

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

February 6, 1985

The meeting of the General Government and Highways Subcommittee was called to order by Chairman Quilici on February 6, 1985 at 7:00 a.m. in Room 437 of the State Capitol.

ROLL CALL: All members were present with the exception of Senator Stimatz, who was excused. Also present were Doug Booker and Carolyn Doering from the Governor's Office, and Cliff Roessner from the LFA Office.

DEPARTMENT OF ADMINISTRATION

Building Codes Division: Jim Kembel, Administrator, described the functions and purposes of the division (49;B;01). Exhibit No. 1 is an introduction and it lists the divisions prime concerns for their budget. There was discussion on the Northwest Power Planning Council. Senator Keating suggested the committee draft a resolution to the federal delegation to try to exempt Montana from the Model Conservation Standard (49;B;250).

The budget comparison sheets for the division are found on Exhibit No. 2, the budget issues are also included.

Building Codes Division (Executive Action)

There was discussion on the budget issues. Senator Keating moved the LFA budget with 27 FTE and 2 percent vacancy savings, the LFA budget for operating expenses except for repair and maintenance, which will be the OBPP budget for FY 1986 and the LFA budget for FY 1987, and the OBPP budget for equipment for both years. The motion was seconded, and passed unanimously.

Representative Lory moved the budget modification for legal assistance. The motion was seconded, and passed 4-1. Representative Lory is assuming that they are not going to raise fees, and if they don't have the funds they won't get the legal assistance (50;A;116).

Representative Lory moved the budget modification for automation. The motion did not pass with 3 no and 2 yes.

Representative Lory moved approval to authorize Cliff Roessner and Jim Kembal to get together and decide the proper language to be added to the bill for spending authority of federal funds for the Northwest Power Planning Council, and the FTE reserve. Senator Keating voiced a protest vote, but it is rather futile and with such a limp thing he said aye (50;A;205). The motion passed unanimously. The motion carries.

State Personnel Division: Dennis Taylor, Administrator, described the bureaus and their functions (50;A;235). Exhibit No. 4 is the budget comparison sheets with a list of the budget issues. There was discussion on all the programs. He explained the Employee Benefits program (50;A;580). He then went over the Training Program (50;B;265). Jim Burgess explained what the results were from these training courses (50;B;410). Ellen Feaver provided some testimony for training, by saying she thought it was very effective (50;B;429). She thinks it lowers turnover and improves performance. There was discussion on the funding of the program. Dennis Taylor explained that the general fund contribution has allowed for the development of the program, it is the upfront developmental capital, and as the agency is able to tell the committee what their capacity is and what their experience is, they are going to be able to come back to the committee in subsequent meetings and reduce their commitment and reliance on the general fund, but it is critical to the development aspects of the program now (50;B;645).

Exhibit No. 5 is the predicted participation for the training courses. Exhibit No. 6 is a pamphlet on one of their courses.

Executive Action was taken on the agency following the hearing. Senator Keating moved the LFA budget with 2 percent vacancy savings for both years on the Personnel budget. The motion was seconded, and passed unanimously.

Senator Keating moved the LFA budget on Employee Benefits with 2 percent vacancy savings. The motion was seconded, and passed unanimously.

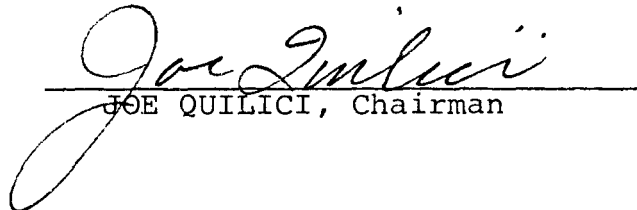
Senator Keating moved the LFA budget with 2 percent vacancy savings, plus the OBPP travel for the biennium. The motion was seconded, and passed unanimously.

GENERAL GOVERNMENT AND HIGHWAYS
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Representative Lory moved the budget modification for the workload increase. Senator Keating resisted the motion because he thinks only so much training can be afforded. The motion was not passed with 1 yes and 4 no.

Senator Keating then asked Dennis Taylor to explain some of the studies done on comparable worth (51;A;150).

ADJOURN: There being no further business before the committee, the meeting was adjourned at 10:50 a.m.


JOE QUILICI, Chairman

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DAILY ROLL CALL

General Government and Highways SUB COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date

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Exhibit #1
2/6/85

FY 86 - 87 BUDGET
BUILDING CODES DIVISION
DEPARTMENT OF ADMINISTRATION

Introduction

The Division consists of the Building Standards Bureau, Mechanical Safety Bureau and the Electrical Safety Bureau. The operation is self-supporting from fee income charged for services rendered.

The Division enforces construction standards to insure the safety of building occupants and protect property. If the Division does an inadequate job, the life-safety of building occupants could be endangered, property loss increased, and the state could be exposed to law suits. In addition, good enforcement at the state level tends to create better quality buildings, thus protecting the owner's investment, reduces urban sprawl by discouraging individuals from building outside municipalities to avoid code compliance, and creates fair competition between contractors by requiring them to build to the same standards. The Division's function is to adopt the building, housing, energy, mechanical, plumbing, elevator and electrical codes to be used by all levels of government enforcing codes and enforce those same codes in areas not covered by a local enforcement program. The Division enforces construction standards on all recreational vehicles and factory-built buildings manufactured and/or offered for sale in Montana. Finally, the Division certifies local government code enforcement programs, consults with governmental agencies and the general public, and coordinates plan review efforts of the various state agencies.

FY 84 Activities of the Division

Plan Reviews*	988
Permits Issued*	12,464
Insignias Issued**	2,572
Inspections*	25,697
Miles Traveled by Inspectors*	529,371
Income*	\$865,077
Expenditures*	\$869,589

*Building, Plumbing, Mechanical, Electrical, Elevators,
Recreational Vehicles, Factory-Built Buildings

**Recreational Vehicles, Factory-Built Buildings

Price Concerns

1. Vehicle Purchase (Current Level)

The Division has requested funds to replace its 14 vehicles since they will be reaching the 100,000 mile mark during the next biennium. The purchased vehicles are saving a substantial amount of operating funds. When comparing actual operating costs plus depreciation with the cost of paying the employees personal car mileage, the least amount saved is \$.03/mile. This amounts to a minimum savings of \$15,879 per year. This savings increases when comparing to other means of providing transportation.

Funding Requested FY 86 \$146,809

2. Legal Assistance (Modified Levels)

The Division has requested 1-1/2 attorneys in FY 86 and 1 attorney in FY 87. The first year of enforcement should reduce the work load to a point one attorney can handle the cases arising thereafter due to public awareness.

Based on current experience there are 85 projects requiring some form of legal action. It is assumed that 60 of the projects can be resolved by minimal legal action and 25 of the projects will result in some form of court action. The work load results in 2,600 hours of time or 1.5 FTE's

Funding Requested FY 86 \$50,960 FY 87 \$35,024

Some of the examples experienced by the Division are:

- Athletic club completely built and occupied, while the owners ignored submitting plans as requested. No idea if it was safe structurally or from the standpoint of fire.
- Owner requesting assistance with a building that had been built without the Division's knowledge or a permit, which was structurally failing immediately after the building was occupied.
- Bar being constructed without a permit that had structural problems with the foundation, floor, walls and roof system. This 5,000 sq. ft. building, had it been completed, could have housed 300 people and could have collapsed.

These examples are only a few of many that were experienced

over the past year, that if not corrected could cause threats to life-safety or property.

3. Automation (Modified Level)

The Division has three micro-computers it is now using for word processing. The proposed funding will be used to program the micro-computers to automate permit issuance, tracking and coordination between disciplines, deposits project files, vehicle records, work activities, insignias for recreational vehicles and factory-built buildings, elevator records and plan reviews. The automation will increase efficiency by allowing better response to the public, reduce manual time needed for record keeping, providing current management data and insuring that all required permits are obtained.

Funding Requested FY 86 \$61,622 FY 87 \$52,000

4. Northwest Power Planning Council

The need to implement the Model Conservation Standard of the Council, in the BPA service area, will be accompanied by a fiscal note requesting additional staff and funding. This will also be accompanied by legislation reinstating the Division's building code coverage of single family dwellings through four plexes.

In addition, the implementation will require the establishment of an educational program for enforcement personnel. Not knowing what the final standards will be until after the administrative hearings process is completed or what the applicability of the standards will be statewide, it is impossible to predict what the exact needs will be. Therefore, we would like to add a footnote to the budget that reads as follows:

"Understanding that education of enforcement personnel and enforcement will be an extremely important need in the success of an energy code enforcement program and the exact needs will not be known until after the administrative hearings process for the energy code adoption is completed, the necessary funding may be added by budget amendment. The budget amendment will be for the purposes of allowing the Department to receive and expend federal funds made available for educational and enforcement purposes and the necessary supervisory staff to administer the same."

5. Reorganization

Legislation is being proposed to merge the license and code inspections for electrical and plumbing. This merger will

improve the efficiency of useage of limited funds.

6. FTE Reserve

During the last legislative session HP 447 provided 3 FTE's, operating expenses and equiprent that could be added by budget amendment should the work load demand more inspectors. The Division would like to maintain this FTE reserve during the next biennium.

DESCRIPTION	FY 84	OBPP FY 86	LFA FY 86	DIFF. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87
FTE	6.68	6.68	6.68		6.68	6.68	
1100 SALARIES	135,145	156,483	158,867	2,384	156,773	159,157	2,384
1300 OTHER COMPENSATION		250		(250)	250		(250)
1400 EMPLOYEE BENEFITS	26,482	24,146	24,573	427	24,268	24,695	427
1500 HEALTH INSURANCE		8,016	8,016	0	8,016	8,016	0
1600 VACANCY SAVINGS		(7,555)	(7,579)	(24)	(7,572)	(7,584)	(12)
1800			250	250		250	250
TOTAL LEVEL	161,627	181,340	184,127	2,787	181,735	184,534	2,799
2100 CONTRACTED SERVICES	3,674	3,829	3,829	0	3,031	3,031	0
2200 SUPPLIES & MATERIALS	6,529	7,926	3,137	(4,789)	7,926	3,137	(4,789)
2300 COMMUNICATIONS	4,693	4,690	4,690	0	4,690	4,690	0
2400 TRAVEL	14,911	10,587	10,855	268	10,579	10,855	276
2500 RENT	4,442	3,996	4,442	446	4,036	4,442	406
2700 REPAIR & MAINTENANCE	1,052	2,670	1,852	(818)	2,670	1,852	(818)
2800 OTHER EXPENSES	1,018	1,018	1,018	0	1,018	1,018	0
2900 GOODS PURCH FOR RESALE	9,162	9,163	9,163	0	9,163	9,163	0
TOTAL LEVEL	45,481	43,879	38,986	(4,893)	43,113	38,188	(4,925)
9999 INFLATION		1,648	1,044	(604)	1,976	2,069	93
TOTAL W/INFLATION	45,481	45,527	40,030	(5,497)	45,089	40,257	(4,832)
3100 EQUIPMENT	713	20,520	20,520	0			0
TOTAL PROGRAM	207,821	247,387	244,677	(2,710)	226,824	224,791	(2,033)
2% CUT		(4,948)		4,948	(4,536)		4,536
TOTAL PGM LESS CUT	207,821	242,439	244,677	2,238	222,288	224,791	2,503
02448 CONSTRUCTION REGULATION	207,821	242,439	244,677	2,238	222,288	224,791	2,503
TOTAL PROGRAM	207,821	242,439	244,677	2,238	222,288	224,791	2,503

DESCRIPTION	FY 84	DBPP FY 86	LFA FY 86	DIFF. FY 86	DBPP FY 87	LFA FY 87	DIFF. FY 87
FTE	5.16	5.16	5.16		5.16	5.16	
1100 SALARIES	104,277	112,861	115,858	2,997	112,868	115,866	2,998
1300 OTHER COMPENSATION				0			0
1400 EMPLOYEE BENEFITS	20,876	18,766	17,835	(931)	18,824	17,890	(934)
1500 HEALTH INSURANCE		6,192	6,192	0	6,192	6,192	0
1600 VACANCY SAVINGS		(5,512)	(5,392)	120	(5,515)	(5,394)	121
1800			650	650		653	653
TOTAL LEVEL	125,153	132,307	135,143	2,836	132,369	135,207	2,838
2100 CONTRACTED SERVICES	435	1,217	1,217	0	717	707	(10)
2200 SUPPLIES & MATERIALS	4,654	5,650	5,099	(551)	5,650	5,099	(551)
2300 COMMUNICATIONS	4,750	4,746	4,750	4	4,746	4,750	4
2400 TRAVEL	19,986	24,264	24,264	0	24,216	24,216	0
2500 RENT	4,442	3,996	4,442	446	4,036	4,442	406
2700 REPAIR & MAINTENANCE	408	1,700	1,009	(691)	1,700	1,009	(691)
2800 OTHER EXPENSES	100	300	300	0	300	300	0
2900 GOODS PURCH FOR RESALE				0			0
TOTAL LEVEL	34,775	41,873	41,081	(792)	41,365	40,523	(842)
9999 INFLATION		1,256	900	(356)	1,585	2,042	457
TOTAL W/INFLATION	34,775	43,129	41,981	(1,148)	42,950	42,565	(385)
3100 EQUIPMENT	262	17,040		(17,040)		17,040	17,040
TOTAL PROGRAM	160,190	192,476	177,124	(15,352)	175,319	194,812	19,493
2% CUT		(3,850)		3,850	(3,506)		3,506
TOTAL PGM LESS CUT	160,190	188,626	177,124	(11,502)	171,813	194,812	22,999
02448 CONSTRUCTION REGULATION	160,190	188,626	177,124	(11,502)	171,813	194,812	22,999
TOTAL PROGRAM	160,190	188,626	177,124	(11,502)	171,813	194,812	22,999

DESCRIPTION	FY 84	DBPP FY 86	LFA FY 86	DIFF. FY 86	DBPP FY 87	LFA FY 87	DIFF. FY 87
FTE	15.16	15.16	15.16		15.16	15.16	
1100 SALARIES	314,205	336,780	336,620	(160)	337,463	337,304	(159)
1300 OTHER COMPENSATION				0			0
1400 EMPLOYEE BENEFITS	67,104	58,530	57,645	(885)	58,823	57,935	(888)
1500 HEALTH INSURANCE		18,192	18,192	0	18,192	18,192	0
1600 VACANCY SAVINGS		(16,540)	(16,369)	171	(16,579)	(16,381)	198
1800			113	113		114	114
TOTAL LEVEL	381,309	396,962	396,201	(761)	397,899	397,164	(735)
2100 CONTRACTED SERVICES	2,197	4,402	4,402	0	2,779	2,779	0
2200 SUPPLIES & MATERIALS	15,910	15,815	15,853	38	15,815	15,853	38
2300 COMMUNICATIONS	7,778	7,777	7,592	(185)	7,777	7,592	(185)
2400 TRAVEL	25,324	25,171	25,188	17	25,869	25,977	108
2500 RENT	4,442	3,996	4,442	446	4,036	4,442	406
2700 REPAIR & MAINTENANCE	6,100	6,100	6,100	0	6,100	6,100	0
2800 OTHER EXPENSES	221	221	221	0	221	221	0
2900 GOODS PURCH FOR RESALE				0			0
TOTAL LEVEL	61,972	63,482	63,798	316	62,597	62,964	367
9999 INFLATION		2,038	889	(1,149)	2,609	2,715	106
TOTAL W/INFLATION	61,972	65,520	64,687	(833)	65,206	65,679	473
3100 EQUIPMENT	274	109,249	109,249	0			0
TOTAL PROGRAM	443,555	571,731	570,137	(1,594)	463,105	462,843	(262)
2% CUT		(11,435)		11,435	(9,262)		9,262
TOTAL PGM LESS CUT	443,555	560,296	570,137	9,841	453,843	462,843	9,000
02448 CONSTRUCTION REGULATION	443,555	560,296	570,137	9,841	453,843	462,843	9,000
TOTAL PROGRAM	443,555	560,296	570,137	9,841	453,843	462,843	9,000

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DESCRIPTION	FY 84	OBPP FY 86	LFA FY 86	DIFF. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87
FTE	27.00	27.00	27.00		27.00	27.00	
1100 SALARIES	553,627	606,124	611,345	5,221	607,104	612,327	5,223
1300 OTHER COMPENSATION		250		(250)	250		(250)
1400 EMPLOYEE BENEFITS	114,462	101,442	100,053	(1,389)	101,915	100,520	(1,395)
1500 HEALTH INSURANCE		32,400	32,400	0	32,400	32,400	0
1600 VACANCY SAVINGS		(29,607)	(29,340)	267	(29,666)	(29,359)	307
1800			1,013	1,013		1,017	1,017
TOTAL LEVEL	668,089	710,609	715,471	4,862	712,003	716,905	4,902
2100 CONTRACTED SERVICES	6,306	9,448	9,448	0	6,527	6,517	(10)
2200 SUPPLIES & MATERIALS	27,093	29,391	24,089	(5,302)	29,391	24,089	(5,302)
2300 COMMUNICATIONS	17,221	17,213	17,032	(181)	17,213	17,032	(181)
2400 TRAVEL	60,221	60,022	60,307	285	60,664	61,048	384
2500 RENT	13,326	11,988	13,326	1,338	12,108	13,326	1,218
2700 REPAIR & MAINTENANCE	7,560	10,470	8,961	(1,509)	10,470	8,961	(1,509)
2800 OTHER EXPENSES	1,339	1,539	1,539	0	1,539	1,539	0
2900 GOODS PURCH FOR RESALE	9,162	9,163	9,163	0	9,163	9,163	0
TOTAL LEVEL	142,228	149,234	143,865	(5,369)	147,075	141,675	(5,400)
9999 INFLATION		4,942	2,833	(2,109)	6,170	6,826	656
TOTAL W/INFLATION	142,228	154,176	146,698	(7,478)	153,245	148,501	(4,744)
3100 EQUIPMENT	1,249	146,809	129,769	(17,040)		17,040	17,040
TOTAL PROGRAM	811,566	1,011,594	991,938	(19,656)	865,248	882,446	17,198
2% CUT		(20,232)		20,232	(17,305)		17,305
TOTAL PGM LESS CUT	811,566	991,362	991,938	576	847,943	882,446	34,503
02448 CONSTRUCTION REGULATION	811,566	991,361	991,938	577	847,944	882,446	34,502
TOTAL PROGRAM	811,566	991,361	991,938	577	847,944	882,446	34,502

AGENCY:6101 DEPARTMENT OF ADMINISTRATION
 PROGRAM:11 BUILDING STANDARDS PROGRAM
 CONTROL:11001 LEGAL ASSISTANCE

BUDGET COMPARISONS
 LFA vs. OBPP
 MODIFIED LEVEL

BUD11001 2-4-85

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DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87
FTE	1.50		(1.50)	1.00		(1.00)
1100 SALARIES	33,981		(33,981)	22,654		(22,654)
1400 EMPLOYEE BENEFITS	5,117		(5,117)	3,423		(3,423)
1500 HEALTH INSURANCE	1,800		(1,800)	1,200		(1,200)
1600 VACANCY SAVINGS	(1,636)		1,636	(1,091)		1,091
TOTAL LEVEL	39,262	0	(39,262)	26,186	0	(26,186)
2100 CONTRACTED SERVICES	5,000		(5,000)	5,000		(5,000)
2400 TRAVEL	4,934		(4,934)	3,560		(3,560)
TOTAL LEVEL	9,934	0	(9,934)	8,560	0	(8,560)
9999 INFLATION	317		(317)	278		(278)
TOTAL W/INFLATION	10,251	0	(10,251)	8,838	0	(8,838)
3100 EQUIPMENT	1,447		(1,447)			0
TOTAL PROGRAM	50,960	0	(50,960)	35,024	0	(35,024)
2% CUT	(1,019)		1,019	(700)		700
TOTAL PGM LESS CUT	49,941	0	(49,941)	34,324	0	(34,324)
02448 CONSTRUCTION REGULATION	49,941		(49,941)	34,324		(34,324)
TOTAL PROGRAM	49,941	0	(49,941)	34,324	0	(34,324)

AGENCY:6101 DEPARTMENT OF ADMINISTRATION
 PROGRAM:11 BUILDING STANDARDS PROGRAM
 CONTROL:11002 AUTOMATION
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BUDGET COMPARISONS
 LFA vs. OBPP
 MODIFIED LEVEL

BUD11002 2-4-85

DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87
2100 CONTRACTED SERVICES	48,675		(48,675)	50,000		(50,000)
TOTAL LEVEL	48,675	0	(48,675)	50,000	0	(50,000)
9999 INFLATION	1,947		(1,947)	2,000		(2,000)
TOTAL W/INFLATION	50,622	0	(50,622)	52,000	0	(52,000)
3100 EQUIPMENT	11,000		(11,000)			0
TOTAL PROGRAM	61,622	0	(61,622)	52,000	0	(52,000)
2% CUT	(1,232)		1,232	(1,040)		1,040
TOTAL PGM LESS CUT	60,390	0	(60,390)	50,960	0	(50,960)
02448 CONSTRUCTION REGULATION	60,390		(60,390)	50,960		(50,960)
TOTAL PROGRAM	60,390	0	(60,390)	50,960	0	(50,960)

BUILDING CODES

Budget Differences

Current Level (Page 1 of Budget Comparisons)

Supplies and Materials

The difference is for gasoline and amounts to \$4,730 for each of the two years. The OBPP budget has the correct amount reflected in their figures. LFA dropped a digit in their calculations and thus has an incorrect cost for gasoline.

Repair and Maintenance

LFA left the repairs and maintenance of vehicles at current level. Since the purchase of new vehicles is included in the budget for FY'86, LFA contends an increase is not needed in repairs. Building Codes indicates they will not be purchasing the new vehicles until well into FY'86 and therefore would need repair and maintenance for the older vehicles for at least that year.

The difference between LFA and OBPP is \$818 in both fiscal years. The division requests that the OBPP budget for repairs and maintenance be given in FY'86. The LFA budget should be given in FY'87 due to the purchase of the new vehicles.

Current Level (Page 2 of Budget Comparisons)

Supplies and Materials

The difference of \$551 in FY'86 and FY'87 is the result of a different approach by LFA and OBPP in calculating gasoline costs.

Repair and Maintenance

This difference of \$691 in each year is for the same reason as in repair and maintenance on page 1. Here again, Building Codes contends they would need additional repair and maintenance budget to cover the older vehicles for at least FY'86.

Equipment

OBPP has the budget of \$17,040 for purchasing new vehicles in FY'86 while LFA has it in FY'87. Building Codes wants to buy the vehicles in the latter part of FY'86.

Modification Request (Page 5 of Budget Comparisons)

Legal assistance is requested for enforcement of the State's Building Codes. For FY'86, the request is for 1.5 FTE and in FY'87 this is reduced to one FTE. The positions will be attorneys.

Cost: FY'86 - \$50,960

FY'87 - \$35,024

Modification Request (Page 6 of Budget Comparisons)

This request will complete the automation the division started two years ago. The project will make for better efficiency in scheduling and assisting the public.

Cost: FY'86 - \$61,622

FY'87 - \$52,000

February 6, 1985

TRAINING PROGRAM
STATE PERSONNEL DIVISION

6101 Department of Administration
23 Personnel Program
0280 Training

Spending Authority

<u>Current Level</u>	FY-86	FY-87
Personnel Services	3.00 FTE	3.00 FTE
	\$ 85,920	\$ 86,086
Operating Expenses	\$ 45,475	\$ 45,119
Total Program	<u>\$131,395</u>	<u>\$131,205</u>

General Fund	\$ 61,285	\$ 61,440
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Proprietary Fund	\$ 70,110	\$69,765
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General fund supports the personal services cost of 2 FTE, 1 Temporary Services Manager I (grade 16) and 1 Staff Development Specialist I (grade 14).

Proprietary Funds support the personal service costs of 1 FTE and all of the programs operating expenses.

<u>Modified Level</u>	FY-86	FY-87
Personnel Services	2.00 FTE	2.00 FTE
	\$ 39,527	\$ 39,544
Operating Expenses	\$ 35,657	\$ 70,515
Total Program	<u>\$ 75,184</u>	<u>\$110,059</u>

General Fund	\$ 12,044	\$ 12,047
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Proprietary Fund	\$ 63,140	\$ 98,016
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General Fund supports the personal services costs of .5 FTE, Staff Development Specialist I (Grade 14).

Proprietary Funds support the personal services costs of an additional 1.5 FTE, .5 Staff Development Specialist I (grade 14); 1 Administrative Aide II (grade 8); and expanded operating costs.

Total Program Request (Current Level + Modified Level)

	FY-86	FY-87
Personnel Services	5.00 FTE	5.00 FTE
	\$125,447	\$125,630
Operating Expenses	\$ 81,132	\$115,634
Total Program	<u>\$206,579</u>	<u>\$241,264</u>

General Fund supports the personal service costs of 2.5 FTE (1 Training Services Manager I [grade 15] and 1.5 Staff Development Specialist I [grade 14]).

Proprietary Funds support the personal services cost of 1.5 FTE (.5 Training Development Specialist I (grade 14) and 1 Administrative Aide II (grade 8) and all operating expenses.

Results

Current Level: Provides 172 days of training per year serving approximately 2,400 employees.

Modified Level: Provides 70 additional days of training per year in FY-86 serving about 980 employees, and 82 additional days per year in FY-87 serving about 1,175 employees. This is a 41% increase in services in FY-86 and a 48% increase in services in FY-87.

Total Program Level

(Current and Modified): Provides 255 days of training serving about 3,575 employees, an increase of 48% in services. This will serve about 25% of the employee population.

General Fund Support

The general fund support of the training program is:

46% at current level. FY 86

35% at total program (FY 86 current level + modified level).

30% at total program (FY 87 current level + modified level).

General fund support is critical to meet cash flow considerations and to allow for stable development and marketing in the initial years of the state training program. As the program matures general fund support, as a percentage of total program, will be reduced. The general fund "development capital" is critical to program success in these first few years of focused and coordinated management training.

TRAINING PROGRAM
STATE PERSONNEL DIVISION

The department's employee training program, entitled the Professional Development Center (PDC), provides a diverse menu of training opportunities for all government agencies. Its primary mission is to develop and deliver State Government specific management training. In addition, it also provides a variety of non-management courses at the request of other departments. This is a new program that began January 1, 1984. During calendar year 1984, it has delivered almost 100 training courses from one to three days each.

PROGRAMS

The PDC will provide four levels of management training including a core and an elective curriculum at each level.

<u>Essentials of Management</u>	for first-line supervisors. Currently in production.
<u>Principles of Management</u>	for mid-level managers (i.e., bureau chiefs). Currently being developed.
<u>Concepts of Management</u>	for senior managers (i.e., division administrators). Planned for next fiscal year.
<u>Executive Conference</u>	for the Governor and Cabinet. First production planned for Spring, 1985.

The PDC will also continue to provide a general curriculum of courses in non-management topics for the benefit of agencies and employees.

STAFF

The PDC is composed of three professional staff: a manager and two management training specialists. Clerical support is currently provided through the Division. Some of the center's specialized training is produced by hired consultants.

BUDGET

The PDC is primarily a self-funded program. It does not have a "locked-in" market, as most other self-funded state programs, thus it must compete directly with private sector providers in order to survive.

FY-85

Current budget is \$126,500 of which \$55,500 is general fund and \$71,000 is proprietary. At current rate of revenue the program will meet or exceed its proprietary fund allotment.

FY-86&87

The program is requesting an additional trainer FTE, a clerical FTE and additional operating expenses. Without addition of staff and funds, a substantial portion of the management program will not be obtainable.

Current Level vs. Modified Production

by curriculum, in hours per year

<u>Curriculum</u>	<u>Current Level</u>	<u>Modified FY-86</u>	<u>Modified FY-87</u>	<u>Total Program</u>
Supervision				
M1 (core)	392	0	0	392
G1 (elective)	<u>378</u>	<u>61</u>	<u>65</u>	<u>504</u>
Sub-Total	770	61	65	896
Middle Management				
M2 (core)	56	168	0	224
G2 (elective)	<u>74</u>	<u>85</u>	<u>85</u>	<u>244</u>
Sub-Total	130	253	85	468
Senior Management				
M3 (core)	0	40	0	40
G3 (elective)	<u>0</u>	<u>30</u>	<u>45</u>	<u>75</u>
Sub0Total	0	70	45	115
Executives				
M4 (issues)	0	16	0	16
Special Issues				
All seminars	<u>475</u>	<u>30</u>	<u>35</u>	<u>540</u>
PROGRAM TOTALS	1375	430	230	2035

48% increase

AGENCY:6101 DEPARTMENT OF ADMINISTRATION
 PROGRAM:23 PERSONNEL PROGRAM
 CONTROL:00230 PERSONNEL

BUDGET COMPARISONS
 LFA vs. OBPP
 CURRENT LEVEL

BUD230CL 2-4-85

PAGE 1

DESCRIPTION	FY 84	OBPP FY 86	LFA FY 86	DIFF. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87
FTE	31.58	29.00	29.00		29.00	29.00	
1100 SALARIES	609,350	647,592	648,816	1,224	648,909	650,143	1,234
1200 HOURLY WAGES	167			0			0
1300 OTHER COMPENSATION	825	550	550	0	550	550	0
1400 EMPLOYEE BENEFITS	120,510	96,786	96,963	177	97,314	97,491	177
1500 HEALTH INSURANCE		35,400	34,800	(600)	35,400	34,800	(600)
1600 VACANCY SAVINGS		(31,217)	(29,774)	1,443	(31,291)	(29,793)	1,498
1800			65	65		65	65
TOTAL LEVEL	730,852	749,111	751,420	2,309	750,882	753,256	2,374
2100 CONTRACTED SERVICES	20,873	21,295	25,088	3,793	28,395	32,188	3,793
2200 SUPPLIES & MATERIALS	28,416	25,314	25,380	66	25,916	25,380	(536)
2300 COMMUNICATIONS	20,050	19,998	20,017	19	19,998	20,017	19
2400 TRAVEL	11,157	12,390	12,763	373	14,390	14,563	173
2500 RENT	34,493	36,282	34,493	(1,789)	36,648	34,493	(2,155)
2700 REPAIR & MAINTENANCE	4,866	4,792	4,823	31	4,792	4,823	31
2800 OTHER EXPENSES	10,446	8,536	9,617	1,081	8,536	9,617	1,081
TOTAL LEVEL	130,301	128,607	132,181	3,574	138,675	141,081	2,406
9999 INFLATION		4,959	5,301	342	6,718	11,037	4,319
TOTAL W/INFLATION	130,301	133,566	137,482	3,961	145,393	152,118	6,725
3100 EQUIPMENT	10,353			0			0
4200 BUILDINGS	567			0			0
TOTAL PROGRAM	872,073	882,677	888,902	6,225	896,275	905,374	9,099
2% CUT		(17,654)		17,654	(17,926)		17,926
TOTAL PGM LESS CUT	872,073	865,023	888,902	23,879	878,350	905,374	27,025
01000 GENERAL FUND	869,210	865,023	888,902	23,879	878,350	905,374	27,024
02043 MERIT SYSTEM COUNCIL	2,863			0			0
TOTAL PROGRAM	872,073	865,023	888,902	23,879	878,350	905,374	27,024

AGENCY:6101 DEPARTMENT OF ADMINISTRATION
 PROGRAM:23 PERSONNEL PROGRAM
 CONTROL:00270 EMPLOYEE BENEFITS

BUDGET COMPARISONS
 LFA vs. OBPP
 CURRENT LEVEL

BUD270CL 2-4-85

PAGE 2

DESCRIPTION	FY 84	OBPP FY 86	LFA FY 86	DIFF. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87
FTE	4.42	5.50	5.50		5.50	5.50	
1100 SALARIES	93,738	111,082	111,687	605	111,367	111,976	609
1400 EMPLOYEE BENEFITS	18,781	16,288	16,288	0	16,387	16,387	0
1500 HEALTH INSURANCE		6,600	6,600	0	6,600	6,600	0
1600 VACANCY SAVINGS		(5,358)	(5,292)	66	(5,374)	(5,296)	78
1800 OVERTIME BENEFITS			267	267		269	269
TOTAL LEVEL	112,519	128,612	129,550	938	128,980	129,936	956
2100 CONTRACTED SERVICES	75,595	95,585	91,669	(3,916)	95,385	91,469	(3,916)
2200 SUPPLIES & MATERIALS	5,318	5,287	5,318	31	8,287	8,318	31
2300 COMMUNICATIONS	5,286	6,001	6,019	18	6,001	6,019	18
2400 TRAVEL	2,323	2,262	2,324	62	2,262	2,324	62
2700 REPAIR & MAINTENANCE	485	4,028	813	(3,215)	4,028	813	(3,215)
2800 OTHER EXPENSES	1,144	1,350	1,175	(175)	1,350	1,175	(175)
TOTAL LEVEL	90,151	114,513	107,318	(7,195)	117,313	110,118	(7,195)
9999 INFLATION		4,028	5,586	1,558	4,569	9,090	4,521
TOTAL W/INFLATION	90,151	118,541	112,904	(5,637)	121,882	119,208	(2,674)
3100 EQUIPMENT	641	500	500	0	500	500	0
7200 FROM STATE SOURCES	12,750,732			0			0
TOTAL PROGRAM	12,954,043	247,653	242,954	(4,699)	251,362	249,644	(1,718)
2% CUT		(4,953)		4,953	(5,027)		5,027
TOTAL PGM LESS CUT	12,954,043	242,700	242,954	254	246,335	249,644	3,309
01000 GENERAL FUND	47,150	30,529	32,000	1,471	35,377	35,145	(232)
06012 GROUP BENEFIT ADMIN	156,160	212,171	210,954	(1,217)	210,958	214,499	3,541
06017 GR BENEFIT CLAIMS A/C	12,750,732			0			0
TOTAL PROGRAM	12,954,042	242,700	242,954	254	246,335	249,644	3,309

DESCRIPTION	FY 84	OBPP FY 85	LFA FY 85	DIFF. FY 85	OBPP FY 87	LFA FY 87	DIFF. FY 87
FTE	3.00	3.00	3.00		3.00	3.00	
1100 SALARIES	57,794	74,657	74,657	0	74,775	74,775	0
1400 EMPLOYEE BENEFITS	11,302	11,243	11,243	0	11,297	11,297	0
1500 HEALTH INSURANCE		3,600	3,600	0	3,600	3,600	0
1600 VACANCY SAVINGS		(3,580)	(3,547)	33	(3,586)	(3,549)	37
TOTAL LEVEL	69,096	85,920	85,953	33	86,086	86,123	37
2100 CONTRACTED SERVICES	11,453	23,220	23,220	0	22,720	22,720	0
2200 SUPPLIES & MATERIALS	8,950	11,000	11,001	1	11,000	11,001	1
2300 COMMUNICATIONS	761	2,040	2,040	0	2,040	2,040	0
2400 TRAVEL	2,290	5,500	3,916	(1,584)	5,500	3,916	(1,584)
2500 RENT	339	925	925	0	925	925	0
2700 REPAIR & MAINTENANCE	77	400	400	0	400	400	0
2800 OTHER EXPENSES	1,169	615	590	(25)	615	590	(25)
TOTAL LEVEL	25,039	43,700	42,092	(1,608)	43,200	41,592	(1,608)
9999 INFLATION		1,775	2,975	1,200	1,919	4,841	2,922
TOTAL W/INFLATION	25,039	45,475	45,067	(408)	45,119	46,433	1,314
3100 EQUIPMENT	4,562			0			0
TOTAL PROGRAM	98,697	131,395	131,020	(375)	131,205	132,556	1,351
2% CUT		(2,628)		2,628	(2,624)		2,624
TOTAL PGM LESS CUT	98,697	128,767	131,020	2,253	128,581	132,556	3,975
01100 GENERAL FUND	55,713	60,059	61,579	1,520	60,211	62,301	2,090
06525 INTERGOVERN TRAINING	42,984	68,708	69,441	733	68,370	70,255	1,885
				0			0
TOTAL PROGRAM	98,697	128,767	131,020	2,253	128,581	132,556	3,975

- AGENCY:6101 DEPARTMENT OF ADMINISTRATION
 PROGRAM:23 PERSONNEL PROGRAM
 CONTROL:28001 WORKLOAD INCREASE

BUDGET COMPARISONS
 LFA vs. OBPP
 MODIFIED LEVEL

BUD28001 2-4-85

PAGE 4

DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87
FTE	2.00		(2.00)	2.00		(2.00)
1100 SALARIES	33,874		(33,874)	33,874		(33,874)
1400 EMPLOYEE BENEFITS	4,899		(4,899)	4,917		(4,917)
1500 HEALTH INSURANCE	2,400		(2,400)	2,400		(2,400)
1600 VACANCY SAVINGS	(1,646)		1,646	(1,647)		1,647
TOTAL LEVEL	39,527	0	(39,527)	39,544	0	(39,544)
2100 CONTRACTED SERVICES	24,535		(24,535)	46,220		(46,220)
2200 SUPPLIES & MATERIALS	5,555		(5,555)	9,355		(9,355)
2300 COMMUNICATIONS	1,400		(1,400)	2,650		(2,650)
2400 TRAVEL	1,150		(1,150)	4,300		(4,300)
2500 RENT	680		(680)	2,210		(2,210)
2700 REPAIR & MAINTENANCE	100		(100)	200		(200)
2800 OTHER EXPENSES	100		(100)	425		(425)
TOTAL LEVEL	33,520	0	(33,520)	65,360	0	(65,360)
9999 INFLATION	1,412		(1,412)	2,905		(2,905)
TOTAL W/INFLATION	34,932	0	(34,932)	68,265	0	(68,265)
3100 EQUIPMENT	725		(725)	2,250		(2,250)
TOTAL PROGRAM	75,184	0	(75,184)	110,059	0	(110,059)
2% CUT	(1,504)		1,504	(2,201)		2,201
TOTAL PGM LESS CUT	73,680	0	(73,680)	107,858	0	(107,858)
01000 GENERAL FUND	11,803		(11,803)	11,802		(11,802)
06525 INTERGOVT TRAINING	61,877		(61,877)	96,056		(96,056)
TOTAL PROGRAM	73,680	0	(73,680)	107,858	0	(107,858)

PERSONNEL

Budget Differences

CURRENT LEVEL (Page 1 of Budget Comparisons)

Contracted Services:

The OBPP budget does not include costs for work study contracts in fiscal year 1986 or 1987. The LFA budget includes costs for a work study student intern in both fiscal years. The difference in both years is \$2,400.

The OBPP budget contains less costs for consulting and professional services than the LFA budget. The difference is \$1,500 in each year.

Supplies and Materials:

The OBPP budget includes increased photo and reproduction costs for contracts, proposals, etc. due to collective bargaining in fiscal year 1987. LFA did not include these increased costs in their 1987 budget. The difference is \$536 in fiscal year 1987.

Rent:

OBPP's budget includes the most recent square footage figures for the Personnel Division's office space. The LFA budget was left at current level. The division has office space totalling 12,216 square feet. This square footage has increased from 1984. The correct office space must be used in the square footage calculation for rent costs.

Other Expenses:

The OBPP budget reflects a reduction in dues, subscriptions and registration fees. The LFA budget reflects the current level base. The difference is \$1,081 in each year.

CURRENT LEVEL (Page 2 of Budget Comparisons)

Contracted Services:

The OBPP budget includes an increase for consulting and professional service contracts. The LFA budget reflects the current level base of \$46,008 in each fiscal year. The difference is approximately \$4,000 in each year.

Repair and Maintenance:

Due to a misunderstanding, the OBPP budget includes more costs than are necessary for service agreements. The LFA budget

contains the correct estimate of costs. The difference in each fiscal year is \$3,240.

CURRENT LEVEL (Page 3 of Budget Comparisons)

Travel:

The OBPP budget includes an increase in out-of-state travel costs so that the divisions' management trainers can attend professional training courses. The LFA budget reflects the current level base costs for out-of-state travel. The difference is \$1,584 in each year.

Funding:

Currently, two positions in the training program are general funded. They are a Staff Development Specialist and a Training Services Manager (positions 6300 and 6302 respectively). Another Staff Development Specialist position (6303) is proprietary funded.

There was some confusion between the OBPP and LFA budgets in the funding of the Staff Development Specialists. The division requests that the three positions continue to be funded as described above.

MODIFIED LEVEL (Page 4 of Budget Comparisons)

Two FTE and related operating expenses are requested for the training function performed by the division. The last Legislature appropriated funds to establish a training program recommended by the Governor's Council on Management and the Labor Relations Study Commission.

Total costs would be \$75,184 in 1986 and \$110,059 in 1987. The funding split would be:

	<u>FY86</u>	<u>FY87</u>
General Fund	\$12,044	\$ 12,043
Proprietary Fund	<u>63,140</u>	<u>98,016</u>
TOTAL	<u>\$75,184</u>	<u>\$110,059</u>

FEB85/702

Predicted Participation

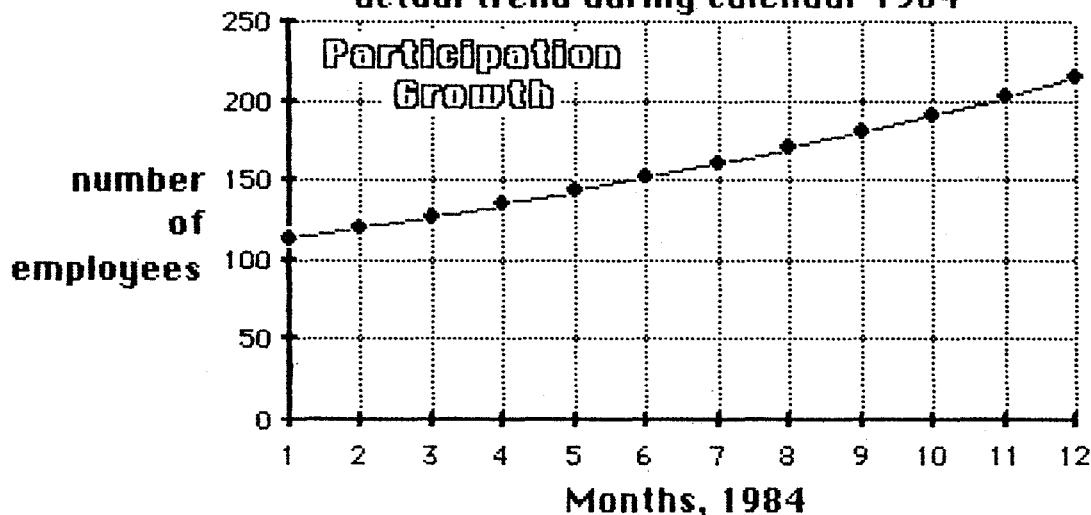
In PDC Training by Curriculum

<u>Program</u>	<u>calendar 1985</u>	<u>FY-86</u>	<u>FY-87</u>
M1 Supervision core curriculum	60	120	135
G1 Supervision elective curriculum	850	950	1,075
M2 Mid Management core curriculum	0	80	80
G2 Mid Management elective curriculum	160	500	520
M3 Senior Management core curriculum	0	40	40
G3 Senior Management elective curriculum	0	40	90
M4 Executive	0	20	35
S1 Special Issues	1330	1500	1600

total program: 2400 3250 3575

└────────── 48% Increase ─────────┘

actual trend during calendar 1984



ESSENTIALS OF MANAGEMENT

THE MANAGEMENT
DEVELOPMENT PROGRAM:

...Guiding

Management Development Program

- I. ESSENTIALS OF MANAGEMENT
- II. PRINCIPLES OF MANAGEMENT
- III. CONCEPTS OF SENIOR MANAGEMENT
- IV. EXECUTIVE ISSUES

—Benjamin Franklin

**"An investment
in knowledge
pays the best interest."**

FOR YOUR SUPERVISORS

Following the recommendations of the Governor's Council on Management and the direction of the Forty-Eighth Legislature (1983), the Personnel Division is initiating the first stage of management training for State of Montana personnel. This program is the result of extensive design and testing by the newly formed Professional Development Center.

A MANAGEMENT PROGRAM

The **Management Development Program: Essentials of Management** is an integrated curriculum of seven interrelated subjects designed to help the first-line manager improve his or her supervisory skills. By attending one class a week for about seven weeks, participants will complete the basic curriculum. A certificate of accomplishment will attest to satisfactory performance in all the following classes:

Leading	The supervisor's role, rights, and responsibilities. Knowing the state system and available resources.
Organizing	Setting goals, planning the work, and determining priorities within the supervisor's unit.
Delegating	Implementing the work plan. Assigning and distributing the work objectives.
Operating	Defining the quality and quantity of performance. Developing standards of productivity with subordinates.
Evaluating	Measuring performance against standards. Writing and conducting performance appraisals.
Controlling	Dealing with rule infractions and chronic poor performance through corrective action. Maintaining a positive work environment. Discipline laws, policies, and procedures.
Synthesis	Unifying the curriculum content in an extensive exercise calling on all the skills attained.

AVAILABLE NOW

The Professional Development Center will offer the curriculum each quarter, beginning July 24, 1984, and extending through December, 1985.

Additional, "elective" classes will be offered to support and expand the management skills attained in the basic course. The Professional Development Center will announce these support classes in each quarterly training schedule.

PROFESSIONAL DEVELOPMENT CENTER

DEPARTMENT OF ADMINISTRATION • PERSONNEL DIVISION
ROOM 130 MITCHELL BUILDING • HELENA, MONTANA 59620



VISITORS' REGISTER

Agency Gen Govt & Highways COMMITTEE
 BILL NO. Adm. Building Standards
Personnel, Training
Group Benefits DATE 2/6/85
 SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
W. JAMES KEMBEL	Bldg Codes Div DOA	✓	
KAREN MUNRO	HELENA	✓	
Dave Ashley	"	✓	
DENNIS M. TAYLOR	HELENA	✓	
Ellen Fleaver	✓	✓	
Rod Sundberg	HELENA	✓	
James E. Burgess	HELENA	✓	
Mark Cress	Helena	✓	
John McEwen	Helena	✓	
John Cress	HELENA		

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.