lawyer's costs.

Central Administration (Executive Session)

Senator Keating moved the LFA budget for personal services with 2 percent vacancy savings, the LFA budget for operating expenses plus \$719 added to travel each year, and to fund part of the attorney's costs from the proprietary fund at \$8,851 in FY 1986 and \$8,854 in FY 1987. The motion was seconded, and passed unanimously.

Representative Lory moved to pass the OBPP debt service budget of \$12,069,955 in FY 1986 and \$12,130,604 in FY 1987. The motion was seconded, and passed unanimously.

Representative Lory moved to pass the modification budget for the Financial Advisory Council travel of \$2,096 in FY 1986 and \$2,096 in FY 1987. The motion was seconded, and passed unanimously.

The modification for the additional lawyer was held off until the committee heard from the divisions who would use the lawyer.

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Accounting Program (Work Session)

Kathy Fabiano, Administrator, described the function and purpose of the agency (42;A;61). Exhibit No. 9 is the budget for the accounting program and includes the budget issues. There was discussion of the Accounting Program Division's need for the Governmental Accounting Standards Board.

Accounting Program (Executive Session)

Senator Keating moved the 12.5 FTE and 2 percent vacancy savings, and the LFA budget for operating expenses except for contracted services and the OBPP figures will be used. The motion was seconded, and passed unanimously.

There was discussion on the Governmental Accounting Standards Board which is a budget modification. Bob Ringwood testified that he believes that it is in Montana's best interest to make the contribution for the Governmental Accounting Standards Board, because in the long run it will save money (42;A;375).

Representative Lory moved to pass the GASB modification for \$11,700. The motion was seconded, and passed unanimously.

Architecture and Engineering (Work Session)

Philip Hauck, Administrator, described the function of the program and went over the budget issues found on Exhibit No. 10. All the budget issues are described on the third page of the exhibit.

Architecture and Engineering (Executive Session)

Senator Keating moved the 14.5 FTE with 2 percent vacancy savings, the LFA budget plus \$8,547 in FY 1986 and \$8,713 in FY 1987 for legal costs, and also an additional \$1,619 in travel for FY 1986. The motion was seconded, and passed unanimously.

Senator Keating moved the OBPP funding with equal amounts out of the 02 and 05 funds. The motion was seconded, and passed unanimously.

Senator Keating moved the 1.0 FTE secretary budget modification. The motion was seconded, and passed unanimously.

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Passenger Tramway Safety (Work Session and Executive Session)

Philip Hauck then went over the budget for the Passenger Tramway Safety found on Exhibit No. 11 (42;B;77). The budget issues are included in the exhibit.

There was discussion on the Senate Bill 198, sponsored by Senator Christiaens which requests to separate the revenues and expenses of the Passenger Tramway Program into a state special revenue fund instead of the general fund.

Exhibit No. 12 is the financial analysis of the Montana Tramway Council. It shows how much money is put into the general fund and how much is only taken out.

Senator Keating moved the OBPP request for both years and boiler plated that it be general fund the first year and it will be state special fund in 1987 subject to the passage of SB 198. The motion was seconded, and passed unanimously.

There was a short recess.

LEGISLATIVE COUNCIL (Executive Session)

Exhibit No. 13 is a list of Titles that are printed at the same time the Code is printed and sold to state agencies. Diana Dowling wanted the committee to be aware of these lists also printed, because she forgot to tell the committee at the work session.

There was discussion on the purchases of equipment that were not authorized (42;B;235). Some of the information for this equipment is found in Exhibit No. 14. Chairman Quilici asked how much money was expended for the photo composition machine. Diana Dowling told him about \$107,000 was the estimated cost. Chairman Quilici then asked what kind of savings can be realized on this machine, and the answer was about \$100,000 each biennium (42;B;275).

Representative Bob Marks told the committee that a presentation of what the equipment could do was given to the council, and that the committee was very convinced that the machine would save the Legislature money (42;B;355). Chairman Quilici asked if there were any objections to this machine from the committee, and Representative Marks said there were not. He said he had requested, as a member of the council, because of the unique situation of it being a fairly large expenditure, that it should be submitted as a budget amendment through the regular process, to acknowledge to the Finance Committee that they were doing this. This was done so there would be nothing improper about it.

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Representative Marks said the committee feels good about what they have done. The budget amendment did not go before the Legislative Finance Committee because the LFA Office said they didn't need one, they had spending authority.

Exhibit No. 15 is the Legislative Council Financial Summary dated June 30, 1984 for 1983-84. Diana Dowling went over the first four pages to explain why so much money was reverted (42;B;410). She also said that this fiscal year they are neck and neck and will not be reverting any personal services.

Research money that was reverted was explained (42;B;465). Management Division money that was reverted was explained (42;B;480). Exhibit No. 16 is an estimated cost of computer services for FY 1986. In FY 1984, \$66,192.95 was reverted back under contracted services. This was because it was a nonsession year, and they did not use the computer as much as they thought they would. This next interim, they are going to be coming out with annotations more often.

There was discussion on the equipment (42;B;573). Diana Dowling felt that if they were authorized for 4 word processors and it came down to the point that it would be cheaper for them to buy them, then she just did it. It is true that they didn't get legislative approval to buy them. These purchases were not authorized by the entire Legislature, but they felt it was authorized by the Legislative Council.

The money reverted in personal services under Management was then discussed (42;B;624). Money was reverted for rent, but they went over in capital expenses for equipment. The differences in personal services were due to shorter hours for the director of the accounting division, the fact they didn't hire an authorized attorney, and didn't put two proofreaders on staff, and one indexer.

The money reverted in Legal Services was then discussed (43;A;11). One employee kept working less and less until he quit, they have now hired new people for this position. The council is conservative on their travel expenses.

There was then discussion on the interim studies (43;A;58). Exhibit No. 17 is the 1983-85 CSG Committee Travel. Exhibit No. 18 is the 1984-85 financial summary of Interim Studies and Conferences as of December 31, 1984. Exhibit No. 19 is a list of the dues the other states pay. Exhibit No. 20 is the NCSL Committee Travel as of January 25, 1984.

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Exhibit No. 21 is the budget worksheet for the Legislative Council. This budget does not include the Interim Studies or the MCA.

There was discussion on the differences in the personal savings (43;A;260). Diana Dowling included the termination pay and benefits into the budget because Bob Pyfer has already told the Council he is terminating. From experience in the past, she knew they would have to go in for a supplemental, so she just included it.

Senator Keating asked Representative Marks if he has gone through the Legislative Council budget. He said he had and they approved the budget, but he could also tell the committee where there could be cuts (43;A;386). It was noted by Senator Keating that in the past, this agency has done much reversion and when they don't need to spend money they don't.

Chairman Quilici suggested that in the event that there is another major equipment purchase that is not authorized by the subcommittee, the agency would not only get authorization from the Legislative Council, but also from the Legislative Finance Committee. Representative Marks said they would be happy to do that in the future.

Representative Lory moved the OBPP budget with 4 percent vacancy savings. The motion was seconded, and passed unanimously.

Representative Lory moved the agencies request for interim studies. The motion was seconded, and passed unanimously.

Representative Lory moved approval for the spending authority for the codes (MCA). The motion was seconded, and passed unanimously.

Senator Neuman spoke to the committee about continuing to support the positions of the NCSL and the CSG (43;A;600). He thinks this is money well spent, and in order to get money deserved from the federal government they have to be there to represent Montana.

ADJOURN: There being no further business before the committee, the meeting was adjourned at 12:30 p.m.

  
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JOE QUILICI, Chairman

DAILY ROLL CALL

General Government and Highways SUB COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date

21185

House BILL NO. 433

INTRODUCED BY Bob Kuechenhauer J. Boudin

A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING FUNDS TO THE BOARD OF CRIME CONTROL FOR THE PURPOSE OF ADMINISTERING A GRANT TO THE MONTANA CRIME PREVENTION/CRIMESTOPPERS ASSOCIATION FOR OPERATION OF CRIME PREVENTION AND CRIMESTOPPERS PROGRAMS."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Appropriation. The following amounts are appropriated from the general fund to the Board of Crime Control for the purpose of administering a grant to the Montana Crime Prevention/Crimestoppers Association for the operation of crime prevention and crimestoppers programs pursuant to a contract between the Board and the Association:

	<u>FY 86</u>	<u>FY 87</u>
Program		
Crime Prevention and		
Crimestoppers Programs	\$38,128	\$40,234

-End-

Exhibit #1  
2/1/85

INTRODUCED BILL  
HB 433





# Justice Bulletin

## Montana Board of Crime Control

Exhibit #2

2/1/85

A Publication of the Montana Board of Crime Control • 303 North Roberts, Helena, MT 59620 • (406) 449-3604

February 1, 1985

### 1984 CRIMESTOPPERS STATEWIDE REPORT

Crimestoppers is a program which involves the public, the media, and the police in the fight against crime. It offers anonymity and cash rewards to persons who furnish information leading to the arrest and indictment of criminal offenders and the capture of fugitives.

#### 1984 CRIMESTOPPERS ACTIVITIES

1,348 Crimestoppers tips received;

357 crimes were cleared;

341 individuals were arrested;

\$24,960 in rewards were paid;

\$478,021 worth of stolen property was recovered and illegal narcotics seized.

*Board of Crime Control records indicate there are twenty-seven active Crimestoppers programs in the state. Nine of these programs were able to provide information on their activities for all of 1984 and ten for part of the year. Eight programs did not submit any data, but this is not an indication of inactivity, only a lack of reporting.*

Since their earliest beginnings in 1981 and reports have been compiled, Crimestoppers programs have established an interesting record in the State of Montana:

#### 1981 through 1984

3,786 Crimestoppers tips received;

1,482 crimes were cleared;

1,054 individuals have been arrested;

\$61,355 in rewards have been paid;

\$2,892,562 worth of stolen property recovered and illegal narcotics seized

2/1/85

BUDGET BREAKDOWN

PERSONNEL	1986 <u>.5 FTE</u>	1987 <u>.5 FTE</u>
1/2 Time Coordinator		
Salary	9,138	9,504
Benefits	<u>2,570</u>	<u>2,625</u>
<b>TOTAL PERSONNEL</b>	<b><u>11,708</u></b>	<b><u>12,129</u></b>
OPERATION		
*Contractual	16,500	17,900
Rent	420	441
**Travel	7,200	7,288
***Postage	1,400	1,540
Telephone	<u>900</u>	<u>936</u>
<b>TOTAL OPERATING</b>	<b><u>26,420</u></b>	<b><u>28,105</u></b>
<b><u>TOTAL</u></b>	<b><u>38,128</u></b>	<b><u>40,234</u></b>

\*Produce 2 public service announcements for television.  
 Produce 4 different brochures -- 50,000 each -- 3  
 color: 1) Crimestoppers; 2) Rural Crime; 3) Child  
 Abuse; 4) Neighborhood Watch. Produce six  
 newsletters annually.

\*\*Statewide travel to assist local programs, to provide  
 crime prevention workshops, and for non-paid  
 volunteers who work on crime prevention programs.

\*\*\*Brochures, Newsletters

2/01/85

REMARKS OF JOHN STRANDELL, PRESIDENT  
MONTANA CRIME PREVENTION/CRIMESTOPPERS ASSOCIATION

The Montana Crime Prevention/Crimestoppers Association is a group of criminal justice professionals and other citizens of Montana who volunteer their services to promote Crime Prevention and Crimestoppers programs throughout the State. The Association began in 1977 with 18 members and has grown to a present membership of 96 statewide.

The purposes of the Association are:

- 1) To assist and coordinate law enforcement efforts to prevent criminal activity.
- 2) To facilitate the exchange of Crime Prevention expertise and information between law enforcement agencies and between law enforcement and private crime prevention professionals.
- 3) To pursue educational activities which will improve the skills and knowledge of law enforcement officers who perform formal crime prevention functions.
- 4) To provide a source of information and assistance to local Crimestoppers organizations.
- 5) To promote the cause of a continual reduction of criminal opportunity and contribute to the security, well-being and confidence of the public.

Presently, there are 27 active Crimestoppers programs throughout the State. Crimestoppers is a program which involves the public, the media, and the police in the fight against crime. It offers anonymity and cash rewards to persons who furnish information leading to the arrest and indictment of criminal offenders and the capture of fugitives.

Since 1981, these Crimestoppers programs have received 3,786 tips resulting in 1,054 arrests and the recovery of \$2,892,562 worth of stolen property and seized narcotics. The number of crimes cleared is 1,482 and \$61,355 has been paid out in rewards. There are presently several areas in the State requesting assistance for setting up programs.

Since 1977, the Association has been actively involved in promoting Crime Prevention programs such as Neighborhood Watch, Home Security, Operation ID, Rural Crime Prevention and child safety programs. The National Crime Coalition and the FBI have stated that programs such as these have helped greatly to reduce crime in the United States.

The Criminal Justice professionals and citizens involved in these programs have donated their time and, in many cases, have spent their own money to support these programs. In order to maintain the high quality of the individual programs and preserve a uniform coordinated effort statewide, we are asking the State to provide some financial assistance for this statewide program.

These funds will be used to provide a part-time statewide coordinator who would collect and disseminate Crime Prevention/Crimestoppers information between local programs, organize statewide workshops to train and educate citizens and criminal justice personnel in Crime Prevention/-Crimestopper activities, provide public information for the citizens of Montana through the use of printed material and public service announcements on television and radio, develop new and innovative Crime Prevention programs and techniques, and assist in the development of new local Crime Prevention and Crimestoppers programs.

We feel that Crime Prevention and Crimestoppers are very important programs throughout Montana and that with your support we will be able to continue and improve these programs.

Exhibit #5  
2/1/85

General Fund Full Time Equivalents  
Department of Administration

	1984		1986		1987	
	<u>1984</u>	<u>1985</u>	<u>ORPP</u>	<u>LFA</u>	<u>ORPP</u>	<u>LFA</u>
Director's Office	8.00	8.00	6.75	7.00	6.75	7.00
Accounting Division	12.50	12.50	12.00	12.50	12.00	12.50
Purchasing Division	17.00	17.00	16.50	16.50	16.50	16.50
General Services	2.00	2.00	2.00	2.00	2.00	2.00
Centralized Services	15.00	15.00	14.00	15.00	14.00	15.00
Personnel Division	34.75	34.75	33.25	33.25	33.25	33.25
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>
TOTALS	<u>94.75</u>	<u>94.75</u>	<u>92.50</u>	<u>92.50</u>	<u>90.00</u>	<u>91.75</u>

2/1/85

"WHAT IS A PROPRIETARY FUND"

A proprietary fund is a term used to describe an accounting entity in governmental operations which charges intergovernmental or intra-governmental users for services or products.

With recent accounting pronouncements, the term "revolving fund" has become obsolete. The new terminology incorporates general business references and titles these operations as proprietary funds.

Proprietary funds are divided into two groups, enterprise funds and internal service funds.

Enterprise funds represent governmental business operations which, for a fee, provide services to the general public. The Department of Administration only has one enterprise fund which is the State Employee Group Benefit Program.

Internal service funds represent governmental business operations which, again for a fee, provide services or products to other internal governmental units. Examples include Central Stores, Information Services, and Publications & Graphics.

As a proprietary fund, operations are conducted in a manner similar to a private business concern:

1. A person desires to purchase the product or service offered by the business entity.
2. The business entity incurs costs to provide the service and charges the person an amount of money to recover the cost of services.
3. Costs of the business operations can be identified as fixed, variable, and semi-variable.
  - A) Fixed costs are defined as those costs which will be incurred if not one dollar of revenue is generated and tend to remain constant throughout a budgetary period. Examples of fixed costs include depreciation and insurance.
  - B) Variable costs are defined as those costs which go up or down as demand for services increase and decrease. Examples of variable costs include inventory, supplies, repairs and maintenance.
  - C) Semi-variable costs have elements of both fixed and variable costs and many expenses such as utilities, salaries, and pensions are examples. The fixed portion of these expenses equate to the minimum cost needed to operate at minimum level. The variable portion occurs when volume increases. An example of semi-variable cost calculation is:

Production of one unit of service, the minimum level of operation, requires one square foot of space. The cost of one square foot of space is a fixed cost. To rise above the

minimum level and produce two units of service, the enterprise needs another square foot of space. The additional cost of one square foot is variable, or as production rises over the state minimum so do costs.

The basic difference between a governmental enterprise and private enterprise occurs only in the budgetary arena. All other aspects, such as accounting, cash flow, depreciation, debt service profitability and financial viability, are the same.

An enterprise operation is dynamic in that it must continually recycle its financial resources into further production of services or products. Historically, proprietary accounts have been budgeted and appropriated in an amount expected to meet the demands for their products or services. Occasionally, however, demand is greater or not as much as was originally anticipated. If demand falls short, expenditure also fall short of the appropriation. If demand exceeds expectations, expenditures typically exceed the appropriation. Recognizing this relationship between demand and expenditures, statute allows for budget amendments for proprietary accounts.

The following divisions have proprietary funds:

- Publications & Graphics
- Information Services (2 funds)
  - 1) Central data processing
  - 2) Telecommunications
- General Services (2 funds)
  - 1) Rent and Maintenance
  - 2) Mail and Distribution
- Purchasing (2 funds)
  - 1) Central Stores
  - 2) Surplus Property
- Investments
- Personnel (3 funds)
  - 1) Training
  - 2) Group Benefit Program
  - 3) Group Benefit Claims
- Insurance & Legal (8 funds related to insurance liabilities)

211/85

## Office of the Legislative Auditor

BERT R. RINGWOOD  
LEGISLATIVE AUDITOR

STATE CAPITOL  
HELENA, MONTANA 59620  
406/444-3122

December 17, 1984

## DEPUTY LEGISLATIVE AUDITORS:

JAMES H. GILLETT  
FINANCIAL/COMPLIANCE AUDITS  
SCOTT A. SEACAT  
PERFORMANCE AUDITS

## STAFF LEGAL COUNSEL

JOHN W. NORTHEY

RECEIVED

DEC 19 1984

DEPT. OF ADMINISTRATION  
DIRECTORS OFFICE

Dave Hunter, Director  
Office of Budget and Program Planning  
State Capitol  
Helena, MT 59620

I am writing in support of the Department of Administration's request for appropriation authority to pay annual dues to the Governmental Accounting Standards Board (GASB). We are emerging from a period of inconsistencies, government financial crisis, and costly, recurring changes in governmental accounting and reporting. The need for standardization is recognized by all who are involved in governmental accounting. GASB is the result of the agreement among literally dozens of national organizations and hundreds of people over several years. The final plan calls for support from all levels of government and private industry. Thirty-three states have contributed. States are to provide 50 percent (\$750,000) of the needed annual operating budget. Montana's annual share is \$11,700, based on an allocation developed by the Council of State Governments.

GASB is a necessary part of Montana's commitment toward presenting its financial reports in accordance with generally accepted accounting principles (GAAP). These principles are established through a drafting, commenting, formal hearing process administered by GASB. The principles they establish are intended to serve all state and local governmental entities. Montana's laws contain word for word excerpts from these principles. Montana's accounting system and annual financial statements are based on the principles this group establishes.

GASB already provides independent, nationally-based consulting services which we use regularly both for formal written opinions and informal telephone consultations. They serve as the one final source, relied upon by accountants and auditors alike. A proven, cost-effective approach.

What GASB does will affect Montana. If we expect to have a say in the formation of the principles that will govern our actions, we should contribute to funding their development.

Sincerely,

Robert R. Ringwood  
Legislative Auditor

RRR/jv6q

cc: Ellen Feaver

AGENCY:6101 DEPARTMENT OF ADMINISTRATION  
 PROGRAM:01 CENTRAL ADMINISTRATION  
 CONTROL:00101 CENTRAL ADMINISTRATION

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BUDGET COMPARISONS  
 LFA vs. DBPP  
 CURRENT LEVEL

BUD10101 1-28-85 Exhibit #8  
 2/1/85

	DESCRIPTION	FY 84	DBPP	LFA	DIFF.	FY 86	FY 86	FY 86	DBPP	LFA	DIFF.	FY 87	FY 87	FY 87
	FTE	8.00		7.00	7.00					7.00	7.00			
1100	SALARIES	218,085		203,268	203,268		0			204,318	204,318	0		
1300	OTHER COMPENSATION	150					0					0		
1400	EMPLOYEE BENEFITS	39,382		29,891	29,891		0			30,293	30,293	0		
1500	HEALTH INSURANCE			8,400	8,400		0			8,400	8,400	0		
1600	VACANCY SAVINGS			(9,662)	(8,545)	1,117				(9,720)	(8,561)	1,159		
1800	TOTAL LEVEL	257,617		231,897	233,068	1,171				233,291	234,505	1,214		
2100	CONTRACTED SERVICES	26,185		1,015	945	(70)				1,019	949	(70)		
2200	SUPPLIES & MATERIALS	4,109		3,672	3,974	302				4,730	5,398	668		
2300	COMMUNICATIONS	5,324		5,049	5,085	36				5,049	5,085	36		
2400	TRAVEL	982		1,329	610	(719)				1,329	610	(719)		
2500	RENT	7,045		6,586	6,377	(209)				6,652	6,377	(275)		
2700	REPAIR & MAINTENANCE	185		2,304	2,304	0				2,304	2,304	0		
2800	OTHER EXPENSES	1,127		1,310	1,127	(183)				1,310	1,127	(183)		
	TOTAL LEVEL	44,957		21,265	20,422	(843)				22,393	21,850	(543)		
9999	INFLATION			892	571	(321)				1,269	1,386	117		
	TOTAL W/INFLATION	44,957		22,157	20,993	(1,164)				23,662	23,236	(426)		
	TOTAL PROGRAM	302,574		254,054	254,061	7				256,953	257,741	788		
	2% CUT			(5,081)	0	5,081				(5,129)		5,139		
	TOTAL PGM LESS CUT	302,574		248,973	254,061	5,088				251,814	257,741	5,927		
01000	GENERAL FUND			240,122	254,061	13,939				242,960	257,741	14,781		
06970				8,851		(8,851)				8,854		(8,854)		
	TOTAL PROGRAM	0		248,973	254,061	5,088				251,814	257,741	5,927		

AGENCY:6101 DEPARTMENT OF ADMINISTRATION  
PROGRAM:01 CENTRAL ADMINISTRATION  
CONTROL:00102 DEBT SERVICE

BUDGET COMPARISONS  
LFA vs. OBPP  
CURRENT LEVEL

BUD00102 1-28-85

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DESCRIPTION	FY 84	OBPP	LFA	DIFF.	FY 86	FY 86	FY 86	OBPP	LFA	DIFF.	FY 87	FY 87	FY 87
FTE													
2100 CONTRACTED SERVICES	3,153			0						0			
8100 A/E TRANSFERS	32,547	12,069,955		(12,069,955)				12,130,604		(12,130,604)			
TOTAL PROGRAM	35,700	12,069,955		0 (12,069,955)				12,130,604		0 (12,130,604)			
01100 GENERAL FUND	11,283,311	12,069,955		(12,069,955)				12,130,604		(12,130,604)			
02062 AIRPORT LOANS SR	35,700			0						0			
				0						0			
TOTAL PROGRAM	11,319,011	12,069,955		0 (12,069,955)				12,130,604		0 (12,130,604)			

AGENCY:6101 DEPARTMENT OF ADMINISTRATION  
PROGRAM:01 CENTRAL ADMINISTRATION  
CONTROL:01101 CAP. FIN. ADV. CO.

BUDGET COMPARISONS  
LFA vs. DBPP  
MODIFIED LEVEL

BUD01101 1-28-85

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	DBPP	LFA	DIFF.		DBPP	LFA	DIFF.
DESCRIPTION	FY 86	FY 86	FY 86		FY 87	FY 87	FY 87
FTE							
1300 OTHER COMPENSATION	500		(500)		500		(500)
TOTAL LEVEL	500	0	(500)		500	0	(500)
2400 TRAVEL	1,555		(1,555)		1,555		(1,555)
TOTAL LEVEL	1,555	0	(1,555)		1,555	0	(1,555)
9999 INFLATION	41		(41)		41		(41)
TOTAL W/INFLATION	1,596	0	(1,596)		1,596	0	(1,596)
TOTAL PROGRAM	2,096	0	(2,096)		2,096	0	(2,096)
2% CUT	(42)		42		(42)		42
TOTAL PGM LESS CUT	2,054	0	(2,054)		2,054	0	(2,054)
01000 GENERAL FUND	2,054		(2,054)		2,054		(2,054)
TOTAL PROGRAM	2,054	0	(2,054)		2,054	0	(2,054)

AGENCY:6101 DEPARTMENT OF ADMINISTRATION  
PROGRAM:01 CENTRAL ADMINISTRATION  
CONTROL:01999 NEW LAWYER

BUDGET COMPARISONS  
LFA vs. DBPP  
MODIFIED LEVEL

BUD01999 1-28-85

PAGE 4

	DBPP	LFA	DIFF.		DBPP	LFA	DIFF.
	FY 86	FY 86	FY 86		FY 87	FY 87	FY 87
FTE	1.00		(1.00)		1.00		(1.00)
1100 SALARIES	26,941		(26,941)		26,941		(26,941)
1400 EMPLOYEE BENEFITS	4,057		(4,057)		4,071		(4,071)
1500 HEALTH INSURANCE	1,200		(1,200)		1,200		(1,200)
1600 VACANCY SAVINGS	(1,288)		1,288		(1,288)		1,288
TOTAL LEVEL	30,910	0	(30,910)		30,924	0	(30,924)
2200 SUPPLIES & MATERIALS	200		(200)		200		(200)
2300 COMMUNICATIONS	352		(352)		252		(252)
2500 RENT	594		(594)		600		(600)
2800 OTHER EXPENSES	500		(500)		500		(500)
TOTAL LEVEL	1,646	0	(1,646)		1,552	0	(1,552)
9999 INFLATION			0				0
TOTAL W/INFLATION	1,646	0	(1,646)		1,552	0	(1,552)
TOTAL PROGRAM	32,556	0	(32,556)		32,476	0	(32,476)
2% CUT	(651)		651		(650)		650
TOTAL PGM LESS CUT	31,905	0	(31,905)		31,826	0	(31,826)
06970	31,905		(31,905)		31,826		(31,826)
		0				0	
		0				0	
TOTAL PROGRAM	31,905	0	(31,905)		31,826	0	(31,826)

## CENTRAL ADMINISTRATION

### Budget Differences

#### Current Level (Page 1 of Budget Comparisons)

##### Travel

The \$719 difference in both FY'86 and FY'87 is due to the OBPP budget including costs for the department's director to take one out-of-state trip each year. The director would attend the National Association of State Auditors, Comptrollers and Treasurer's Conference. The LFA budget does not include these costs.

##### Funding

The OBPP budget for both FY'86 and FY'87 proposes funding Central Administration costs by the General Fund and Proprietary Fund. The Proprietary Fund would be used to fund 25% of the current level attorney's position and the remaining 75% would be General Funded. Previously this position was 100% General Funded. In FY'86 and '87, approximately 25% of the lawyer's salary would be billed to the Information Services Division, Publications and Graphics and Central Stores.

The LFA budget proposes 100% general funding for Central Administration. Differences in funding (before 2% reduction) result in \$9,032 in FY'86 and \$9,035 in FY'87.

#### Debt Service (Page 2 of Budget Comparisons)

The OBPP budget includes general funding for general obligation bond debt during fiscal years 1986 and 1987. Both the general obligation bond indenture and MCA 17-5-802 state "All principal, interest and redemption premium, if any, becoming due during a fiscal year must be included in the state budget for such year, and sufficient revenues must be appropriated for payment thereof from the general fund and, if the general fund is not sufficient, from any other funds of the state legally available for payment thereof." The LFA budget shows no proposed funding for the general obligation bond debt.

#### Modified Level (Page 3 of Budget Comparisons)

##### Capital Finance Advisory Council

Executive Order 3-84 created the Capital Finance Advisory Council. The council includes two legislators plus twelve other members. The Department of Administration is responsible for the per diem (other compensation) and travel costs of the two legislators. OBPP has included these costs in their proposed modified budget. The LFA lists these costs as an issue in their proposed budget for FY'86 and FY'87. Costs are \$2,096 in both fiscal years (before the 2% reduction).

New Lawyer (Page 4 of Budget Comparisons)

One additional attorney is requested in Central Administration due to the increased needs for legal assistance in the department. The lawyer will be assisting the Public Employees Retirement Division, Teacher's Retirement Division and the Architecture and Engineering Division. These divisions will be billed for the lawyer's costs. Therefore the new lawyer position will be proprietary funded in both years.

The LFA budget does not include the new attorney position. Costs are \$32,556 in FY'86 and \$32,476 in FY'87 (before 2% reduction).

4.10. Execution and Delivery. The Bonds shall be executed in the name of the State of Montana by the signatures of the Governor, the Secretary of State and the Attorney General as members of the State Board of Examiners, and the Great Seal of the State of Montana shall be affixed to each Bond; provided that the seal and all signatures placed on Bonds may be printed facsimiles of the originals thereof. Bonds bearing the signatures or facsimile signatures of persons who are or were the proper officers of the Board at the date of execution thereof shall be valid and binding obligations notwithstanding that such persons or any of them may have or may not have held such offices before the delivery of the issue of the Bonds. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on such Bond has been duly executed by the manual signature of an authorized representative of the Bond Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. All Bonds shall be recorded before delivery in the office of the Treasurer. The Treasurer, or an agent designated by the Treasurer, shall deliver the Bonds to the Underwriters upon payment of the purchase price stated in the Second Purchase Agreement accepted by the Board, and the Underwriters shall not be obligated to see to the application of the proceeds of the Bonds.

#### Section 5. Security Provisions.

5.01. General Obligations. The Bonds are general obligations of the State and the full faith and credit and taxing powers of the State are pledged for the payment of the principal of and interest and redemption premium, if any, on the Bonds. Pursuant to the Act all principal, interest and redemption premium, if any, becoming due during a fiscal year must be included in the State budget for such year, and sufficient revenues must be appropriated for payment thereof from the general fund and, if the general fund is not sufficient, from any other funds of the State legally available for payment thereof.

5.02. Debt Service Account. Accrued interest and any premium received upon the sale of the Bonds shall be credited to the Debt Service Account. Thereafter the State shall credit to the Debt Service Account on or before the twenty-fifth day of each month an amount equal to one-sixth of the interest due on the Bonds on the next succeeding interest payment date and one-twelfth of the principal due on the Bonds on the next two

**Part 8****General Obligation Bonds and Notes**

**17-5-801. Definitions.** As used in this part, unless the context requires otherwise, the following definitions apply:

(1) "Board" means the board of examiners provided for in 2-15-1007.

(2) "Bond act" means an act approved by the vote of two-thirds of the members of each house of the legislature or by a majority of the electors voting thereon, authorizing the issuance of bonds for the purpose set forth therein and adopting this part by reference.

(3) "Bonds" means general obligation bonds, notes, or other evidences of indebtedness issued in accordance with the provisions of this part.

(4) "Capital projects account" means a separate general obligation bond and note account created within the capital projects fund type established in 17-2-102.

(5) "Debt service account" means a separate general obligation bond and note account created within the debt service fund type established in 17-2-102.

(6) "Department" means the department of administration created in 2-15-1001.

(7) "Treasurer" means the ex officio state treasurer, referred to in 2-15-1002.

History: En. Sec. 1, Ch. 184, L. 1983.

**17-5-802. Authority to issue general obligation bonds and notes.** (1) When authorized by and within the limits of a bond act and as provided in this part, the board may issue and sell bonds of the state in such manner as it considers necessary and proper to provide funds for the purpose set forth in the bond act.

(2) The full faith and credit and taxing powers of the state must be pledged for the payment of all bonds and notes issued pursuant to this part, with all interest thereon and premiums payable upon the redemption thereof. All principal, interest, and redemption premium, if any, becoming due during a fiscal year must be included in the state budget for such year, and sufficient revenues must be appropriated for payment thereof from the general fund and, if the general fund is not sufficient, from any other funds of the state legally available for payment thereof. No bonds may be issued to cover deficits incurred because appropriations exceeded anticipated revenue. Money transferred for the payment of bonds and notes must be deposited in the debt service account.

(3) No additional long-range building bonds may be issued under Title 17, chapter 5, part 4.

History: En. Sec. 2, Ch. 184, L. 1983.

**17-5-803. Form — principal and interest — fiscal agent — bond registrar and transfer agent — deposit of proceeds.** (1) In furtherance of each bond act, bonds may be issued by the board upon request of the department in such denominations and form, whether payable to bearer or registered as to principal or both principal and interest, with such provisions for conversion or exchange, and for the issuance of temporary bonds.

AGENCY:6101 DEPARTMENT OF ADMINISTRATION  
 PROGRAM:03 ACCOUNTING PROGRAM  
 CONTROL:00000

BUDGET COMPARISONS  
 LFA vs. OBPP  
 CURRENT LEVEL

BUD03CL 1-28-85

Exhibit #9  
 2/1/85

DESCRIPTION	FY 84	OBPP	LFA	DIFF.		OBPP	LFA	DIFF.	
		FY 86	FY 86	FY 86		FY 87	FY 87	FY 87	
FTE	12.50	12.00	12.50	.50		12.00	12.50	.50	
1100 SALARIES	241,580	265,094	272,139	7,045		265,364	272,410	7,046	
1400 EMPLOYEE BENEFITS	46,981	39,048	39,573	525		39,218	39,746	528	
1500 HEALTH INSURANCE		14,400	14,400	0		14,400	14,400	0	
1600 VACANCY SAVINGS		(12,741)	(12,970)	(229)		(12,759)	(12,977)	(218)	
1800			75	75			75	75	
TOTAL LEVEL	288,561	305,801	313,217	7,416		306,223	313,654	7,431	
2100 CONTRACTED SERVICES	526,980	474,542	433,392	(41,150)		465,148	425,611	(39,537)	
2200 SUPPLIES & MATERIALS	3,357	3,357	3,879	522		3,357	3,879	522	
2300 COMMUNICATIONS	12,859	13,085	12,755	(330)		13,085	12,755	(330)	
2400 TRAVEL	1,145	1,155	1,145	(10)		1,155	1,145	(10)	
2500 RENT	7,272	7,957	7,272	(685)		8,037	7,272	(765)	
2700 REPAIR & MAINTENANCE	2,571	3,344	3,344	0		3,344	3,344	0	
2800 OTHER EXPENSES	(4,368)	1,818	1,818	0		1,818	1,818	0	
TOTAL LEVEL	549,816	505,258	463,605	(41,653)		495,944	455,824	(40,120)	
9999 INFLATION		20,475	22,654	2,179		21,435	37,333	15,898	
TOTAL W/INFLATION	549,816	525,733	486,259	(39,474)		517,379	493,157	(24,222)	
3100 EQUIPMENT	890			0				0	
TOTAL LEVEL	890	0	0	0		0	0	0	
TOTAL PROGRAM	839,267	831,534	799,476	(32,058)		823,602	806,811	(16,791)	
2% CUT		(16,631)		16,631		(16,472)		16,472	
TOTAL PGM LESS CUT	839,267	814,903	799,476	(15,427)		807,130	806,811	(319)	
01000 GENERAL FUND	839,267	814,903	799,476	(15,427)		807,130	806,811	(319)	
TOTAL PROGRAM	839,267	814,903	799,476	(15,427)		807,130	806,811	(319)	

## ACCOUNTING DIVISION

### Budget Differences

#### Current Level

##### Personal Services

OBPP has proposed an FTE level of 12.0 in fiscal years 1986 and 1987. The LFA budget proposes a 12.5 FTE level in each year.

OBPP's budget reflects a reduction of a .5 FTE summer intern accounting clerk position. After OBPP's budget was finalized, a situation arose which resulted in the Accounting Division needing back the accounting clerk position. This situation is explained below.

An employee from the State Auditor's Office worked in the Accounting Division every afternoon. This employee's position is budgeted for entirely in the State Auditor's Office, even though her duties were divided between the two offices. In January the employee's position was changed by the new State Auditor to working full time in the State Auditor's Office. The Accounting Division cannot do without both this employee and the summer intern accounting clerk, especially during June through September, the fiscal year-end period, when the division's workload increases substantially. A backlog of accounting transactions will result if the position is omitted. This backlog would negatively affect the division's responsibility to update the state's accounting system on a daily basis. Therefore, all agencies would eventually be affected by the backlog.

LFA's budget was not finalized when the Accounting Division was informed of losing the use of the State Auditor's Office employee. Therefore, LFA did not reduce the Accounting Division's FTE level by the .5 summer intern accounting clerk position.

Funding for the accounting clerk position would be approximately \$7,416 in fiscal year 1986 and \$7,431 in 1987.

##### Contracted Services

The major differences between the proposed OBPP and LFA contracted services budgets for fiscal years 1986 and 1987 are as follows:

- a) Data processing costs for systems support and costs for computer processing time of SBAS documents were reduced twice in the LFA budget due to a misunderstanding. This error resulted in LFA reducing costs by \$46,764 too much in each year.
- b) Communication network charges between the Information Services Division and the Accounting Division computer terminals were accidentally omitted in the LFA budget in both years. These costs are approximately \$1,440 each year and are included in the OBPP budget.
- c) The OBPP proposed budget includes a reduction in microfilming costs of \$3,540 in each fiscal year. These costs are recovered from user agencies. LFA included these costs in their budget.

d) Printing costs of \$3,365 for the State of Montana Annual Financial Report Supplement were omitted from the OBPP budget by mistake. The LFA budget includes these costs each year.

Therefore, the following adjustments to contracted services should be made to the OBPP and LFA budgets in both fiscal years.

	OBPP	LFA
a) Systems support & computer processing	\$	\$ 46,764
b) Communication Network charges		1,440
c) Microfilming services		(3,540)
d) Financial Report Supplement	3,365	
 Total	 \$ 3,365	 \$ 44,664

#### Other Expenses

Annual dues to the Governmental Accounting Standards Board (GASB) is excluded from both the OBPP and LFA proposed budgets for fiscal years 1986 and 1987. GASB will establish financial reporting standards for all activities and transactions of state and local governments. Montana's annual share of support for the board is \$11,700 based on the Council of State Government's assessment.

Both the Department of Administration and the Office of the Legislative Auditor feel that support of GASB and the services it provides is necessary in order for Montana's financial reports to be presented in accordance with generally accepted accounting principles and for Montana to have a say in formulating these principles.

AGENCY:6101 DEPARTMENT OF ADMINISTRATION  
 PROGRAM:04 ARCH & ENGINEERING PGM  
 CONTROL:00000

PAGE 1

BUDGET COMPARISONS  
 LFA vs. DBPP  
 CURRENT LEVEL

BUD04CL 1-28-85

Exhibit #10  
 2/1/85

DESCRIPTION	FY 84	DBPP		LFA		DIFF.	FY 86	DBPP		LFA		DIFF.	FY 87
		FY 86	FY 86	FY 86	FY 86			FY 87	FY 87	FY 87	FY 87		
FTE	14.50	14.50	14.50					14.50	14.50				
1100 SALARIES	321,690	357,713	357,713		0			358,333	358,333	0			
1300 OTHER COMPENSATION	1,550												
1400 EMPLOYEE BENEFITS	60,698	53,315	53,315		0			53,586	53,586	0			
1500 HEALTH INSURANCE		16,800	16,800		0			16,800	16,800	0			
1600 VACANCY SAVINGS		(17,113)	(16,918)		195			(17,148)	(16,929)	219			
TOTAL LEVEL	383,938	410,715	410,910		195			411,571	411,790	219			
2100 CONTRACTED SERVICES	14,254	24,184	15,667	(8,517)				19,057	10,374	(8,683)			
2200 SUPPLIES & MATERIALS	4,238	3,894	3,894		0			3,894	3,894	0			
2300 COMMUNICATIONS	14,178	12,719	12,719		0			12,719	12,719	0			
2400 TRAVEL	20,438	18,113	16,494	(1,619)				16,494	16,494	0			
2500 RENT	16,688	16,688	16,688		0			16,688	16,688	0			
2700 REPAIR & MAINTENANCE	641	2,921	2,383	(538)				2,921	3,462	541			
2800 OTHER EXPENSES	724	724	724		0			724	724	0			
TOTAL LEVEL	71,161	79,243	68,569	(10,674)				72,497	64,355	(8,142)			
9999 INFLATION		3,450	4,368	918				4,275	7,060	2,785			
TOTAL W/INFLATION	71,161	82,693	72,937	(9,756)				76,772	71,415	(5,357)			
3100 EQUIPMENT	5,641	4,345	4,345		0			5,028	5,028	0			
8100 A/E TRANSFERS	699,738	497,753		(497,753)				493,371		(493,371)			
TOTAL PROGRAM	1,160,478	995,506	488,192	(507,314)				986,742	488,233	(498,509)			
2% CUT		(19,910)		19,910				(19,735)		19,735			
TOTAL PGM LESS CUT	1,160,478	975,596	488,192	(487,404)				967,007	488,233	(478,774)			
02030 ARCH & ENGIN CONSTRUC	460,740	487,798	488,192	394				483,504	488,233	4,729			
05007 LONG RANGE BLDG PGM	502,839	487,798		(487,798)				483,503		(483,503)			
05008 CAPITOL BLDG SR	196,899			0						0			
TOTAL PROGRAM	1,160,478	975,596	488,192	(487,404)				967,007	488,233	(478,774)			

PROGRAM:04 ARCH &amp; ENGINEERING PGM

LFA vs. OBPP

CONTROL:04011 ADDITIONAL SPACE &amp; NEW EMPLYS.

MODIFIED LEVEL

PAGE 2

DESCRIPTION	OBPP	LFA	DIFF.	OBPP	LFA	DIFF.
	FY 86	FY 86	FY 86		FY 87	FY 87
FTE	1.00		(1.00)		1.00	(1.00)
1100 SALARIES	13,054		(13,054)		13,054	(13,054)
1400 EMPLOYEE BENEFITS	1,888		(1,888)		1,895	(1,895)
1500 HEALTH INSURANCE	1,200		(1,200)		1,200	(1,200)
1600 VACANCY SAVINGS	(645)		645		(645)	645
TOTAL LEVEL	15,497	0	(15,497)		15,504	0
2300 COMMUNICATIONS	424		(424)		324	(324)
TOTAL LEVEL	424	0	(424)		324	0
9999 INFLATION	51		(51)		62	(62)
TOTAL W/INFLATION	475	0	(475)		386	0
3100 EQUIPMENT	400		(400)			0
8100 A/E TRANSFERS	16,372		(16,372)		15,890	(15,890)
TOTAL PROGRAM	32,744	0	(32,744)		31,780	0
2% CUT	(655)		655		(636)	636
TOTAL PGM LESS CUT	32,089	0	(32,089)		31,144	0
02030 A&E CONSTRUCTION	16,044		(16,044)		15,572	(15,572)
05007 LONG RANGE BLDG PGM	16,045		(16,045)		15,572	(15,572)
			0			0
TOTAL PROGRAM	32,089	0	(32,089)		31,144	0

## ARCHITECTURE & ENGINEERING

### Budget Issues

#### Current Level (Page 1 of Budget Comparisons)

##### Contracted Services

The OBPP budget includes funds for legal expenses incurred in the normal operation of the division. LFA was not aware of this request. Costs are \$8,547 in FY'86 and \$8,713 in FY'87.

##### Travel

The LFA budget does not include costs for Motor Pool rate increases. These increases will be effective July 1, 1985. Cost is \$1,619 in FY'86.

##### Repair & Maintenance

Due to a misunderstanding, the OBPP budget includes costs in FY'86 for a maintenance agreement on a display terminal that will be purchased in FY'87. The LFA budget does not include this cost. Difference is \$538 in FY'86. We believe the difference in FY'87 of \$541 relates to inflation factors.

##### Transfers

HB500 of the 47th Legislature required that the administrative costs of Architecture & Engineering be funded solely from the capital projects fund. To comply with this requirement, a corresponding transfer appropriation must be established in the capital projects fund in the same amount as the special revenue fund appropriation. The OBPP budget includes this transfer.

Representative Lory is sponsoring HB342, by request of the Department of Administration, to accomplish this transfer through permanent statutory language. If enacted, the bill will relieve subsequent legislatures from having to consider this technical point in the appropriation process.

#### Modified Level (Page 2 of Budget Comparisons)

The OBPP budget includes a request for one secretarial position to assist in the clerical work. The workload has increased due to the size of the building program and repair and maintenance projects the division is responsible for. Related operating costs for the one position are also requested. Total costs are \$16,372 in FY'86 and \$15,890 in FY'87. Again, note that a transfer appropriation in the capital projects fund (for the same dollar amount) is required for the same reasons as discussed with the current level budget.

AGENCY:6101 DEPARTMENT OF ADMINISTRATION  
PROGRAM:25 PASSENGER TRAMWAY SAFETY  
CONTROL:00000

BUDGET COMPARISONS  
LFA vs. OBPP  
CURRENT LEVEL

BUD25CL 1-29-85

Exhibit #11  
2/1/85

DESCRIPTION	FY 84	OBPP	LFA	DIFF.	FY 87	OBPP	LFA	DIFF.
2100 CONTRACTED SERVICES	10,220	15,196	9,012	(6,184)		15,196	9,012	(6,184)
2200 SUPPLIES & MATERIALS	301	301	301	0		301	301	0
2300 COMMUNICATIONS	58	58	58	0		58	58	0
2400 TRAVEL	2,291	2,292	2,292	0		2,292	2,292	0
2800 OTHER EXPENSES	160	160	160	0		160	160	0
TOTAL LEVEL	13,030	18,007	11,823	(6,184)		18,007	11,823	(6,184)
9999 INFLATION		682	929	247		686	1,513	827
TOTAL W/INFLATION	13,030	18,689	12,752	(5,937)		18,693	13,336	(5,357)
TOTAL PROGRAM	13,030	18,689	12,752	(5,937)		18,693	13,336	(5,357)
2% CUT		(374)		374		(374)		374
TOTAL PGM LESS CUT	13,030	18,315	12,752	(5,563)		18,319	13,336	(4,983)
01000 GENERAL FUND 06971	13,030	18,315	12,752	(5,563)		13,336	13,336	
				0		18,319		(18,319)
				0				0
TOTAL PROGRAM	13,030	18,315	12,752	(5,563)		18,319	13,336	(4,983)

## PASSENGER TRAMWAY

### Budget Issues

#### Contracted Services

The OBPP budget includes \$5,000 (in each fiscal year) to pay for the price increase in the contract with the professional engineer to inspect the tramways in Montana. The new contract is \$10 per hour higher than the old contract. LFA does not include this cost.

#### Funding

SB 198, sponsored by Senator Christiaens by request of the Department of Administration, is scheduled for hearing on Tuesday, February 5. This bill proposes to separate the revenues and expenses of the Passenger Tramway Program into a state special revenue fund instead of the general fund. If the bill passes, the funding of this program would need to be changed in FY'87.

(01/10/85)

Exhibit #12  
01/11/85

## MONTANA TRAMWAY COUNCIL

## FINANCIAL ANALYSIS

1978 - 1984

F.Y.	Tram Registration Receipts	Gross Receipts	Total
78	\$ 1,925.00	\$ 1,100.00	\$ 3,025.00
79	\$ 2,023.00	\$10,928.00	\$12,951.00
80	\$ 2,030.00	\$11,719.00	\$13,749.00
81	\$ 2,083.00	\$ 8,934.00	\$11,017.00
82	\$ 2,145.00	\$15,782.00	\$17,927.00
83	\$ 2,104.00	\$17,451.00	\$19,555.00
84	<u>\$ 2,155.00</u>	<u>\$18,318.00</u>	<u>\$20,473.00</u>
Totals	\$14,465.56	\$84,232.00	\$98,697.00

GENERAL FUND APPROPRIATIONSFUNDS EXPENDED

78	\$ 5,600.00	\$ 6,996.00
79	\$16,000.00	\$ 7,076.00
80	\$10,800.00	\$ 9,891.00
81	\$12,000.00	\$ 8,714.00
82	\$12,000.00	\$10,542.00
83	\$15,497.00	\$13,384.00
84	<u>\$11,835.00</u> + \$1,200.00 Supp.)	<u>\$13,031.00</u>
	\$83,732.00 (\$84,932.00)	\$69,634.00

HOUSE MEMBERS  
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CHAIRMAN  
RALPH S. EUDAILY  
ROBERT L. MARKS  
JOHN VINCENT

SENATE MEMBERS  
ALLEN C. KOLSTAD  
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PAT M. GOODOVER  
CARROLL GRAHAM



## Montana Legislative Council

State Capitol  
Helena, MT. 59620

(406) 444-3064

January 22, 1985

DIANA S. DOWLING
EXECUTIVE DIRECTOR
CODE COMMISSIONER
ELEANOR ECK
ADMINISTRATIVE ASSISTANT
MARILYNN NOVAK
DIRECTOR, LEGISLATIVE SERVICES
ROBERT PERSON
DIRECTOR, RESEARCH
SHAROLE CONNELLY
DIRECTOR, ACCOUNTING DIVISION
ROBERT C. PYFER
DIRECTOR, LEGAL SERVICES

TO: Subcommittee on General Government and Highways  
 FROM: Diana S. Dowling *Diana*  
 RE: Additional Information on the Code

The following Titles are printed at the same time the Code is printed and sold to state agencies, the law school, and the public at very reasonable prices. In addition we often print the school laws and election laws at the same time thereby saving the Superintendent of Public Instruction and the Secretary of State much money in printing costs. They are required to print and distribute such laws separately.

<u>Title</u>	<u>Name</u>	<u>No. printed</u>	<u>1983 Selling Price</u>
15	Taxation	500	\$5.00
33	Insurance	150	6.00
35	Corporations	350	4.50
40-41	Minors-Family Law	250	3.00
44, 45, 46	Crimes-Law Enforcement	600	4.50
49	Human Rights	250	1.00
53	Social Services	100	3.00
61	Highways	550	4.00
72	Estates	150	4.50
85	Water Use	100	5.00

eg:DianaI:Highways

JANUARY 18, 1985

Exhibit #14  
2/1/85

## RESPONSE TO FISCAL ANALYSIS OF LEGISLATIVE COUNCIL 85-87 BUDGET.

## RESPONSE IN ITALICS

## LEGISLATIVE COUNCIL

<u>Budget Item</u>	1	2	---Current Level---		% Change 1985-87 <u>Biennium</u>
	Actual Fiscal <u>1984</u>	Appropriated Fiscal <u>1985</u>	Fiscal <u>1986</u>	Fiscal <u>1987</u>	
F.T.E	45.57	55.00	43.57	53.00	(4.0)
Personal Service	\$1,045,566	\$1,431,680	\$1,250,087	\$1,423,446	7.9
Operating Expense	1,039,436	860,266	1,350,867	571,464	1.2
Equipment	93,370	13,538	-0-	-0-	(100.0)
Inflation	-0-	-0-	8,258	19,477	--
<b>Total Expenditures</b>	<b>\$2,178,372</b>	<b>\$2,305,484</b>	<b>\$2,609,212</b>	<b>\$2,014,387</b>	<b>3.1</b>
<u>Fund Sources</u>					
General Fund	\$1,643,441	\$2,126,484	\$1,759,212	\$2,014,387	
Sale of Publications	534,931	179,000	850,000	-0-	19.1
<b>Total Funds</b>	<b>\$2,178,372</b>	<b>\$2,305,484</b>	<b>\$2,609,212</b>	<b>\$2,014,387</b>	<b>3.1</b>
		<b>2,403,484</b>			

It is important to point out that the above chart shows not only the Council operations but also all expenditures by the Council on behalf of other legislative entities, such as interim study committees and national conferences, Special Session, and revolving fund for Codes and Annotations. These other funds total well over \$1 million each biennium.

Because legislators receive a salary while serving on interim committees, the executive's program and budget planning system requires such salaries to reflect FTEs. The FTEs for actual fiscal 1984 in column 1 of 45.57 are as follows:

2.00 legislators on interim committees  
.50 Council members  
.07 Special session staff  
43.00 Council staff  
45.57

Column 2 "Appropriated for F.Y. 1985" apparently does not include the \$98,000 budget amendment from the revolving fund for purchase of the TIPE software. The total should be \$2,403,484.

The Legislative Council was established to provide support to the legislature in the drafting of legislation and to coordinate the activities of standing and select committees and subcommittees by providing staff support and report preparation assistance. Staff of the Council is functionally grouped into four statutory divisions--Research, Legislative Services, Management, and Legal Services--and one recently created division, the Research Library. These divisions fall under the Legislative Council Operations budget, which is the first segment described.

*The library was made a separate responsibility center for accounting purposes only, not a separate division. No change was made in functional organization.*

The second segment of the budget is for funding of Interim Committees and Conferences. This funding is established annually depending upon the areas of interest to the Legislature and needs for interim studies.

The final budget segment controls the funding segregated for the printing and distribution of the Montana Codes Annotated. This function has been assigned to Council staff, who are responsible for updating and reissuing the Montana statutes after each regular legislative session.

*Another major function of the Council legal staff is annotating the Code. Montana is one of the few (perhaps the only) states that provides an in-house Annotations service. Sales of the Annotations have totaled over \$737,000. In addition Montana labor is used for the project.*

The numbers presented in the agency summary above do not themselves provide any major clue to the number of underlying issues which surfaced in the analysis of the request. These issues are presented and described within the various segments of this analysis. It is suggested that those be evaluated before considering the budget for the agency as a whole.

OPERATIONS

<u>Budget Item</u>	<u>Actual</u>	<u>Appropriated</u>	<u>---Current Level---</u>		<u>% Change</u> <u>1985-87</u>
	<u>Fiscal</u> <u>1984</u>	<u>Fiscal</u> <u>1985</u>	<u>Fiscal</u> <u>1986</u>	<u>Fiscal</u> <u>1987</u>	
F.T.E.	43.50	55.00	41.50	53.00	(4.1)
Personal Service	\$ 996,326	\$1,431,680	\$1,180,697	\$1,423,446	7.2
Operating Expense	284,626	597,593	292,694	496,258	(10.6)
Equipment	82,338	13,538	-0-	-0-	(100.0)
Inflation	-0-	-0-	8,027	19,101	--
<b>Total Expenditures</b>	<b>\$1,363,290</b>	<b>\$2,042,811</b>	<b>\$1,481,418</b>	<b>\$1,938,805</b>	<b>.04</b>

Fund Sources

General Fund	<u>\$1,363,290</u>	<u>\$2,042,811</u>	<u>\$1,481,418</u>	<u>\$1,938,805</u>	<u>.04</u>
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<u>ISSUE: Cost (Savings)</u>	<u>-----Fiscal 1986-----</u>		<u>-----Fiscal 1987-----</u>	
	<u>General Fund</u>	<u>Other Funds</u>	<u>General Fund</u>	<u>Other Funds</u>
1. Staffing Levels				
Option a:	-0-	-0-	\$39,888	-0-
Option b:	-0-	-0-	\$10,347	-0-
Option c:	-0-	-0-	\$11,185	-0-
2. Data Processing Program				
Option a:	\$58,593	-0-	\$20,700	-0-
Option b:	-0-	-0-	\$26,680	-0-
3. Management Division				
Option a:	\$ 6,238	-0-	\$ 7,463	-0-
Option b:	\$ 4,418	-0-	\$ 7,443	-0-
Option c:	\$18,897	-0-	\$13,097	-0-
Option d:	\$ 2,000	-0-	\$ 2,000	-0-
Option e:	\$10,000	-0-	\$10,000	-0-
4. Travel	\$ 7,227	-0-	\$ 5,467	-0-
5. Capital Expenditures	-0-	-0-	-0-	

The Legislative Council Operations budget includes the majority of the Council's funding. This budget contains funding for all Council staff and for all operating expenses attributable to their activities, except those costs which can be directly related to Interim Committees or the Montana Code updating. Staff functions funded in this budget include research staffing support for interim committees and committee staffing during the session, data processing support for staff and the legislature including capture and generation of legislation text, bill drafting and legal research support before and during sessions, followed by updating of the code and preparation of various publications after the session.

The drop in FTE in fiscal 1986 is as requested by the agency. Current level staffing for fiscal 1987 retains the same relationship as established in 1984-85, although the agency sought a total of 56 FTE in its request for fiscal 1987.

The Council finds that it can cut permanent staff by 2 but we CANNOT cut session staff. This staff proposal for '87 is all directly related to the Legislative Services. The request of 56 FTE is two less than in 1983. The Legislative Services Division has taken on many additional responsibilities, including numerous reports from the new Status System, running the new TIPE software program, and examining camera-ready copy. If anything, the Council may be underestimating its '87 needs at 56 FTE. The 56 include: Research and Library 9; Management 9.5; Council Members .5; Legal 12.5 (5 part-time); Legislative Services 24.5 (23 part-time).

It may also be noted that the personal service category shows a healthy growth, despite the reduction in staffing levels. As in the rest of its request, the Council was very aggressive in establishing pay levels. Fiscal 1986 salaries are over 20 percent greater than what was actually paid in fiscal 1984. This is partly possible because the council is not on the state's pay matrix and thus sets its salaries at whatever level is desired. The only adjustment made in this category was deletion of \$69,705 in termination pay from the base salaries for both fiscal 1986 and fiscal 1987.

The above is a misstatement. Just the opposite is true. The Council has been very reluctant to set salaries at the budgeted levels. It is partly because the Council has kept staff salaries, especially in the upper pay brackets, lower than the pay matrix that the fiscal '86 budgeted amount for salaries is 20% greater than that actually paid. The proposed budget is based upon where staff should be on the pay matrix and provides for some promotions as allowed other legislative agencies. See pages 56, 66, and 88. Of course, the full Council will continue to set the salaries where it sees fit.

*It is not accurate that the only adjustment made was deletion of \$69,705 in termination pay. An additional \$11,303 reduction was made in benefits for 1986. (The Council budgeted benefits by using a 15% of salaries figure - the analyst .14917.)*

*The Council knows that some terminations are forthcoming. It seems only prudent to budget for such. At one time in the Council history, a supplemental appropriation was necessary when several "top" staffers resigned in one fiscal period.*

The current level operating expense category shows a net decline over the biennium for two reasons: reduction of all inflationary factors included by the agency which were not supportable based on fiscal 1983 and fiscal 1984 expenditures, and a perceived over-appropriation for fiscal 1985. Several issues are also raised below regarding requested expenditures in light of current actions taken by the agency.

The equipment category shows a decline to zero in the current level analysis. This is one of the major areas of issue with the agency's management of its budget within legislative intent and oversight. As described below, the agency has significantly deviated from the expenditure levels established by the legislature, therefore, the entire category has been treated as a funding issue.

#### Fiscal 1984: Comparison of Actual Expenses to the Appropriation

The following table compares fiscal 1984 actual expenditures and funding to allocations as anticipated by the 1983 legislature.

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<u>Budget Item</u>	<u>Legislature</u>	<u>Actual</u>	<u>Difference</u>
F.T.E.	43.50	43.50	0.00
Personal Services	\$1,163,086	\$996,326	\$166,760
Operating Expenses	430,630	284,627	146,003
Equipment	<u>31,944</u>	<u>82,337</u>	<u>(50,393)</u>
Total Expenditures	<u>\$1,625,660</u>	<u>\$1,363,290</u>	<u>\$262,370</u>
<u>Funding</u>			
General Fund	<u>\$1,625,660</u>	<u>\$1,363,290</u>	<u>\$262,370</u>

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Overall, actual expenditures were over 16 percent less than the appropriation, however, the variance was 14.3 percent less in personal services and almost 34 percent less in operating expenses. These savings were offset by a major overexpenditure in equipment purchases.

The underexpenditure in personal service appears only to be the result of over-budgeting since the full staffing complement was in place. As noted, actual salaries paid in fiscal 1984 were 23 percent less than the base established for fiscal 1985, 1986, and 1987.

The underexpenditure in operating expenses also appears to be a result of overbudgeting rather than a curbing of operations. The actual amount spent appeared reasonable and was therefore used as the base for current level recommendations.

The overexpenditure in equipment purchases deserves special discussion because it occurred in other areas of the budget and because it is not an isolated instance. In fiscal 1983, \$17,355 was budgeted for equipment expenditures; actual expenditures were \$111,337, or almost \$94,000 over. The overexpenditure in fiscal 1984 of over \$50,000 included purchases of computers, word processing equipment, and other major office equipment such as laser printers.

An "overexpenditure" occurs when the Council discontinues leasing equipment and buys it. The rental budget goes down but equipment budget goes up. Much of the Council's computer equipment is IBM. At a certain point, lease payments to IBM cease to apply to a purchase price and monthly payments on a purchase become less than on a lease. In addition, interest charges are saved. Council staff admits to inaccurate internal projections as to how much will be lease and how much purchase. Staff has used moneys budgeted for rent to pay for purchases, but has saved money by so doing.

The '84 "overexpenditures" for purchases include:

1. Two word processors (saved \$1,392 in interest to pay off rather than continue to lease or make monthly payments.)
2. One IBM PC.
3. One Laser Printer - total cost \$16,840 (replaced an impact printer costing \$400 per month to lease and requiring expensive 5-part paper).

These purchases were approved by the Legislative Council. It is admitted they were not approved by the entire Legislature. However, it should be pointed out that a laser printer compatible with the Council computer system was not even available the last time the Legislature met. The much improved print quality on bills this session and the elimination of the decollating are the major consequences of this Council decision.

In fiscal 1985 major purchases have been made in other areas of the budget which have not been legislatively authorized, such as, typesetting software for \$90,000, a photo composition machine for almost \$100,000, and a new voting tally system for the legislature for some \$270,000. !

The analyst fails to state that the typesetting software and photo composition machine purchases were approved by the Legislative Council and the Legislative Finance Committee and will save the state well over \$100,000 a biennium in Council publication costs alone.

★ And the Council is EVEN BEING BLAMED FOR THE PURCHASE OF A NEW VOTING MACHINE FOR THE HOUSE OF REPRESENTATIVES WITH WHICH THE COUNCIL HAD NOTHING TO DO!!!

Where does the \$270,000 show up in the Council budget? What kind of analysis is this? (As a matter of fact, the House voting system cost \$107,535 and was approved by HB 1 of this session.)

### Current Level Adjustments

Recommendations for fiscal 1986 and fiscal 1987 current level are mainly based upon the fiscal 1984 actual dollars except as modified for session year fluctuations supportable by the fiscal 1983 experience. Current level adjustments are included for repairs and maintenance expenditures to recognize increased maintenance contract costs resulting from purchases of equipment. Maintenance contracts expenditures of \$10,696 for fiscal 1986 and \$13,207 for fiscal 1987 are recognized, from a base of \$6,535. All other expenditure increases requested are treated as funding issues. Tables 1 and 2 show the fiscal 1986 and fiscal 1987 current level budget by program before inflation and vacancy savings.

*We do not understand. Does the analyst mean: A base of \$6,535 was computed by the analyst for FY 85 for repairs and maintenance. New purchases require \$10,696 for '86 and \$13,207 for '87 to be added to that base?*

Table 1  
Legislative Council Operations Bureau Current Level Before Inflation and Vacancy Savings  
Fiscal Year 1986

	<u>Research</u>	<u>Legislative Services</u>	<u>Management</u>	<u>Legal Services</u>	<u>Research Library</u>	<u>LC Oper. Subtotal</u>	<u>Interim Studies</u>	<u>MCA Revolving</u>	<u>Total</u>
FTE	7.00	13.00	10.00	10.00	1.50	41.50	0.00	0.00	41.50
<u>Personal Services</u>									
Salaries Regular	\$196,000	\$267,000	\$212,500	\$315,000	\$31,000	\$1,021,500	\$ -0-	\$ -0-	\$1,021,500
Salaries Hourly	-0-	-0-	5,200	-0-	-0-	5,200	64,250	-0-	69,450
Benefits (.14917)	29,237	39,828	32,115	46,989	4,624	152,793	5,140	-0-	157,933
Insurance	<u>8,400</u>	<u>15,600</u>	<u>12,000</u>	<u>12,000</u>	<u>2,400</u>	<u>50,400</u>	<u>-0-</u>	<u>-0-</u>	<u>50,400</u>
Total Personal Svcs.	\$233,637	\$322,428	\$261,815	\$373,989	\$38,024	\$1,229,893	\$69,390	-0-	\$1,299,283
<u>Operating Expenses</u>									
Contracted Services	\$ 909	\$179,807	\$ 3,041	\$ 457	\$ 2,940	\$187,154	\$ 30,000	\$735,000	\$ 952,154
Supplies and Materials	-0-	-0-	9,362	-0-	7,055	16,417	20,000	9,000	45,417
Communications	474	-0-	20,857	-0-	-0-	21,331	7,810	106,000	135,141
Travel	1,814	2,000	7,903	1,073	500	13,290	75,000	-0-	88,290
Rent Office	-0-	-0-	30,643	-0-	-0-	30,643	-0-	-0-	30,643
Repairs & Maintenance	-0-	8,143	10,696	-0-	-0-	18,839	-0-	-0-	18,839
Other	<u>672</u>	<u>941</u>	<u>1,000</u>	<u>2,408</u>	<u>-0-</u>	<u>5,021</u>	<u>75,363</u>	<u>-0-</u>	<u>80,384</u>
Total Operating Exp.	\$ 3,869	\$190,891	\$ 83,502	\$ 3,938	\$10,495	292,695	\$208,173	\$850,000	\$1,350,868
Total Expenditures	<u>\$237,506</u>	<u>\$513,319</u>	<u>\$345,317</u>	<u>\$377,927</u>	<u>\$48,519</u>	<u>\$1,522,584</u>	<u>\$277,563</u>	<u>\$850,000</u>	<u>\$2,650,151</u>

circled  
We question the figure shown. The 1984 expenditure was \$2,457. We assume "Current Level" means "1984 expenditures". ??

Table 2  
Legislative Council Operations Bureau Current Level Before Inflation and Vacancy Savings  
Fiscal Year 1987

	<u>Research</u>	<u>Legislative Services</u>	<u>Management</u>	<u>Legal Services</u>	<u>Research Library</u>	<u>LC Oper. Subtotal</u>	<u>Interim Studies</u>	<u>MCA Revolving</u>	<u>Total</u>
FTE	7.00	22.50	10.00	12.00	1.50	53.00	0.00	0.00	53.00
<u>Personal Services</u>									
Salaries Regular	\$196,000	\$267,000	\$212,500	\$315,000	\$31,000	\$1,021,500	-0-	-0-	\$1,021,500
Salaries Hourly	-0-	-0-	5,200	-0-	-0-	5,200	-0-	-0-	5,200
Session Salaries	-0-	153,500	-0-	66,000	-0-	219,500	-0-	-0-	219,500
Benefits (.14967)	29,335	39,962	32,221	47,146	4,640	153,304	-0-	-0-	153,304
Insurance	8,400	15,600	12,000	12,000	2,400	50,400	-0-	-0-	50,400
Session Benefits	-0-	<u>22,974</u>	<u>-0-</u>	<u>9,878</u>	<u>-0-</u>	<u>32,852</u>	<u>-0-</u>	<u>-0-</u>	<u>32,852</u>
<b>74</b>	<b>Total Personal Svcs.</b>	<b>\$233,735</b>	<b>\$499,036</b>	<b>\$261,921</b>	<b>\$450,024</b>	<b>\$38,040</b>	<b>\$1,482,756</b>	<b>-0-</b>	<b>-0-</b>
<u>Operating Expense</u>									
Contract Services	\$ 909	\$353,900	\$ 3,041	\$ 457	\$4,100	\$362,407	-0-	\$ -0-	\$362,407
Supplies & Materials	-0-	7,000	9,362	-0-	7,750	24,112	-0-	-0-	24,112
Communications	474	-0-	20,857	-0-	-0-	21,331	-0-	-0-	21,331
Travel	1,814	2,000	7,903	1,073	500	13,290	-0-	-0-	13,290
Rent	-0-	<u>16,720</u>	<u>31,975</u>	<u>-0-</u>	<u>-0-</u>	<u>48,695</u>	<u>-0-</u>	<u>-0-</u>	<u>48,695</u>
Repairs & Maintenance	-0-	<u>8,470</u>	<u>13,207</u>	<u>-0-</u>	<u>-0-</u>	<u>21,677</u>	<u>-0-</u>	<u>-0-</u>	<u>21,677</u>
Other	<u>672</u>	<u>941</u>	<u>725</u>	<u>2,408</u>	<u>-0-</u>	<u>4,746</u>	<u>\$75,206</u>	<u>-0-</u>	<u>79,952</u>
Total Operating Expn.	<u>\$ 3,869</u>	<u>\$369,031</u>	<u>\$ 87,070</u>	<u>\$ 3,938</u>	<u>\$12,350</u>	<u>\$ 496,258</u>	<u>\$75,206</u>	<u>-0-</u>	<u>\$ 571,464</u>
Total Expenditures	<u>\$237,604</u>	<u>\$888,067</u>	<u>\$348,991</u>	<u>\$453,962</u>	<u>\$50,390</u>	<u>\$1,979,014</u>	<u>\$75,206</u>	<u>-0-</u>	<u>\$2,054,220</u>

Neither Table 1 nor Table 2 show any current level for equipment. We would suggest that the Legislature would be better served by a detailed analysis of the necessity and reasons for the proposed equipment budget.

Issue 1: Staffing Levels

The agency request includes two areas of staff expansion for fiscal 1987: added session employees and full-time staffing for the Research Library. The session employee increases are in addition to the staff level increase provided for the 1985 session. In fiscal 1985, legislative services will add 9.5 FTE (19 part-time employees) to handle processing of legislation, and Legal Services will hire 2 FTE (4 part-time attorneys) to handle increased workload for drafting legislation. The agency has requested 2 additional FTE for legislative services and an additional .5 FTE for legal for fiscal 1987. Cost of the added FTE would be \$39,888 in fiscal 1987. Additionally, \$10,347 was reduced from the amount requested for the attorney's given the salary levels for permanent staff.

*We are proposing to cut authorized full-time employees by 2, but we will need to hire 2 additional temporary employees for the '87 session. The Council budgets for 4 part-time attorney bill drafters but has as yet not been able to find that many experienced drafters.*

*The Council did hire an index assistant for the '85 session to help with indexing the daily bills, the Journal, Legislative Review, Rules, Session Laws, and Code. We do believe this temporary position should be included in the Legal staff budget.*

The added .5 FTE requested for the Research Library would convert the Assistant Librarian from part-time to full-time. The added FTE would be used for supporting an expanded library which would also maintain library materials for the Environmental Quality Council. Cost of the added .5 FTE is \$6,900 for fiscal 1987. Added costs for the expanded library are \$1,160 in contract services, \$2,775 in supplies, and \$350 in repairs and maintenance, for a total of \$4,285. Of this total, \$1,600 is attributable to the Environmental Quality Council; \$2,000 has been reduced from their budget.

Option a: Permit increased staffing for the 1987 session at a general fund cost of \$39,888. At issue is the need for staffing beyond the fiscal 1985 level.

Option b: Increase salary and benefits cost for temporary attorneys if the agency can show a need to fund these positions for more than regular staff. The general fund cost is \$10,347 for fiscal 1987.

Option c: Allow increased size of Research Library function including expanded FTE. Fiscal 1987 costs would increase \$11,185.

We think the analytical paragraph above would be more accurate and easier to understand if it read: "The added 0.5 FTE proposed for the Research Library would convert the library clerk from part-time to full-time. The added time would be required to accomplish increased purchasing and cataloging duties associated with providing library services to the Environmental Quality Council. The added salary and benefits for the 0.5 FTE included in the proposed budget amount to \$6,900 for FY 1987. (Besides the staffing level change, there are other costs included in the budget that are associated with the EQC service. These costs include \$460 in operating expenses for catalog cards and on-line bibliographic services and \$1,750 for books and reference materials for an added cost of \$2,210 total. \$2,000 has been reduced from what the EQC budget proposal would have included to account for this service transfer.) (It should be further noted that the entire transfer is contingent upon completion of Capitol renovation in time for the Council to move to planned new quarters at the beginning of FY 1987.)"

## Issue 2: Data Processing Program

The council staff have been very aggressive in use of automation to enhance processing and support of the legislature. Applications such as ALTER have been used to assist in the production of legislation, annotations and indexes, tracking of bills, and preparation of session publications. There is no question that expansion of the data processing support has been beneficial to the legislature and to the legislative staff. The issue raised here is one of size and direction; it is raised to make the legislature aware.

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*The Council has provided additional capabilities, enhanced information, numerous reports, etc., that the Legislature has been using increasingly since 1972 and of which it is certainly AWARE. (There have been no FTEs added in the current budget to provide these many additional services.)*

The Legislative Services Division of the Legislative Council provides the data processing support. It appears and has been acknowledged that the direction for the growth of data processing within the council comes from the director and the data processing staff. Little if any of the program direction has occurred because of or with overall concurrence of the legislature.

*The Legislature has given the Department of Administration authority to plan and develop data processing for state government, fully realizing that a biennial session can't possibly keep up with such a rapid changing world (2-17-501, MCA).*

*The Council Executive Director is a member of the State Data Processing Advisory Council and the director of Legislative Services serves on the Data Processing Managers' Group.*

*The Legislative Council staff has been very involved in developing a data processing plan in conjunction with the statewide plan that will be presented to the '85 Legislature.*

The Legislative Council members have traditionally been the ones to approve Council data processing projects, not the entire Legislature. Staff has assumed that Council approval was all the legislative oversight that was required. The Council has approved all of the current DP programs.

For example, the Legislative Services Division has evolved a plan to place all of the legislature on one word processing system which would interface with the ALTER system through a personal computer interface software. The plan would have significant implication on equipment purchasing, training for legislative staff, and data processing costs. It has not received budgetary review or been reviewed with other legislative agencies, yet it has been put into effect in the ordering of equipment and purchasing of the software.

Where does such a plan show up in the Council budget? It is a hope, a goal, of course, that all equipment and software purchased by the Legislature be compatible with the statewide plan and the mainframe computer. In order that the ALTER system be compatible with personal computers and the mainframe, the Council staff has insisted that the ALTER vendors write a software package to make it thus. Not the other way around. The Council is not trying to have everyone be compatible with ALTER! The Council wants to insure that ALTER will interface with equipment approved by the Department of Administration for use by other state agencies. An example of a benefit of the entire state being on one word processing system would be easy interchange of information. A long bill for instance could be entered on another department's word processor and all the keystrokes saved (not have to be reentered) when the bill comes to the Council at the request of a legislator.

The agency's Legislative Services Division request includes funding for computer support which totals \$238,400 in fiscal 1986 and \$374,600 in fiscal 1987 for contracted services. These requests are respectively \$58,593 and \$20,700 more than the amount included in the current level for each fiscal year. In addition, the fiscal 1987 requests include \$3,000 more for session supplies than current level, and \$23,688 more in equipment rental costs for rent of specialized copying equipment for the session. All of these added costs represent use of more advanced technology and increased use of data processing facilities, but without legislative oversight.

*Computer support is primarily that amount paid to Department of Administration for usage of the mainframe. A small change in procedures can drastically change costs. We hope future purchases of personal computers will mean less time spent on the mainframe.*

*Current level here appears to be 1983 session figures! The cost of supplies is on a constant increase. \$3,000 over 4 years wouldn't appear to be an increase at all. The \$23,688 represents rent for one laser printer \$6,420, and one Xerox copy machine \$17,268 instead of renting IBM printers as in the '83 session for \$10,500 plus \$8,000 for specialized 5-part computer paper.*

The issue here, then, is whether the legislature wants to fund ever increasing costs of automation without benefit of having reviewed and accepted the direction being taken. A secondary issue is whether the legislature wishes to accept the growth in use of automation for one legislative agency without considering how that growth might benefit or hamper operations of the other agencies.

*We assume the above potential problem is exactly why the Legislature assigned the oversight duty to the Department of Administration.*

*All Council automation plans are in strict compliance with the statewide plan and have been approved by the Department of Administration.*

Option a: Accept the increased computer usage projected by the council and increase contracted services funding by \$58,593 for fiscal 1986 and \$20,700 for fiscal 1987.

Option b: Accept the plan to use high speed printers and increase fiscal 1987 costs of supplies by \$3,000 and rent of equipment by \$23,680. This direction will probably lead to a future decision on purchasing laser printers, similar to the action already taken in fiscal 1984.

*The Council has purchased one laser printer. We don't see a need to purchase a second one, even though it might be cheaper in the long run.*

*We have no place to put another one!*

*We agree that legislative agencies should be advised of each other's DP plans, especially if the agencies have shared information. We have tried to do this on an informal basis and would encourage the legislative agency chairmen and/or directors to confer more often on a more formal basis.*

#### Issue 3: Management Division Requests

The Council's Management Division functions are the central administrative control for the agency. For budget control purposes, many items which are common to the agency are budgeted and controlled by this division. Such items include photocopying services, telephone costs, management and council travel, building rent, maintenance contracts and training. Because they are presented in one budget, they are combined here as one issue, although each category of expense will be presented separately.

## SUPPLIES AND MATERIALS

The request for this category is for \$15,600 in fiscal 1986 and \$16,825 in fiscal 1987 for costs which include photocopy charges. These amounts are \$6,238 over actual fiscal 1984 costs in fiscal 1986 and \$7,463 over in fiscal 1987. Both cost increases result from new photocopy machines being used.

*Department of Administration administers the photocopy pool. The Council pays D of A a prescribed amount per copy.*

## COMMUNICATIONS

The agency request for telephone and postage charges includes \$28,308 for fiscal 1986 and \$33,677 for fiscal 1987. Actual fiscal 1984 costs (non-session) were \$20,857 and only \$21,935 was spent in fiscal 1983 (session). The amounts include high inflation factors recommended by the executive, which, if excluded are still \$4,418 over actual in fiscal 1986 and \$7,443 over in fiscal 1987.

## TRAVEL

The Council requests \$26,800 for travel in fiscal 1986 and \$21,000 in fiscal 1987. Fiscal 1984 was used as the base recommendation for fiscal 1986 and 1987 current level, in the amount of \$7,903. Note that fiscal 1983 costs were less at \$6,826. The difference represents provision for monthly meetings of the council at \$1,200 per meeting and for staff out-of-state travel to CSB, NCSL, and Legislative Conference meetings. Prior history in both instances indicates the Council does not meet at the budgeted frequency and out-of-state travel is not accomplished.

*The Council may not meet every month so the money reverts, but it should still budget sufficient funds so that it may meet monthly if necessary.*

## RENT

Prior costs included rental for word processing software of approximately \$2,000 per year. These costs are no longer necessary because the agency purchased the word processors and the software, both of which had been approved as lease items, not as capital expenditures. However, the agency wishes to retain the appropriation to procure more microcomputer and word

processing software for the purchased equipment, since that was left off the request.

#### REPAIRS AND MAINTENANCE

Because of the purchase of the word processors and personal computers, the agency must now acquire maintenance contracts. Total amounts requested are \$10,696 in fiscal 1986 and \$13,207 in fiscal 1987. These costs have been included as current level adjustments.

#### OTHER EXPENSES-TRAINING

The Council has adopted a personnel policy which requires providing 40 hours of training per year to staff. This policy is estimated to require \$10,000 per year for training through the Department of Administration.

Option a: Supplies and Materials - Increase the base level authorization to fund the additional photocopy costs by \$6,238 in fiscal 1986 and \$7,463 in fiscal 1987.

Option b: Communications - increase base level authorization for postage and telephone by \$4,418 in fiscal 1986 and \$7,443 in fiscal 1987 if the Council can show a basis for the increased costs.

Option c: Travel - Issue is extent of travel to be allowed, particularly for out-of-state, and the reasonably expected Council travel. If the travel requested is approved, increase travel for fiscal 1986 by \$18,897 and for fiscal 1987 by \$13,097.

Option d: Rent - At issue is the funding of \$2,000 per year for software. This is not recommended until the agency has developed a definite plan for computerization which has the acceptance of the legislature.

*The Council does indeed have a plan -- that has been approved by the approving authority and is before this Legislature. The plan represents many thousands of hours of work by experts in data processing who are well acquainted with Council operations and statewide operations as well. (The analyst spent about 2 hours talking to Council staff.)*

Option e: Staff Training - At issue is whether a committee personnel policy is binding with regard to requiring or committing the legislature to provide funding, if it has not been previously approved by the legislature. If approved, the added cost is \$10,000 per year.

*There is no issue as to whether Council personnel policy is binding on the Legislature. Of course it's not. Reference to office policy merely justifies the budget proposal. If the proposal is rejected, the policy couldn't be fulfilled and would be rescinded.*

*We note an inconsistency here. Audit Committee Training policy support, which is substantial, is not mentioned. Also, the analyst accepts LFA and Audit Committee policy for staff promotions without question.*

#### Issue 4: Travel, Other Divisions

Other divisions of the Council also have requested expanded travel budgets. Specifically, Legal Services requested travel for fiscal 1986 of \$6,300 and for fiscal 1987 of \$4,540; the Research Library requested \$2,000 per year for out-of-state travel. Amounts included in current level for Legal Services were fiscal 1984 actual of \$1,073. No amounts were included for Library travel.

*Not accurate. Library travel has been included in the Research budget for past several sessions.*

Option a: If increased travel is approved, this would provide for greater attendance at out-of-state functions. Additional costs for both divisions: \$7,227 for fiscal 1986 and \$5,467 for fiscal 1987.

#### Issue 5: Capital Expenditures

The agency has requested \$35,776 in 1986 and \$38,193 in 1987 for equipment. The 1986 request includes funding for 3 micro and 2 personal computers (total cost \$16,360), plus \$8,500 for software, in addition to the general requests for office equipment. For 1987, the request includes two more personal computers, and \$12,765 to expand the Research Library.

*\$12,765 is a correct figure for capital costs proposed for the library if a move is accomplished. An additional \$580 should be associated with this: \$350 contract services and \$230 supplies both for the reader printer. The Council will have to go to microfiche because of limited space. The costs are to move the*

The purchase of personal computers has been requested under authority of the director's direction to obtain 2 per year until each staff person in Legal and Research has one to use. Four personal computers have already been purchased.

*This is the director's long-range goal. This would download much of the bill input off the expensive mainframe and save many hours of drafters' time in cutting and pasting and writing by hand.*

*The Council has 2 PCs, not 4. One for use in publications invoicing, mailing, etc., and the other for use in Accounting and in bill drafting.*

*We have been able to use LOTUS on the PC to do the two Revenue Estimate resolutions that would have been next to impossible by hand calculation. In addition, the statewide pay matrices are now on LOTUS. In the past these had to be calculated by hand and typed separately. The Council also envisions greatly expanded use of PCs in general appropriation bill work and the ability to send appropriation information between the LFA and Council offices to save weeks and weeks of staff time.*

The issues raised are these: Implementation of a major data processing program without legislative review or approval, and expansion of the use of computers without consideration of the effects on personnel costs. The first has already been discussed above.

The personnel issue is important here because the plan for acquiring computers has been sold as needed for improving productivity. It is questionable that giving a personal computer to each Researcher and Attorney will improve productivity, per se. Further, the size of the investment is not justified if the machines would remain idle a good part of the time while researchers and attorneys are researching, attending meetings, etc.

*This budget proposal is for 2 more PCs, not to give one to each Researcher and Attorney. This is an improper comment, as well as slightly inconsistent with another legislative agency analysis:*

"The agency's modified request includes funds for purchase of a personal computer and for related maintenance. The computer is to be used for in-house analysis of requests. The purchase price requested is \$10,000 targeting an IBM PC-XT.

The need for computer support is not at issue since agency staff currently rely heavily on computer analysis and support as in use of the LIBS package. An issue that does need to be addressed is the sufficiency of funding. That is, the agency has not provided for program conversion assistance in its request, and the agency should consider a computer with larger memory. Both considerations would increase the amount required." (See page 68.)

The machines would no doubt be idle part of the time as are desks, telephones, typewriters, etc. But over 20 people wanting to use 4 personal computers assures fairly steady use.

From a different perspective, agency management acknowledged that workloads for attorneys in non-session years have been less than full time. Hence, attorneys have been assigned to committees to provide more work, a move which would be counter to improvement of productivity by improving staff effectiveness.

This statement is strongly repudiated by the director of Legal Services:

First, I did not "acknowledge" or indicate that attorney positions are ever anything less than full-time. Since and during initial completion of the recodification and annotations projects, demands have increased on attorneys in the areas of administrative rule review for the Administrative Code Committee, information requests from the public, and legal research and opinion requests from legislators. We also acquired the new duty of reviewing and analyzing proposed initiatives.

Attorneys were assigned to study committees and Revenue Oversight Committee not to "provide more work" but to more formally and efficiently fulfill a demand that has always been there -- that demand being for legal resources for the committee members and research staff. In the past interim committees and Revenue Oversight Committee had to informally request legal assistance on an informal, hit-and-run basis with no particular continuity of legal assistance. In fact, Revenue Oversight Committee staff has complained that adequate attorney time for assistance to that committee is still not available.

In my early tenure with the Council as staff attorney, we virtually never were requested to do legal research for individual legislators or the LFA. Therefore, this demand has gone from insignificant to clearly significant in terms of time consumption. The same is true to a somewhat lesser extent of requests for legal assistance from the public.

Although initial recodification is complete, the continuing codification and recodification of the laws enacted by each legislative session (and at least one special session each interim) consumes attorney time well into midsummer after session.

Only after codification is complete may attorneys concentrate on annotations updates and writing of case notes accumulated during session and codification. It is a major project to update all titles in what for attorneys is only about one year. We had hoped to update certain prolific Code titles semi-annually or even quarterly, but this has not proved feasible because of overall demands on attorney time.

Administrative rule review (now involved in reviewing old rules adopted before creation of the Administrative Code Committee as well as proposed rules) has always been a major project for which adequate time has not been available. Many states have separate staffs of 50 or more FTE to fulfill this function only!

*The legal staff has always been spread too thin. We continually seek to implement ways to improve quality and efficiency in meeting various demands.*

The combination of the two issues and the agency's history of conformity with legislative authorization lead to the recommendation that no funds be made available for equipment until the agency provides a detailed plan to the legislature regarding use of automation by the Legislative Council. It is anticipated that such an analysis would also evaluate requirements of other legislative agencies, and would consider effects of automation on its staffing levels.

*The detailed plan is before this Legislature and Council staff spent much time developing it.*

*And we are proud of it!*

INTERIM STUDIES AND CONFERENCES

<u>Budget Item</u>	<u>Actual</u>	<u>Appropriated</u>	<u>---Current Level---</u>		<u>% Change</u> <u>1985-87</u> <u>Biennium</u>
	<u>Fiscal</u> <u>1984</u>	<u>Fiscal</u> <u>1985</u>	<u>Fiscal</u> <u>1986</u>	<u>Fiscal</u> <u>1987</u>	
F.T.E.	2.07	0.00	2.07	0.00	0.00
Personal Service	\$ 47,691	-0-	\$ 69,390	\$ -0-	45.5
Operating Expense	143,021	83,673	208,173	75,206	25.0
Equipment	206	-0-	-0-	-0-	(100.0)
Inflation	-0-	-0-	231	376	--
<b>Total Expenditures</b>	<b>\$190,918</b>	<b>\$83,673</b>	<b>\$277,794</b>	<b>\$75,582</b>	<b>(28.7)</b>
<u>Fund Sources</u>					
General Fund	\$183,348	\$83,673	\$265,794	\$ 75,582	(27.9)
Other Funds Approp.	\$7,570	-0-	12,000	-0-	58.5
<b>Total Funds</b>	<b>\$190,918</b>	<b>\$83,673</b>	<b>\$277,794</b>	<b>\$75,582</b>	<b>(28.4)</b>
-----Fiscal 1986-----					
<u>ISSUE: Cost (Savings)</u>	<u>General Fund</u>	<u>Other Funds</u>			
1. NCSEL/CSG Travel	\$94,000				
-----Fiscal 1987-----					
	<u>General Fund</u>	<u>Other Funds</u>			

The budget for Interim Studies and Conferences includes funding for studies by interim committees and for dues and travel to the Council of State Governments and the National Conference of State Legislatures. These studies are funded separate from the regular Council operations, though Council staff provide the majority of the research support.

Comparisons in the schedule above are provided for information. Percentage changes are somewhat skewed except for the totals because of the carryover of fiscal 1984 projects to fiscal 1985.

Fiscal 1984: Comparison of Actual Expenses to the Appropriation

The following table compares fiscal 1984 actual expenditures and funding to allocations as anticipated by the 1983 legislature. Table 2 shows the amounts appropriated for fiscal 1984 and the expenditures made by the committees. As shown, part of the expenditures are for personal services, mostly for legislators. Several studies have funded staff, however, such as the staff funded for the Water Marketing Study. Other expenditures are for travel, supplies, contracted services.

*Circled figure reduces Council proposal by \$93,769.*

*The budget proposal also includes funds for:*

*Interim Studies*

*Forestry Task Force*

*Revenue Oversight Committee*

*Administrative Code Committee*

*Capitol Building & Planning*

*Salary Commission*

*Five-State Conference*

*Water Task Force*

*Livestock Task Force*

*Legislative Management Consultant*

*Coal Tax Subcommittee*

*It would be important to know what is being cut by how much. The Council has changed its budget proposal format in past years from a lump-sum to an itemized basis to provide the Legislature the opportunity to control the budget with relative ease.*

<u>Budget Item</u>	<u>Legislature</u>	<u>Actual</u>	<u>Difference</u>
F.T.E.	0.00	2.07	(2.07)
Personal Service	\$ -0-	\$ 47,691	(47,691)
Operating Expenses	399,066	143,019	256,047
Equipment	-0-	206	(206)
<b>Total Expenditures</b>	<b><u>\$399,066</u></b> <sup>1</sup>	<b><u>\$190,916</u></b> <sup>1</sup>	<b><u>\$208,150</u></b>
<b>Funding</b>			
General Fund	\$389,066	\$183,346	\$205,720
Other Funds	10,000	7,570	2,430
<b>Total Funds</b>	<b><u>\$399,066</u></b>	<b><u>\$190,916</u></b>	<b><u>\$208,150</u></b>

<sup>1</sup>\$320,400 of this appropriation is for the biennium, of which only \$122,236 has been spent. This leaves \$198,164 which may be carried forward to fiscal 1985.

In fiscal 1984, less than half of the budgeted funds were expended. This leaves \$198,164 of the biennial appropriations which can be expended in fiscal 1985. The relationship of categories of expenditures in the fiscal 1984 actual figures was used as the basis for allocating fiscal 1986 totals: 25 percent to personal services and 75 percent of operating expenses. Other than this adjustment, no changes have been made to amounts requested for the Interim studies. Actual allocation of budget will be done by the assigned researcher.

#### Issue 1: NCSL/CSG Travel

The one area of traditional question is the amount which will be spent on travel to the NCSL and CSG conferences. For the 1985 biennium, \$25,000 was budgeted for NCSL travel and \$15,000 for CSG travel. This is comparable to amounts authorized in previous years.

In 1984, \$8,065 of the NCSL authorization was spent; \$5,970 of the CSG authorization was used. The remaining funds are available for expenditure in fiscal 1985. Current level recommendation for fiscal 1986 for these conferences is at the 1985 biennium budget level, since this appears to be an acceptable level of expenditure. Full funding of the request would require an additional \$94,000 in fiscal 1986 general funds.

*Acceptable to whom? Based on what?*

## MONTANA CODES ANNOTATED

<u>Budget Item</u>	Actual	Appropriated	---Current Level---		% Change
	Fiscal 1984	Fiscal 1985	Fiscal 1986	Fiscal 1987	1985-87 Biennium
Operating Expense	\$516,535	\$179,000 <sup>1</sup>	\$850,000	-0-	22.2
Equipment	10,826	-0-	-0-	-0-	(100.0)
Inflation	-0-	-0-	-0-	-0-	--
Total Expenditures	<u>\$527,361</u>	<u>\$179,000</u>	<u>\$850,000</u> <sup>1</sup>	<u>-0-</u>	<u>20.3</u>
<u>Fund Sources</u>					
Other Funds Approp.	<u>\$527,361</u>	<u>\$179,000</u>	<u>\$850,000</u>	<u>-0-</u>	<u>20.3</u>

<sup>1</sup>The \$98,000 excess of expenditure over revenue is result of a budget adjustment to purchase equipment  
<sup>2</sup>A biennial appropriation is requested by the agency.

Funding for the Montana Code Annotated is under control of the Legislative Council, since the agency is responsible for maintaining and updating the statutes. Functions performed are by the Legal Services and Legislative Services staffs, who draft and process legislation introduced, then codify the passed laws and prepare annotations and session notes in the interim periods. These activities are funded in their respective operations budgets.

Costs funded within this segment of the budget are those which are directly related to the printing and distributions of the codes, annotations, and annotation supplements. Costs are funded by revenues generated from sale of the publications.

The schedule above shows several items which are the issues addressed in this analysis. First, it should be noted that the fiscal 1985 budget has been adjusted by \$98,000 to fund a capital expenditure not previously authorized. Secondly, the growth rate of the program is significant and deserves detailed analysis. Finally, the requested appropriation supports a different operation for fiscal 1986 and fiscal 1987 than was supported in fiscal 1984 due to changes made by the council in fiscal 1985.

#### Fiscal 1984: Comparison of Actual Expenses to the Appropriation

The following table compares fiscal 1984 actual expenditures and funding to allocations as anticipated by the 1983 legislature. The table is presented at the expenditure category level to show the degree of variation in functions and amounts budgeted versus actual. This is important because the net variance on total expenditures is almost negligible. The main conclusion drawn is that a

significant underestimation of the program requirements was made: Printing and binding costs were greater than expected for both the Codes and Annotations. Similarly, distribution costs were underestimated. Funds set aside for computer systems study were diverted to fund the overexpenditures.

*NO ONE CAN KNOW how many bills will be passed (and thus how many pages must be printed). This directly relates to distribution costs (weight). We always hope total spending authority will be sufficient.*

*Final sentence totally in error. There was sufficient spending authority to pay for printing, binding, and distributing the Codes. There were no funds set aside for a computer systems study and no "diversion"!*

*Please note this item is paid for by subscribers. Analyst failed to mention that the Council also underestimated revenue by \$213,185!*

<u>Budget Item</u>	<u>Legislature</u>	<u>Actual</u>	<u>Difference</u>
<b>Contracted Services:</b>			
<u>MCA</u>			
Print and Bind	\$242,000	\$313,422	\$ (71,422)
Data Retrieval	89,540	-0-	89,540
Extra Titles	25,000	-0-	25,000
Microfiche	600	5,486	(4,886)
Legislative Review	12,000	-0-	12,000
Subtotal MCA	\$369,140	\$318,908	\$ 50,232
Print and Bind Annotations	50,000	154,289	(104,289)
Computer Services-Data Base Project	75,000	2,254	72,746
<b>Total Contracted Services</b>	<b>\$494,140</b>	<b>\$475,451</b>	<b>\$ 18,689</b>
<b>Supplies &amp; Materials:</b>			
MCA-Boxes and Misc.	7,000	681	6,319
Annotations-Supplies	2,000	306	1,694
<b>Total Supplies</b>	<b>\$ 9,000</b>	<b>\$ 987</b>	<b>\$ 8,013</b>
<b>Communications:</b>			
MCA-Postage	\$ 20,000	\$ 33,437	\$ (13,437)
Annotations-Postage	5,000	4,622	378
<b>Total Communications</b>	<b>\$ 25,000</b>	<b>\$ 38,059</b>	<b>\$ (13,059)</b>
<b>Travel and Misc:</b>			
MCA-Out-of-state	\$ -0-	\$ 1,265	\$ (1,265)
Annotation-Out-of-state	-0-	772	(772)
<b>Total Travel &amp; Misc.</b>	<b>\$ -0-</b>	<b>\$ 2,037</b>	<b>\$ (2,037)</b>
<b>Total Operating Expenses</b>	<b>\$528,140</b>	<b>\$516,534</b>	<b>\$11,606</b>
Equipment	-0-	10,826	(10,826)
<b>Total Expenditures</b>	<b>\$528,140</b>	<b>\$527,360</b>	<b>\$ 780</b>
<b>Fund Sources</b>			
Sale of Publications	\$450,000	\$663,285	\$ (213,285)
<b>Total Funds</b>	<b>\$450,000</b>	<b>\$663,285</b>	<b>\$ (213,285)</b>

Current Level Adjustments

In the early part of the current fiscal year, the budget was adjusted to permit acquisition of the TIPE software package for \$90,000 plus \$8,000 for its maintenance. This package has been used by the phototypesetter who previously provided composition of the code from input provided by the Council staff. The purchase of the software was part of a plan to eliminate the typesetting entirely. It included purchase of the software and purchase of a photocomposer driven by the TIPE generated data tapes. The photocomposer has also been purchased through use of unappropriated funds at a cost of approximately \$100,000.

Justification for the purchase indicated savings would occur in the charges paid to have the text composed. These charges would offset the purchase cost. Table 4 provides a comparison of 1984 costs, the 1985 budget, and the revised 1986 request by the agency after giving credit for effects of the purchase.

Table 4  
Montana Code Annotated  
Detailed Comparison of Budget Requests

	Actual Fiscal 1984	Budget Fiscal 1985	Request Fiscal 1986	Percent Change 1984-85 to 1986
<u>Operating Expense</u>				
Contracted Services:				
MCA-Printing & Fiche	\$318,908	\$ -0-	\$314,000	
Annotations-Printing	154,289	50,000	220,000	
Data Base Project	2,254	75,000	75,000	
Inhouse Data Preparation	-0-	-0-	48,000	
Print Annotation Supplements	-0-	-0-	13,000	
TIPE Software Maint.	-0-	8,000	-0-	
MCA-Extra Titles	-0-	25,000	50,000	
Legislative Review-MCA	-0-	-0-	15,000	
Total	\$475,451	\$158,000	\$735,000	16.0
Supplies and Materials:	<u>987</u>	<u>4,000</u>	<u>9,000</u>	80.5
Communications(Postage):				
MCA	\$ 33,437	\$ 20,000	\$ 40,000	
Annotations	4,622	5,000	25,000	
Annotation Suppl.	-0-	-0-	41,000	
Total	\$ 38,059	\$25,000	\$106,000	68.1
Travel & Misc.	<u>\$ 2,037</u>	<u>-0-</u>	<u>-0-</u>	(100.0)
Total Operating Expenses	\$516,534	\$187,000	\$850,000	20.8
Equipment	<u>10,826</u>	<u>90,000</u>	<u>-0-</u>	(100.0)
Total Expenditures	<u>\$527,360</u>	<u>\$277,000</u>	<u>\$850,000</u>	<u>5.7</u>

As may be seen on the table, the net effect of the action is not at this point a savings of cost. Contract services are up by 16 percent in fiscal 1986 versus fiscal 1984 and 1985. These costs include an estimated additional in-house computer usage cost of \$48,000 to process the software.

Communications costs are also up by 68 percent, and in total operating expenses are up by 20.8 percent. The only savings reflected in the comparison is in capital expenditures for the purchase of the software.

It must be recognized that some of the increase is due to a greater number of pages being printed. The criticism of changing a program in a major way without legislative review cannot be mitigated, however, by such a disclosure.

The Council thought Finance Committee review sufficient. We attach actual production costs of the 1983 Code and Annotations.

Please note that the camera-ready copy costs (of \$6.42 per page for approximately 30,000 pages per biennium) will be eliminated since the purchase of the "unauthorized" hardware & software.

A reminder that the Montana Code Annotated budget is a revolving fund and all costs charged back to subscribers. This is not an appropriation, but rather authority to spend the revenue.

In conclusion: The Council staff has always tried to plan prudently for a biennial budget by scrutinizing each internal program, one at a time, and attempting to estimate future needs. The staff has determined that a budget based solely on past expenditures leads to overexpenditures. If one knows what he is going to be allowed to spend in the future is based totally on what he has spent in the past, one is going to spend as much as possible!!

On the other hand, if the Council has overbudgeted but not spent the authorized funds, the Council staff hopes such conduct proves that the Council is as thrifty as possible.

The Council has never spent funds just because they were authorized, but rather only if necessary and in the best interests of the legislative process.

7/14/84

1983 MCA Publication Cost to Produce  
Text & Index 3,400 Sets

Camera Ready Copy-Data Retrieval

Text

9390 pp at \$6.42 p.	60,283.80
43 blank pages at \$2.44 p.	104.92
9390 photo copies at \$.10 p.	939.00
Text total 9433 pp. avg. \$6.50 p.	<u>61,327.72</u>

Index

3362 pp at \$7.86 p.	26,425.32
1 blank p. at \$2.44 p.	2.44
3362 photo copies at \$.10	336.20
Index total 3363 pp Avg. \$7.96 p.	<u>26,763.96</u>

TOTAL CAMERA READY COPY ----- \$ 88,091.68

Printing-Darby Printing Co.

Text

9492 pp at \$14.80p.	140,481.60
30600 covers at \$.30 ea.	9,180.00
Misc. Services	639.75
Total for Text print	<u>150,301.35</u>

Index

3378 pp. at \$14.80 p.	49,994.40
10,200 covers at \$.30 ea.	3,060.00
Misc. Services	4,547.10
Total for Index print	<u>57,601.50</u>

TOTAL PRINTING COSTS DARBY----- \$207,902.85

Extra volumes----- N/C

Extra Titles ----- \$ 2,755.83

Microfiche----- \$ 5,486.12

Legislative Review ----- \$ 12,798.72

MCA ANNOTATIONS - COST TO PRODUCE  
CAMERA-READY COPY & CONTRACTED PRINTING  
Fiscal Years 1984 & 1985

## Attachment

## Camera-Ready Copy - Data Retrieval

7,986 pp. at \$6.42/p.	\$ 51,270.12
7,986 photocopies at \$.10/p.	798.60
Corrections	<u>387.03</u>
	52,455.75

Printing - Darby Printing Co.

2,200 copies		
5,764 pp. at \$11.37/p.		65,536.68
2,000 copies		
1,260 pp. at \$10.87/p.		13,696.20
1,800 copies		
2,000 pp. at \$10.47/p.		<u>20,940.00</u>
Total Printing		100,172.88

7,400 Boxes	2,378.00
7,410 Collate & Insert	4,158.00
Alterations & Typesetting	1,886.80
Federal Express	789.00
U.P.S.	11,192.41
Council Adjustments	<u>(297.11)</u>
,	
	20,107.10

**TOTAL CONTRACT - DARBY PRINTING CO. - - - - - - - - - - - \$120,279.98\***

TOTAL CONTRACTED SERVICES THROUGH 12/31/84

\$173,641.65

\*Shipping from Printer charged to Contract.

## ACCTG1/ee/Cost to Produce MCA Annot.

LEGISLATIVE COUNCIL  
1983-84 FINANCIAL SUMMARY  
June 30, 1984

<u>Page</u>		<u>Budget</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Balance</u>
1	Research	\$ 276,399	\$ 258,432.87		\$ 17,966.13
2	Legislative Services	567,458	475,972.64	\$ 0.00	91,485.36
3	Management Division	434,933	314,169.75	0.00	120,763.25
4	Legal Services Division	346,870	314,714.89		32,155.11
5	Interim Studies & Conf.	399,066	190,916.55		208,149.45
6	Montana Code Annotated	528,140	527,360.16		779.84
7	1983 Feed Bill				
	Legislative Services	386,838	333,103.26		53,734.74
	Legislative Publications	148,000	123,762.70		24,237.30
8	Special Session #1	25,000	8,071.20	0.00	16,928.80
	GRAND TOTAL	\$3,112,704	\$2,546,504.02	\$ 0.00	\$ 566,199.98
	Montana Code Annotated Revolving Account				
	July 1, 1983 Balance				\$576,304.02
	Cash in				637,429.19
	Cash out				441,322.66
	1984 Accrued				86,037.50
	Total Cash Available				\$686,373.05

Exhibit #15  
2/1/85

LEGISLATIVE COUNCIL  
1983-84 FINANCIAL SUMMARY  
June 30, 1984

	<u>BUDGET</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>BALANCE</u>
PERSONAL SERVICES				
Salaries	\$ 215,800	\$ 208,839.22		\$ 6,960.78
Benefits	<u>43,170</u>	<u>41,054.35</u>		<u>2,115.65</u>
Total	258,970	249,893.57		9,076.43
OPERATING EXPENSES				
Contracted Services	5,229	908.84		4,320.16
Supplies, Materials	3,320	3,609.02		(289.02)
Communications	530	473.61		56.39
Travel	4,200	1,814.47		2,385.53
Rent	0	0.00		0.00
Repairs, Maintenance	0	0.00		0.00
Other Expenses	<u>1,750</u>	<u>672.18</u>		<u>1,077.82</u>
Total Operating Exp.	15,029	7,478.12		7,550.88
CAPITAL EXPENSES				
Equipment	<u>2,400</u>		<u>1,061.18</u>	<u>1,338.82</u>
GRAND TOTAL	\$ 276,399		\$ 258,432.87	\$ 17,966.13
100% Time Elapsed				
93% Committed				

Legislative ServicesLEGISLATIVE COUNCIL  
1983-84 FINANCIAL SUMMARY  
June 30, 1984

	<u>BUDGET</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>BALANCE</u>
PERSONAL SERVICES				
Salaries	\$ 235,003	\$217,692.50		\$ 17,310.50
Benefits	<u>49,291</u>	<u>44,526.98</u>		<u>4,764.02</u>
Total Personal Serv.	284,294	262,219.48		22,074.52
OPERATING EXPENSES				
Contracted Services	246,000	179,807.05		66,192.95
Supplies, Materials	1,200	497.10		702.90
Communications	0	0.00		0.00
Travel	7,500	1,962.79		5,537.21
Rent	600	0.00		600.00
Repairs, Maintenance	4,320	3,922.65		397.35
Other Expenses	<u>1,000</u>	<u>941.18</u>		<u>58.82</u>
Total Operating Exp.	260,620	187,130.77		73,489.23
CAPITAL EXPENSES				
Equipment	<u>22,544</u>	<u>26,622.39</u>	<u>0.00</u>	<u>(4,078.39)</u>
GRAND TOTAL	<u>\$ 567,458</u>	<u>\$ 475,972.64</u>	<u>\$ 0.00</u>	<u>\$ 91,485.36</u>

100% Time Elapsed

84% Committed

Management

LEGISLATIVE COUNCIL  
FINANCIAL REPORT  
June 30, 1984

	<u>BUDGET</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>BALANCE</u>
PERSONAL SERVICES				
Salaries	\$ 253,788	\$148,143.83		\$105,644.17
Benefits	31,664	28,612.03		3,051.97
Council Members' Salaries	<u>5,200</u>	<u>2,423.56</u>		<u>2,776.44</u>
Total Personal Serv.	290,652	179,179.42		111,472.58
OPERATING EXPENSES				
Contracted Services	3,654	3,041.03		612.97
Supplies, Materials	14,900	9,361.59		5,538.41
Communications	25,781	20,857.10		4,923.90
Travel	28,700	7,903.44		20,796.56
Rent	62,171	30,484.35		31,686.65
Repairs, Maintenance	1,375	6,535.30		(5,160.30)
Other Expenses	<u>1,700</u>	<u>2,292.54</u>		<u>(592.54)</u>
Total Operating Exp.	138,281	80,475.35		57,805.65
CAPITAL EXPENSES				
Equipment	<u>6,000</u>	<u>54,514.98</u>		<u>(48,514.98)</u>
GRAND TOTAL	\$ 434,933	\$314,169.75		\$120,763.25

100% Time Elapsed  
72% Committed

Legal ServicesLEGISLATIVE COUNCIL  
FINANCIAL REPORT  
June 30, 1984

	<u>BUDGET</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>BALANCE</u>
PERSONAL SERVICES				
Salaries	\$ 276,844	\$ 258,188.07		\$ 18,655.93
Benefits	<u>52,326</u>	<u>46,845.02</u>		<u>5,480.98</u>
Total Personal Serv.	329,170	305,033.09		24,136.91
OPERATING EXPENSES				
Contracted Services	2,700	2,457.25		242.75
Supplies, Materials	5,860	3,445.79		2,414.21
Communications	0	0.00		0.00
Travel	6,140	1,072.69		5,067.31
Rent	0	159.00		(159.00)
Repairs, Maintenance	0	0.00		0.00
Other Expenses	<u>2,000</u>	<u>2,408.12</u>		<u>(408.12)</u>
Total Operating Exp.	16,700	9,542.85		7,157.15
CAPITAL EXPENSES				
Equipment	<u>1,000</u>	<u>138.95</u>		<u>861.05</u>
GRAND TOTAL	\$ 346,870	\$ 314,714.89		\$ 32,155.11
100% Time Elapsed				
91% Committed				

Interim Studies  
and Conferences

LEGISLATIVE COUNCIL  
FINANCIAL REPORT  
June 30, 1984

	<u>BUDGET</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>BALANCE</u>
NCSL Dues	\$ 27,946	\$ 27,946.00		\$ 0.00
CSG Dues	33,220	33,220.00		0.00
Tax Classification Study	17,500	7,513.98		9,986.02
Revenue Oversight	*25,000	8,344.72		16,655.28
Forestry Task Force	*25,000	15,425.04		9,574.96
CSG Travel	*15,000	5,970.24		9,029.76
Water Marketing Study	*80,000	26,695.83		53,304.17
Administrative Code Committee	*25,000	2,791.20		22,208.80
Salary Commission	*3,000	2.06		2,997.94
Five-State Conference	*12,000	7,144.09		4,855.91
Coal Tax Oversight Subcomm.	*10,000	7,570.04		2,429.96
Five-State Water Task Force	*6,400	521.99		5,878.01
Select Committee on Indian Aff.	*7,000	5,492.77		1,507.23
Capitol Building & Planning	*5,000	3,442.31		1,557.69
NCSL Travel	*25,000	8,064.50		16,935.50
Legislative Management Comm.	*32,000	0.00		32,000.00
Interim Studies	<u>*50,000</u>	<u>30,771.78</u>		<u>19,228.22</u>
GRAND TOTAL	<u>\$399,066</u>	<u>\$190,916.55</u>		<u>\$208,149.45</u>

Detailed information is available upon request on any of the above programs.

	<u>BUDGET</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>BALANCE</u>
<b>PERSONAL SERVICES</b>				
Salaries				
Benefits				
<b>Total Personal Serv.</b>				
<b>OPERATING EXPENSES</b>				
Contracted Services	\$494,140	\$475,451.17		\$ 18,688.83
Supplies, Materials	9,000	987.20		8,012.80
Communications	25,000	38,058.74		(13,058.74)
Travel	0	2,028.35		(2,028.35)
Rent	0	0.00		0.00
Repairs, Maintenance	0	0.00		0.00
Other Expenses	0	9.00		(9.00)
<b>Total Operating Exp.</b>	<b>528,140</b>	<b>\$516,534.46</b>		<b>11,605.54</b>
<b>CAPITAL EXPENSES</b>				
Equipment	0		<u>10,825.70</u>	<u>(10,825.70)</u>
<b>GRAND TOTAL</b>	<b>\$528,140</b>		<b>\$527,360.16</b>	<b>\$ 779.84</b>

100% Time Elapsed

100% Committed

FINREP/ee/83-84 Financial Summary

LEGISLATIVE COUNCIL

1983 Feed Bill  
June 30, 1984

<u>BUDGET</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>BALANCE</u>
Public Information	\$ 46,846	\$ 27,822.74	\$ 19,023.26
Bill Distribution	51,798	34,965.29	16,832.71
Print Room	274,762	263,805.74	10,956.26
Business Office	<u>13,432</u>	<u>6,509.49</u>	<u>6,922.51</u>
<b>TOTAL</b>	<b>\$386,838</b>	<b>\$333,103.26</b>	<b>\$ 53,734.74</b>
Legislative Publications	\$148,000	\$123,762.70	\$ 24,237.30

Special Session #1

LEGISLATIVE COUNCIL  
FINANCIAL REPORT  
June 30, 1984

	<u>BUDGET</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>BALANCE</u>
PERSONAL SERVICES				
Salaries	\$1,235.37			
Benefits	<u>98.62</u>			
Total Personal Serv.	1,333.99			
OPERATING EXPENSES				
Contracted Services	5,231.62			
Supplies, Materials	535.29			
Communications	948.15			
Travel	0.00			
Rent	0.00			
Repairs, Maintenance	0.00			
Other Expenses	<u>22.15</u>			
Total Operating Exp.	6,737.21			
CAPITAL EXPENSES				
Equipment		0.00		
GRAND TOTAL	<u>\$25,000</u>	<u>\$8,071.20</u>		<u>\$16,928.80</u>

1-22-85  
To Subcommittee  
Exhibit #16  
2/1/85

Computer Services Estimates (7-16-84)

FY 86

(These figures are based on the FY 84 expenditures from the computer services bill.)

Bills processing	\$ 6,000
IBM PC interface to bills for attorneys	2,000
Journal processing	5,300
Bill status processing	900
Session Index	800
Bill drafting request book	1,200
Annotations	74,625 (25% increase - full time case notes)
MCA Index	44,620 (15% increase)
Session Laws	3,400
Code update	12,650 (10% increase)
*Labels and invoices	3,000
Alter maintenance and ALF development	5,000 (10% increase)
Micro Fiche	6,500 (increased since Code pages should increase)
Misc. projects	15,800
Bill status development	<u>30,000</u>
TOTAL	211,795
	\$ 212,000

\*In case this function is not entirely moved over to the PC,  
would still need some for back-up storage of PC database on the  
Main Frame.

DSDIII/hm/Estimates

Legislative Services

1983-85 CSG COMMITTEE TRAVEL  
October 31, 1984

<u>Biennial Budget</u>	<u>Expended 1983 CSG Annual Meet.</u>	<u>Expended 11/15/83 Seattle</u>	<u>Expended 4/12/84 Salt Lake</u>	<u>Expended 5/5/84 Denver</u>	<u>Expended 1984 CSG Ann. Meet.</u>	<u>Balance</u>
Executive Committee	\$ 3,000.00				\$ 1,020.00	
Member - Rep. Marks Alternate - Sen. Blaylock	\$1,345.61		634.39			
Fiscal Affairs & Federalism	3,000.00					
Member - Rep. Manuel Alternate - Rep. Donaldson		1,240.05			\$ 999.44	\$ 760.51
Public Lands	3,000.00					
Member - Sen. Etchart Alternate - Rep. Nilson Member - Rep. Marks		1,271.44		577.22		(2.43)
Water Policy	3,000.00					
Member - Sen. Galt Alternate - Rep. Harper		1,126.86			1,153.77	
Transportation	3,000.00					
Member - Sen. Graham Alternate - Rep. Harp		1,383.54	762.93		648.20	1,190.36
TOTAL CSG Travel CSG Dues	\$15,000.00 3,020.00	\$6,367.50	\$ 762.93	\$1,211.61	\$ 648.20	\$3,343.57 (Unallocated --- 3,020.00)
						\$2,666.19 Available --- \$5,686.19

SHAB3/ee/83-85 CSE Travel

Exhibit # 7

21.185

Interim Studies  
and Conferences

LEGISLATIVE COUNCIL  
1984-85 FINANCIAL SUMMARY  
December 31, 1984

	<u>BUDGET</u>	<u>EXPENDED</u>	<u>ENCUMBERED</u>	<u>BALANCE</u>
NCSL Dues	\$ 29,631	\$ 29,631.00		\$ 0.00
CSG Dues	36,542	30,200.00		6,342.00
Tax Classification Study (FY 84-85)	17,500	5,138.03		12,361.97
Revenue Oversight	*25,000	16,640.09		8,359.91
Forestry Task Force	*25,000	20,244.10		4,755.90
CSG Travel	*15,000	9,313.81		5,686.19
Water Marketing Study	*80,000	56,379.27		23,620.73
Administrative Code Committee *	*25,000	5,009.73		19,990.27
Salary Commission	*3,000	1,201.37		1,798.63
Five-State Conference	*12,000	7,830.00		4,170.00
Coal Tax Oversight Subcomm.	*10,000	9,662.18		337.82
Five-State Water Task Force	*6,400	969.63		5,430.37
Select Committee on Indian Aff.	*7,000	6,773.46		226.54
Capitol Building & Planning	*5,000	5,000.00		0.00
NCSL Travel	*25,000	17,694.45		7,305.55
Legislative Management Comm.	*32,000	0.00		32,000.00
Interim Studies	*50,000	39,463.62		10,536.38
GRAND TOTAL	<u>\$404,073</u>	<u>\$261,150.74</u>		<u>\$142,922.26</u>

Detailed information is available upon request on any of the above programs.

\*Biennial Appropriation  
ACTRG1/ee/84-85 Financial Summary

Tax Classification Study (FY 83-84)  
17,500 7,513.98 9,986.02

Exhibit #  
18  
18  
18  
18

## NATIONAL CONFERENCE OF STATE LEGISLATURES

Appropriations Schedule  
FY 1985-87

	FY 1985 <sup>1</sup>	FY 1986 <sup>2</sup>	FY 1987 <sup>3</sup>
ALABAMA	\$ 56,565	\$ 59,761	\$ 64,401
ALASKA	26,272	30,174	38,266
ARIZONA	46,392	51,275	56,905
ARKANSAS	42,642	46,023	52,266
CALIFORNIA	228,247	238,129	221,959
COLORADO	47,877	52,654	58,123
CONNECTICUT	49,777	52,875	58,319
DELAWARE	27,965	31,408	39,356
FLORIDA	107,343	116,365	114,402
GEORGIA	70,228	74,478	77,401
HAWAII	31,176	34,532	42,115
IDAHO	30,994	34,659	42,228
ILLINOIS	121,908	123,754	120,928
INDIANA	70,453	72,878	75,988
IOWA	48,085	51,002	56,664
KANSAS	43,311	46,695	52,860
KENTUCKY	54,577	57,608	62,499
LOUISIANA	59,291	63,804	67,973
MAINE	32,565	35,962	43,379
MARYLAND	59,395	62,502	66,822
MASSACHUSETTS	72,597	75,253	78,086
MICHIGAN	103,159	103,393	102,943
MINNESOTA	58,188	61,557	65,988
MISSISSIPPI	44,682	48,125	54,123
MISSOURI	65,480	68,452	72,078
MONTANA	29,631	33,204	40,942
NEBRASKA	36,428	39,784	46,755
NEVADA	29,735	33,774	41,446
NEW HAMPSHIRE	30,794	34,413	42,010
NEW JERSEY	86,720	89,655	90,808
NEW MEXICO	34,084	38,056	45,228
NEW YORK	175,195	176,434	167,462
NORTH CAROLINA	73,786	77,159	79,770
NORTH DAKOTA	28,468	31,987	39,867
OHIO	116,518	117,651	115,537
OKLAHOMA	49,057	54,075	59,379
OREGON	45,654	48,934	54,837
PENNSYLVANIA	125,806	127,439	124,184
RHODE ISLAND	31,020	34,379	41,980
SOUTH CAROLINA	49,373	53,522	58,890
SOUTH DAKOTA	28,789	32,191	40,048
TENNESSEE	62,650	65,983	69,898
TEXAS	146,299	158,382	151,959
UTAH	35,481	40,013	46,958
VERMONT	27,235	30,761	38,785
VIRGINIA	69,203	72,146	75,341
WASHINGTON	58,548	62,400	66,732
WEST VIRGINIA	39,726	43,010	49,604
WISCONSIN	63,639	66,724	70,552
WYOMING	26,888	30,633	38,672
AMERICAN SAMOA	1,580	1,675	1,775
GUAM	1,580	1,675	1,775
PUERTO RICO	2,087	2,212	2,345
VIRGIN ISLANDS	1,580	1,675	1,775
TOTAL	\$ 3,107,323	\$ 3,293,762	\$ 3,491,388

Note 1 \$22,800 per state plus \$8.68 per thousand population.

2 \$26,292 per state plus \$8.51 per thousand population.

3 \$34,837 per state plus \$7.52 per thousand population.

Exhibit #20  
2/1/85

1983-85 NCSL COMMITTEE TRAVEL  
January 25, 1984

January 25, 1984

1104 LEGISLATIVE COUNCIL		FISCAL YEAR 1986				FISCAL YEAR 1987			
10 LEGISLATIVE COUNCIL		OBPP/	LFA/	SUB-COMM.	OBPP/	LFA/	SUB-COMM.		
CURRENT LEVEL		AGENCY	CONTRACTOR	DIFFERENCE	AGENCY	CONTRACTOR	DIFFERENCE		
ALL TIME EQUIVALENT (FTE)		41.50	41.50	0.00	56.00	53.00	3.00		
<b>PERSONAL SERVICES</b>									
1100 SALARIES		1,096,405	1,026,700	69,705	1,375,600	1,246,200	129,400		
1400 BENEFITS		164,096	152,793	11,303	205,975	186,156	19,819		
1500 INSURANCE		50,400	50,400	0	50,400	50,400	0		
1600 VACANCY SAVINGS		0	(49,196)	49,196	0	(59,310)	59,310		
	TOTAL PERS. SER	1,310,901	1,180,697	130,204	1,631,975	1,423,446	208,529		
<b>OPERATING EXPENSES</b>									
2100 CONTRACTED SERVICES		248,016	187,154	60,862	386,934	362,407	24,527		
2200 SUPPLIES & MATERIALS		23,350	16,417	6,933	36,655	24,112	12,543		
2300 COMMUNICATIONS		28,908	21,331	7,577	34,391	21,331	13,060		
2400 TRAVEL		44,830	13,290	31,540	37,390	13,290	24,100		
2500 RENT		35,309	30,643	4,666	77,129	48,695	28,434		
2600 UTILITIES		0	0	0	0	0	0		
2700 REPAIR & MAINTENANCE		18,939	18,839	0	22,027	21,677	350		
2900 OTHER EXPENSES		18,825	5,021	13,804	18,720	4,746	13,974		
<b>WITHOUT INFLATION</b>									
	TOTAL OPERATING	418,077	292,695	125,382	613,246	496,258	116,988		
9999 INFLATION		0	8,027	(8,027)	0	19,101	(19,101)		
	WITH INFLAT/ TOTAL OPERATING	418,077	300,722	117,355	613,246	515,359	97,887		
<b>EQUIPMENT</b>									
	TOTAL PROGRAM	1,764,754	1,481,419	283,335	2,283,414	1,938,805	344,609		
<b>PROGRAM FUNDING</b>									
01100 GENERAL FUND		1,764,754	1,481,419	283,335	2,283,414	1,938,805	344,609		
	TOTAL FUNDING	1,764,754	1,481,419	283,335	2,283,414	1,938,805	344,609		

**VISITORS' REGISTER**

# Gen Govt & Highways COMMITTEE

Agencies  
~~Print No.~~

HB 433

HB 455  
Administration - Directors Office  
Accounting

## COMMITTEE

DATE 2 | 85

**SPONSOR**

## Passenger Railway Safety

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

## VISITORS' REGISTER

## General Govt & Highways COMMITTEE

BILL NO. Dept. of Admin.  
Director's Office  
Accounting DATE 2/1/85  
SPONSOR Architecture & Engineering

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.