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

February 21, 1985

The meeting of the General Government and Highways Subcommittee was called to order by Chairman Quilici on February 21, 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. Also present were Don Witmer and Cliff Roessner from the LFA Office, and Carolyn Doering and Norm Rostocki from the Governor's Office.

EXECUTIVE ACTION

DEPARTMENT OF HIGHWAYS

Maintenance: There was discussion on the motion taken on February 20, 1985 concerning rent for the maintenance program (75;A;01). Inflation would have been added twice on the FY 1986 figure. Representative Lory made a SUBSTITUTE MOTION to take the base OBPP figure in FY 1986 and the base OBPP figure for FY 1986 plus adjustment for inflation in FY 1987. The motion PASSED unanimously.

Highway Service Revolving: Exhibits No. 1 and No. 2 are budget sheets for the program. Representative Lory moved the 73.25 FTE with 4 percent vacancy savings and associated costs using the LFA budget for personal services. The motion PASSED unanimously.

Don Witmer explained that the main difference in contracted services dealt with computer processing. Representative Lory moved the OBPP budget for contracted services. The motion PASSED unanimously.

Representative Lory moved the LFA budget for travel, and the OBPP budget for all other Operating Expenses. The motion PASSED unanimously.

Representative Lory moved the LFA budget in FY 1986 and the OBPP budget in FY 1987, language to be put in that $210,000 in FY 1987 will be line itemed for engine replacement on the airplane. The motion PASSED unanimously.

Representative Lory moved the budget as presented. The motion PASSED unanimously.

State Motor Pool: Exhibit No. 3 is the budget for the program. Gasoline was the main issue, and there was discussion on the amount to be budgeted (75;B;333). Representative Lory moved $155,000 zero based for both years for supplies and maintenance. The motion PASSED unanimously.

Representative Lory moved the LFA budget for all other expenses in Operating Expenses. The motion PASSED unaimously.

Representative Lory moved the LFA budget with 4 percent vacancy savings for personal services. The motion PASSED unanimously.

The difference in equipment is the number of cars purchased. There was discussion on when the cars should be replaced (75;B;543). The department is increasing motor pool rates to two cents for one year. Representative Lory moved the OBPP budget for equipment. The motion PASSED with 4 yes and 1 no.

Chairman Quilici asked what was happening to the right-of-way cars. Bill Salisbury told him some of the cars would be sold and some kept out in the field, but they would be used less so they will be kept longer.

Representative Lory moved the budget as presented. The motion PASSED unanimously.

The budget for replacement of car units was then discussed (76;A;45). The modification has been reduced from 25 to 18 units for $160,000. They want to buy mid-sized cars because they are traveling more per vehicle. The funding for this is in the revolving account itself, and they will not have to request Earmarked monies to buy these vehicles (76;A;58). Representative Lory moved the modification for $160,000 in FY 1986. The motion PASSED with 4 yes and 1 no.

Equipment Program: Exhibit No. 4 is the budget for the program. Don Witmer explained the budget issues (76;A;100). Senator Keating moved the 120.35 FTE with 4 percent vacancy savings for personal services and the LFA budget. The motion PASSED unanimously.

Senator Keating moved the OBPP budget on supplies and materials, and the LFA on the rest of Operating Expenses. The motion PASSED unanimously.

Senator Keating moved the OBPP budget for equipment for both years. The motion PASSED unanimously.

Senator Keating moved the funding to be adjusted properly. The motion PASSED unanimously.

Chairman Quilici asked that the funding be worked out and brought back to the committee to see where they stand.

The budget modification for new equipment was discussed by the committee (76;A;193). Gary Wicks told the committee that they don't have the plant mix machines they were authorized to buy last year. They looked at it and went out to bid on them and the costs came back way higher than anticipated. This year, instead of buying the 100-ton a day plant mix plant, they are going to contract out this spring for plant mix contractors to see if they can get it done that way.

Chairman Quilici asked what happened to the funds that were suppose to be used to buy the plant. Gary Wicks told him he thinks they bought other equipment. There was a question to what exactly happened and the committee waited for the Equipment Bureau Chief to discuss it further. (76;A;229)

Gary Wicks told the committee then, that they have not spent the money yet, but that they do intend to spend the money in 1985 to buy some recycling machines for their pavement operations in the field. Don Gruel also added that they hope to have one in each division. They need the recycling machines, because when they go out and try to manufacture this material with the contractor, in the wintertime this material will set up and need some mechanism to reprocess the stuff, so they can put it back in the pothole or repair the roadway. So they will need these recyclers to go out and have contractors actually produce the material for them. (76;B;01)

Exhibit No. 6 is the list of equipment for the biennium. Chairman Quilici asked if this was the list that they would stick to. Gary Wicks said that this list was based on the equipment management system, and that this would be the list that they purchase from. The list included the modifications.

Senator Keating moved the budget modification for equipment. The motion PASSED unanimously.

Stores Inventory: Exhibit No. 5 is the budget for the program (76;A;385). Senator Keating moved the LFA budget for contracted services, communications, travel, the LFA budget figure for rent in FY 1986 and the LFA budget for FY 1987 plus an adjustment for inflation, the LFA budget for utilities and other expenses, and the OBPP budget for supplies and materials with a zero base and for repair and maintenance. The motion PASSED unanimously.

Senator Keating moved the stores inventory budget as presented. The motion PASSED unanimously.

There was discussion on the surcharge on loans (76;A;482). Senator Gage moved that the Highway people and Don Witmer get together and work out some language so that the loan can be offset, that has been accrued, in an accounting entry of some type and provide language that would provide the committee with a pricing mechanism so that the stores problem will not occur in the future. The motion PASSED unanimously.

Capital Outlay: There was discussion on the program (76;B;195). Exhibit No. 7 is a list of estimated payments on bonds. Exhibit No. 8 is the combined RTF and Earmark cash flow. Senator Keating moved the capital outlay program. The motion PASSED unanimously.

Gary Wicks then told the committee, concerning the right-of-way agents, that 5 of the 6 will probably move into Helena, and most of them are the trained people they would like in the department. Also on the terms of Senator Keating's suggestion to reconsider, they do have the people out there at the grade 11, and if they do find out that they do need higher level work out there, then what the people in Helena can do, the people will be there and they will have to go in for a grade increase and some restructuring, if this is necessary they will have the option to do this. (76;B;314)

He also told the committee that they have appropriated less this biennium than compared to what they appropriated in 1985. They consider the revised budget from the Governor's perspective as meeting the 2 percent reduction that he has asked all agencies to do.

STATE AUDITOR

Exhibit No. 9 are the budet sheets for the agency. The committee discussed the issues (76;B;403).

Management and Control Program: Senator Gage moved the LFA budget for personal services and 2 percent vacancy savings, and the LFA budget for operating expenses with adjustments. The motion PASSED unanimously.

Central Payroll Division: Exhibit No. 10 is the handout on the P/P/P System that was discussed (76;B;455). Representative Lory moved the 9 FTE with 2 percent vacancy savings, and for contracted service the amount of $440,286 in FY 1986 and $426,188 in FY 1987 and $140,000 to be line itemed for the biennial for the payroll modification, and the other operating expenses to be the LFA budget, and the equipment to be the LFA budget. The motion PASSED unanimously.

Representative Lory moved that $305,000 be taken from Central Payroll Operating Fund each year, and the balance be taken from the general fund. The motion PASSED unanimously.

Representative Lory moved the Central Payroll Division as presented. The motion PASSED unanimously.

Administrative Support Program: Carolyn Doering told the committee that when the Insurance and Bonds was put into all the programs, it was put in a lump sum in one program, and it was also split out in the other programs. The OBPP budget reflects the distribution between programs which adds up to what D of A is charging. And Don Witmer carried his across and that wasn't picked up. She requested authority to adjust the figures to the proper program. (76;B;654) Chairman Quilici said that would be okay.

Representative Lory moved the 8 FTE with 2 percent vacancy savings and the LFA budget for personal services, and the LFA budget for Operating Expenses, and the OBPP budget for Equipment. The motion PASSED unanimously.

Representative Lory moved the program as presented with the Insurance and Bonds being properly adjusted. The motion PASSED unanimously.

Insurance Regulation and License Program: The budget issues were discussed (77;A;01).

Representative Lory moved the 22 FTE and 2 percent vacancy savings and the LFA budget for personal services. The motion PASSED unanimously.

Senator Keating moved the OBPP budget for Operating Expenses. The motion PASSED unanimously.

Senator Keating moved the OBPP budget for equipment. The motion PASSED unanimously.

Chairman Quilici said that there should be language in the event that HB 759 passes that this money will be transferred from General Fund to State Special Revenue Fund.

Representative Lory moved that in the case of the passage of HB 759 the funding will be from the Special Revenue Funds. The motion PASSED unanimously.

Investment Regulations and License Program: There was discussion over the budget issues (77;A;90).

Representative Lory moved the 9 FTE with 2 percent vacancy savings with the OBPP budget for personal services. The motion PASSED unanimously.

Senator Keating asked what kind of training was going to be done. Rick Tucker said securities investigation and examination, and securities filing (77;A;125).

Representative Lory moved the OBPP for Operating Expenses and Equipment, since no one knew what the $700 in Equipmnet was for. The motion PASSED unanimously.

Representative Lory moved that in the case of the passage of HB 634 the funding will be from the Special Revenue Funds. The motion PASSED unanimously.

Representative Lory moved approval of 06, 08, and 09. The motion PASSED unanimously.

Exhibit No. 11 shows the budget modifications. The committee discussed the modifications (77;A;190).

Representative Lory moved approval of the Reorganization of the State Auditor's Office. The motion PASSED unanimously.

Senator Keating moved the Travel to NASAA Meetings modification. The motion PASSED unanimously.

Representative Lory moved $5,000 for each year for training. The motion PASSED unanimously.

Representative Lory moved to line item $10,000 for the Security Division, and $25,000 for the Insurance Division each year for contingency funding for carry costs. The motion PASSED unanimously.

The systems development program was then discussed (77;B;266). Senator Keating noted that there would be future costs for this program. He also said that it is something that should have been started a few years ago. Representative Lory moved approval for the Systems Development Office Automation. The motion PASSED unanimously.

Representative Lory moved to appropriate $4,000 each year for the Consumer - Senior Citizen Information Program. The motion PASSED unanimously.

Representative Lory moved approval of the Emergency Equipment Replacement for $26,000. The motion PASSED unanimously.

Representative Lory moved approval of the budget as amended for the whole thing. The motion PASSED unanimously.

ADJOURN: There being no further business before the committee, the meeting was adjourned at 10:05 a.m.

Joe Quilici

JOE QUILICI, Chairman

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DAILY ROLL CALL

General Government and Highways SUB COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 2/21/85

NAME	PRESENT	ABSENT	EXCUSED
Rep. Joe Quilici (Chair)	X		
Sen. Larry Stimatz (Vice Chair)			X
Sen. Delwyn Gage	X		
Sen. Tom Keating	X		
Rep. Mary Ellen Connelly	X		
Rep. Earl Lory	X		

CS-30

Exhibit #1 2/21/85

REPORT EBSR106
DATE : 01/23/85
TIME : 08/03/17

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

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
PROGRAM : 06 HIGHWAY SERVICE REVOLVING
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
0000	FULL TIME EQUIVALENT (FTE)	73.25	73.25		__,__,__	73.25	73.25		__,__,__
1100	SALARIES	1,611,124	1,611,835	-711	__,__,__	1,612,695	1,614,437	-1,742	__,__,__
1400	EMPLOYEE BENEFITS	233,120	233,402	-282	__,__,__	234,303	234,586	-283	__,__,__
1500	HEALTH INSURANCE	89,100	89,100		__,__,__	89,100	89,100		__,__,__
1600	VACANCY SAVINGS	-77,334	-75,737	-1,597	__,__,__	-77,444	-75,784	-1,660	__,__,__
	TOTAL FIRST LEVEL	1,856,010	1,858,600	-2,590	__,__,__	1,858,654	1,862,339	-3,685	__,__,__
2021	CONTRACTED SERVICES-INFLATION	27,894	8,748	19,146	__,__,__	28,281	14,226	14,055	__,__,__
2022	SUPPLIES & MATERIALS-INFLATION	8,324	11,974	-3,650	__,__,__	8,324	22,143	-13,819	__,__,__
2023	COMMUNICATIONS-INFLATION	3,420	5,519	-2,099	__,__,__	5,412	9,089	-3,677	__,__,__
2024	TRAVEL-INFLATION	596	1,183	-587	__,__,__	554	1,925	-1,371	__,__,__
2025	RENT-INFLATION	159	343	-184	__,__,__	159	559	-400	__,__,__
2026	UTILITIES-INFLATION	111	471	-360	__,__,__	111	678	-567	__,__,__
2027	REPAIR & MAINTENANCE-INFLATION	2,972	5,196	-2,224	__,__,__	2,974	8,450	-5,476	__,__,__
2028	OTHER EXPENSES-INFLATION	904	1,956	-1,052	__,__,__	904	3,184	-2,280	__,__,__
	TOTAL SECOND LEVEL	44,380	35,390	8,990	__,__,__	46,719	60,254	-13,535	__,__,__
2100	CONTRACTED SERVICES	706,367	623,899	82,468	__,__,__	716,074	624,748	91,326	__,__,__
2200	SUPPLIES & MATERIALS	199,089 ~~208,059~~	198,057	1,032 ~~10,002~~	__,__,__	199,089 ~~208,059~~	198,057	1,032 ~~10,002~~	__,__,__
2300	COMMUNICATIONS	28,490	28,490		__,__,__	28,490	28,490		__,__,__
2400	TRAVEL	26,286 ~~26,745~~	23,156	3,130 ~~3,589~~	__,__,__	25,725	23,156	2,569	__,__,__
2500	RENT	3,972	3,967	5	__,__,__	3,972	3,967	5	__,__,__
2600	UTILITIES	2,775	2,775		__,__,__	2,775	2,775		__,__,__
2700	REPAIR & MAINTENANCE	74,304	59,904	14,400	__,__,__	74,354	59,904	14,450	__,__,__
2800	OTHER EXPENSES	22,571	22,571		__,__,__	22,571	22,571		__,__,__

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
PROGRAM : 06 HIGHWAY SERVICE REVOLVING
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
	TOTAL FIRST LEVEL	1108234 ~~1,117,663~~	998,209	110025 ~~119,454~~	___,___,___	1,128,739	1,023,922	104,817	___,___,___
3100	EQUIPMENT	42,200	40,888	1,312	___,___,___	238,000	29,588	208,412	___,___,___
3198			458	-458	___,___,___		746	-746	___,___,___
	TOTAL SECOND LEVEL	42,200	41,346	854	___,___,___	238,000	30,334	207,666	___,___,___
	TOTAL FIRST LEVEL	42,200	41,346	854	___,___,___	238,000	30,334	207,666	___,___,___
	TOTAL PROGRAM	3,015,873	2,898,155	117,718	___,___,___	3,225,393	2,916,595	308,798	___,___,___
06507	HIGHWAY DEPT. INT SERVICE	3,015,873	2,898,155	117,718	___,___,___	3,225,393	2,916,595	308,798	___,___,___
	TOTAL PROGRAM	3,015,873	2,898,155	117,718	___,___,___	3,225,393	2,916,595	308,798	___,___,___

Exhibit # 2
2/21/85

Department of Highways
Reconciliation of OBPP and LFA 86-87 Biennium Recommendations
Internal Revolving Services Program

Current Level Services Only

Date February 4, 1985

	Description	FY 84 Op-plan	FY 84 Actuals	FY 85 Op-plan plus amendments	FY 86 OBPP	FY 86 LFA	FY 86 Difference LFA over (under)	FY 87 OBPP	FY 87 LFA	FY 87 Difference LFA over (under)
0000	FTE	74.25	74.25	74.25	73.25	73.25	-0-	73.25	73.25	-0-
1101	Salaries-Differential-Long.		1,486,209	1,520,688	1,602,909	1,603,361	452	1,605,495	1,605,950	455
1102	Overtime		7,315		8,215	8,474	259	7,200	8,487	1,287
1400	Benefits		213,626	305,839	233,120	233,402	282	234,303	234,586	283
1500	Health		78,120		89,100	89,100	-0-	89,100	89,100	-0-
1600	Vacancy Savings				(77,334)	(75,737)	1,597	(77,444)	(75,784)	1,660
1000	Total Personal Services	1,827,717	1,785,270	1,826,527	1,856,010	1,858,600	2,590	1,858,654	1,862,339	3,685
2100	Contracted Services-Base				706,367	623,899	(82,468)	716,074	624,748	(91,326)
	Inflation				27,894	8,748	(19,146)	28,281	14,226	(14,055)
	Total Contracted Services	136,549	630,413	549,761	734,261	632,647	(101,614)	744,355	638,974	(105,381)
2200	Supplies & Materials-Base				208,059	198,057	(10,002)	208,059	198,057	(10,002)
	Inflation				8,324	11,974	3,650	8,324	22,143	13,819
	Total Supplies & Materials	188,654	198,231	201,975	216,383	210,031	(6,352)	216,383	220,200	3,817
2300	Communications-Base				28,490	28,490	-0-	28,490	28,490	-0-
	Inflation				3,420	5,519	2,099	5,412	9,089	3,677
	Total Communications	28,881	28,490	34,000	31,910	34,009	2,099	33,902	37,579	3,677
2400	Travel-Base				26,745	23,156	(3,589)	25,725	23,156	(2,569)
	Inflation				596	1,183	587	554	1,925	1,371
	Total Travel	25,586	24,515	26,576	27,341	24,339	(3,002)	26,279	25,081	(1,198)
2500	Rent-Base				3,972	3,967	(5)	3,972	3,967	(5)
	Inflation				159	343	184	159	559	400
	Total Rent	474,371	16,064	23,831	4,131	4,310	179	4,131	4,526	395

	Description	FY 84 Op-plan	FY 84 Actuals	FY 85 Op-plan plus amendments	FY 86 OBPP	FY 86 LFA	FY 86 Difference LFA over (under)	FY 87 OBPP	FY 87 LFA	FY 87 Difference LFA over (under)
2600	Utilities-Base				2,775	2,775	-0-	2,775	2,775	-0-
	Inflation				111	471	360	111	678	567
	Total Utilities	2,176	2,775	2,425	2,886	3,246	360	2,886	3,453	567
2700	Repair & Maint.-Base				74,304	59,904	(14,400)	74,354	59,904	(14,450)
	Inflation				2,972	5,196	2,224	2,974	8,450	5,476
	Total Repair & Maint.	59,200	61,256	143,990	77,276	65,100	(12,176)	77,328	68,354	(8,974)
2800	Other Expenses-Base				22,571	22,571	-0-	22,571	22,571	-0-
	Inflation				904	1,956	1,052	904	3,184	2,280
	Total Other Expenses	58,357	107,091	31,675	23,475	24,527	1,052	23,475	25,755	2,280
	Total Operations Base				1,073,283	962,819	(110,464)	1,082,020	963,668	(118,352)
	Total Opr. Inflation				44,380	35,390	(8,990)	46,719	60,254	13,535
	Total Operations	973,774	1,068,835	1,014,233	1,117,663	998,209	(119,454)	1,128,739	1,023,922	(104,817)
3000	Equipment	13,310	5,782	15,300	42,200	41,346	(854)	238,000	30,334	(207,666)
	Total Revolving Services	2,814,801	2,859,887	2,856,060	3,015,873	2,898,155	(117,718)	3,225,393	2,916,595	308,798
	Funding Sources									
06507	Service Revolving	2,814,801	2,859,887	2,856,060	3,015,873	2,898,155	(117,718)	3,225,393	2,916,595	(308,798)
	Total Funding									

Internal Revolving Services
Analysis of OBPP and LFA 86-87 Biennium Recommendations
Current Level Services Only

	Category	Current Level Actual FY-84 Expenditures	FY-86 OBPP	FY-86 LFA	FY-86 Difference LFA over (under)	FY-87 OBPP	FY-87 LFA	FY-87 Difference LFA over (under)
1000	Personal Services	1,785,270	1,856,010	1,858,600	2,590	1,858,654	1,862,339	3,685
	Adjust Vacancy Savings		77,334		(77,334)	77,444		(77,444)
	Adjusted Total		1,933,344	1,858,600	(74,744)	1,936,098	1,862,339	(73,759)

Vacancy savings of 4% was deducted by OBPP. This program would not be able to continue current level activities in the next biennium with a vacancy savings. To continue current level activities, in the next biennium, we request personal services of $1,933,344 in FY-86 and $1,936,098 in FY-87.

	Category	Current Level Actual FY-84 Expenditures	FY-86 OBPP	FY-86 LFA	FY-86 Difference LFA over (under)	FY-87 OBPP	FY-87 LFA	FY-87 Difference LFA over (under)
2100	Contracted Services (Base)	630,413	706,367	623,899	(82,468)	716,074	624,748	(91,326)
	Inflation		27,894	8,748	(19,146)	28,281	14,226	(14,055)
	Total		734,261	632,647	(101,614)	744,355	638,974	(105,381)

Agency requests of $734,261 in FY-86 and $744,355 in FY-87 were submitted as zero based requests. OBPP and LFA applied inflation factors to these requests. LFA did not allow Montana's share of AASHTO Materials Reference Laboratory services of $7,692, increased airplane insurance costs of $3,686 and data processing services of the Department of Administration of $68,799 in FY-86 and $77,699 in FY-87. We request $734,261 in FY-86 and $744,355 in FY-87 with no inflation.

Major contracted services items are:

Consultant and professional services	$ 7,692
Insurance and bonds	9,048
Laboratory testing	2,150
Payroll service fees	4,949
Photograph services	3,265
Education and training	1,751
Computer services	676,569

Internal Revolving Services
Analysis of OBPP and LFA 86-87 Biennium Recommendations
Current Level Services Only

	Category	Current Level Actual FY-84 Expenditures	FY-86 OBPP	FY-86 LFA	FY-86 Difference LFA over (under)	FY-87 OBPP	FY-87 LFA	FY-87 Difference LFA over (under)
2200	Supplies & Materials (Base)	198,231	208,059	198,057	(10,002)	208,059	198,057	(10,002)
	Inflation		8,324	11,974	3,650	8,324	22,143	13,819
	Total		216,383	210,031	(6,352)	216,383	220,200	3,817
	Base Adjustment - Reverse Surcharge		(8,970)			(8,970)		(8,970)
	Adjusted Base		199,089	198,057	(1,032)	199,089	198,057	(1,032)
	Inflation		7,963	11,974	4,011	7,963	22,143	14,180
	Total	198,231	207,052	210,031	2,979	207,052	220,200	13,148

Adjustment for surcharges was made. LFA did not allow for the increased gasoline request for the airplane.

	Category	Current Level Actual FY-84 Expenditures	FY-86 OBPP	FY-86 LFA	FY-86 Difference LFA over (under)	FY-87 OBPP	FY-87 LFA	FY-87 Difference LFA over (under)
2400	Travel (Base)	24,515	26,745	23,156	(3,589)	25,725	23,156	(2,569)
	Inflation		596	1,183	587	554	1,925	1,371
	Total		27,341	24,339	(3,002)	26,279	25,081	(1,198)
	Adjustment							
	Decrease Motor Pool 2¢/mile		(459)					
	Adjusted Travel Base		26,286	23,156	(3,130)	25,725	23,156	(2,569)
	Adjusted Inflation		578	1,183	605	554	1,925	1,371
	Adjusted Total	24,515	26,864	24,339	(2,525)	26,279	25,081	(1,198)

FY-86 and FY-87 recommendations by LFA were $1,359 under the actual FY-84 expenditures. The adjusted Motor Pool rate increase was not allowed by LFA. Additional travel by the Materials Bureau due to a larger construction program was disallowed by LFA.

	Category	Current Level Actual FY-84 Expenditures	FY-86 OBPP	FY-86 LFA	FY-86 Difference LFA over (under)	FY-87 OBPP	FY-87 LFA	FY-87 Difference LFA over (under)
2700	Repair and Materials (Base)	61,256	74,304	59,904	(14,400)	74,354	59,904	(14,450)

LFA did not allow maintenance contracts on data processing equipment. In FY-84 this expense was charged in the objects of expenditure 2503 and 2172. Budget requests in these objects of expenditure were reduced in FY-86 and FY-87.

	Category	Current Level Actual FY-84 Expenditures	FY-86 OBPP	FY-86 LFA	FY-86 Difference LFA over (under)	FY-87 OBPP	FY-87 LFA	FY-87 Difference LFA over (under)
3000	Equipment	5,782	42,200	41,346	(854)	238,000	30,334	(207,666)

LFA did not allow all equipments requests.

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

Exhibit #3 2/21/85

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
PROGRAM : 07 STATE MOTOR POOL
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
0000	FULL TIME EQUIVALENT (FTE)	6.00	6.00		___,___,___	6.00	6.00		___,___,___
1100	SALARIES	116,253	116,741	-488	___,___,___	116,517	117,010	-493	___,___,___
1400	EMPLOYEE BENEFITS	17,918	17,918		___,___,___	18,015	18,015		___,___,___
1500	HEALTH INSURANCE	7,200	7,200		___,___,___	7,200	7,200		___,___,___
1600	VACANCY SAVINGS	-5,655	-5,570	-85	___,___,___	-5,699	-5,574	-125	___,___,___
	TOTAL FIRST LEVEL	135,716	136,289	-573	___,___,___	136,033	136,651	-618	___,___,___
2021	CONTRACTED SERVICES-INFLATION	833	1,765	-932	___,___,___	987	2,870	-1,883	___,___,___
2022	SUPPLIES & MATERIALS-INFLATION	7,157	-7,893	15,050	___,___,___	7,157	-2,710	9,867	___,___,___
2023	COMMUNICATIONS-INFLATION	112	140	-28	___,___,___	178	215	-37	___,___,___
2025	RENT-INFLATION		-165	165	___,___,___		-62	62	___,___,___
2026	UTILITIES-INFLATION	264	1,269	-1,005	___,___,___	264	1,759	-1,495	___,___,___
2027	REPAIR & MAINTENANCE-INFLATION	1,331	2,878	-1,547	___,___,___	1,331	4,684	-3,353	___,___,___
2028	OTHER EXPENSES-INFLATION	12	26	-14	___,___,___	12	44	-32	___,___,___
	TOTAL SECOND LEVEL	9,709	-1,980	11,689	___,___,___	9,929	6,800	3,129	___,___,___
2100	CONTRACTED SERVICES	39,690	39,515	175	___,___,___	44,465	40,440	4,025	___,___,___
2200	SUPPLIES & MATERIALS	~~178,942~~ 155,139	136,877	~~42,065~~ 18,262	___,___,___	~~178,942~~ 155,139	136,877	~~42,065~~ 18,262	___,___,___
2300	COMMUNICATIONS	939	939		___,___,___	939	939		___,___,___
2500	RENT	2,637	2,760	-123	___,___,___	2,664	2,760	-96	___,___,___
2600	UTILITIES	6,569	6,419	150	___,___,___	6,569	6,419	150	___,___,___
2700	REPAIR & MAINTENANCE	33,287	33,246	41	___,___,___	33,287	33,246	41	___,___,___
2800	OTHER EXPENSES	320	320		___,___,___	320	320		___,___,___
	TOTAL FIRST LEVEL	~~272,093~~ 249,270	218,096	~~53,997~~ 30,019	___,___,___	277,115	227,801	49,314	___,___,___
3100	EQUIPMENT	350,000	300,000	50,000	___,___,___	350,000	275,000	75,000	___,___,___

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

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
PROGRAM : 07 STATE MOTOR POOL
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
	TOTAL FIRST LEVEL	350,000	300,000	50,000	__,___,___	350,000	275,000	75,000	__,___,___
	TOTAL PROGRAM	757,809	654,385	103,424	__,___,___	763,148	639,452	123,696	__,___,___
06506	MOTOR POOL - INT SVC	757,809	654,385	103,424	__,___,___	763,148	639,452	123,696	__,___,___
	TOTAL PROGRAM	757,809	654,385	103,424	__,___,___	763,148	639,452	123,696	__,___,___

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
PROGRAM : 07 STATE MOTOR POOL
CONTROL : 00701 REPLACE 25 UNITS

MODIFIED LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
3100	EQUIPMENT	250,000		250,000	__,__,__				__,__,__
	TOTAL FIRST LEVEL	250,000		250,000	__,__,__				__,__,__
	TOTAL PROGRAM	250,000		250,000	__,__,__				__,__,__
06506	MOTOR POOL - INT SVC	250,000		250,000	__,__,__				__,__,__
	TOTAL PROGRAM	250,000		250,000	__,__,__				__,__,__

Exhibit #4 2/21/85

REPORT EBSR106
DATE : 01/23/85
TIME : 08/03/17

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

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
PROGRAM : 08 EQUIPMENT PROGRAM
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
0000	FULL TIME EQUIVALENT (FTE)	120.35	120.35		__,___,___	120.35	120.35		__,___,___
1100	SALARIES	2,705,244	2,655,638	49,606	__,___,___	2,708,414	2,658,006	50,408	__,___,___
1400	EMPLOYEE BENEFITS	423,728	423,728		__,___,___	425,434	425,434		__,___,___
1500	HEALTH INSURANCE	144,420	144,420		__,___,___	144,420	144,420		__,___,___
1600	VACANCY SAVINGS	-130,936	-127,637	-3,299	__,___,___	-131,131	-127,705	-3,426	__,___,___
1800			49,606	-49,606	__,___,___		50,408	-50,408	__,___,___
	TOTAL FIRST LEVEL	3,142,456	3,145,755	-3,299	__,___,___	3,147,137	3,150,563	-3,426	__,___,___
2021	CONTRACTED SERVICES-INFLATION	1,447	844	603	__,___,___	1,711	1,372	339	__,___,___
2022	SUPPLIES & MATERIALS-INFLATION	128,079	-129,742	257,821	__,___,___	129,089	-27,956	157,045	__,___,___
2023	COMMUNICATIONS-INFLATION	5,347	3,081	2,266	__,___,___	8,466	5,030	3,436	__,___,___
2024	TRAVEL-INFLATION	453	948	-495	__,___,___	426	1,543	-1,117	__,___,___
2025	RENT-INFLATION	64	131	-67	__,___,___	64	213	-149	__,___,___
2026	UTILITIES-INFLATION	4,935	19,507	-14,572	__,___,___	4,935	28,728	-23,793	__,___,___
2027	REPAIR & MAINTENANCE-INFLATION	58,702	121,644	-62,942	__,___,___	58,702	197,800	-139,098	__,___,___
2028	OTHER EXPENSES-INFLATION	810	1,750	-940	__,___,___	810	2,850	-2,040	__,___,___
	TOTAL SECOND LEVEL	199,837	18,163	181,674	__,___,___	204,203	209,580	-5,377	__,___,___
2100	CONTRACTED SERVICES	178,422	173,562	4,860	__,___,___	191,812	186,366	5,446	__,___,___
2200	SUPPLIES & MATERIALS	~~3,202,015~~ 2,594,944	2,622,869	~~579,146~~ -27,925	__,___,___	~~3,227,255~~ 2,635,444	2,622,869	~~604,386~~ [illegible]	__,___,___
2300	COMMUNICATIONS	44,560	44,560		__,___,___	44,560	44,560		__,___,___
2400	TRAVEL	~~31,171~~ 30,887	30,092	~~1,079~~ 795	__,___,___	~~30,517~~ 30,517	30,092	425	__,___,___
2500	RENT	1,566	1,526	40	__,___,___	1,566	1,526	40	__,___,___
2600	UTILITIES	123,361	123,361		__,___,___	123,361	123,361		__,___,___
2700	REPAIR & MAINTENANCE	~~1,467,566~~ 1,401,504	1,401,501	~~66,065~~ 0	__,___,___	1,467,566 1,401,501	1,401,501	66,065 0	__,___,___

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

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
PROGRAM : 08 EQUIPMENT PROGRAM
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
2800	OTHER EXPENSES	20,223	20,223		__,___,___	20,223	20,223		__,___,___
	TOTAL FIRST LEVEL	4595 304 ~~5,208,721~~	4,435,857	157,444 ~~832,864~~	__,___,___	5,311,063	4,640,078	670,985	__,___,___
3100	EQUIPMENT	4,743,000	4,500,000	243,000	__,___,___	4,500,000	4,500,000		__,___,___
	TOTAL FIRST LEVEL	4,743,000	4,500,000	243,000	__,___,___	4,500,000	4,500,000		__,___,___
	TOTAL PROGRAM	13,154,177	12,081,612	1,072,565	__,___,___	12,958,200	12,290,641	667,559	__,___,___
02422	HIGHWAYS SPECIAL REVENUE	2,657,362	2,537,138	120,224	__,___,___	2,424,324	2,581,034	-156,710	__,___,___
06508	HIGHWAY EQUIPMENT - INT SVC.	10,496,815	9,544,474	952,341	__,___,___	10,533,876	9,709,607	824,269	__,___,___
	TOTAL PROGRAM	13,154,177	12,081,612	1,072,565	__,___,___	12,958,200	12,290,641	667,559	__,___,___

AGENCY : 5401 DEPARTMENT OI HIGHWAYS
PROGRAM : 08 EQUIPMENT PROGRAM
CONTROL : 00801 NEW EQUIPMENI

MODIFIED LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
3100	EQUIPMENT	250,000		250,000	__,__,__	500,000		500,000	__,__,__
	TOTAL FIRST LEVEL	250,000		250,000	__,__,__	500,000		500,000	__,__,__
	TOTAL PROGRAM	250,000		250,000	__,__,__	500,000		500,000	__,__,__
06508	HIGHWAY EQUIPMENT - INT SVC.	250,000		250,000	__,__,__	500,000		500,000	__,__,__
	TOTAL PROGRAM	250,000		250,000	__,__,__	500,000		500,000	__,__,__

Exhibit #5 2/21/85

REPORT EBSR106
DATE : 01/23/85
TIME : 08/03/17

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

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
PROGRAM : 12 STORES INVENTORY
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
2021	CONTRACTED SERVICES-INFLATION	549	309	240	___,___,___	741	504	237	___,___,___
2022	SUPPLIES & MATERIALS-INFLATION	143,759	43,700	100,059	___,___,___	144,780	71,058	73,722	___,___,___
2023	COMMUNICATIONS-INFLATION	1,249	897	352	___,___,___	1,978	1,462	516	___,___,___
2024	TRAVEL-INFLATION	513	1,113	-600	___,___,___	513	1,811	-1,298	___,___,___
2025	RENT-INFLATION	34,936	195	34,741	___,___,___	34,936	318	34,618	___,___,___
2026	UTILITIES-INFLATION	4	9	-5	___,___,___	4	15	-11	___,___,___
2027	REPAIR & MAINTENANCE-INFLATION	361,337	708,234	-346,897	___,___,___	377,645	1,151,586	-773,941	___,___,___
2028	OTHER EXPENSES-INFLATION	1,534	3,327	-1,793	___,___,___	1,534	5,410	-3,876	___,___,___
	TOTAL SECOND LEVEL	543,881	757,784	-213,903	___,___,___	562,131	1,232,164	-670,033	___,___,___
2100	CONTRACTED SERVICES	13,720	13,825	-105	___,___,___	18,519	18,655	-136	___,___,___
2200	SUPPLIES & MATERIALS	3,125,960 ~~3,593,961~~	2,934,627	191,333 ~~659,334~~	___,___,___	3,168,004 ~~3,619,484~~	2,934,627	233,377 ~~684,857~~	___,___,___
2300	COMMUNICATIONS	10,410	10,410		___,___,___	10,410	10,410		___,___,___
2400	TRAVEL	15,979	15,979		___,___,___	15,979	15,979		___,___,___
2500	RENT	873,397	831,915	41,482	___,___,___	873,397	831,915	41,482	___,___,___
2600	UTILITIES	111	111		___,___,___	111	111		___,___,___
2700	REPAIR & MAINTENANCE	8,386,225 ~~9,033,365~~	8,158,906	227,369 874,459	___,___,___	8,334,271 ~~9,441,080~~	8,158,906	175,365 ~~1,282,174~~	___,___,___
2800	OTHER EXPENSES	38,338	38,338		___,___,___	38,338	38,338		___,___,___
	TOTAL FIRST LEVEL	13,006,571 14,123,162	12,761,895	246,676 ~~1,361,267~~	___,___,___	13,021,160 ~~14,579,449~~	13,241,105	-219,945 ~~1,338,344~~	___,___,___
	TOTAL PROGRAM	~~14,123,162~~	~~12,761,895~~	1,361,267	___,___,___	~~14,579,449~~	~~13,241,105~~	~~1,338,344~~	___,___,___
02459	STORES INVENTORY	14,123,162	12,761,895	1,361,267	___,___,___	14,579,449	13,241,105	1,338,344	___,___,___
	TOTAL PROGRAM	14,123,162	12,761,895	1,361,267	___,___,___	14,579,449	13,241,105	1,338,344	___,___,___

PROPOSED FY 86 EQUIPMENT REPLACEMENT
ADDENDUM C

REF. NO.	CLASS	DESCRIPTION	MISSOULA MSLA	KSPL	BUTTE BTTE	BZMN	GREAT FALLS G.F.	HVRE	GLENDIVE GLDV	W.P.	M.C.	BILLINGS BLGS	LWTN	NO. UNITS	EST. UNIT COST	EST. TOTAL COST
1	00	GVW Pursuit Cars												3	11,000	33,000
2	03	Suburban-Survey Crew	4		4		2		1			3		14	13,000	182,000
3	06	Mid-Size Car	1	1	2		1			1		3	1	10	8,000	80,000
4	07	1/2 Ton Pickup-2WD	3	3	3	2	4	6	3	3	5	4	4	40	7,800	312,000
5	08	3/4 Ton Pickup-2WD	2	1	2	1	1			1	1	1		10	9,000	90,000
6	09	1 Ton Flatbed-2WD		1	2	1	2	1			1			8	12,000	(1) 96,000
7	19	3 Ton Dump Truck-Diesel	3	3	4	3	1	1	3	3	3	3	3	30	35,000	(2) 1,050,000
8	27	5 Ton Dump Truck-Diesel			1		1						1	3	55,000	(2) 165,000
9	29	10 Ton Dump Truck-Tandem Diesel							2	3	2			7	55,000	(2) 385,000
10	29	Tractor-Tandem-Diesel (Used)			1				1					2	35,000	70,000
11	30	Motor Patrol	1	1	1	1	1	1	1	1	1	1	1	11	65,000	715,000
12	31	Vibratory Roller 4-6 Ton	1	1	1	1	1	1	1	1	1	1	1	11	20,000	(3) 220,000
13	54	Truck Mtd. Snow Blower												1	90,000	(4) 90,000
14	61	16 Ton Tilt Top Trailer	1	1	1	1	1	1	1	1	1	1	1	11	13,000	143,000
15	61	Machinery Trailer-35Ton			1				1					2	27,500	55,000
16	61	Belly Dump Trailer-18 C.Y.	1		1		1							3	20,000	60,000
17	62	Crack Sealer		1				1						2	25,000	50,000
18	63	Screening Plant		1		1								2	45,000	90,000
19	63	300 TPH Pugmill							1					1	125,000	(5) 125,000
20	63	20 TPH Recycler					1	1	1	1	1	1		6	70,000	420,000
21	63	Brush Cutter	1	1										2	12,500	25,000
22	63	Post Driver			1				1					2	1,000	2,000
23	63	Post Hole Auger					1		1		1			~~2~~ 3	2,500	7,500
24	--	Skid Mtd. Auger	1	1							1			3	15,000	45,000
25	--	Rough Terrain Drill												1	150,000	150,000
26	--	Shop Tools and Equipment													55,000	55,000
27	--	Test Scopes		1				1			1			3	10,000	30,000
--	29	[illegible] (Bulk Paint)												9	[illegible]	[illegible]
															TOTAL	4,988,500
															Requested Spending Authority	4,993,000
															BALANCE	4,500

Cost Includes:
(1) Flatbed
(2) Underframe Hitch, Plow, Sander & Dump Box
(3) Transport Trailer
(4) Truck & Blower
(5) Interchangeable Screening Head

NOTE: The original Addendum C did not include the used tandems for bulk paint and reflected a balance of $7,000. We inadvertently omitted a post hole auger for Miles City which reduces the balance to $4,500.

Exhibit #6
2/21/85

PROPOSED FY 87 EQUIPMENT REPLACEMENT
ADDENDUM D

REF.			MISSOULA		BUTTE		GREAT FALLS		GLENDIVE			BILLINGS		NO.	EST.UNIT	EST.TOTAL
NO.	CLASS	DESCRIPTION	MSLA	KSPL	BTTE	BZMN	G.F.	HVRE	GLDV	W.P.	M.C.	BLGS	LWTN	UNITS	COST	COST
1	00	GVW Pursuit Cars												3	11,500	34,500
2	06	Mid-Size Car	1		1	1	1		1			1		6	8,500	51,000
3	07	1/2 Ton Pickup-2WD	3	2	3	2	2	2	2	2	2	3	2	25	7,800	195,000
4	09	1 Ton Flatbed-2WD	2	1	1	1								5	12,000	(1) 60,000
5	19	3 Ton Dump Truck-Diesel	3	3	5	3	1	1	2	3	3	4	2	30	35,000	(2) 1,050,000
6	27	5 Ton Dump Truck-Diesel	1	1		2	1	1			2			8	55,000	(2) 440,000
7	30	Motor Patrol					1		1	1	1	1		5	65,000	325,000
8	30	Motor Patrol-All Wheel Dr.	1											1	95,000	95,000
9	31	Vibratory Roller 4-6 Ton	1	1	1	1	1	1	1	1	1	1	1	11	20,000	(3) 220,000
10	32	1 C.Y. Loader-4WD	2	2	2	2	2	2	2	2	2	2	2	22	36,000	792,000
11	32	2 C.Y. Loader-4WD	1		2	1	1	1		1		1		8	50,000	400,000
12	33	Mower-Rotary-2 Gang-W/Buc.	1	1	1	1	1	1	2	1	1	2	1	13	35,000	455,000
13	50	Under Frame Maint. Blade	1	1										2	12,500	25,000
14	61	Belly Dump Trailer-18 C.Y.							1			1		2	20,000	40,000
15	62	600 Gal. Tar Pot		2		1	2	1	2	2	2	1	2	15	15,000	225,000
16	62	2500 Gal. Distributor						1						1	35,000	35,000
17	63	300 TPH Pugmill								1				1	125,000	(4) 125,000
18	63	Brush Cutter			1	1	1							3	12,500	37,500
19	--	Flush Truck		1										1	55,000	55,000
20	--	Truck Mtd. Basket Lift									1			1	15,000	15,000
21	--	Vacuum Truck												1	150,000	150,000
22	--	Road Maintainer					1							1	40,000	40,000
23	--	Materials Bureau													65,000	65,000
24	--	Shop Tools and Equipment													50,000	50,000
25	--	Test Scopes								1			1	2	10,000	20,000
															TOTAL	5,000,000

Cost Includes:
(1) Flatbed
(2) Underframe Hitch, Plow, Sander and Dump Box
(3) Transport Trailer
(4) Interchangeable Screening Head

Requested Spending Authority 5,000,000

Exhibit #7
2/21/85

REPORT EBSR106
DATE : 01/23/85
TIME : 08/03/17

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

AGENCY : 5401 DEPARTMENT OF HIGHWAYS
PROGRAM : 11 CAPITAL OUTLAY PROGRAM
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
8100	ACCOUNTING ENTITY TRANSFERS	14,773,336		14,773,336	___,___,___	16,563,599		16,563,599	___,___,___
	TOTAL FIRST LEVEL	14,773,336		14,773,336	___,___,___	16,563,599		16,563,599	___,___,___
9100	BONDS		14,773,336	-14,773,336	___,___,___		16,563,599	-16,563,599	___,___,___
	TOTAL FIRST LEVEL		14,773,336	-14,773,336	___,___,___		16,563,599	-16,563,599	___,___,___
	TOTAL PROGRAM	14,773,336	14,773,336		___,___,___	16,563,599	16,563,599		___,___,___
02422	HIGHWAYS SPECIAL REVENUE	14,773,336	14,773,336		___,___,___	16,563,599	16,563,599		___,___,___
	TOTAL PROGRAM	14,773,336	14,773,336		___,___,___	16,563,599	16,563,599		___,___,___

Exhibit #8
2/21/85

02/15/85

STATE OF MONT[ANA]
DEPARTMENT OF HIGHWAYS
COMBINED RTF & EARMARK CASH FLOW

	FY85	FY86	FY87
BEGINNING CASH BALANCE	51,940,233	65,562,606	42,520,997
REVENUE			
G.V.W.	23,157,280	23,388,853	23,622,742
GAS TAX	61,916,500	61,664,500	61,289,500
DIESEL TAX	18,737,000	18,925,000	19,114,000
ACCOUNT RECEIVABLE	686,048	681,048	681,048
MINERAL ROYALTIES	8,500,000	7,564,000	7,598,000
COAL TAX REVENUE	0	0	6,722,000
INTEREST INCOME	0	5,505,896	2,214,224
MODIFIED	0	400,000	550,000
ACI CONVERSION	0	2,973,000	2,526,000
TOTAL REVENUE	112,996,828	121,102,297	124,317,514
AVAILABLE FUNDS	164,937,061	186,664,903	166,838,511
EXPENDITURE			
G.V.W.	3,207,546	3,082,786	3,134,538
GENERAL OPERATIONS	4,903,896	4,885,769	4,896,862
CONSTRUCTION	4,328,367	4,934,114	26,436,201
MAINTENANCE	41,729,404	40,251,951	39,946,317
PRECONSTRUCTION	3,482,615	3,404,483	2,928,500
EQUIPMENT	2,568,000	2,788,210	2,555,637
HDQTRS. BLDG.	587,245	646,106	588,505
A & E	500,000	762,100	762,100
LOCAL GOVERNMENT	14,150,000	14,150,000	14,150,000
BOND INTEREST & PRINCIPAL	4,898,063	14,127,230	15,975,094
RECONSTRUCTION TRUST	10,473,003	45,521,633	43,263,627
REVENUE	757,959	845,899	825,672
JUSTICE	6,044,981	6,202,653	6,204,890
MODIFIED (FY85-HB203)	1,743,376	1,919,341	1,080,812
PAYPLAN @2 1/2%	0	621,631	1,368,183
TOTAL EXPENDITURE	99,374,455	144,143,906	164,116,938
ENDING CASH BALANCE	65,562,606	42,520,997	2,721,573

*** ASSUME MINERAL ROYALTIES CONTINUE FOR ALL YEARS.
ASSUME GASOHOL REDUCTION OF $ 800,000 IN FY86,
$1,200,000 IN FY87,
$1,800,000 THEREAFTER.
ASSUME NO GAS OR DIESEL TAX INCREASES.
ASSUME COAL TAX BEGINS IN FY87.
ASSUME 10.83% INTEREST RATE IN FY86 & 10.97% THEREAFTER.

lk:10YY67

Exhibit # 9 2/21/85

REPORT EBSR106
DATE : 01/23/85
TIME : 08/03/17

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

AGENCY : 3401 STATE AUDITORS OFFICE
PROGRAM : 01 MANAGEMENT & CONTROL PROGRAM
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
0000	FULL TIME EQUIVALENT (FTE)	11.00	11.00		__,__,__	11.00	11.00		__,__,__
1100	SALARIES	173,420	173,420		__,__,__	173,509	173,509		__,__,__
1400	EMPLOYEE BENEFITS	23,988	23,988		__,__,__	24,089	24,089		__,__,__
1500	HEALTH INSURANCE	13,200	13,200		__,__,__	13,200	13,200		__,__,__
1600	VACANCY SAVINGS	-8,424	-8,319	-105	__,__,__	-8,432	-8,322	-110	__,__,__
	TOTAL FIRST LEVEL	202,184	202,289	-105	__,__,__	202,366	202,476	-110	__,__,__
2021	CONTRACTED SERVICES-INFLATION	1,307	575	732	__,__,__	1,307	936	371	__,__,__
2022	SUPPLIES & MATERIALS-INFLATION	707	1,532	-825	__,__,__	707	2,490	-1,783	__,__,__
2023	COMMUNICATIONS-INFLATION	6,502	4,814	1,688	__,__,__	10,294	7,799	2,495	__,__,__
2024	TRAVEL-INFLATION		8	-8	__,__,__		13	-13	__,__,__
2025	RENT-INFLATION	158	111	47	__,__,__	158	1,209	-1,051	__,__,__
2027	REPAIR & MAINTENANCE-INFLATION	608	966	-358	__,__,__	608	1,570	-962	__,__,__
	TOTAL SECOND LEVEL	9,282	8,006	1,276	__,__,__	13,074	14,017	-943	__,__,__
2100	CONTRACTED SERVICES	39,329	39,267	62	__,__,__	33,031	32,967	64	__,__,__
2200	SUPPLIES & MATERIALS	17,669	17,669		__,__,__	17,669	17,669		__,__,__
2300	COMMUNICATIONS	54,180	54,187	-7	__,__,__	54,180	54,187	-7	__,__,__
2400	TRAVEL		117	-117	__,__,__		117	-117	__,__,__
2500	RENT	18,935	24,420	-5,485	__,__,__	19,086	24,420	-5,334	__,__,__
2700	REPAIR & MAINTENANCE	15,209	11,129	4,080	__,__,__	15,209	11,129	4,080	__,__,__
	TOTAL FIRST LEVEL	154,604	154,795	-191	__,__,__	152,249	154,506	-2,257	__,__,__
	TOTAL PROGRAM	356,788	357,084	-296	__,__,__	354,615	356,982	-2,367	__,__,__
01100	GENERAL FUND	356,788	357,084	-296	__,__,__	354,615	356,982	-2,367	__,__,__
	TOTAL PROGRAM	356,788	357,084	-296	__,__,__	354,615	356,982	-2,367	__,__,__

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

AGENCY : 3401 STATE AUDITORS OFFICE
PROGRAM : 02 CENTRAL PAYROLL DIVISION
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
0000	FULL TIME EQUIVALENT (FTE)	9.00	9.00		__,__,__	9.00	9.00		__,__,__
1100	SALARIES	174,231	174,351	-120	__,__,__	174,594	174,714	-120	__,__,__
1400	EMPLOYEE BENEFITS	25,171	25,171		__,__,__	25,312	25,312		__,__,__
1500	HEALTH INSURANCE	10,800	10,800		__,__,__	10,800	10,800		__,__,__
1600	VACANCY SAVINGS	-8,408	-8,337	-71	__,__,__	-8,428	-8,342	-86	__,__,__
	TOTAL FIRST LEVEL	201,794	201,985	-191	__,__,__	202,278	202,484	-206	__,__,__
2021	CONTRACTED SERVICES-INFLATION	19,812	186	19,626	__,__,__	19,836	303	19,533	__,__,__
2022	SUPPLIES & MATERIALS-INFLATION	593	1,293	-700	__,__,__	593	2,102	-1,509	__,__,__
2023	COMMUNICATIONS-INFLATION	709	638	71	__,__,__	1,122	1,003	119	__,__,__
2025	RENT-INFLATION		-821	821	__,__,__		-307	307	__,__,__
2027	REPAIR & MAINTENANCE-INFLATION	33	13	20	__,__,__	33	21	12	__,__,__
2028	OTHER EXPENSES-INFLATION	10	21	-11	__,__,__	10	34	-24	__,__,__
	TOTAL SECOND LEVEL	21,157	1,330	19,827	__,__,__	21,594	3,156	18,438	__,__,__
2100	CONTRACTED SERVICES	510,286	317,140	193,146	__,__,__	496,188	302,440	193,748	__,__,__
2200	SUPPLIES & MATERIALS	14,839	14,924	-85	__,__,__	14,839	14,924	-85	__,__,__
2300	COMMUNICATIONS	5,906	5,906		__,__,__	5,906	5,906		__,__,__
2500	RENT	14,975	13,673	1,302	__,__,__	15,126	13,673	1,453	__,__,__
2700	REPAIR & MAINTENANCE	819	819		__,__,__	819	819		__,__,__
2800	OTHER EXPENSES	245	245		__,__,__	245	245		__,__,__
	TOTAL FIRST LEVEL	568,227	354,037	214,190	__,__,__	554,717	341,163	213,554	__,__,__
3100	EQUIPMENT	450	750	-300	__,__,__	450		450	__,__,__
	TOTAL FIRST LEVEL	450	750	-300	__,__,__	450		450	__,__,__
	TOTAL PROGRAM	770,471	556,772	213,699	__,__,__	757,445	543,647	213,798	__,__,__

REPORT EBSR106
DATE : 01/23/85
TIME : 08/03/17

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

AGENCY : 3401 STATE AUDITORS OFFICE
PROGRAM : 02 CENTRAL PAYROLL DIVISION
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
01100	GENERAL FUND	470,471	235,772	234,699	__,___,___	457,445	246,647	210,798	__,___,___
02803	CENTRAL PAYROLL OPERATING	300,000	321,000	-21,000	__,___,___	300,000	297,000	3,000	__,___,___
	TOTAL PROGRAM	770,471	556,772	213,699	__,___,___	757,445	543,647	213,798	__,___,___

AGENCY : 3401 STATE AUDITORS OFFICE
PROGRAM : 03 ADMINISTRATIVE SUPPORT PROGRAM
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
0000	FULL TIME EQUIVALENT (FTE)	8.00	8.00		___,___,___	8.00	8.00		___,___,___
1100	SALARIES	166,337	166,337		___,___,___	166,378	166,378		___,___,___
1400	EMPLOYEE BENEFITS	24,382	24,382		___,___,___	24,472	24,472		___,___,___
1500	HEALTH INSURANCE	9,600	9,600		___,___,___	9,600	9,600		___,___,___
1600	VACANCY SAVINGS	-8,013	-7,919	-94	___,___,___	-8,018	-7,923	-95	___,___,___
	TOTAL FIRST LEVEL	192,306	192,400	-94	___,___,___	192,432	192,527	-95	___,___,___
2021	CONTRACTED SERVICES-INFLATION	29	60	-31	___,___,___	27	101	-74	___,___,___
2022	SUPPLIES & MATERIALS-INFLATION	98	191	-93	___,___,___	98	326	-228	___,___,___
2023	COMMUNICATIONS-INFLATION	1,996	1,491	505	___,___,___	3,162	2,410	752	___,___,___
2025	RENT-INFLATION	35	-60	95	___,___,___	35	72	-37	___,___,___
2027	REPAIR & MAINTENANCE-INFLATION	134	351	-217	___,___,___	134	571	-437	___,___,___
2028	OTHER EXPENSES-INFLATION	41	87	-46	___,___,___	41	142	-101	___,___,___
	TOTAL SECOND LEVEL	2,333	2,120	213	___,___,___	3,497	3,622	-125	___,___,___
2100	CONTRACTED SERVICES	17,779	19,318	-1,539	___,___,___	921	2,518	-1,597	___,___,___
2200	SUPPLIES & MATERIALS	2,442	2,501	-59	___,___,___	2,442	2,501	-59	___,___,___
2300	COMMUNICATIONS	16,644	16,644		___,___,___	16,644	16,644		___,___,___
2500	RENT	3,376	3,156	220	___,___,___	3,401	3,156	245	___,___,___
2700	REPAIR & MAINTENANCE	3,352	4,055	-703	___,___,___	3,352	4,055	-703	___,___,___
2800	OTHER EXPENSES	1,017	1,017		___,___,___	1,017	1,017		___,___,___
	TOTAL FIRST LEVEL	46,943	48,811	-1,868	___,___,___	31,274	33,513	-2,239	___,___,___
3100	EQUIPMENT	8,520		8,520	___,___,___				___,___,___
	TOTAL FIRST LEVEL	8,520		8,520	___,___,___				___,___,___
	TOTAL PROGRAM	247,769	241,211	6,558	___,___,___	223,706	226,040	-2,334	___,___,___

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

AGENCY : 3401 STATE AUDITORS OFFICE
PROGRAM : 03 ADMINISTRATIVE SUPPORT PROGRAM
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
01100	GENERAL FUND	247,769	241,211	6,558	__,___,___	223,706	226,040	-2,334	__,___,___
	TOTAL PROGRAM	247,769	241,211	6,558	__,___,___	223,706	226,040	-2,334	__,___,___

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

AGENCY : 3401 STATE AUDITORS OFFICE
PROGRAM : 04 INSUR REG & LIC PGM
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
0000	FULL TIME EQUIVALENT (FTE)	22.00	22.00		___,___,___	22.00	22.00		___,___,___
1100	SALARIES	431,736	431,736		___,___,___	431,954	431,954		___,___,___
1400	EMPLOYEE BENEFITS	62,451	62,451		___,___,___	62,700	62,700		___,___,___
1500	HEALTH INSURANCE	26,400	26,400		___,___,___	26,400	26,400		___,___,___
1600	VACANCY SAVINGS	-20,823	-20,653	-170	___,___,___	-20,842	-20,663	-179	___,___,___
	TOTAL FIRST LEVEL	499,764	499,934	-170	___,___,___	500,212	500,391	-179	___,___,___
2021	CONTRACTED SERVICES-INFLATION	720	288	432	___,___,___	720	469	251	___,___,___
2022	SUPPLIES & MATERIALS-INFLATION	572	1,034	-462	___,___,___	572	1,697	-1,125	___,___,___
2023	COMMUNICATIONS-INFLATION	6,215	3,509	2,706	___,___,___	9,843	5,880	3,963	___,___,___
2024	TRAVEL-INFLATION	311	775	-464	___,___,___	311	1,262	-951	___,___,___
2025	RENT-INFLATION	59	-693	752	___,___,___	59	-98	157	___,___,___
2027	REPAIR & MAINTENANCE-INFLATION	237	376	-139	___,___,___	237	611	-374	___,___,___
2028	OTHER EXPENSES-INFLATION	33	70	-37	___,___,___	33	115	-82	___,___,___
	TOTAL SECOND LEVEL	8,147	5,359	2,788	___,___,___	11,775	9,936	1,839	___,___,___
2100	CONTRACTED SERVICES	18,720	19,857	-1,137	___,___,___	18,725	19,857	-1,132	___,___,___
2200	SUPPLIES & MATERIALS	14,333	12,284	2,049	___,___,___	14,333	12,284	2,049	___,___,___
2300	COMMUNICATIONS	51,801	50,301	1,500	___,___,___	51,801	50,301	1,500	___,___,___
2400	TRAVEL	22,856	20,002	2,854	___,___,___	22,856	20,002	2,854	___,___,___
2500	RENT	16,459	15,163	1,296	___,___,___	16,610	15,163	1,447	___,___,___
2700	REPAIR & MAINTENANCE	5,930	4,330	1,600	___,___,___	5,930	4,330	1,600	___,___,___
2800	OTHER EXPENSES	822	822		___,___,___	822	822		___,___,___
	TOTAL FIRST LEVEL	139,068	128,118	10,950	___,___,___	142,852	132,695	10,157	___,___,___
3100	EQUIPMENT	2,664	950	1,714	___,___,___	1,000	950	50	___,___,___

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

AGENCY : 3401 STATE AUDITORS OFFICE
PROGRAM : 04 INSUR REG & LIC PGM
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
	TOTAL FIRST LEVEL	2,664	950	1,714	__,___,___	1,000	950	50	__,___,___
	TOTAL PROGRAM	641,496	629,002	12,494	__,___,___	644,064	634,036	10,028	__,___,___
01100 GENERAL FUND		641,496	629,002	12,494	__,___,___	644,064	634,036	10,028	__,___,___
	TOTAL PROGRAM	641,496	629,002	12,494	__,___,___	644,064	634,036	10,028	__,___,___

AGENCY : 3401 STATE AUDITORS OFFICE
PROGRAM : 05 INVEST REG & LIC PGM
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
0000	FULL TIME EQUIVALENT (FTE)	9.00	8.00	1.00	__,___,___	9.00	8.00	1.00	__,___,___
1100	SALARIES	184,872	166,466	18,406	__,___,___	185,121	166,716	18,405	__,___,___
1400	EMPLOYEE BENEFITS	26,869	24,072	2,797	__,___,___	26,996	24,190	2,806	__,___,___
1500	HEALTH INSURANCE	10,800	9,600	1,200	__,___,___	10,800	9,600	1,200	__,___,___
1600	VACANCY SAVINGS	-8,582	-7,907	-675	__,___,___	-8,597	-7,911	-686	__,___,___
	TOTAL FIRST LEVEL	213,959	192,231	21,728	__,___,___	214,320	192,595	21,725	__,___,___
2021	CONTRACTED SERVICES-INFLATION	146	43	103	__,___,___	112	73	39	__,___,___
2022	SUPPLIES & MATERIALS-INFLATION	295	565	-270	__,___,___	295	922	-627	__,___,___
2023	COMMUNICATIONS-INFLATION	1,116	531	585	__,___,___	1,766	929	837	__,___,___
2024	TRAVEL-INFLATION	106	480	-374	__,___,___	106	783	-677	__,___,___
2025	RENT-INFLATION		-136	136	__,___,___		-51	51	__,___,___
2027	REPAIR & MAINTENANCE-INFLATION	228	425	-197	__,___,___	228	691	-463	__,___,___
2028	OTHER EXPENSES-INFLATION	94	203	-109	__,___,___	94	332	-238	__,___,___
	TOTAL SECOND LEVEL	1,985	2,111	-126	__,___,___	2,601	3,679	-1,078	__,___,___
2100	CONTRACTED SERVICES	3,927	2,483	1,444	__,___,___	3,090	2,484	606	__,___,___
2200	SUPPLIES & MATERIALS	7,351	6,564	787	__,___,___	7,351	6,564	787	__,___,___
2300	COMMUNICATIONS	9,297	10,807	-1,510	__,___,___	9,297	10,807	-1,510	__,___,___
2400	TRAVEL	8,252	6,987	1,265	__,___,___	8,252	6,987	1,265	__,___,___
2500	RENT	2,496	2,274	222	__,___,___	2,521	2,274	247	__,___,___
2700	REPAIR & MAINTENANCE	5,700	4,902	798	__,___,___	5,700	4,902	798	__,___,___
2800	OTHER EXPENSES	2,354	2,354		__,___,___	2,354	2,354		__,___,___
	TOTAL FIRST LEVEL	41,362	38,482	2,880	__,___,___	41,166	40,051	1,115	__,___,___
3100	EQUIPMENT		700	-700	__,___,___		700	-700	__,___,___

AGENCY : 3401 STATE AUDITORS OFFICE
PROGRAM : 05 INVEST REG & LIC PGM
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
	TOTAL FIRST LEVEL		700	-700	__,___,___		700	-700	__,___,___
	TOTAL PROGRAM	255,321	231,413	23,908	__,___,___	255,486	233,346	22,140	__,___,___
01100 GENERAL FUND		255,321	231,413	23,908	__,___,___	255,486	233,346	22,140	__,___,___
	TOTAL PROGRAM	255,321	231,413	23,908	__,___,___	255,486	233,346	22,140	__,___,___

AGENCY : 3401 STATE AUDITORS OFFICE
PROGRAM : 06 LOCAL ASSISTANCE DISTRIBUTIONS
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
5300	FROM OTHER INCOME SOURCES	734,366		734,366	__,___,___	780,424		780,424	__,___,___
	TOTAL FIRST LEVEL	734,366		734,366	__,___,___	780,424		780,424	__,___,___
8500	RETIREMENT FUND TRANSFER	5,547,634		5,547,634	__,___,___	5,895,576		5,895,576	__,___,___
	TOTAL FIRST LEVEL	5,547,634		5,547,634	__,___,___	5,895,576		5,895,576	__,___,___
	TOTAL PROGRAM	6,282,000		6,282,000	__,___,___	6,676,000		6,676,000	__,___,___
02401	POLICE/FIRE RETIREMENT FUND	6,282,000		6,282,000	__,___,___	6,676,000		6,676,000	__,___,___
	TOTAL PROGRAM	6,282,000		6,282,000	__,___,___	6,676,000		6,676,000	__,___,___

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

AGENCY : 3401 STATE AUDITORS OFFICE
PROGRAM : 08 FOREST RES & FPGA TO COUNTIES
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
5200	FROM FEDERAL SOURCES	4,536,000		4,536,000	__,___,___	4,536,000		4,536,000	__,___,___
	TOTAL FIRST LEVEL	4,536,000		4,536,000	__,___,___	4,536,000		4,536,000	__,___,___
	TOTAL PROGRAM	4,536,000		4,536,000	__,___,___	4,536,000		4,536,000	__,___,___
03821	FOREST RESERVE	4,536,000		4,536,000	__,___,___	4,536,000		4,536,000	__,___,___
	TOTAL PROGRAM	4,536,000		4,536,000	__,___,___	4,536,000		4,536,000	__,___,___

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

AGENCY : 3401 STATE AUDITORS OFFICE
PROGRAM : 09 PENSION ADJ RETIRED FIREMEN
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 86	LFA FY 86	DIFF. FY 86	SUB-CMT. FY 86	OBPP FY 87	LFA FY 87	DIFF. FY 87	SUB-CMT. FY 87
8500	RETIREMENT FUND TRANSFER	889,517		889,517	___,___,___	889,517		889,517	___,___,___
	TOTAL FIRST LEVEL	889,517		889,517	___,___,___	889,517		889,517	___,___,___
	TOTAL PROGRAM	889,517		889,517	___,___,___	889,517		889,517	___,___,___
02802	FIREMEN/PENSION ADJUSTMENT	889,517		889,517	___,___,___	889,517		889,517	___,___,___
	TOTAL PROGRAM	889,517		889,517	___,___,___	889,517		889,517	___,___,___

Exhibit #10
2/21/85

Issue: P/P/P System

Agency: State Auditor's Office
Program: 02 Central Payroll Division

Description	Authorized Fiscal 84	Actual Expenditures Fiscal 84	Authorized Fiscal 85	Requested Fiscal 86	Requested Fiscal 87
Contract Services	$600,554	$555,359	$538,537	$530,098	$516,024
				(includes inflation)	

In the 1987 biennium, the LFA has reduced the current level by $200,000 or the amount of accrued expenditures in fiscal 1984. These expenditures are for on-going costs associated with the Payroll/ Personnel/Position Control System. The expenditures were accrued primarily because Systems Development Bureau personnel were not available to implement the various projects in fiscal 1984. In determining the current level for the P/P/P System, the accrued expenditures should be included in the fiscal 1984 base.

It should be noted that the requested amounts for the 1987 biennium in contract services in the Central Payroll Division, which is primarily the P/P/P System, is <u>less than</u> was authorized in the 1985 biennium.

Contingency Funding for Payroll Modifications

The P/P/P System must be periodically reprogrammed to conform with changes in the law. Although we cannot predict what changes will occur, we feel it is necessary to have a contingency budget for them. The requested budget for the P/P/P System includes approximately $70,000 each year for payroll modifications which may or may not be necessary.

The 1985 Legislature may choose to continue to provide funding for payroll modifications through a line-item contingency in the 1987 biennium. This arrangement would specify $70,000 annually to be spent only if necessary due to changes in state or federal laws or regulations requiring modifications to the payroll system. This would allow the office to respond to potential changes such as employee health benefits becoming subject to federal tax withholding or if employee retirement contributions become nontaxable. These examples are ones we are currently aware. This is not, however, definitive and is given merely as an indication of the type of changes that the $70,000 is intended to cover.

Exhibit # 11 2/21/85

State Auditor's Office
Modified Level Requests
1987 Biennium

Page	Summary of Issues	FY 86	FY 87
1	Travel to NASAA Meetings	$ 6,000	$ 6,000
2	Reorganization of the State Auditor's Office	$ 63,040	$ 74,991
4	Training Funds	$ 5,310	$ 5,310
5	Contingency Funding-Securities Division	$ 10,000	$ 10,000
7	Contingency Funding-Insurance Division	$ 25,000	$ 25,000
9	Systems Development/Office Automation	$ 95,000	$110,000
11	Consumer-Senior Citizen Information Program	$ 10,060	$ 9,560
12	Emergency Equipment Replacement	$ 26,000	- 0 -
	Total General Fund	$240,410	$240,861

The Emergency Equipment Replacement item for $26,000 is a biennial appropriation for replacement of equipment used in preparing state warrants. This appropriation would be used if the existing equipment fails and cannot reasonably be repaired.

Issue: State Representation at Meeting of the North American Securities Administrators Association.

Agency: 3401 State Auditors Office
Program: 05 Securities Division

Description	FY 86	FY 87
Travel	$ 6,000	$ 6,000
01100 General Fund	$ 6,000	$ 6,000

The State Auditor's Office is requesting $6,000 each year of the 1987 biennium to continue its current level of travel to meetings of the North American Securities Administrators Association (NASAA). In the past, NASAA has reimbursed the division for a portion of its travel expenses. The division has not spent general fund monies in the past to maximize the NASAA funding. However, NASAA has indicated that it may no longer reimburse the division's travel costs to attend its meetings. Therefore, the office requests $6,000 in general funding to maintain its present level of participation at NASAA meetings. As in the past, NASAA funding will be maximized in lieu of general fund.

Presently Montana is a member of NASAA with the Deputy Securities Commissioner a member of the board of directors, and chairperson of the Enforcement Policy Committee. It should be noted that NASAA has no contractual or legally binding obligation to reimburse members for travel to their meetings.

Issue: Reorganization of the State Auditor's Office

Agency: 3401 State Auditor's Office
Program: All

	FY 86	FY 87
Salaries	$55,185	$65,575
Benefits	7,855	9.416
Total General Fund	$63,040	$74,991

The reorganization of the State Auditor's Office will cost an additional $63,040 in fiscal 1986 and $74,991 in fiscal 1987. The additional funds will pay salary and benefit cost increases incurred as a result of the reorganization. The reasons for these costs increases are detailed as follows.

(1) New Positions

The reorganization plans of the State Auditor called for the realignment of two existing positions. The two positions created as a result of the reorganization include a Deputy for Budget and Personnel and a Chief Counsel. However, rather than seek two additional positions from the legislature, the State Auditor chose to utilize two existing positions. The two positions utilized were clerk positions. The increase in personnel service costs result from the higher salary and benefit costs of the new positions. The increase is approximately $37,094 in fiscal 1986 and $38,743 in fiscal 1987.

(2) Reorganized Positions

The reorganization also resulted in twelve positions being given additional responsibilities or moved into supervisory capacities. We are requesting increases in salary and benefits in order to compensate the individuals for the additional responsibilities. The cost of these increases is $47,460 in fiscal 1986 and $54,827 in fiscal 1987.

(3) Salary Reductions

Also as a result of the reorganization, six positions were filled with lower salary and benefit levels than was budgeted. This aspect of the reorganization will save $21,514 in fiscal 1986 and $18,580 in fiscal 1987.

(4) Exempt Positions

The State Auditor's Office is statutorily authorized up to 15 exempt positions. Under the reorganization plans, the office intends to utilize the maximum of 15 exempt positions. Calculated into the cost of the reorganization is a 2.5 percent annual increase in salaries for the exempt positions. Since these positions are exempt, they will not receive any automatic pay increases. Only classified positions have received automatic increases in the past under legislative authorized pay plans.

Issue: Training Funds

Agency: 3401 State Auditor's Office
Program: 01 Management & Control Program

Description	FY 86	FY 87
Contract Services	$ 5,310	$ 5,310
01100 General Fund	$ 5,310	$ 5,310

Historically the State Auditor's budget has not included funding for staff training. For the following reasons, we would like to make a modest request for training funds in the 1987 biennium.

With the reorganization of the office and the need to hire several replacement personnel, the office has a definite need for training funds in the 1987 biennium. We believe training is necessary to maintain and improve staff performance on existing jobs and improve the coordination of work between newly created divisions in the reorganized department. Also, we believe cross training is necessary to permit the continuation of essential functions in the office due to the occurance of promotion; transfer, layoff, termination or temporary absences of employees. Specific training is needed to improve communications and methods of reconciling conflicts with security and insurance agents. Both oral and written communciations are targeted for improvements.

The Legislature has approved a training budget for most divisions of State government of $90 per employee. Examples of costs counted towards the $90 allocation are tuition costs, registration fees, and training materials for classes. Based on this allowance, the State Auditor's Office would require at least $5,310 annually. Therefore, we request $5,310 in each year of the 1987 biennium to provide training for office personnel.

Issue: Contingency Funding for Legal and/or Hearings Costs Related to Securities Investigations

Agency: 3401 State Auditor's Office
Program: 05 Securities Division

Description	FY 86	FY 87
Contract Services	$10,000	$10,000
01100 General Fund	$10,000	$10,000

The Securities Division is responsible for enforcing the provisions of the Montana Seucirites Act, Section 30-10-107, MCA. In carrying out its enforcement mission, the division has no way of knowing the number of crimes or civil violations that will occur in any given period. However, it should be noted that the division has experienced an increase of over 250 percent in securities violations since 1982.

Presently, the division is involved in 31 investigations, 10 hearings and 3 criminal cases. Nine new investigations were opened in January 1985. There is no indication as to whether these new cases will result in criminal or civil actions or whether a hearing will be required. Processing these new cases may require legal research, expert witnesses, subpoena expenses for bank records, telephone records, hearing transcripts and statements. These requirements can cost a minimum of $1,000 per hearing.

In the past, the division has taken advantage of all revenue sources which would alleviate the need to increase state funded expenditures. For example, NASAA has reimbursed the division on special occasions for enforcement/investigation travel for Montana. In each year that the division received reimbursment from NASAA, the division has returned unused funds to the general fund.

For the 1987 biennium, the division is requesting contingency funding of $10,000 each year, to handle the inevitable increase in both civil and criminal investigations, to which we are exposed, and to cover our costs in the event NASAA is unable to continue their reimbursement policies. This funding will be used only if <u>absolutely necessary</u> as a result of additional investigations. We will continue to maximize NASAA funding to the extent it becomes available.

Issue: Contingency Funding for Legal and/or Hearings Costs Related to Insurance Costs

Agency: State Auditor's Office
Program: 04 Insurance Division

Description	FY 86	FY 87
Contract Services	$25,000	$25,000
01100 General Fund	$25,000	$25,000

The Insurance Division is responsible for enforcing the provisions of the Insurance and Insurance Companies Act, Title 33, MCA. In carrying out its enforcement mandates, the division has no way of knowing the number of violations that will occur in any given period. However, it should be noted that the division has recently experienced an increase in related expenses directly incurred as a result of regulatory actions required of the division.

From January to December of 1983, there were 14 administrative hearings held by the Insurance Division and 2 District Court actions. From January to December of 1984, there were 10 administrative hearings held by the Insurance Division, one of which was a four day hearing. In addition, there were 12 District Court actions, two of which were completely assumed by the Justice Department's Agency Legal Service Department.

There is no indicator as to whether new cases will result in administrative actions or whether hearings will be required. Investigating new cases may require legal research, expert witnesses, subpoena expenses for bank records, telephone records, hearing transcripts and statements. These requirements can cost a minimum of $1,000 per hearing.

In order to meet the potential cost increases in consulting/professional services and legal/court services related to Insurance Division regulatory actions, the department is requesting contingency funding of $25,000 each year of the 1987 biennium. These funds will be spent only if absolutely necessary in order to fulfill ongoing legal requirements and new cases requiring agency adjudication.

Issue: Systems Development and Office Automation Requirements

Agency: State Auditor's Office
Program: All

Description	FY 86	FY 87
Contract Services	$95,000	$110,000
01100 General Fund	$95,000	$110,000

Based on preliminary reviews by office staff and the Systems Development Bureau, the State Auditor's Office has identified a substantial need for office automation funding in the 1987 biennium. The office automation needs include minor enhancements to the existing warrant writing system and funds to initial a study of the existing warrant writing system for replacement in the 1989 biennium. The office has also indentified a need to study and implement agency-wide automation. The request for office automation study and implementation totals $95,000 in fiscal 1986 and $110,000 in fiscal 1987. Each project is detailed as Follows.

A. Warrant Writing System	FY 86	FY 87
(1) Enhancements to the existing system. A study by the Information Systems Bureau indicated that funds spent in improving the efficiency of this sytem are likely to be extremely cost effective.	$ 12,500	$ -0-
(2) Feasibility and Cost/Benefit Study. This initial study is necessary if we are to have a new system in operation in late 1989. Both the Department of	35,000	10,000

Administration and the Cash Management Task Force have made strong recommendations that we undertake this project. The existing system is inefficient, has limited capabilities, and relies on outdated unreliable, unrepairable equipment.

		FY 86	FY 87
(B)	Office Automation		
	(3) Study to determine needs. In FY 86, the agency's general office operations would be studied with a view to implementation in FY 87. In FY 87, the Insurance and Securities operations would be studied with a view to implementation in FY 88. Our own Personnel will conduct as much of the study as possible.	25,000	10,000
	(4) Purchase of Office Automation Equipment. This estimate is based on Office Automation Industry experience. Existing outdated equipment and manual methods would be replaced with word processing and micro productivity plus the addition of Management Information Analysis and Reporting capabilities will result.	-0-	90,000
	(5) Insurance and Securities		
	(a) Short term enhancements	19,000	-0-
	(b) Initial loading and conversion of data. Installation of a relatively simple computer system will result in a substantial reduction in time spent searching for information and responding to inquiries from the Public, the Insurance Industry, and other Securities Agencies.	3,500	-0-
	Total General Funding Required	$ 95,000	$110,000

Issue: Consumer - Senior Citizen Information and Education Program

Agency: State Auditor's Office
Program: 04 Insurance Division

Description	FY 86	FY 87
Travel	$10,060	$ 9,560
01100 General Fund	$10,060	$ 9,560

There continues to be an outpouring of requests, particularly from our senior citizen population, for increased personal contact by our policyholder service staff to disseminate insurance information on a person-to-person basis. The Insurance Division has provided this service on a limited basis when the budget permits and selective calls are made to outlying areas of the state where demand is the greatest.

The Insurance Division's past experience with a limited seminar program has been well received and testimonials from consumers support our belief that the education and information program needs to be revitalized and prioritized for fiscal year 1985 and the 1987 biennium.

Because of the many changes in the Social Security benefits and private insurance offerings which supplement those benefits, a critical need for direct first-hand information for the elderly necessitates a continual program of seminars in key areas throughout the state. In responding to these requests a program implemented on a continual basis with established schedules is recommended as the most efficient approach to consumer education.

Issue: Emergency Equipment Replacement for State Warrants

Agency: State Auditor's Office
Program: 01 Management & Control Division

Description	FY 86	FY 87
Equipment	$26,000	- 0 -
01100 General Fund	$26,000	- 0 -

The State Auditor's Office is responsible for the majority of the functions of the warrant system. Including issuance of original warrants, validation and posting of cashed warrants.

In fiscal year 1984 a total of 1,413,007 warrants went through the Warrant Writing System. This task was accomplished only through the use of machines. If the machines were to breakdown, the office has limited funds for minor repairs and no funds for replacement. Presently these machines are reaching the end of their life expenctancy.

In the 1985 biennium, the legislature recognized the potential for system breakdown and appropriated $26,000 in a special line-item for emergency equipment replacement in the event of a machine breakdown. These funds have not been spent to date because no major breakdown has occurred. However, we are again requesting the $26,000 on the same basis for the 1987 biennium. This money would be spent in the event of any major break down of equipment used in the Warrant Writing process. The $26,000 item is a biennial appropriation.

VISITORS' REGISTER

Gen. Gov't & Highways COMMITTEE

~~BILL NO.~~ Highways state auditor DATE 2/21/85

SPONSOR

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
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Steve Puhek	Hwy, Helena	✓	
Bill Gosnell	OBPP	✓	
Kathy Willis	DOH	✓	
Bruce Barrett	DOH	✓	
Don Gruel	DOH	✓	
Andy Bennett	STATE AUDITOR	✓!	
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R.G. "Rick" Tucker	State Auditor	✓	
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