

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION**

#### **JOINT SUBCOMMITTEE ON GENERAL GOVERNMENT & TRANSPORTATION**

**Call to Order:** By REP. MARY LOU PETERSON, CHAIRMAN, on January 25, 1993, at 8:00 AM.

#### **ROLL CALL**

**Members Present:**

Rep. Mary Lou Peterson, Chair (R)  
Sen. Harry Fritz, Vice Chair (D)  
Rep. Marjorie Fisher (R)  
Sen. Gary Forrester (D)  
Rep. Joe Quilici (D)  
Sen. Larry Tveit (R)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Jon Moe, Legislative Fiscal Analyst  
Clayton Schenck, Legislative Fiscal Analyst  
Dan Gengler, Office of Budget & Program Planning  
John Patrick, Office of Budget & Program Planning  
Elaine Benedict, Committee Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing: DEPARTMENT OF ADMINISTRATION  
Executive Action: DEPARTMENT OF JUSTICE

#### **EXECUTIVE ACTION ON DEPARTMENT OF JUSTICE**

Tape No. 1:A:000

#### **LAW ENFORCEMENT SERVICES**

#### **Informational Testimony:**

Mr. Clayton Schenck, Legislative Fiscal Analyst, reviewed the budget for the division. EXHIBITS 1 and 2

**Motion/Vote:** SEN. HARRY FRITZ moved to accept the LFA current level base. THE MOTION CARRIED UNANIMOUSLY.

#### **BUDGET ITEM EASTERN MONTANA DRUG TASK FORCE:**

Informational Testimony:

Mr. John Patrick, Office of Budget and Program Planning, stated that the Executive Office supports funding the Eastern Montana Drug Enforcement Task Force with general fund.

Mr. Joe Mazurek, Attorney General, stated that the task force is the base for all narcotic enforcement in the state.

Questions, Responses, and Discussion:

SEN. LARRY TVEIT asked what the consequences of losing the task force would be. Attorney Gen. Mazurek responded that the state's drug problems would escalate dramatically.

REP. JOE QUILICI commended the efforts of the task force.

Informational Testimony:

Mr. Bruce Suenram, Department of Justice, stated that if the eastern task force were eliminated, the state would be losing 60% of its drug enforcement agents.

BUDGET ITEM REINSTATEMENT/RETENTION OF FTE:

Motion/Vote: REP. MARJORIE FISHER moved to reinstate one of the criminal investigators and one of the fingerprint technicians. THE MOTION CARRIED UNANIMOUSLY.

Motion/Vote: REP. FISHER moved to reinstate the criminal investigator who was offered and accepted the job on 12/23/93. THE MOTION CARRIED UNANIMOUSLY.

Motion/Vote: SEN. FRITZ moved to retain the 3 Criminal History Identification System positions. THE MOTION FAILED with REP. FISHER, SEN. TVEIT and CHAIRMAN MARY LOU PETERSON opposing.

BUDGET ITEM DRUG ENFORCEMENT UNIT:

Motion: SEN. FRITZ moved to reinstate 6 FTE from general fund (formerly funded from Coal Board Tax) for the Eastern Montana Drug Task Force.

Questions, Responses, and Discussion:

SEN. TVEIT expressed reservations about the Executive Office's proposed use of the Coal Board Tax money. He supports the motion and would like the issue to be further explored.

SEN. GARY FORRESTER asked the proportion of the work done by the task force to that done by local officials. Attorney General Mazurek responded that local officials rely on the task force,

that the task force works behind the scenes and does not get the credit that the local officials do.

REP. QUILICI said the task force should remain, but that it should remain funded by Coal Board Tax funding. He fears that if it is appropriated with general fund money by the subcommittee, it will be eliminated when the issue reaches Appropriations Committee.

SEN. FRITZ and REP. FISHER feel that the task force should be retained, funded by whichever source necessary.

Vote: THE MOTION FAILED.

Motion: REP. FISHER moved to fund the 6 FTE for the task force with Coal Board money.

Discussion:

SEN. FORRESTER and SEN. TVEIT requested that the OBPP return to the subcommittee with a detailed description of the intent of the Executive Office with regard to the Coal Board Tax.

Vote: THE MOTION CARRIED UNANIMOUSLY.

BUDGET ITEM OVER-TIME:

Motion/Vote: REP. FISHER moved to accept \$9,000 of the \$11,000 request. THE MOTION FAILED.

BUDGET ITEM OFFICE RENT AND REORGANIZATION, CRIMINAL INVESTIG. BUREAU:

Tape No. 1:B:103

Informational Testimony:

Mr. Suenram explained that all of the deputy state fire marshals were moved out of their home offices and into standard office space for purposes of public access, etc. The Criminal Investigations Bureau has also relocated to rural offices. The division is committed to the rent for these facilities.

Mr. Patrick stated that regionalized offices provide travel advantages.

Motion/Vote: REP. QUILICI moved to accept the request for rent and reorganization. THE MOTION FAILED with REP. FRITZ, REP. FISHER and CHAIRMAN PETERSON opposing.

BUDGET ITEM OFFICE EQUIPMENT:

Informational Testimony:

Ms. JanDee May, Administrator, Central Services, stated that the requested storage for evidence and fingerprint cards is necessary to provide secure, and easily accessible storage equipment.

Motion/Vote: SEN. TVEIT moved to accept the request. THE MOTION CARRIED with SEN. FRITZ opposing.

BUDGET ITEM OFFICE RENT:

Questions, Responses, and Discussion:

REP. QUILICI asked how the deputy state fire marshals and the Criminal Investigators are coordinated. Mr. Suenram answered that the two share office space with several other state agencies.

Motion/Vote: REP. QUILICI moved to reconsider the previous vote on office rent and reorganization of the Criminal Investigations Bureau. THE MOTION CARRIED.

Motion: REP. QUILICI moved to accept the request for office rent.

Questions, Responses, and Discussion:

REP. FISHER asked if it is possible to use vacancy savings or savings in travel expenses to pay the rent. Ms. May responded that something will have to be done to pay the rent because the transfer to standard offices has already been done and the commitment to rent made.

Vote: THE MOTION FAILED.

BUDGET ITEM OPERATIONS-ANNUALIZED MISC.:

Informational Testimony:

Mr. Patrick stated that the 1991 Legislature approved additional fire marshals to comply with statute. However, to meet special session reductions, the additional staff had to be phased in. The request reflects what current level would be if the additions were fully in place.

BUDGET ITEM WORKERS COMPENSATION-MODIFICATION:

Motion: REP. QUILICI moved to accept the request.

Discussion:

REP. FISHER supported the motion, stating that fraud investigation is important.

Vote: THE MOTION CARRIED UNANIMOUSLY.

BUDGET ITEM AUTOMATED FINGERPRINT ID SYSTEM-MODIFICATION:

Tape No. 2:A:035

Motion/Vote: REP. FISHER moved to accept the modification. THE MOTION CARRIED UNANIMOUSLY.

BUDGET ITEM FEDERAL GRANT:

Informational Testimony:

Mr. Schenck distributed proposed language. EXHIBIT 3

Motion/Vote: SEN. FRITZ moved authorization to pursue the statewide intelligence network system, should Federal grant funds become available, and to include the language provided by Mr. Schenck. THE MOTION CARRIED with SEN. FORRESTER opposing.

LAW ENFORCEMENT ACADEMY

Tape No. 2:A:180

Informational Testimony:

Mr. Schenck reviewed the budget for the division. EXHIBITS 4 and 5

Motion/Vote: REP. FISHER moved to accept the LFA current level base. THE MOTION CARRIED UNANIMOUSLY.

CENTRAL SERVICES DIVISION

Tape 2:A:355

Informational Testimony:

Mr. Schenck reviewed the budget for the division. EXHIBITS 6 and 7

Motion/Vote: REP. QUILICI moved to accept the LFA current level base. THE MOTION CARRIED.

BUDGET ITEM DRUG PREVENTION COORDINATOR POSITION:

Questions, Responses, and Discussion:

REP. QUILICI suggested the subcommittee wait to act on this issue until further results of the legislation on the proposed increase of speeding fines, (a portion of which will go to the DARE program) are known. He feels that DARE is an excellent program.

Mr. Dennis Taylor, Department of Justice, stated that the money from the bill in question would pass through to local communities and that the issue at hand is the in-state training of coordinators.

REP. FISHER asked if the bill could be amended to assure that a

portion of the money would be allocated for in-state training. **Attorney General Mazurek** responded that this would further earmark funding, which would raise criticism for the Legislature.

**SEN. TVEIT** asked if the program would be state regulated without the Federal Grant assistance. **Attorney Gen. Mazurek** answered that the program has been and will remain under local and state jurisdiction.

The subcommittee chose to forego action until the result of the proposed bill is known.

#### DATA PROCESSING

Tape 2:A:689

Motion/Vote: **REP. QUILICI** moved to accept the LFA current level base. **THE MOTION CARRIED UNANIMOUSLY.**

#### Informational Testimony:

**Mr. Schenck** reviewed the budget for the division. **EXHIBITS 8 and 9**

#### EXTRADITION AND TRANSPORTATION OF PRISONERS

Tape 2:A:760

#### Informational Testimony:

**Mr. Schenck** reviewed the budget for the division. **EXHIBIT 10**

Motion/Vote: **SEN. TVEIT** moved the LFA current level base. **THE MOTION CARRIED** unanimously with five members present.

#### FORENSIC SCIENCE DIVISION

Tape 2:A:815

**EXHIBITS 11 and 12**

Motion/Vote: **REP. QUILICI** moved to accept the LFA current level base. **THE MOTION CARRIED** unanimously with five members present.

#### BUDGET ITEM LATENT FINGERPRINT EXAMINER:

#### Informational Testimony:

**Mr. Schenck** stated that, according to the department, the position requires \$38,000 for recruiting purposes, rather than the \$29,753 stated.

**Mr. Patrick** stated that this is a key position to the division.

Motion: **REP. FISHER** moved to accept the position at \$38,000, stating that this reduces the high work load for local officials.

Discussion:

REP. QUILICI supported the motion, stating that the technological advances of the system are extremely beneficial.

Mr. Dennis Taylor, Department of Justice, stated that the expertise of the individual in the position also allows him/her to testify in court cases.

Vote: THE MOTION CARRIED UNANIMOUSLY.

BUDGET ITEM FIREARMS AND TOOLMARK EXAMINER:

Motion/Vote: REP. QUILICI moved to accept the request for this position. THE MOTION CARRIED with SEN. TVEIT and REP. FISHER opposing.

BUDGET ITEM EQUIPMENT MAINTAINANCE CONTRACT:

Motion/Vote: REP. FISHER moved to fund \$10,000 for the request of a maintainance contract. THE MOTION CARRIED with SEN. FRITZ and CHAIRMAN PETERSON opposing.

MOTOR VEHICLE DIVISION

Tape No. 2:A:1115

EXHIBITS 13 and 14

BUDGET ITEM REINSTATEMENT OF FTE:

Informational Testimony:

Mr. Schenck stated that, in compliance with the previous request of the subcommittee, the division is proposing its request for 5 FTE it wishes to be reinstated. The division is requesting that four of the positions be reinstated in the vacant positions and 1 in the 5% personal services reduction.

Mr. Dean Roberts, Motor Vehicle Division, presented descriptions of the positions requested. EXHIBIT 15

Motion: REP. FISHER moved to accept the agency's proposal.

Discussion:

REP. QUILICI commended the agency for selecting the most important, and not necessarily the most expensive, positions.

Vote: THE MOTION CARRIED unanimously with four members present.

BUDGET ITEM MAINTAINANCE CONTRACT:

Motion/Vote: REP. FISHER moved to accept the agency's request of \$13,552. THE MOTION PASSED unanimously with four members

present.

**HEARING ON DEPARTMENT OF ADMINISTRATION**

**Tape No. 2:B:035**

**Informational Testimony:**

Mr. Jon Moe, Legislative Fiscal Analyst, presented an overview of the budget for the department. EXHIBITS 16 and 17. Although the vacancy and 5% reductions are included in the LFA presentation, previous action has removed these positions.

Ms. Lois Menzies, Director, Department of Administration, presented testimony for the department. EXHIBITS 18 and 19.

**PROCUREMENT AND PRINTING DIV.**

**Tape No. 2:B:815**

**Informational Testimony:**

Mr. Moe presented an overview of the budget for the division. EXHIBITS 17 and 20

Mr. Marvin Eicholtz, Administrator, Procurement and Printing, distributed an organization chart of the division. EXHIBIT 21. He addressed the printing issue. He requested that if the subcommittee does not approve the funding, the division be allowed to come back to request a budget amendment to carry forward the spending authority if necessary. If the subcommittee does not approve inflation for general fund agencies, the amount would be reduced by 23%. The division requests funding for legal fees and court costs.

A duplicating machine operator position is requested. The division has faced an increase in printing demands but has had no increase in staff. If the position is left vacant it may result in payment of overtime or in agencies having to use more expensive private printers. Also, the .5 FTE programmer is the sole support for desk top publishing and for the computer system in Publication and Graphics. The purchasing assistant in the Property Supply Bureau serves necessary functions that would be difficult to absorb by existing staff. The Publication and Graphics and Property Supply Bureaus are proprietary operations; reductions in FTE will not aid in reducing the budget.

He addressed the natural gas procurement issue. Beginning in November 1991, the Public Service Commission authorized the bureau to purchase natural gas. The system is on a three year phase in system. The first year saved the state \$158,000. The current year has shown a savings of \$523,000.

The state has several underground fuel storage tanks. By 1998, these tanks will be required to meet strict ordinances. Centralizing the tanks while digging them up to inspect them will prove beneficial and efficient.



**Questions, Responses, and Discussion:**

REP. FISHER asked which items the division screens in the excess property program and where they are screened. Mr. Eicholtz answered that most are screened from California. The division screens for a wide variety of items.

CHAIRMAN PETERSON asked if the mailing list for this procurement is distributed to everyone. Mr. Eicholtz responded that it was sent to the legislators for use by the constituents if desired.

REP. QUILICI asked why the fueling program was placed in the Department of Administration rather than the Department of Transportation. Mr. Eicholtz answered that the Governor chose to place the function this way because the Department of Administration handles centralized operations for state government. The Department of Transportation is working closely with the Department of Administration on the program and are in support of it.

REP. QUILICI requested that the subcommittee forgo action on this issue until it is further researched and discussed.

CHAIRMAN PETERSON asked if the division has made agreements with other entities to insure that they will use the centralized service. Mr. Eicholtz responded that the division has promoted the service but has presented it as an option.

**Informational Testimony:**

Mr. Dan Gengler, Office of Budget and Program Planning, raised the issue of a .83 FTE in personal services; it is the only entirely general fund issue. In regard to the placement of the fueling program, the Executive Office chose the Department of Administration because it is a service agency and also to avoid conflict of interest since the Department of Transportation would be the largest user.

Mr. Eicholtz stated, with regard to printing, that although they have attempted to reduce the amount of printing done, the expense of recycled paper has increased cost.

**Questions, Responses, and Discussion:**

REP. FISHER asked how much the division is currently spending for freight of excess property. Mr. Eicholtz answered that it has spent very little because the program has just recently begun.

**ARCHITECTURE AND ENGINEERING PROGRAM****Tape No. 3:A:560****Informational Testimony:**

Mr. Moe reviewed the budget for the program. EXHIBIT 22

Mr. Tom O'Connell, Administrator, Architecture and Engineering, presented testimony for the program. EXHIBITS 23 and 24

Mr. Gengler stated that the transfer from the Capitol Projects Fund to the state revenue fund is an accounting issue. The amounts should be synchronized. Language is an appropriate method of assuring this.

Questions, Responses, and Discussion:

CHAIRMAN PETERSON asked if 599 is the usual average of projects. Mr. Eicholtz responded that the average is usually closer to 400, but having to comply with handicapped access requirements has increased the number.

RISK MANAGEMENT AND TORT DEFENSE

Tape No. 3:B:158

Informational Testimony:

Mr. Moe, reviewed the budget for the division. EXHIBIT 25

Mr. Brett Dahl, Risk Management and Tort Defense Division, reviewed the functions of the division. The division anticipates significant cost savings due to bidding out all commercial insurance.

**ADJOURNMENT**

**Adjournment: 12:00 PM**

  
\_\_\_\_\_  
REP. MARY LOU PETERSON, Chair

  
\_\_\_\_\_  
ELAINE BENEDICT, Secretary

MLP/EB

# HOUSE OF REPRESENTATIVES

Gen. Gov. & Hwys.

SUB-COMMITTEE

ROLL CALL

DATE

1/25/93

NAME	PRESENT	ABSENT	EXCUSED
Rep. Mary Lou Peterson Chair	✓		
Sen. Harry Fritz Vice Chair	X		
Rep. Marjorie Fisher	X		
Sen. Gary Forrester	X		
Rep. Joe Quilici	✓		
Sen. Larry Tveit	X		

4110 18 00000 DEPARTMENT OF JUSTICE Program Summary								
Law Enforcement Services Div								
Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	42.00	46.50	37.50	42.50	(5.00)	37.50	42.50	(5.00)
Personal Services	1,251,538	1,361,426	1,272,424	1,491,762	(219,338)	1,279,828	1,498,905	(219,077)
Operating Expenses	420,535	465,836	403,030	445,000	(41,970)	408,974	451,840	(42,866)
Equipment	81,262	49,180	99,770	110,840	(11,070)	66,520	75,185	(8,665)
Total Costs	\$1,753,336	\$1,876,442	\$1,775,224	\$2,047,602	(\$272,378)	\$1,755,322	\$2,025,930	(\$270,608)
<b>Fund Sources</b>								
General Fund	1,052,835	1,049,908	1,322,529	1,263,192	59,337	1,328,485	1,255,453	73,032
State Revenue Fund	360,611	352,676	53,000	398,266	(345,266)	43,000	391,295	(348,295)
Federal Revenue Fund	339,888	473,858	399,695	386,144	13,551	383,837	379,182	4,655
Total Funds	\$1,753,336	\$1,876,442	\$1,775,224	\$2,047,602	(\$272,378)	\$1,755,322	\$2,025,930	(\$270,608)

**Page References**

LFA Budget Analysis (Vol. I), A 104-105  
 Stephens Executive Budget, A47  
 Racicot Executive Budget, 29

**Current Level Differences**

**5 PERCENT PERSONAL SERVICES REDUCTION**—The Executive eliminated 2.0 FTE (identification specialist and criminal investigator) in accordance with section 13, House Bill 2 requiring a 5 percent personal services reduction in the 1995 biennium current level budget. The positions are included in LFA current level. The Joint Committee on Appropriations and Finance and Claims recommended that the 5 percent reductions be permanently eliminated from the budget.

(74,883) (75,126)

**3.0 FTE, FEDERAL GRANT**—A federal grant in a 1993 biennium budget modification added 3.0 FTE to develop the criminal history identification system (CHIS) in the Identification Bureau. The federal funding was not renewed in the 1995 biennium, and the 3.0 FTE were removed from LFA current level. The Executive Budget retains these FTE with general fund. An elected official budget modification discussed below requests retention of the 3.0 FTE with general fund.

62,703 62,759

**ELIMINATION OF DRUG ENFORCEMENT UNIT**—The Racicot Executive Budget eliminated coal board grant funding for the eastern drug enforcement unit of the Criminal Investigation Bureau, which was entirely funded by a coal board grant. The reduction also eliminates 6.0 FTE. Although the published Racicot Executive Budget does not provide alternative funding for the eastern drug enforcement unit, the Governor's Office has indicated that it supports restoring the unit with general fund.

(345,266) (348,295)

**OVERTIME**—The Executive Budget provides for overtime for criminal investigation activities, based on formation of a collective bargaining unit by agents and a resulting supplemental agreement negotiated with the department requiring overtime payment. In addition, vacancies due to budget shortfalls was cited as justification for the overtime budget. The LFA current level does not provide funding for overtime in order to highlight the bargaining unit negotiations for legislative consideration and since the LFA current level provides for full funding of all investigator positions.

9,275 11,275

**OFFICE RENT**—The Executive Budget provides funding for the move of field deputies in the Fire Prevention and Investigation Bureau from home offices to rented offices. The LFA current level provides a 5 percent increase in office rent for existing offices only.

8,183 8,183

**ONE-TIME ONLY REMODELING EXPENSE**—The LFA current level eliminated one-time costs in fiscal 1992 for remodeling office spaces. The project was unbudgeted.

19,084 19,084

**ID BUREAU PROGRAM EXPANSIONS**—The Executive Budget includes increases in the Identification Bureau budget for costs of the criminal history identification system (CHIS) and the new Automated Fingerprint Identification System (AFIS). Both projects were funded by federal funds in budget amendments and by a one-time federal grant for the CHIS project in a budget modification in the 1993 biennium. The agency certified that there was no commitment of future general fund support due to the budget amendments, although it was indicated that they might seek funding for continued support of the new programs in the 1995 biennium. The increases for the continuation and support of these programs are not included in

13,770 13,770

LFA current level.

**REORGANIZATION, CRIMINAL INVESTIGATION BUREAU**—The Executive Budget includes increases in rent costs in current level for the move of criminal investigators in the Criminal Investigation Bureau to offices in remote sites. The LFA current level did not allow increases for additional office space since it is not a current level service and has not had legislative review.

**EQUIPMENT**—The Executive Budget includes more funding for equipment than LFA current level. The LFA current level includes funding for the priority purchase of equipment requested, and does not include funding for equipment for new offices as a result of reorganization or for the CHIS and AFIS systems.

**INFLATION DIFFERENCES**

**MINOR DIFFERENCES (NET)**

**TOTAL CURRENT LEVEL DIFFERENCES**

**VACANT POSITIONS**—The Joint Committee on Appropriations and Finance and Claims recommended the elimination of 3.0 FTE for this program that were vacant on December 11, 1992. Two of the positions (fingerprint specialists) are fully funded by general fund. The third position (enforcement program manager) is in the western drug enforcement unit, and is supported by 75 percent federal funds and 25 percent general fund. The positions are shown on the attached position reduction listing.

**EASTERN DRUG ENFORCEMENT UNIT**—The elimination of the entire eastern drug enforcement unit in the Executive Budget is discussed above. If the unit is restored with alternate funding, the committee may wish to consider the following major differences from the Stephens Executive Budget and LFA current level:

Overtime—The Executive Budget includes overtime for the unit for the same reasons discussed for the overtime difference discussed above. The LFA current level does not include any funding for overtime.

Vehicle Leases—The LFA current level eliminated funding from the current level base for lease of vehicles for undercover criminal investigation cases. The unit received funding in the 1993 biennium for purchase of used vehicles instead of renting vehicles, and both the Executive Budget and LFA current level provide funding in the 1995 biennium for the purchase of used vehicles.

**Budget Modifications**

**EXECUTIVE BUDGET MODIFICATION:**

**WORKERS' COMPENSATION INVESTIGATOR/SUPPORT STAFF**—This budget modification adds a 1.0 FTE investigator in fiscal 1994 and 1.0 FTE support staff in fiscal 1995 to handle the workers' compensation fraud investigations that are referred to the agency by the State Fund. The division already has one workers' compensation fraud investigator. Funding is provided by the workers' compensation state special revenue account.

**ELECTED OFFICIAL BUDGET MODIFICATIONS:**

**CRIMINAL HISTORY RECORDS**—This budget modification would retain 3.0 FTE hired under a federal grant in the 1993 biennium as part of the criminal history identification system project. The federal funds are no longer available, and this modification requests general fund replacement. These positions are not in LFA current level but are in the Executive Budget current level. See LFA Vol. I, page A-92.

**RESTORE 5 PERCENT REDUCTION**—This modification would restore 2.0 FTE (general fund) deleted in the Executive Budget as part of the 5 percent personal services reduction. The positions are included in LFA current level, and are shown on the attached position reduction listing. See LFA Vol. I, page A-93.

**Other Issues**

**FEDERAL GRANT**—The agency may request federal fund appropriation authority of \$265,000 each year for a grant for a statewide intelligence project.

14,537 14,537

14,961 17,396

128 209

5,130 5,600

(272,378) (270,608)

(81,108) (81,375)

5,000 6,000

9,618 9,618

65,132 90,204

101,388 101,388

74,885 74,885

**DEPARTMENT OF JUSTICE**  
1995 Biennium Budget Issues  
**LAW ENFORCEMENT SERVICES DIVISION**

20-Jan-93

EXHIBIT 2

DATE 1/25/93

HB \_\_\_\_\_

**CURRENT LEVEL ISSUES:**

---FTE---		---COST---	
FY94	FY95	FY94	FY95

**Personal Services – Requested Increases:**

1. Reinstate 5% cut of 2 criminal investigators. Necessary to respond to law enforcement agencies' requests for assistance. Both positions are filled.	2.00	2.00	\$74,885	\$74,885
2. Reinstate 3 vacant positions. Two fingerprint techs are essential to operation of the Automated Fingerprint Identification System. The 3rd FTE is a criminal invest. who was offered & accepted the job on 12/23/93.	3.00	3.00	\$95,500	\$95,500
3. Overtime – Drug investigators need the flexibility of overtime – no general fund.			\$9,000	\$11,000

**Operations – Requested Increases:**

1. Rent – Fire marshal deputies were moved out of their homes & into offices for accessibility & accountability. Also more criminal invest. were moved into field offices for better coverage.			\$23,000	\$23,000
2. Annualize misc. expenditure areas to allow for full year staffing...printing, data processing, gasoline, in-state per diem.			\$10,000	\$10,000
3. Operating costs for the three individuals maintaining the criminal history data base.			\$16,000	\$16,000

**Equipment – Requested Increases:**

1. Additional car each year – a vehicle replacement schedule is critical to afford staff safe and reliable transportation during all hours of the night and day.			\$13,000	\$13,000
2. Office equipment is necessary for the storage of evidence and 13,000+ fingerprint cards per year.			\$1,000	\$4,500

# LAW ENFORCEMENT SERVICES DIVISION Cont.

EXHIBIT 2

DATE 1/25/95

~~HB~~

Funding - With exception of overtime, all increases would be from the general fund.

MODIFICATIONS:	----FTE----		----COST----	
	FY94	FY95	FY94	FY95
1. Criminal History Information - These FTE are necessary to input and maintain the increased volume of criminal history info. sent from local law enforcement and the court system. This request does not include the \$16,000 of operating expenses eliminated from the current level base by LFA. Funding would be from the general fund.	3.00	3.00	\$101,388	\$101,388
2. Workmens Compensation Investigation - These positions were requested from the State Fund to deal with the growing caseload. Funding would come from works comp funds.	<del>2.00</del> 1.00	<del>2.00</del> 2.00	\$65,132	\$90,204
3. Automated Fingerprint Identification System - Funding for this system was inadvertently left out of the original budget request. Funding is from Federal funds and drug forfeiture money.			\$360,000	\$360,000
4. Statewide Intelligence System Grant - MT is in the process of applying for this rural state pilot grant. Inclusion of language in HB2 would allow the department to pursue funding through the budget amendment process if funding becomes available.			Unknown	Unknown

\* Assume adoption of LFA base plus 5% and vacant listing reductions.



EXHIBIT 3  
DATE 1/25/93  
HB

Proposed Language for HB2  
Law Enforcement Services Division

The Department of Justice is authorized to request a budget amendment for the rural statewide intelligence network should federal grant funds become available during the 1995 biennium.

4110 22 00000  
DEPARTMENT OF JUSTICE  
Program Summary

Law Enforcement Academy Div

EXHIBIT 4

DATE 1/25/95

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	10.50	10.50	8.50	10.50	(2.00)	8.50	10.50	(2.00)
Personal Services	333,118	328,106	298,013	371,873	(73,860)	298,893	373,031	(74,138)
Operating Expenses	252,790	259,357	246,696	263,470	(16,774)	254,645	272,848	(18,203)
Equipment	8,245	8,000	8,000	8,000	0	8,000	8,000	0
Debt Service	7,384	8,056	9,000	9,000	0	9,000	9,000	0
Total Costs	\$601,539	\$603,519	\$561,709	\$652,343	(\$90,634)	\$570,538	\$662,879	(\$92,341)
<b>Fund Sources</b>								
General Fund	601,539	603,519	561,709	652,343	(90,634)	570,538	662,879	(92,341)
Total Funds	\$601,539	\$603,519	\$561,709	\$652,343	(\$90,634)	\$570,538	\$662,879	(\$92,341)

**Page References**

LFA Budget Analysis (Vol. I), A-108  
Stephens Executive Budget, A48

**Current Level Differences**

5 PERCENT PERSONAL SERVICES REDUCTION—The Executive Budget eliminated 0.5 FTE (training manager) in accordance with section 13, House Bill 2 requiring a 5 percent personal services reduction in the 1995 biennium current level budget. The position is included in LFA current level. The Joint Committee on Appropriations and Finance and Claims recommended the 5 percent reductions be permanent.

(21,876) (22,001)

REDUCE COURSES, 1.5 FTE—The Executive Budget eliminated 1.5 FTE as part of a recommended reduction in professional and specialized law enforcement courses at the academy.

(51,984) (52,137)

REDUCED PROFESSIONAL COURSES—The Executive Budget reduces current level operating expense funding for professional and specialized law enforcement courses.

(16,059) (17,015)

**INFLATION DIFFERENCES**

(715) (1,188)

**TOTAL CURRENT LEVEL DIFFERENCES**

(90,634) (92,341)

**Elected Official Budget Modifications**

ACADEMY FACILITY ENHANCEMENT—This budget modification will provide funding to remodel a portion of the academy and to lease additional space from Gallatin County. A portion of the modification is a one-time cost and part is an on-going expense. See LFA Vol. I, A93.

97,640 104,500

RESTORE 5 PERCENT AND CURRENT LEVEL FTE REDUCTIONS—The Executive Budget current level eliminated 2.0 FTE, including 0.5 FTE related to the 5 percent reduction and 1.5 FTE as part of a reduction of specialized courses at the academy. Funding for these positions is included in LFA current level. See LFA Vol. I, A-93.

73,857 73,857

**Language**

None.

Exec. Over(Under) LFA  
Fiscal 1994 Fiscal 1995

19-Jan-93

DEPARTMENT OF JUSTICE  
1995 Biennium Budget Issues  
LAW ENFORCEMENT ACADEMY

EXHIBIT 5  
DATE 1/25/93  
#B: \_\_\_\_\_

CURRENT LEVEL ISSUES:

-----FTE-----  
FY94 FY95  
-----COST-----  
FY94 FY95

Personal Services - Requested Increases:

1. 5% cut eliminates half of a training manager. This person is integral to the advance/ professional courses taught at the Academy. The position is filled.	.50	.50	\$21,876	\$22,001
2. The OBPP eliminates an additional 1.5 FTE. This reduction would totally eliminate the advanced training component at the Academy. Both positions are filled.	1.50	1.50	51,984	52,137

Operations - Requested Increases:

1. The OBPP eliminates operating expenses related to the professional/advanced training component.			\$16,059	\$17,015
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Equipment - No Issues

Funding - General Fund

MODIFICATIONS:

1. Facility remodeling/expansion - Increased usage and demands on the present facility from increasing student registrations necessitates some basic remodeling and expansion to accommodate the classes and students.			\$97,640	\$104,500
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\*Assume adoption of LFA base plus 5% and vacant listing reductions.

DATE 1/25/934110 28 00000  
DEPARTMENT OF JUSTICE  
Program Summary

Central Services Division

HB

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	9.00	9.00	8.60	9.00	(0.40)	8.60	9.00	(0.40)
Personal Services	293,093	315,637	304,122	313,102	(8,980)	304,373	313,358	(8,985)
Operating Expenses	115,182	93,913	155,928	155,928	0	132,999	132,999	0
Equipment	<u>2,000</u>	<u>5,000</u>	<u>4,000</u>	<u>4,033</u>	<u>(33)</u>	<u>4,000</u>	<u>5,522</u>	<u>(1,522)</u>
Total Costs	\$410,275	\$414,550	\$464,050	\$473,063	(\$9,013)	\$441,372	\$451,879	(\$10,507)
<b>Fund Sources</b>								
General Fund	161,565	173,772	197,685	223,759	(26,074)	188,024	213,739	(25,715)
State Revenue Fund	234,060	224,145	247,803	238,897	8,906	235,693	228,199	7,494
Proprietary Fund	<u>14,650</u>	<u>16,633</u>	<u>18,562</u>	<u>10,407</u>	<u>8,155</u>	<u>17,655</u>	<u>9,941</u>	<u>7,714</u>
Total Funds	\$410,275	\$414,550	\$464,050	\$473,063	(\$9,013)	\$441,372	\$451,879	(\$10,507)

**Page References**

LFA Budget Analysis (Vol. I), A-109  
 Stephens Executive Budget, A49

**Current Level Differences**

**5 PERCENT PERSONAL SERVICES REDUCTION**—The Executive eliminated 0.4 FTE (administrative clerk) in accordance with section 13, House Bill 2 requiring a 5 percent personal services reduction in the 1995 biennium current level budget. The position is included in LFA current level. The Joint Committee on Appropriations and Finance and Claims recommended that the 5 percent reductions be permanently eliminated from the budget.

(8,980) (8,985)

**EQUIPMENT**—The LFA current level includes funding for a replacement computer printer that is not included in the Executive Budget.

0 (1,457)

**INFLATION DIFFERENCES**

(33) (65)

**TOTAL CURRENT LEVEL DIFFERENCES**

(9,013) (10,507)

**FIXED COST ADJUSTMENT**—By action of the House Appropriations Committee, the grounds maintenance fee charged to the Department of Justice has been adjusted and will be added to this program budget. No vote is required.

2,151 2,185

**Elected Official Budget Modifications**

**DRUG PREVENTION COORDINATOR**—This budget modification would continue funding for the Drug Prevention Education Coordinator position with general fund, currently being funded from a federal grant which ends June 1993. See LFA Vol. I, page A-93.

45,000 45,000

**RESTORE 5 PERCENT REDUCTION**—This attorney general modification would restore the 0.4 FTE deleted in the Executive Budget as part of the 5 percent personal services reduction. The position is included in LFA current level. See LFA Vol. I, page A-93

8,979 8,979

**Language**

Note: Audit fees will be line-itemed in House Bill 2.

**FUNDING**—The program is funded by a direct allocation from the four major funds that support the Department of Justice in proportion to their total budgeted costs. After executive action has been taken on all other programs in the department, an adjustment to funding for this program will be proposed to the subcommittee based on total department funding.

E 254

18-Jan-93

EXHIBIT 7  
DATE 1/25/93  
18

DEPARTMENT OF JUSTICE  
1995 Biennium Budget Issues  
CENTRAL SERVICES DIVISION

CURRENT LEVEL ISSUES:

---FTE---		---COST---	
FY94	FY95	FY94	FY95

Personal Services - Requested Increases:

1. Reinstate 5% cut of .40 accounting clerk. Position is filled.	.40	.40	\$8,979	\$8,979
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Operations - No issues.

Equipment - No Issues.

Funding - 45% General Fund.

COUNTY ATTORNEY PAYROLL

CURRENT LEVEL ISSUES:

---FTE---		---COST---	
FY94	FY95	FY94	FY95

Personal Services - Requested Increases:

1. Reinstate 5% cut of 1.10 FTE (3 part time county attorneys.)	1.10	1.10	\$69,500	\$69,500
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2. If supplemental is to be avoided during  
the 1995 biennium, consideration should be  
given to increasing level of full time  
county attorneys.

Funding - General Fund.

EXTRADITION AND TRANSPORTATION OF PRISONER

CURRENT LEVEL ISSUES:

---FTE---		---COST---	
FY94	FY95	FY94	FY95

Operations - Requested Increases:

1. The 3% annual increase will likely be insufficient  
when considering the historical trend. To  
avoid a supplemental, a larger increase  
should be considered.

\* Assumes adoption of LFA base plus 5% and vacant listing reductions.

4110 29 00000

DEPARTMENT OF JUSTICE  
Program Summary

Data Processing Division

HB

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	24.00	15.00	23.00	24.00	(1.00)	23.00	24.00	(1.00)
Personal Services	636,634	420,359	768,490	801,464	(32,974)	770,050	803,057	(33,007)
Operating Expenses	375,921	399,502	416,952	416,543	409	424,136	423,250	886
Equipment	22,355	16,000	35,068	26,252	8,816	34,548	40,796	(6,248)
Debt Service	34,122	34,122	34,124	34,124	0	34,124	34,124	0
Total Costs	\$1,069,033	\$869,983	\$1,254,634	\$1,278,383	(\$23,749)	\$1,262,858	\$1,301,227	(\$38,369)
<b>Fund Sources</b>								
General Fund	819,868	609,582	936,634	960,383	(23,749)	932,858	971,227	(38,369)
State Revenue Fund	249,165	260,401	318,000	318,000	0	330,000	330,000	0
Total Funds	\$1,069,033	\$869,983	\$1,254,634	\$1,278,383	(\$23,749)	\$1,262,858	\$1,301,227	(\$38,369)

**Page References**LFA Budget Analysis (Vol. I), A 110-111  
Stephens Executive Budget, A50**Current Level Differences**

5 PERCENT PERSONAL SERVICES REDUCTION—The Executive eliminated 1.0 FTE in accordance with section 13, House Bill 2 requiring a 5 percent personal services reduction in the 1995 biennium current level budget. The position is included in LFA current level. The Joint Committee on Appropriations and Finance and Claims recommended that the 5 percent reductions be permanently eliminated from the budget.

EQUIPMENT—The Executive Budget allows slightly more funding for equipment for the biennium than LFA current level.

**INFLATION DIFFERENCES****MINOR DIFFERENCES (NET)****TOTAL CURRENT LEVEL DIFFERENCES**

VACANT POSITIONS—The Joint Committee on Appropriations and Finance and Claims recommended the elimination of 2.0 FTE for this program that were vacant on December 11, 1992. Both positions are funded by general fund. The positions are shown on the attached position reduction listing.

**Budget Modifications**

None.

**Language**

None.

Exec. Over(Under) LFA  
Fiscal 1994 Fiscal 1995

(32,966) (32,999)

8,816 (6,248)

(6) (9)

407 887

(23,749) (38,369)

(63,484) (63,542)

~~EX-100~~

18-Jan-93

EXHIBIT 9  
DATE 1/25/93  
HB                     

**DEPARTMENT OF JUSTICE**  
1995 Biennium Budget Issues  
**DATA PROCESSING DIVISION**

**CURRENT LEVEL ISSUES:**

	FTE		COST	
	FY94	FY95	FY94	FY95
Personal Services – Requested Increases:				
1. Reinstate 2 vacant positions – Necessary for the support of the Department's major computer sytems. One has been vacant since July for vacancy savings, the other became vacant end of November. (Note the 1.00 FTE cut by the 5% was not contested.)	2.00	2.00	\$63,500	\$63,500

Operations – No issues.

**Equipment – Requested Increases:**

1. Van in FY94. – Increased audits, computer assistance and training statewide requires ability to haul equipment.			\$14,500	
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Funding – General Fund.

\* Assumes adoption of LFA base plus 5% and vacant listing reductions.

4110 30 00000

DEPARTMENT OF JUSTICE  
Program Summary

## Extradition &amp; Transp Prisoners

EXHIBIT 10DATE 1/25/99

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Expenses	<u>152,647</u>	<u>78,640</u>	<u>223,945</u>	<u>223,945</u>	<u>0</u>	<u>230,720</u>	<u>230,720</u>	<u>0</u>
Total Costs	\$152,647	\$78,640	\$223,945	\$223,945	\$0	\$230,720	\$230,720	\$0
<u>Fund Sources</u>								
General Fund	<u>152,647</u>	<u>78,640</u>	<u>223,945</u>	<u>223,945</u>	<u>0</u>	<u>230,720</u>	<u>230,720</u>	<u>0</u>
Total Funds	\$152,647	\$78,640	\$223,945	\$223,945	\$0	\$230,720	\$230,720	\$0

Page References

LFA Budget Analysis (Vol. I), A-112  
 Stephens Executive Budget, A50

Current Level Differences

None.

Budget Modifications

None.

Issue

SUPPLEMENTALS—This program has required a supplemental appropriation in each of the last two bienniums, including a \$100,000 supplemental in fiscal 1991. Expenditures for the program have increased 47 percent in the last 4 years. See the discussion on page A-90, LFA Vol. I.

Exec. Over(Under) LFA  
 Fiscal 1994 Fiscal 1995



~~EXHIBIT~~

EXHIBIT 11  
DATE 1/25/93

4110 32 00000		Forensic Science Division						
DEPARTMENT OF JUSTICE								
Program Summary								
Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	18.00	17.00	17.50	18.00	(0.50)	17.50	18.00	(0.50)
Personal Services	734,503	736,237	833,023	862,776	(29,753)	834,614	864,399	(29,785)
Operating Expenses	310,537	317,150	344,599	332,216	12,383	351,788	339,405	12,383
Equipment	111,727	25,000	30,298	45,500	(15,202)	21,122	25,000	(3,878)
Debt Service	0	0	4,500	4,500	0	4,500	4,500	0
Total Costs	\$1,156,768	\$1,078,387	\$1,212,420	\$1,244,992	(\$32,572)	\$1,212,024	\$1,233,304	(\$21,280)
<u>Fund Sources</u>								
General Fund	906,299	841,205	942,420	974,992	(32,572)	942,024	963,304	(21,280)
State Revenue Fund	250,469	237,182	270,000	270,000	0	270,000	270,000	0
Total Funds	\$1,156,768	\$1,078,387	\$1,212,420	\$1,244,992	(\$32,572)	\$1,212,024	\$1,233,304	(\$21,280)

### Page References

LFA Budget Analysis (Vol. I), A-113  
Stephens Budget Analysis, A51

### Current Level Differences

5 PERCENT PERSONAL SERVICES REDUCTION—The Executive Budget eliminated 0.5 FTE (Director position) in accordance with section 13, House Bill 2 requiring a 5 percent personal services reduction in the 1995 biennium current level budget. The position is included in LFA current level. The Joint Committee on Appropriations and Finance and Claims recommended that the 5 percent reductions be permanently eliminated from the budget.

(29,753) (29,785)

EQUIPMENT MAINTENANCE CONTRACT—The Executive Budget includes funding for a maintenance contract for a new chromatograph. The division has historically maintained much of the crime lab equipment in-house.

10,680 10,680

EQUIPMENT—The Executive Budget and LFA current level include funding for the same equipment as requested by the division, but the Executive Budget reduces the price allowed for the purchase of chromatographs.

(15,202) (3,878)

MINOR DIFFERENCES (NET)

1,703 1,703

TOTAL CURRENT LEVEL DIFFERENCES

(32,572) (21,280)

VACANT POSITION—The Joint Committee on Appropriations and Finance and Claims recommended the elimination of 1.0 FTE for this program that were vacant on December 11, 1992. The position is a latent print examiner, and is funded by general fund. The position is shown on the attached position reduction listing.

(30,449) (30,480)

### Elected Official Budget Modifications

FIREARMS AND TOOLMARKS EXAMINER—This modification provides for a second professional firearms and toolmarks examiner, funded by general fund. See LFA Vol. I, page A-93.

52,839 52,839

RESTORE 5 PERCENT REDUCTION—This modification would restore 0.50 FTE (general fund) deleted in the Executive Budget as part of the 5 percent personal services reduction. This position is included in LFA current level, and is shown on the attached position reduction listing. See LFA Vol. I, page A-93.

29,747 29,747

### Language

None.

EX-10

18-Jan-93

DEPARTMENT OF JUSTICE  
1995 Biennium Budget Issues  
FORENSIC SCIENCE DIVISION

EXHIBIT 12  
DATE 1/25/93  
~~HB~~

CURRENT LEVEL ISSUES:

	----FTE----		-----COST-----	
	FY94	FY95	FY94	FY95
Personal Services – Requested Increases:				
1. Reinstate 5% cut for Lab Director	.50	.50	\$29,753	\$29,753
2. Reinstate vacant position for Latent Fingerprint Examiner. This type of expertise makes position difficult to fill.	1.00	1.00	\$30,449	\$30,449

Operations – Requested Increases:

1. Repair & Maintenance – Most equipment is repaired by staff. The more sophisticated machinery must be repaired by the manufacturer.			\$10,000	\$10,000
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Equipment – Requested Increases

1. Need additional funds to replace a dual detector gas chromatograph...recommended amount would purchase a single detector.			\$4,000	\$4,000
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Funding – General Fund.

MODIFICATIONS:

1. Firearms & Toolmarks Examiner – This position is necessary to help relieve the stress & pressure of the one examiner who is trying to deal with a workload which has doubled in the last five years.	1.00	1.00	\$52,839	\$52,839
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\* Assume adoption of LFA base plus 5% and vacant listing reductions.

4110 12 00000 DEPARTMENT OF JUSTICE Program Summary		Motor Vehicle Division						
Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	183.25	179.25	172.25	172.25	0.00	166.25	172.25	(6.00)
Personal Services	3,299,406	3,947,042	4,203,345	4,203,171	174	4,087,036	4,214,949	(127,913)
Operating Expenses	1,755,461	1,636,374	2,010,031	1,967,555	42,476	2,015,138	1,974,635	40,503
Equipment	181,605	63,535	141,678	101,009	40,669	131,963	101,074	30,889
Debt Service	16,639	0	146,188	134,188	12,000	146,188	134,188	12,000
Total Costs	\$5,253,112	\$5,646,951	\$6,501,242	\$6,405,923	\$95,319	\$6,380,325	\$6,424,846	(\$44,521)
<b>Fund Sources</b>								
General Fund	5,080,576	5,500,429	6,486,742	6,405,923	80,819	6,367,825	6,424,846	(\$57,021)
State Revenue Fund	122,454	93,435	0	0	0	0	0	0
Federal Revenue Fund	50,082	53,087	14,500	0	14,500	12,500	0	12,500
Total Funds	\$5,253,112	\$5,646,951	\$6,501,242	\$6,405,923	\$95,319	\$6,380,325	\$6,424,846	(\$44,521)

**Page References**

LFA Budget Analysis (Vol. I), A 100-101  
 Stephens Executive Budget, A45-46

**Current Level Differences**

**ELIMINATION OF FTE**—The Executive Budget eliminated 11.0 FTE as part of the 5 percent personal services reduction required in section 13, House Bill 2. The LFA current level eliminated the same 11.0 FTE as permanent savings attained from the automation of the vehicle registration system. When automation is fully implemented, there is a potential for the elimination of up to an additional 19.0 FTE. In addition to the 11.0 FTE, the Executive Budget eliminated 6.0 FTE in fiscal 1995 in anticipation of added savings when automation of the vehicle titling function in Deer Lodge is completed. See the issue discussion on LFA Vol. I, page A 93-94.

0 (128,076)

**MAINTENANCE CONTRACT FOR EQUIPMENT**—The Executive Budget reduced the budget for maintenance contracts on the new equipment purchased on an installment basis for the registration automation project. The installment contract has a maintenance contract included.

(28,400) (28,400)

**ONE-TIME EXPENSE**—The Executive Budget removed the costs of telephone installation and change orders in fiscal 1992 as a one-time expense.

(6,111) (6,111)

**MICROFICHE RECORDS**—The Executive Budget includes funding to produce microfiche records for state and local agencies on a quarterly basis. The LFA current level only includes funding for producing the records on an annual basis, as was done in fiscal 1992.

6,982 6,982

**COMPUTER RIBBONS FOR COUNTIES**—The Executive Budget provides funding for supplying computer printer ribbons to the 56 counties. The ribbons are for the computers used to print vehicle registration receipts and other vehicle registration system reports. The LFA current level does not fund the increase, allowing the option for the counties to provide the ribbons.

13,003 13,003

**DRIVER EXAMINER UNIFORMS**—The Executive Budget provides increased funding for a \$250 uniform allowance for Driver Services Specialists to purchase uniform blazers required by department policy. The LFA current level does not include the increase.

8,340 8,340

**ANNUALIZATION OF OPERATING COSTS**—The Executive Budget included increases in operating expenses due to increased costs of the registration automation project and short staffing in fiscal 1992. LFA current level provided only limited increases on the premise that cost savings and FTE reductions from automation should reduce costs. The amount of the increases in the Executive Budget exceeds the cost of the automation project anticipated by the 1991 legislature. Increases in the Executive Budget include training for county employees, travel costs for training sessions and attendance and support of meetings of the County Motor Vehicle Computer Committee and the County Motor Vehicle User Advisory Group.

37,499 35,144

**FEDERAL GRANT, PROBLEM DRIVER**—The Executive Budget includes federal funding for a new grant for the Problem Driver Point System in the Motor Vehicle Division. Since this is a new program, it is not included in LFA current level.

12,500 14,500

EQUIPMENT—The Executive Budget includes funding for equipment at a level much higher than an average year, including funding for an upgrade to the registration automation computers installed in the 1993 biennium. The LFA current level provides for a lower budget for the priority purchase of equipment, particularly in consideration of the large expenditure for new equipment in the 1993 biennium on an installment basis for the registration automation project.	40,736	31,021
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DEBT SERVICE—The Executive Budget includes \$24,000 in debt service for the 1993 biennium installment purchase of a network server for the Deer Lodge office. The LFA current level includes funding for the network server in the equipment budget.	12,000	12,000
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INFLATION DIFFERENCES	(1,404)	(3,087)
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MINOR DIFFERENCES (NET)	174	163
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TOTAL CURRENT LEVEL DIFFERENCES	<u>95,319</u>	<u>(44,521)</u>
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VACANT POSITIONS—The Joint Committee on Appropriations and Finance and Claims recommended the elimination of 10.0 FTE in 11 positions for this program that were vacant on December 11, 1992. The positions are 100 percent general fund at a biennial cost of \$452,500. The positions are shown on the attached position reduction listing.	(226,078)	(226,421)
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### Budget Modifications

ADP TRANSFER TO STATE MAINFRAME—The Executive Budget includes a budget modification to transfer the drivers' licensing and vehicle registration and titling computer databases to the state mainframe computer. The database is currently on the Department of Justice computer located in the National Guard armory in Helena. This modification would be funded by general fund. See LFA Vol. I, page A-91.	689,483	657,819
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DIGITIZING RECORDS—This executive budget modification provides a <u>reduced</u> general fund cost resulting from the lease-purchase of data processing and imaging equipment for the vehicle registration and titling record-keeping function. The new system will replace an older microfilm process, resulting in reduced personal services and operating expenses, with ongoing cost savings of an estimated \$62,000 per year. See LFA Vol. I, page A-91.	(3,500)	(7,000)
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HIGHWAYS SPECIAL REVENUE FUNDING SWITCH—The Executive Budget includes a budget modification to change the funding for the Motor Vehicle Division from 100 percent general fund to highways special revenue funding. This modification provides funding for the Executive Budget current level and also includes funding adjustments for the two budget modifications discussed above. For further discussion of the executive policy initiative, see the Stephens Executive Budget, page A53.	(7,172,725)	(7,018,644)
	7,172,725	7,018,644

Note: The highways special revenue fund faces a severe shortfall that will require increased funding in order to continue current level funding for the highways construction program. The executive is recommending a fuel tax increase to provide increased revenue for the highways special revenue account. The funding switch from general fund to highways special revenue for the Motor Vehicle Division will require the equivalent of a 1.4 cent fuel tax increase. The highways user fees are restricted by the constitution for highways construction and enforcement of highway safety and driver education. For further discussion of the issues regarding the funding shortfall for the highways special revenue fund, see LFA Vol. 1, pages A 123-129.

### Language

None.

19-Jan-93

DEPARTMENT OF JUSTICE  
1995 Biennium Budget Issues  
MOTOR VEHICLE DIVISION

EXHIBIT

14

DATE

1/25/93

HB

CURRENT LEVEL ISSUES:

-----FTE-----  
FY94 FY95  
-----COST-----  
FY94 FY95

Personal Services - Requested Increases:

1. Reinstate 10.50 FTE on vacancy list. The division has not contested the 5% reduction of 11.00 FTE. An additional reduction of 10.50 would cripple the program and the progress made this biennium.	10.50	10.50	\$307,827	\$308,430
2. Reinstate 6.00 current level FTE reduced in FY95 by the OBPP. The division is committed to further reduction of staff as automation goals are reached. A reduction in FY95 is too soon.	<del>6.00</del>	6.00		\$128,076

Operating Expenses - Requested Increases

1. Ongoing costs associated with the new automated system have increased in the areas of telephone, vehicle repair, microfilm, & data processing supplies.			\$22,245	\$22,245
2. An annual training session for the county staff is essential to maintain the integrity of the automated system.			\$12,500	\$12,500
3. Uniform allowance - employees are required to wear a uniform every day. The \$250 allowance provides for a minimum wardrobe.			\$8,300	\$8,300
4. Gasoline useage has increased as staff is on the road more for training and technical assistance.			\$6,000	\$6,000
5. Increased travel expenses is needed for examiners and the County Motor Vehicle Computer Committee.			\$7,845	\$7,845

Equipment - Requested Increases:

1. Two replacement cars per year - the average mileage of the current automobiles is 85,000 miles. For safety, a replacement schedule is necessary.			\$28,870	\$28,870
2. Office equipment - files, eye machines, typewriters and misc office equipment needs to be replaced each year.			\$12,975	\$12,975

## MOTOR VEHICLE DIVISION Cont.

### Funding:

1. Request continuation of general fund.

### MODIFICATIONS

1. Transfer of the motor vehicle system to the State's mainframe computer. This recommendation is part of a larger state effort and results in savings to other state agencies.	\$689,483	\$657,819
2. Digitizing Records – This proposal would allow another major step toward automating record handling with no additional cost.	(\$3,500)	(\$7,000)

\* Assumes LFA base and elimination of 5% reduction and vacancies.

**POSITIONS REQUESTED FOR RE-STATEMENT**

EXHIBIT 15  
DATE 1/25/95  
~~HB~~

**Positions numbered 12301 and 12310 Driver Services Specialist I's Grade 11**

One of these positions has been advertised and the other has had a request to fill document submitted. The positions are both located in the Bozeman examination station and are the only examining positions assigned to that station. The vacancies occurred due to the retirement of one of the examiners and the resignation of the other for the purpose of relocating. Very limited service is presently being provided by re-assignment of the Livingston examiner 2 days per week and the Helena commercial examiner 2 days per week. This re-assignment has naturally reduced service in those areas while increasing our travel costs, and cannot continue much longer without severe service problems. In the event these positions cannot be filled, examining services will be cut in outlying smaller counties and severely restricted in Bozeman.

**Position number 12313. Driver Services Specialist I Grade 11**

This position has been advertised. The position is that of relief examiner for the western region consisting of all communities west of the continental divide. In the event this position cannot be filled, no examining services will be available in those communities when the resident examiner is ill or on vacation.

**Position number 17002. Training and Development Specialist Grade 15**

It is the intention of the division to utilize this position as a "Systems Operator". The equipment necessary to operate an automated office system of the size needed for the Deer Lodge operation will be either a very large personal computer "server" or a mini-computer both of which require an on site operator to manage the daily operation of the system. The nature of this position is such that completion of the office automation project would not be possible without a competent systems manager.

**Position number 17013. Compliance officer Grade 12**

A request to fill has been submitted for this position. The need for this position is to provide further investigative assistance to make sure that Montana's 1,423 vehicle dealers are in compliance with the dealer laws. In the event the position cannot be filled, the Division will be unable to insure dealer compliance, a function required of the division by statute.

**Funding for the positions listed above:**

Personal services	FY94	FY95
	\$138,277	\$138,395

EXHIBIT 15  
DATE 1/25/95  
~~HB~~

**Positions released:**

Position number 12813 .5 Grade 7  
Position number 12832 .5 Grade 7  
Position number 12961 Grade 12  
Position number 17031 Grade 12  
Position number 17117 Grade 6  
Position number 17139 Grade 6

**Funding reductions for the positions above:**

Personal services	FY94	FY95
	\$111,289	\$111,533



The Motor Vehicle Division is requesting that the following adjustments be made to the LFA current level differences as presented in the Department of Justice, Motor Vehicle Division 1994/1995 Biennium Budget.

MAINTENANCE CONTRACT FOR EQUIPMENT

	Exec Over Fiscal 1994	(Under) LFA Fiscal 1995
LFA	(28,400)	(28,400)
<b>Request reinstatement:</b>		
Server for Deer Lodge System	10,000	10,000
Field Operations Equipment	<u>3,552</u>	<u>3,552</u>
Total	13,552	13,552
Difference between LFA and Division Request	(14,848)	(14,848)

Maintenance in the amount of \$10,000 is requested to support the server budgeted for the Department of Justice, Motor Vehicle Division, Title and Registration Bureau and in the amount of \$3,552 as stated in the contract (#145655, Dated 12/10/92) with IBM for the purchase of computer systems for the Department of Justice, Motor Vehicle Division, Field Operations Bureau. The 17 computer systems installed under this contract are for driver licensing purposes and should not be connected with the county automation program.

EXHIBIT 16DATE 1/25/93HB

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## DEPARTMENT OF ADMINISTRATION

## Agency Summary

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	316.64	319.14	303.76	315.14	(11.38)	307.76	319.14	(11.38)
Personal Services	9,789,457	10,070,603	10,572,195	10,883,103	(310,908)	10,696,156	11,011,753	(315,597)
Operating Expenses	24,371,290	25,612,481	27,244,826	26,534,255	710,571	28,202,812	27,323,377	879,435
Equipment	2,202,949	1,695,999	2,413,975	2,386,060	27,915	2,180,468	2,170,541	9,927
Capital Outlay	18,724	0	0	0	0	0	0	0
Local Assistance	4,737	0	4,737	4,737	0	4,737	4,737	0
Benefits and Claims	1,000	0	0	0	0	0	0	0
Transfers	769,794	740,820	58,801	804,929	(746,128)	58,801	806,657	(747,856)
Debt Service	<u>4,277,729</u>	<u>4,288,997</u>	<u>3,357,118</u>	<u>2,317,766</u>	<u>1,039,352</u>	<u>2,476,942</u>	<u>1,381,221</u>	<u>1,095,721</u>
Total Costs	\$41,435,684	\$42,408,900	\$43,651,652	\$42,930,850	\$720,802	\$43,619,916	\$42,698,286	\$921,630
<b>Fund Sources</b>								
General Fund	3,179,548	3,253,904	3,507,650	3,527,264	(19,614)	3,487,019	3,493,474	(6,455)
State Revenue Fund	728,124	807,418	725,272	746,128	(20,856)	727,219	747,856	(20,637)
Capital Projects Fund	769,794	784,648	58,801	804,929	(746,128)	58,801	806,657	(747,856)
Proprietary Fund	<u>36,758,217</u>	<u>37,562,930</u>	<u>39,359,929</u>	<u>37,852,529</u>	<u>1,507,400</u>	<u>39,346,877</u>	<u>37,650,299</u>	<u>1,696,578</u>
Total Funds	\$41,435,684	\$42,408,900	\$43,651,652	\$42,930,850	\$720,802	\$43,619,916	\$42,698,286	\$921,630

## TABLE OF CONTENTS

PROGRAM NAME	PAGE NBR
Director's Office .....	2
Accounting Program .....	3
Architecture & Engineering Program .....	4
Procurement & Printing Division .....	5
Information Services Division .....	7
General Services Program .....	9
Mail & Distribution Bureau .....	11
State Personnel Division .....	12
Risk Management & Tort Defense .....	14
State Tax Appeal Board .....	15
Public Employees Retirement Board .....	16 (Not included in above summary)
Teachers Retirement Program .....	17 (Not included in above summary)

DEPARTMENT OF ADMINISTRATION

Positions Removed by Joint Committee Action  
House Appropriations & Senate Finance and Claims  
January 6, 1993

EXHIBIT 17  
DATE 1/25/93  
HB                     

		Total Personal Services		FTE		Total FTE Removed	Non-Approp. FTE
Position #	Position Description	Fiscal 1994	Fiscal 1995	Removed by 5% Reduction	Removed by Being Vacant		
<b>General Fund Positions</b>							
Director's Office							
00001	Director	\$6,942	\$6,950	0.11		0.11	
00003	Deputy Director	6,907	6,915	0.11		0.11	
Accounting & Management Support							
07014	Management Analyst IV	40,067	40,121		1.00	1.00	
07017	Management Analyst II	12,500	12,528	0.42		0.42	
12004	Personnel Tech II	5,761	6,313	0.25		0.25	
12006	Accounting Tech	12,358	12,424	0.50		0.50	
12013	Personnel Specialist	5,971	5,980	0.25		0.25	
12015	Accountant	35,280	35,598		1.00	1.00	
Procurement & Printing							
04008	Admin Officer I	23,822	23,853	0.83		0.83	
State Personnel Division							
00056	Labor Relations Specialist	31,347	31,380		1.00	1.00	
06108	Personnel Specialist	7,738	7,749	0.28		0.28	
06200	Career Executive	50,466	50,521	1.00		1.00	
Sub-Total		\$239,159	\$240,332	3.75	3.00	6.75	0.00
<b>Non-General Fund Positions</b>							
Architecture & Engineering							
02003	Energy/Mech. Eng. Spec	\$39,691	\$39,734		1.00	1.00	
02037	Temp. Class Exception	25,706	25,741	0.54		0.54	
Procurement & Printing							
03211	Duplic MacOpr	20,930	20,965	1.00		1.00	
03222	Inf Sys Spec III	16,190	16,225	0.50		0.50	
09609	Purch/Supply Asst	23,587	23,611	1.00		1.00	
09605	Accounting Tech	23,389	23,413		1.00	1.00	
Information Services Division							
08103	Secretary III	10,651	10,663	0.50		0.50	
08225	Inf Sys Spec IV	37,590	37,715	1.00		1.00	
08241	Info Sys Spec I-Impl	28,235	28,272		1.00	1.00	
08523	Info Sys Spec IV-Impl	41,737	41,782		1.00	1.00	
08707	Inf Sys Spec IV	46,128	46,178	1.00		1.00	
08730	Inf Sys Spec IV	35,862	35,900	1.00		1.00	
08731	Not Yet Classified	35,862	35,900	1.00		1.00	
09313	Switchboard Opr III	19,067	19,091	1.00		1.00	
09417	Planner IV	31,347	31,380	1.00		1.00	
General Services Division							
03505	Painter	33,121	33,190	1.00		1.00	
Central Mail							
13002	Mail Clerk II	11,823	11,841	0.52		0.52	
13011	Mail Clerk II	10,317	10,330		0.50	0.50	
Risk Management & Tort Defense							
05019	Not Yet Classified	22,230	22,260	0.57		0.57	
Sub-Total		\$513,463	\$514,191	11.63	4.50	16.13	0.00
TOTAL		\$752,622	\$754,523	15.38	7.50	22.88	0.00

NOTES: : \* Two positions already excluded from LFA current level.

\*\* Three positions were eliminated by both actions.

They are shown eliminated by 5% reduction.

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PUBLIC EMPLOYEES RETIREMENT BOARD

EXHIBIT 17  
 DATE 1/25/93  
 HB                     

Positions Removed by Joint Committee Action  
 House Appropriations & Senate Finance and Claims  
 January 6, 1993

				FTE			
Position #	Position Description	Total Personal Services Fiscal 1994	Fiscal 1995	Removed by 5% Reduction	Removed by Being Vacant	Total FTE Removed	Non-Approp. FTE
General Fund Positions							
	None						
Sub-Total		\$0	\$0	0.00	0.00	0.00	0.00
Non-General Fund Positions							
03806	Pay Benefit Spec	\$26,148	\$26,179		1.00	1.00	
Sub-Total		\$26,148	\$26,179	0.00	1.00	1.00	0.00
TOTAL		\$26,148	\$26,179	0.00	1.00	1.00	0.00

# TEACHERS' RETIREMENT BOARD

EXHIBIT 17  
 DATE 1/25/93  
~~HB~~

Positions Removed by Joint Committee Action  
 House Appropriations & Senate Finance and Claims  
 January 6, 1993

		Total Personal Services		FTE		Total FTE Removed	Non-Approp. FTE
Position #	Position Description	Fiscal 1994	Fiscal 1995	Removed by 5% Reduction	Removed by Being Vacant		
General Fund Positions							
	None						
Sub-Total		\$0	\$0	0.00	0.00	0.00	0.00
Non-General Fund Positions							
03908	Secretary III	\$21,805	\$21,831		1.00	1.00	
Sub-Total		\$21,805	\$21,831	0.00	1.00	1.00	0.00
TOTAL		\$21,805	\$21,831	0.00	1.00	1.00	0.00

BUDGET PRESENTATION  
GENERAL GOVERNMENT AND TRANSPORTATION SUBCOMMITTEE  
REPRESENTATIVE PETERSON, CHAIRMAN  
JANUARY 25, 1993

EXHIBIT 18  
DATE 1/25/93  
HB

**INTRODUCTION**

- > COVER 3 AREAS:
  - GENERAL COMMENTS ON DEPT.'S FUNCTIONS AND FUNDING
  - BRIEF DESCRIPTION OF EACH DIVISION
  - PAST AND POTENTIAL REDUCTIONS
- > ALSO MENTION SOME PENDING LEGISLATION INVOLVING DEPT.
- > FOLLOWING OVERVIEW, EACH DIVISION ADMINISTRATOR WILL PRESENT HIS OR HER BUDGET

**GENERAL COMMENTS**

- > GENERALLY WORK OF DEPT. CAN BE VIEWED FROM TWO PERSPECTIVES:
  - (1) SAVING MONEY FOR STATE GOVERNMENT; OR
  - (2) CONTROLLING SOME ASPECT OF STATE GOVERNMENT
- > AS TALK ABOUT DEPT., WILL HIGHLIGHT THESE TWO THEMES
- > EVERY ORGANIZATION HAS AN "INFRASTRUCTURE"
  - DOA IS THE "INFRASTRUCTURE" FOR MONTANA STATE GOVERNMENT
    - > GIVE YOU A PERSPECTIVE ON THIS INFRASTRUCTURE
  - CURRENTLY DEPT. HAS ABOUT 357 FTEs (INCLUDES 3 AGENCIES THAT ARE ADMINISTRATIVELY ATTACHED TO DEPT.)
  - THIS COMPARES WITH ABOUT 2,000 EMPLOYEES IN DOT AND 100 EMPLOYEES IN THE DEPT. OF AGRIC.
  - IN TERMS OF BUDGET, DEPT. SPENDS ABOUT \$44 MILLION/YR
    - \* DOES NOT INCLUDE AMOUNT SPENT FOR MEDICAL CLAIMS, RETIREMENT BENEFITS, LAWSUITS, CONSTRUCTION OR DEBT SERVICE (STATUTORILY APPROPRIATED)
    - \* IF THESE WERE ADDED, EXPENDITURES WOULD EASILY EXCEED \$250 MILLION ANNUALLY
- > PIE CHART (FIRST PAGE) SHOWS RECOMMENDED FUNDING FOR DEPT., BY FUNDING SOURCE, FOR FY 94 AND 95
  - PROPRIETARY SPENDING MAKES UP THE BULK OF OUR SPENDING (87%), FOLLOWED BY GENERAL FUND (7.5%)
  - ALSO RECEIVE SOME MONEY FROM PENSION TRUST (ALMOST 4%)

- AND SPECIAL REVENUE (1.6%),
- LESS THAN 0.1% FROM CAPITAL PROJECTS AND FEDERAL REVENUE FUNDS

**DESCRIPTION OF DIVISIONS**

- > WILL BRIEFLY DESCRIBE EACH DIVISION WITHIN DEPT. AND INTRODUCE DIVISION ADMINISTRATORS
- > PREPARED AN ORGANIZATIONAL CHART OF THE DEPT. SO THAT YOU CAN SEE THE RELATIONSHIP BETWEEN THE DEPT.'S 12 DIVISIONS AND "ATTACHED TO" AGENCIES
- > ALSO, PAGE 2 OF HANDOUTS LISTS MAJOR DUTIES OF EACH DIVISION
- > DIRECTOR'S OFFICE = 7 FTEs

- IN ADDITION TO PROVIDING OVERALL COORDINATION OF DEPT. ACTIVITIES, DIRECTOR'S OFFICE PERFORMS SOME SPECIFIC TASKS

- \* PROVIDES LEGAL SUPPORT TO DIVISIONS AND ATTACHED-TO AGENCIES THAT DO NOT HAVE OWN LEGAL STAFF
- \* CONDUCTS PERFORMANCE APPRAISALS OF ADMINISTRATORS
- \* MANAGES ISSUANCE OF GENERAL OBLIGATION BONDS AND TAX AND REVENUE ANTICIPATION NOTES (TRANS)
- \* PROVIDES CLERICAL AND PROFESSIONAL SUPPORT FOR SPECIAL PROJECTS

- > STATE PERSONNEL DIVISION = 38 FTEs

- ESTABLISHES PERSONNEL POLICY FOR ALL STATE AGENCIES
- CLASSIFIES EMPLOYEES
- COLLECTIVELY BARGAINS WITH UNION EMPLOYEES (WHO REPRESENT ABOUT 55% OF OUR WORKFORCE)
- PROVIDES TRAINING FOR EMPLOYEES THROUGH THE PROFESSIONAL DEVELOPMENT CENTER, AND
- ADMINISTERS A \$30 MILLION A YEAR SELF-INSURED MEDICAL/DENTAL PLAN (OF WHICH YOU MAY BE A MEMBER)
- RECENT ACCOMPLISHMENT OF DIVISION WAS IMPLEMENTING THE MARKET-BASED EMPLOYEE PAY PLAN APPROVED BY 1991 LEGISLATURE
- MARK CRESS IS ACTING ADMINISTRATOR OF THE PERSONNEL DIVISION

\* HE ALSO SERVES AS THE ADMINISTRATOR OF THE PUBLIC  
EMPLOYEES' RETIREMENT DIVISION

-- MARK KEEPS PRETTY BUSY THESE DAYS

-- REP. PETERSON WILL BE CARRYING THE ADMINISTRATION'S PAY  
BILL THIS SESSION

\* APPRECIATE YOUR HELP

> PROCUREMENT AND PRINTING DIVISION = 63.5 FTEs

-- HEADED BY MARVIN EICHOLTZ

-- CONSISTS OF THREE BUREAUS

(1) PUBLICATIONS AND GRAPHICS BUREAU: PRINTS MATERIAL  
FOR STATE GOVERNMENT

(2) PROPERTY AND SUPPLY BUREAU: STOCKS 1,200 FREQUENTLY  
USED SUPPLY ITEMS AND RUNS THE STATE AND FEDERAL  
SURPLUS PROGRAMS

(3) PURCHASING BUREAU: ADMINISTERS A STATEWIDE  
PURCHASING PROGRAM

-- ONE OF MARVIN'S JOB IS TO SAVE THE STATE MONEY BY  
COMBINING AGENCIES' PURCHASES TO ACHIEVE LOWER UNIT COSTS

\* AT THE SAME TIME, HIS JOB IS TO ENSURE THAT ALL  
VENDORS GET AN EQUAL SHOT AT SUPPLYING GOODS AND  
SERVICES TO THE STATE

-- MARVIN IMPLEMENTED A NATURAL GAS PROCUREMENT PROGRAM

\* SAVED STATE AGENCIES \$523,000 DURING THE  
FIRST 6 MONTHS OF THIS FISCAL YEAR

-- CURRENTLY IMPLEMENTING A STATEWIDE FUELING PROGRAM FOR  
CITIES, COUNTIES, SCHOOL DISTRICTS, AND STATE AGENCIES

\* EXPECTED TO SAVE AT LEAST \$3 MILLION DOLLARS BY THE  
END OF 1998

> PUBLIC EMPLOYEES' RETIREMENT DIVISION = 20 FTEs

-- THIS IS MARK CRESS'S "OTHER HAT"

-- PERD ADMINISTERS 8 RETIREMENT SYSTEMS FOR STATE AND LOCAL  
GOVERNMENT EMPLOYEES

-- GOAL IS:

\* TO FUND THESE PROGRAMS ON AN ACTUARIAL SOUND BASIS;  
AND



- \* TO PROVIDE PUBLIC EMPLOYEES WITH THE BROADEST RETIREMENT BENEFITS POSSIBLE
- DIVISION ALSO STRIVES TO:
  - + DEVELOP INTERNAL EQUITY AMONG RET. SYSTEMS
  - + NOT ALWAYS EASY WHEN FACED WITH CONTINUAL PRESSURES FOR GRANTING ADDITIONAL BENEFITS
- > **ACCOUNTING AND MANAGEMENT SUPPORT DIVISION = 24.25 FTEs**
  - CONNIE GRIFFITH ADMINISTERS THIS DIVISION
  - WHEN I MENTIONED THE STATE'S "INFRASTRUCTURE" I HAD CONNIE'S DIVISION IN MIND
    - \* DIVISION RUNS THE STATE'S ACCOUNTING SYSTEM (SBAS);
    - \* PREPARES ANNUAL FINANCIAL STATEMENTS; AND
    - \* COLLECTS MONEY THROUGH THE STATE TREASURY AND A NETWORK OF DEPOSITORY BANKS AROUND MONTANA
  - ONE OF CONNIE'S UNIQUE FUNCTIONS IS TO MONITOR THE STATE'S GENERAL FUND CASH FLOW TO INSURE THAT IT STAYS POSITIVE
    - \* EITHER THROUGH CASH OR BORROWING
  - OUR DEPT.'S BUDGETING, ACCOUNTING AND PERSONNEL WORK IS DONE BY THE MANAGEMENT AND SUPPORT BUREAU WITHIN THIS DIVISION
    - \* SUPERVISED BY CATHY REARDON
    - \* CATHY WILL PRESENT THE DIRECTOR'S OFFICE BUDGET AND BE HERE THROUGHOUT OUR HEARINGS TO ANSWER QUESTIONS
- > **ARCHITECTURE AND ENGINEERING DIVISION = 15 FTEs**
  - TOM O'CONNELL IS ADMINISTRATOR OF A & E
  - HIS JOB IS TO OVERSEE THE CONSTRUCTION, MAINTENANCE, AND REPAIR OF STATE FACILITIES INCLUDING THE UNIVERSITY SYSTEM
  - LAST SESSION LEGISLATURE APPROVED LARGEST CONSTRUCTION PROGRAM IN THE STATE'S HISTORY (\$142 MILLION)
    - \* INVOLVED 5 MAJOR PROJECTS -- TWO UNIVERSITY BUILDINGS, EXPANSION OF THE MEN'S PRISON, A NEW WOMEN'S PRISON, AND COMPLETE REBUILD OF MONTANA DEVELOPMENTAL CENTER IN BOULDER

- PROJECTS REPRESENT A HUGE WORK LOAD FOR TOM AND HIS STAFF
- > **RISK MANAGEMENT AND TORT DEFENSE DIVISION = 13.0 FTEs**
  - BRETT DAHL IS ADMINISTRATOR OF THIS DIVISION
  - THE DIVISION:
    - \* ADMINISTERS A COMPREHENSIVE INSURANCE PLAN FOR STATE GOVERNMENT
      - INCLUDES EITHER PURCHASING COMMERCIAL INSURANCE OR SELF-INSURING STATE RISKS WHEN COST-EFFECTIVE
    - \* PROVIDES LEGAL DEFENSE FOR STATE AGENCIES IN TORT ACTIONS
    - \* WORKS WITH STATE AGENCIES IN PREVENTING OR REDUCING LOSSES THROUGH RISK MANAGEMENT PROGRAMS
  - FUNDING FOR THE DIVISION COMES FROM INSURANCE PREMIUMS PAID BY STATE AGENCIES
    - \* MONEY IS PLACED IN SELF-INSURANCE FUND AND IS USED TO PAY OPERATIONAL COSTS AND CLAIMS
- > **GENERAL SERVICES DIVISION = 33.25 FTEs**
  - DEBBIE FULTON IS ADMINISTRATOR OF GENERAL SERVICES
  - DIVISION IS RESPONSIBLE FOR THE OPERATION AND UPKEEP OF 1.1 MILLION SQUARE FEET OF OFFICE SPACE ON THE CAPITAL COMPLEX
    - \* COSTS ARE PAID FOR BY CHARGING AGENCIES A RENTAL RATE
  - DIVISION ALSO OPERATES A CENTRAL MAIL PROGRAM THAT REDUCES MAILING COSTS FOR STATE AGENCIES
  - ADDITIONALLY, DIVISION WORKS WITH AGENCIES OUTSIDE HELENA IN LEASING SPACE TO REDUCE LEASING COSTS AND COLLOCATE AGENCIES WHEN FEASIBLE
- > **INFORMATION SERVICES DIVISION = 118.14 FTEs**
  - MIKE TREVOR IS ADMINISTRATOR OF OUR LARGEST DIVISION
  - ISD IS RESPONSIBLE FOR ESTABLISHING POLICY AND STRATEGIC DIRECTION IN INFORMATION TECHNOLOGY
  - ALSO ASSISTS STATE AGENCIES IN ACCOMPLISHING THEIR TASKS THROUGH COST EFFECTIVE USE OF:

- \* DATA PROCESSING
- \* TELECOMMUNICATIONS
- \* OFFICE AUTOMATION
- \* APPLICATIONS SYSTEMS AND DESIGN
- DIVISION PROVIDES CENTRAL COMPUTER OPERATIONS, TELEPHONE SERVICE, AND DATA COMMUNICATIONS THAT ARE AVAILABLE FOR CONTINUOUS USE BY AGENCIES, 24 HOURS PER DAY, 7 DAYS PER WEEK
- > **STATE TAX APPEAL BOARD = 10.5 FTEs**
  - JOHN MCNAUGHT IS THE CHAIRMAN OF THE STATE TAX APPEAL BOARD
  - THIS 3-MEMBER BOARD, APPOINTED BY THE GOVERNOR, IS THE ONLY FULL-TIME BOARD IN MONTANA STATE GOVERNMENT
  - BOARD HEARS TAX APPEALS FROM THE COUNTY LEVEL REGARDING REAL AND PERSONAL PROPERTY
  - BOARD ALSO HEARS DIRECT APPEALS OF DEPT. OF REVENUE DECISIONS REGARDING INCOME, CORPORATE, NATURAL RESOURCES, CENTRALLY ASSESSED PROPERTY, AND NEW INDUSTRY TAXES
  - STAB IS ADMINISTRATIVELY ATTACHED TO DOA
- > **TEACHERS' RETIREMENT DIVISION = 11.5 FTEs**
  - DAVID SENN IS THE ADMINISTRATOR OF TRS
  - DIVISION SEEKS:
    - \* TO DELIVER RESPONSIVE BENEFIT SERVICES TO MONTANA EDUCATORS; AND
    - \* TO MAINTAIN A FINANCIALLY SOUND RETIREMENT SYSTEM FOR RETIRED TEACHERS AND ACTIVE MEMBERS
  - TRS IS ALSO ADMINISTRATIVELY ATTACHED TO DOA
- > WE HAVE TWO OTHER "ATTACHED TO" AGENCIES WITH WHOM WE HAVE VERY LITTLE CONTACT:
  - APPELLATE DEFENDERS PROGRAM
  - STATE WORKERS' COMPENSATION FUND

#### **PAST AND POTENTIAL BUDGET REDUCTIONS**

#### **PREVIOUS BUDGET REDUCTIONS**

- > FIRST, I WANT TO GIVE YOU AN OVERVIEW OF DEPT.'S GENERAL FUND APPROPRIATION FROM THE END OF THE LAST SESSION TILL NOW

> I'VE PREPARED A HANDOUT FOR THIS PURPOSE (PAGE 3)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
APPROPRIATED/REQUESTED (INCLUDES PAY PLAN)	\$3,706,503	\$3,764,002	\$3,507,650	\$3,487,019
VACANCY SAVINGS	(98,609)	(98,447)		
1/2% REDUCTION	(17,277)	(17,043)		
UNDERFUNDED PAY PLAN	(14,359)	(32,979)		
 BALANCE 7/1/91	 \$3,576,258	 \$3,615,533		
 JAN. SPECIAL SESSION	 (169,813)	 (180,777)		
 JULY SPECIAL SESSION		 (135,579)		
 BALANCE 8/1/92		 \$3,299,177		

> IF YOU LOOK AT 1993 COLUMN, YOU CAN SEE THAT THREE ACTIONS DURING THE 1991 REGULAR SESSION (I.E., IMPOSING VACANCY SAVINGS, 1/2% GENERAL FUND ACROSS-THE- BOARD CUT, AND UNDERFUNDING PAY PLAN) LEFT THE DEPT. ABOUT \$148,000 SHORT OF WHAT WAS APPROVED BY THIS SUBCOMMITTEE FOR FY 93

-- THAT'S A 3.9% SHORTFALL

> JANUARY SPECIAL SESSION TOOK AN ADDITIONAL \$180,000 +

-- THAT REDUCED THE DEPT.'S FY 93 APPROPRIATION A TOTAL OF 8.75%

> JULY SPECIAL SESSION TOOK ANOTHER \$135,000 +

-- WHICH RESULTING IN A TOTAL REDUCTION OF 12.3%

> DEPT. WILL LIVE WITHIN THAT REDUCED APPROPRIATION

> POINT I'D LIKE TO MAKE IS TWOFOLD:

(1) OVER THE PAST 10 YRS, GENERAL FUNDED PROGRAMS HAVE BEEN HIT HARDER BY SPENDING CUTS THAN NON-GENERAL FUNDED PROGRAMS

\* AS A STATE, I BELIEVE WE SHOULD BE AWARE OF THIS AND TRY TO BUDGET IN A WAY IN WHICH PERSONNEL IN THESE PROGRAMS DON'T FEEL LIKE SECOND-CLASS

EMPLOYEES RUNNING SECOND-CLASS OPERATIONS

(2) AS I MENTIONED EARLIER, SERVICES PROVIDED BY DEPT. ARE EITHER:

- \* COST-SAVINGS SERVICES (LIKE CENTRAL PURCHASING OR CENTRAL MAIL); OR
- \* CONTROL FUNCTIONS (LIKE THE ACCOUNTING FUNCTION OR CLASSIFICATION BUREAU) WHERE THE LEGISLATURE HAS INSTRUCTED THE STATE TO ACT AS A SINGLE ENTITY OR IN A UNIFORM MANNER
- \* IF WE UNREALISTICALLY LIMIT THE DEPT.'S RESOURCES, ONE OR MORE OF THE FOLLOWING MAY HAPPEN:
  - (1) STATE SAVINGS WILL BE JEOPARDIZE
  - (2) STATE WILL BEGIN BEHAVING LIKE SEPARATE BUSINESSES WHERE THE LEGISLATURE HAS INSTRUCTED IT TO ACT SIMILARLY
  - (3) AGENCIES BEGIN ADDING FUNCTIONS TO DO WHAT THE DEPT. IS STATUTORILY REQUIRED TO DO BECAUSE THE DEPT. CAN'T PROVIDE THOSE SERVICES

5% CUT POSITIONS

- > AS YOU KNOW, THE JULY SPEC. SESSION REQUIRED AGENCIES TO IDENTIFY CUTS EQUAL TO 5% OF PERSONNEL SERVICES
- > OUR DEPT. IDENTIFIED 15.35 VACANT POSITIONS OR POSITIONS IN WHICH AN INCUMBENT INTENDED TO RETIRE
  - OR, WHEN THOSE OPTIONS WEREN'T AVAILABLE, THE DEPT. IDENTIFIED POSITIONS OR PARTIAL POSITIONS FILLED BY INDIVIDUALS
- > THE RATIONALE BEHIND THIS APPROACH WAS MORALE
  - DEPT. DID NOT WANT TO DEMORALIZE ITS WORKFORCE BY PUTTING FACES BEHIND THE CUTS
- > IN EVERY CASE, THE EXECUTIVE BUDGET ADDED BACK, AS BUDGET MODS, THOSE TARGETED POSITIONS REQUESTED BY THE DEPT. FOR FY 94/95
- > THE GOVERNOR HAS DECIDED THAT WE CAN NOT ASK FOR THOSE GENERAL FUNDED POSITIONS TARGETED BY THE 5% CUTS
  - THAT IS ACCEPTABLE TO THE DEPT.

-- WE CAN LIVE WITH THAT 5% CUT TO GENERAL FUNDED PERSONNEL SERVICES,

\* ALTHOUGH WE MAY NOT ELIMINATE THOSE EXACT FTEs OR PORTIONS OF FTEs IDENTIFIED IN THE BUDGET

> HOWEVER, I'VE ASKED OUR ADMINISTRATORS TO DEFEND AND SUPPORT THEIR NONGENERAL FUND MOD POSITIONS

-- THESE POSITIONS ARE ALL NECESSARY TO SAVE THE STATE MONEY. FOR EXAMPLE:

\* **MARVIN EICHOLTZ** WILL DISCUSS A STATEWIDE FUELING PROGRAM FOR OUR CITIES, COUNTIES, SCHOOL DISTRICTS AND STATE AGENCIES.

-- THIS PROGRAM WILL SAVE OUR GOVERNMENTS A MINIMUM OF \$3 MILLION BETWEEN NOW AND 1998

\* **MIKE TREVOR** WILL TALK ABOUT AN INTERACTIVE VOICE PROGRAM, STAFFED BY ONE FTE

-- WILL ALLOW AGENCIES TO AVOID ADDITIONAL FTEs WHILE IMPROVING SERVICES TO OUR PUBLIC.

\* **DEBBIE FULTON** WILL TALK ABOUT 2 FTEs FOR CENTRAL MAIL AND THE COMING BAR CODING SYSTEM REQUIRED BY THE U.S. POSTAL SERVICE

-- THESE FTEs WILL SAVE THE STATE MONEY EVEN AFTER PAYMENT OF THEIR SALARIES AND EXPENSES.

\* **MARK CRESS** WILL TALK ABOUT ADDING AN FTE TO OUR HEALTH PLAN PROGRAM FOR COST CONTAINMENT

-- THIS POSITION IS CRITICAL IF WE ARE SERIOUS ABOUT REDUCING SKYROCKETING HEALTH CARE COSTS UNDER THIS HEALTH PLAN

\* **CONNIE GRIFFITH** WILL TALK ABOUT A 1/2 FTE NEEDED TO IMPLEMENT A FEDERAL LAW CALLED THE CASH MANAGEMENT IMPROVEMENT ACT

-- IF WE CHOOSE TO CONTINUE ACCEPTING FEDERAL FUNDS, WE MUST ADD THIS POSITION

**12/30/92 VACANT POSITIONS**

> AS YOU ARE AWARE, THE JOINT APPROPRIATIONS AND FINANCE AND CLAIMS COMMITTEES APPROVED DELETING THOSE POSITIONS VACANT ON

DECEMBER 30, 1992 . . .

- UNLESS AN OFFER OF EMPLOYMENT HAD BEEN MADE
- > DEPARTMENT HAS 12 POSITIONS IN THIS CATEGORY, IN ADDITION TO THE 15.35 FTE IN "5%" CUTS, FOR A TOTAL OF 27.35 POSITIONS TARGETED BY THE LEGISLATURE
- THIS IS A 8.4% REDUCTION IN FTEs
- I'VE ASKED OUR ADMINISTRATORS TO DISCUSS THE IMPACT OF THESE CUTS ON THEIR PROGRAMS

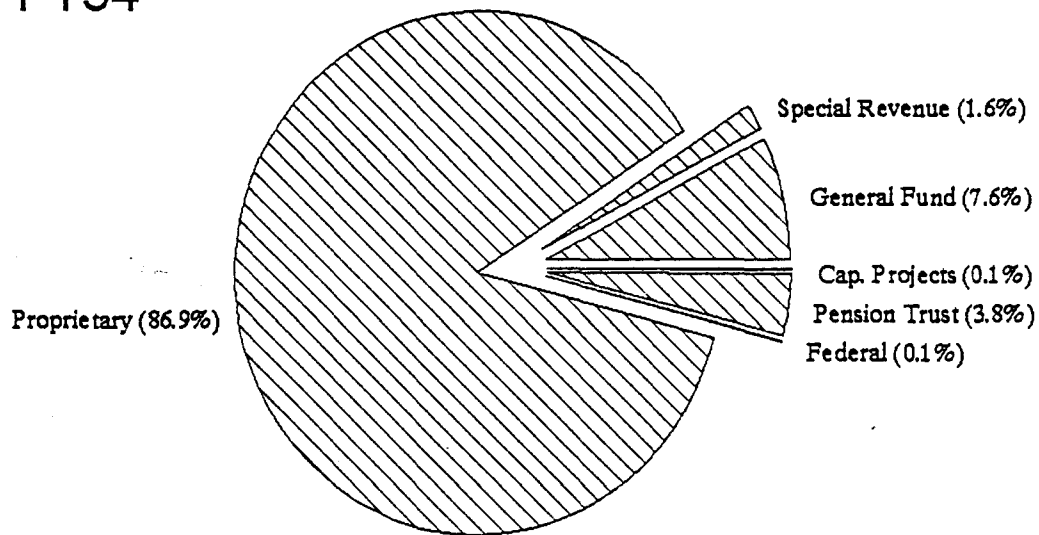
**PAYROLL FUNCTION TRANSFER**

- > IN CONCLUDING, I WANT TO MENTION ONE POLICY INITIATIVE THAT EFFECTS THE DEPT.
- > EMBODIED IN HB 153
  - \* UNANIMOUSLY APPROVED BY THE HOUSE STATE ADMIN. COMM. LAST WEEK
  - \* SUPPORTED BY BOTH STATE AUDITOR AND DOA
- > BILL MOVES THE STATE'S PAYROLL FUNCTION FROM THE STATE AUDITOR'S OFFICE TO DOA
  - \* WILL ALLOW US TO COMBINE THE PERSONNEL AND PAYROLL FUNCTIONS INTO A SINGLE UNIT
  - \* THIS WILL RESULT IN:
    - (1) BETTER COORDINATION BY HAVING THE PERSONNEL AND PAYROLL FUNCTIONS REPORT TO THE SAME MANAGER
    - (2) BETTER PLANNING AND BUDGETING FOR ONE OF THE STATE'S LARGEST DATA BASES (PPP SYSTEM: PERSONNEL, PAYROLL AND POSITION CONTROL).
- > CONTAINED IN YOUR PACKET (PAGE 4): FISCAL NOTE ON HB 99
  - [PORTIONS OF THE NOTE ARE CROSSED OUT TO REFLECT THE AMENDMENTS MADE TO THE BILL]
- > ALSO (PAGE 5) CONTINGENCY LANGUAGE FOR YOUR CONSIDERATION IN HB 2.
  - IF HB 153 PASSES, THIS LANGUAGE WOULD MOVE 6.25 FTEs, PERSONNEL SERVICES, AND OPERATING MONEY FROM THE STATE AUDITOR'S OFFICE TO THE DEPARTMENT

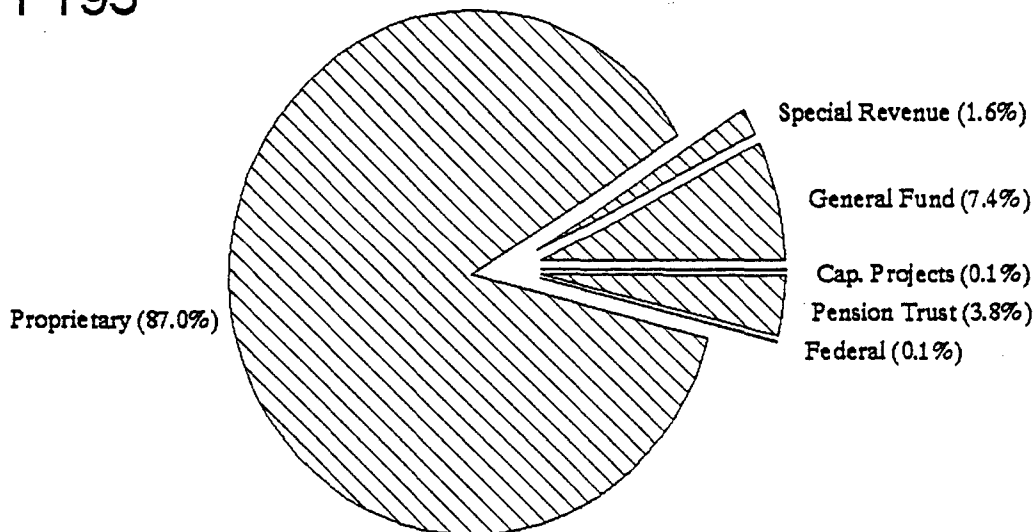
# DEPARTMENT OF ADMINISTRATION

## FY94-95 EXECUTIVE BUDGET

FY94



FY95





**BUDGET PRESENTATION**  
**General Government and Transportation Subcommittee**  
**Representative Peterson, Chairman**  
**January 25, 1993**

Divisions of the Department of Administration

**Director's Office** (Lois Menzies, Director) 7 FTE

- legal support
- performance appraisals
- general obligation bonds/TRANS
- special projects

**State Personnel** (Mark Cress, Acting Administrator) 38 FTE

- personnel policy
- position classification
- collective bargaining
- training
- self-insured group benefits
- state employee pay

**Procurement & Printing** (Marvin Eicholtz, Administrator) 64 FTE

- printing/graphic arts
- centralized purchasing
- central stores
- state and federal surplus
- natural gas procurement

**Public Employees' Retirement** (Mark Cress, Administrator) 20 FTE

- eight retirement systems
- actuarial sound

**Accounting and Management Support** (Connie Griffith, Administrator) 24.25 FTE

- SBAS
- annual financial statements
- state treasury
- department's budgeting, accounting and personnel
- general fund cash flows

Divisions of Department of Administration (Continued)

**Architecture and Engineering** (Tom O'Connell, Administrator) 15 FTE

- Long Range Building Program
- construction, maintenance and repair
- major buildings authorized

**Risk Management and Tort Defense** (Brett Dahl, Administrator) 13 FTE

- comprehensive insurance plan
- tort defense
- risk management

**General Services** (Debra Fulton, Administrator) 33.25 FTE

- custodian of capitol complex
- office leasing
- central mail

**Information Services** (Mike Trevor, Administrator) 118.14 FTE

- policy/strategic direction in information technology
- data processing
- telecommunications
- office automation
- applications systems and design

**State Tax Appeal Board** (John McNaught, Chair) 10.5 FTE

- tax appeals
- administratively attached

**Teachers' Retirement** (David Senn, Administrator) 11.5 FTE

- actuarial sound system
- administratively attached

**Appellate Defenders Program and State Compensation Mutual Insurance Fund**

- administratively attached

DEPARTMENT OF ADMINISTRATION  
GENERAL FUND BUDGET STATUS

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
Appropriated/Requested (Includes Pay Plan)	\$3,706,503	\$3,764,002	\$3,507,650	\$3,487,019
Vacancy Savings	(98,609)	(98,447)		
1/2% reduction	(17,277)	(17,043)		
Underfunded Pay Plan	(14,359)	(32,979)		
Balance 7/1/91	\$3,576,258	\$3,615,533		
Jan. Special Session	(169,813)	(180,777)		
July Special Session		(135,579)		
Balance 8/1/92		\$3,299,177		

STATE OF MONTANA - FISCAL NOTE  
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0153, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act consolidating the payroll/personnel/position control system within the Department of Administration by transferring the payroll, warrant writing, and bad debt administration functions of the State Auditor to the Department of Administration.

ASSUMPTIONS:

1. Payroll, warrant writing and bad debt administration would initially operate similar to the way that currently exists in the Auditor's Office for budgeting purposes.
2. Exempt positions transferred to Administration will be classified to reflect their current salary.
3. The cost allocation method developed for payroll and warrant writing budgets by the State Auditor will be adopted by the Department of Administration.
4. ISD will use the same rate structure currently used for data processing charges for the respective programs.
5. Signature plates will be replaced at the time of the transfer; costs are minor and can be absorbed within current levels. The current inventories of warrant stock and associated titled forms are minimal and therefore replacement would represent no significant increase in costs over current level.
6. Warrant writing and bad debt administration will be moved from their current location within the State Auditor's Office. The cost of moving warrant writing and bad debt administration is estimated at \$175 per FTE.
7. The fiscal impact reflected below is relative to the executive budget recommendations.

FISCAL IMPACT:

No net fiscal impact related to transfer of the state payroll program. Minor one-time costs associated with transfer of the fiscal control and management program of \$2,392, funded from warrant writing charges (state special revenue). Details continued on page 2.

EXHIBIT  
DATE 1/25/93

*David Lewis* 1-19-93  
DAVID LEWIS, BUDGET DIRECTOR DATE  
Office of Budget and Program Planning

*Francis Bardanoue* 1/19/93  
FRANCIS BARDANOUE, PRIMARY SPONSOR DATE

Fiscal Note for HB0153, as introduced

FISCAL IMPACT: (continued)

Expenditures:

State Auditor:

	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
State Payroll (Pg 02)						
FTE	8.00	1.75	(6.25)	8.00	1.75	(6.25)
Personal Services	250,261	55,845	(194,416)	250,820	55,928	(194,892)
Operating Expenses	<u>350,054</u>	<u>0</u>	<u>(350,054)</u>	<u>296,450</u>	<u>0</u>	<u>(296,450)</u>
Total	600,216	55,845	(544,371)	547,270	55,928	(491,342)
Funding:						
General Fund	243,129	55,845	(187,284)	188,458	55,928	(132,530)
Payroll Processing Charges (02)	<u>357,087</u>	<u>0</u>	<u>(357,087)</u>	<u>358,812</u>	<u>0</u>	<u>(358,812)</u>
Total	600,216	55,845	(544,371)	547,270	55,928	(491,342)
Fiscal Control & Management (Pg 10)						
FTE	13.67	0.00	(13.67)	13.67	0.00	(13.67)
Personal Services	352,559	0	(352,559)	353,347	0	(353,347)
Operating Expenses	586,909	0	(586,909)	573,162	0	(573,162)
Equipment	<u>21,807</u>	<u>0</u>	<u>(21,807)</u>	<u>0</u>	<u>0</u>	<u>(0)</u>
Total	961,275	0	(961,275)	926,509	0	(926,509)
Funding:						
General Fund	219,978	0	(219,978)	170,683	0	(170,683)
Warrant Writing Charges (02)	543,390	0	(543,390)	559,035	0	(559,035)
Bad Debts Administration (06)	<u>197,907</u>	<u>0</u>	<u>(197,907)</u>	<u>196,791</u>	<u>0</u>	<u>(196,791)</u>
Total	961,275	0	(961,275)	926,509	0	(926,509)

HD 153

FISCAL IMPACT: (continued)

Department of Administration:

	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
<b>Personnel (Pg 23)</b>						
FTE	39.00	45.25	6.25	39.00	45.25	6.25
Personal Services	1,310,782	1,505,198	194,416	1,314,610	1,509,502	194,892
Operating Expenses	743,126	1,093,180	350,054	395,099	691,549	296,450
Equipment	25,347	25,347	0	18,298	18,298	0
Debt Service	720	720	0	0	0	0
Total	2,079,975	2,624,346	544,371	1,728,007	2,219,349	491,342
<b>Funding:</b>						
General Fund	966,051	1,153,335	187,284	1,000,126	1,132,656	132,530
Payroll Processing Charges (02)	0	357,087	357,087	0	358,812	358,812
Benefits & Training (06)	1,083,924	1,083,924	0	727,881	727,881	0
Total	2,079,975	2,624,346	544,371	1,728,007	2,219,349	491,342
<b>Accounting &amp; Management Support (Pg 03)</b>						
FTE	24.50	38.17	13.67	24.50	38.17	13.67
Personal Services	832,505	1,185,064	352,559	834,956	1,188,303	353,347
Operating Expenses	366,345	955,646	589,301	321,489	894,651	573,162
Equipment	5,563	27,370	21,807	2,944	2,944	0
Total	1,204,413	2,168,080	963,667	1,159,389	2,085,898	926,509
<b>Funding:</b>						
General Fund	1,106,210	1,326,188	219,978	1,061,405	1,232,088	170,683
Warrant Writing Charges (02)	0	543,390	543,390	0	559,035	559,035
Federal Revenue (03)	30,057	30,057	0	30,058	30,058	0
Bad Debts Administration (06)	0	200,292	200,292	0	196,791	196,792
Total	1,204,413	2,168,080	963,667	1,159,389	2,085,898	926,509
<b>NET IMPACT:</b>						
General Fund			\$ 0			\$ 0
Other (warrant writing charges-02)			2,392			2,392

TECHNICAL NOTES:

The current bill does not specify an effective date. In order for the appropriations to more clearly follow the function a July 1, 1993 effective date is suggested. In addition, appropriations in the general appropriations bill should be coordinated with passage and approval of this legislation.

4B 153

EXHIBIT 19  
DATE 1/25/93  
~~HB~~ \_\_\_\_\_

Amendment to HB 2  
General Government and Transportation Subcommittee

"Contingent upon passage and approval of HB 153, 1993 session, the following FTE and funds transfer from the State Auditor's Office to the Department of Administration."

	1994	1995
FTE	6.25	6.25
Personal Services	\$194,416	\$194,892
Operating Expenses	\$350,054	\$296,450

This transfer places the state payroll function in the Department of Administration.

6101 06 00000 DEPARTMENT OF ADMINISTRATION Program Summary								
Procurement & Printing Div.								
Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	59.50	62.50	56.17	59.50	(3.33)	60.17	63.50	(3.33)
Personal Services	1,526,441	1,671,578	1,651,841	1,740,992	(89,151)	1,743,922	1,838,466	(94,544)
Operating Expenses	8,288,817	8,709,666	9,054,509	8,536,042	518,467	9,501,315	8,840,369	660,946
Equipment	248,602	75,254	152,356	151,500	856	122,683	122,683	0
Debt Service	0	126,528	44,200	44,200	0	44,200	44,200	0
Total Costs	\$10,063,861	\$10,583,026	\$10,902,906	\$10,472,734	\$430,172	\$11,412,120	\$10,845,718	\$566,402
<b>Fund Sources</b>								
General Fund	418,256	418,809	446,921	470,738	(23,817)	449,098	472,946	(23,848)
Proprietary Fund	9,645,605	10,164,217	10,455,985	10,001,996	453,989	10,963,022	10,372,772	590,250
Total Funds	\$10,063,861	\$10,583,026	\$10,902,906	\$10,472,734	\$430,172	\$11,412,120	\$10,845,718	\$566,402

### Page References

LFA Budget Analysis A-177 to A-215  
Stephens Executive Budget A79 to A92

### Current Level Differences

PERSONAL SERVICES—The LFA current level is higher because it includes all positions funded by the 1991 legislature, including the "5 percent reduction" FTE (3.33 FTE for this program).	(89,151)	(94,544)
LEGAL FEES & COURT COSTS—The LFA current level omits the allocation of legal fees and court costs to this program.	6,355	6,394
PRINTING—The LFA current level used the fiscal 1992 actual expenditures. This object of expenditure was not inflated by the LFA system but should have inflation of 4% per year generally and 7% on the cost of paper according to the agency.	511,877	654,647
MINOR DIFFERENCES	1,074	(56)
INFLATION DIFFERENCES	17	(39)
TOTAL CURRENT LEVEL DIFFERENCES	430,172	566,402

### Budget Modifications

EXCESS PROPERTY PROGRAM—This budget modification would add \$400,000 proprietary funds over the biennium to pay freight charges for delivery of surplus property purchased from the federal government. Surplus property acquired by the state is sold to local governments and state agencies.	200,000	200,000
MONTANA FUELING PROGRAM—The Governor's Public Vehicle Fueling Advisory Council, established by executive order, recommended implementation of a statewide fueling network for state agencies and participating local governments. This modification would continue the FTE and the program, originally started by budget amendment in fiscal 1993. The state will enter into a contract with a "fleetcard processing" company or an oil company with a strong retail presence in Montana. Public vehicles will have access to fueling sites and use a magnetic card for billing purposes. The program will allow state agencies and local governments to avoid the cost of replacing underground fuel storage tanks and will facilitate cost savings through bulk purchasing. The program would be funded by a markup on the cost of fuel purchased.	150,117	150,114
NATURAL GAS PROCUREMENT—This budget modification adds \$239,000 proprietary funds over the biennium. Language in House Bill 2, passed by the 1991 legislature, authorized DoFA to purchase natural gas for state agencies and the university system, upon approval of a proposal by the Public Service Commission to allow large natural gas users to purchase their own supplies of gas directly from gas producers. A budget amendment was processed each year of the 1993 biennium to implement this plan. Natural gas is purchased for units of the university system and some institutions. DoFA estimates that the state has saved \$188,668 in fiscal 1992 and the first four months of fiscal 1993 as a result of this program.	114,000	125,000



RESTORE 5 PERCENT FTE REDUCTION—The request is to restore 1.5 FTE and the proprietary funds spending authority which was cut from the Publications and Graphics Bureau of the Procurement and Printing Division in compliance with section 13 of House Bill 2.

37,120 37,190

RESTORE 5 PERCENT FTE REDUCTION—The request is to restore 1.0 FTE and the proprietary fund spending authority which was cut from the Property and Supply Bureau of the Procurement and Printing Division in compliance with section 13 of House Bill 2.

23,587 23,611

Language

None

EXHIBIT 20  
DATE 1/25/19  
F

PUBLICATIONS AND GRAPHICS BUREAU  
ORGANIZATIONAL CHART

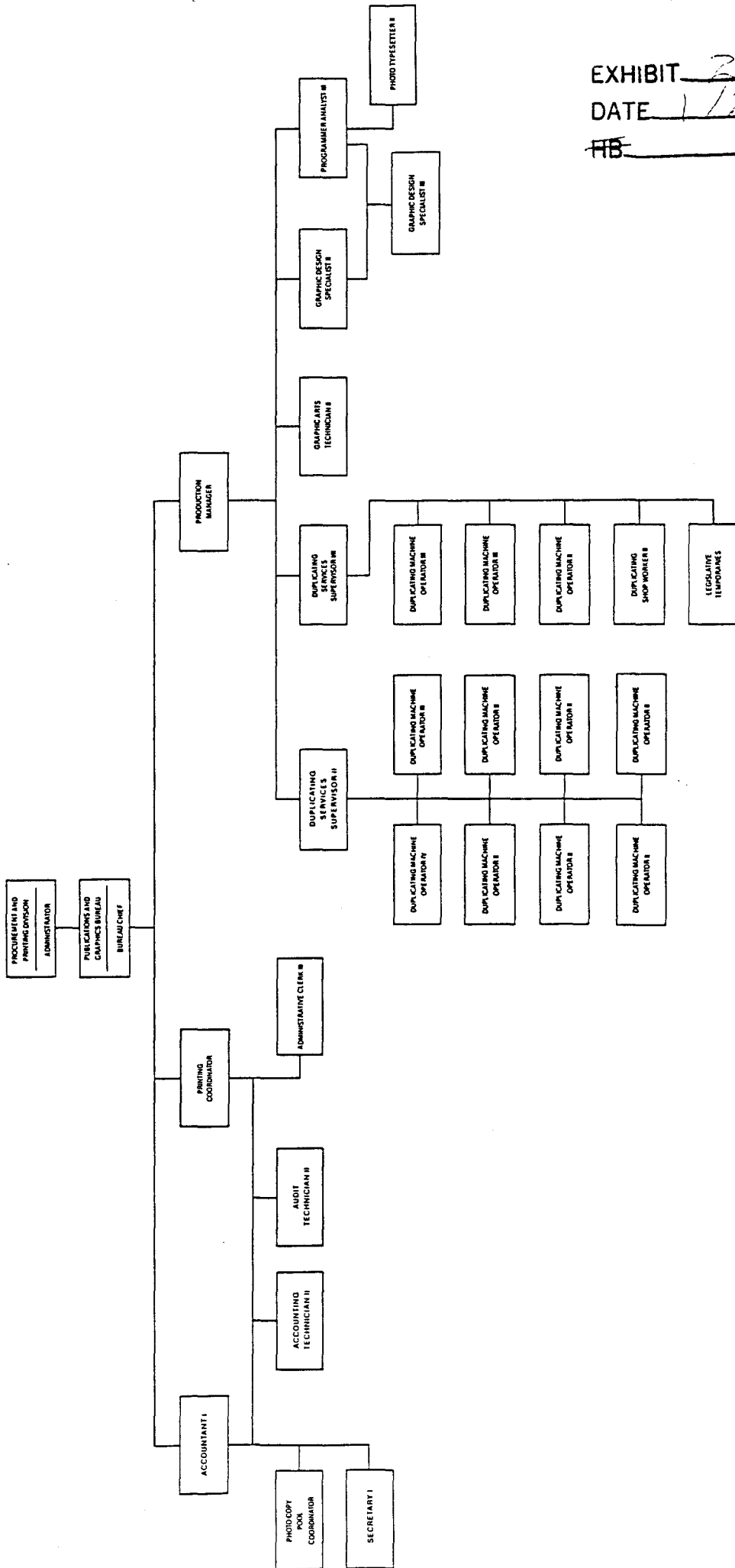


EXHIBIT 21  
DATE 1/25/93  
HB \_\_\_\_\_

DEPARTMENT OF ADMINISTRATION  
PROCUREMENT AND PRINTING DIVISION  
PROPERTY AND SUPPLY BUREAU ORGANIZATIONAL CHART

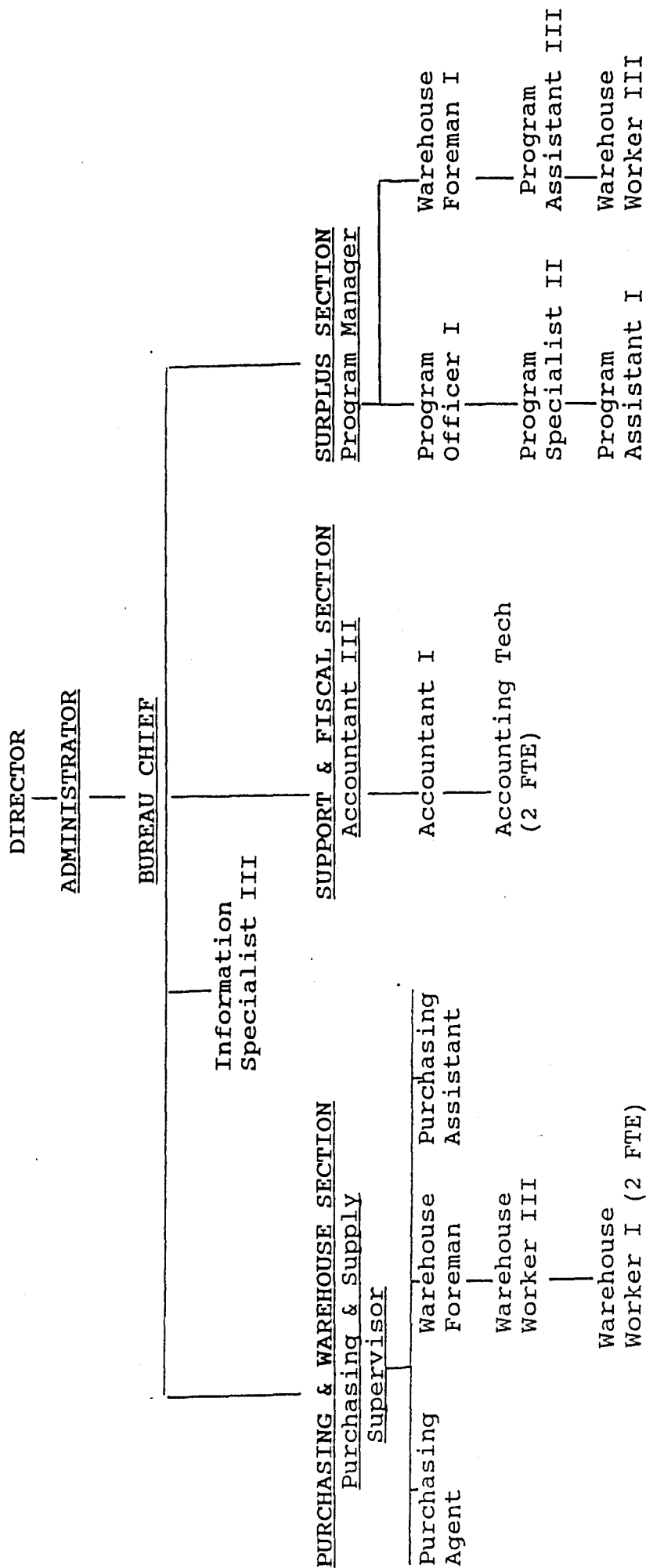


EXHIBIT 21  
DATE 1/25/92  
HB \_\_\_\_\_

# **Procurement & Printing Division Purchasing Bureau Organizational Chart**

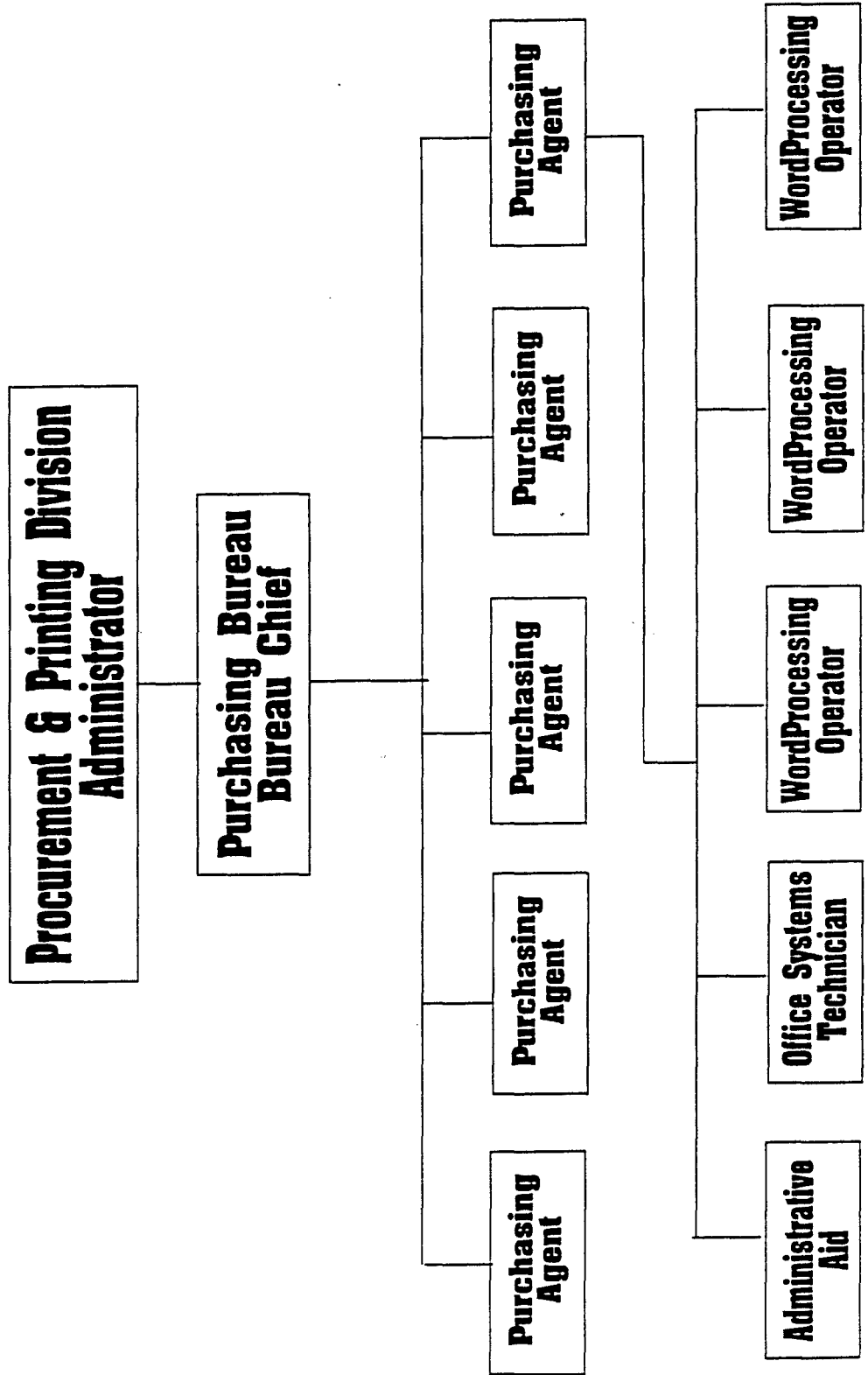


EXHIBIT 21  
DATE 1/25/93

6101 04 00000 DEPARTMENT OF ADMINISTRATION Program Summary								
Arch & Engineering Pgm								
Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	15.00	15.00	14.46	15.00	(0.54)	14.46	15.00	(0.54)
Personal Services	474,600	513,999	518,171	545,171	(27,000)	519,149	546,184	(27,035)
Operating Expenses	227,096	325,122	188,642	182,498	6,144	200,142	193,744	6,398
Equipment	23,130	2,500	18,459	18,459	0	7,928	7,928	0
Transfers	<u>715,248</u>	<u>682,019</u>	<u>0</u>	<u>746,128</u>	<u>(746,128)</u>	<u>0</u>	<u>747,856</u>	<u>(747,856)</u>
Total Costs	\$1,440,075	\$1,523,640	\$725,272	\$1,492,256	(\$766,984)	\$727,219	\$1,495,712	(\$768,493)
<b>Fund Sources</b>								
State Revenue Fund	724,827	797,418	725,272	746,128	(20,856)	727,219	747,856	(20,637)
Capital Projects Fund	<u>715,248</u>	<u>726,222</u>	<u>0</u>	<u>746,128</u>	<u>(746,128)</u>	<u>0</u>	<u>747,856</u>	<u>(747,856)</u>
Total Funds	\$1,440,075	\$1,523,640	\$725,272	\$1,492,256	(\$766,984)	\$727,219	\$1,495,712	(\$768,493)

### Page References

LFA Budget Analysis A-177 to A-215  
Stephens Executive Budget A79 to A92

### Current Level Differences

PERSONAL SERVICES - The LFA current level is higher because it includes all positions funded by the 1991 legislature including the "5 percent reduction" FTE (.54 FTE in this program). In addition, it includes \$1,127 each year for overtime not funded in the executive current level.

TRANSFER - The LFA current level is higher because it reflects the transfer necessary, from the Capital Projects Fund to the State Revenue Fund, to fund the operating costs of this program. The executive is proposing to handle this with language (see Language below).

### MINOR DIFFERENCES

### INFLATION DIFFERENCES

### TOTAL CURRENT LEVEL DIFFERENCES

### Budget Modifications

RESTORE 5 PERCENT REDUCTION FTE - The request is to restore 0.54 FTE and state special revenue fund spending authority that has been removed from this program to comply with section 13 of House Bill 2.

### Language

The Executive Budget is recommending a language appropriation to transfer cash from the long-range building account into the state special revenue account in A&E. Historically, the legislature has appropriated such funds in a regular appropriation in House Bill 2. Legislative Council staff reviewed language appropriations and concluded that such appropriations need to state the maximum amount that can be appropriated in order to be legal, valid appropriations. If the legislature adopts a language appropriation for the long-range building cash transfer, it may wish to clearly limit the appropriation of long-range building cash to an amount no greater than the state special revenue appropriation for A&E included in the general appropriation act.

Exec. Over(Under) LFA  
Fiscal 1994 Fiscal 1995

(27,000) (27,035)

(746,128) (747,856)

6,281 6,548

(137) (150)

(766,984) (768,493)

25,706 25,741

Architecture & Engineering Division  
Operation Budget Presentation  
1994-95 Biennium

Tom Clonnes  
-3104

1. Introduction

- The A & E Division administers the State's Long Range Building Program. LRBP established in 1965 to provide for construction and repair of State buildings.
- Delineated in Agency Narrative from OBPP and in the program description for LFA.
- Put in different terms - if you were building a house you could assume the same responsibility we have for State facilities.
- Deciding what you want to build, how to fund it, finding an architect, receiving bids, paying bills, and ultimately accepting the completed project. If any of you have done this you know that there is a lot more involved than I have outlined here.
- This is what we do (sometimes involves legal actions) - problem solvers.

2. Statewide Perspective

- State has 2,360 buildings on inventory.
- These buildings contain over 19 million sq. ft. of space
- The total value is \$1,167,733,922
- To administer the LRBP we normally have around 500-600 active projects at any one time (building 599 houses at the present time)
- Projects range from FW&P Hatcheries, to Inmate Housing at the Prison, to Electrical Distribution System Improvements at MSU, to Handicapped Access Modifications throughout the State.

3. Function

- How is the operation funded? It's through State Special Revenue from money generated by the cigarette tax, and of important note - we're the only Division in D of A with this type of revenue so we stand alone if we have budget shortfalls. For funding, we are, in a sense, an island of 15 FTE's within D of A.
- The cigarette tax is 18 cents/pack with proceeds going into the debt service fund (70.89%) and the LRBPF (29.11%). Cash portion (29.11% of cig. tax) is where we get funding for program.
- The reason I mention this is because this funding services two budgets that A & E is presenting to the legislature.
  1. The operational budget which this committee is reviewing.
  2. The LRBP which is being heard before the Long Range Planning Committee (none of the funding appropriated for construction projects in the LRBP is available for office operating expense, but it is the basis for the office workload.)
- Handout revenue estimate and explain.

4. LRBP

- Talk about it because it has direct relationship to our operational budget.
- You will vote on HB #5 (the LRBP bill) sometime later this session. The bill recommended by the Governor as part of the executive budget includes projects totalling \$34,299,186.
- For comparison, I have another handout - explain.  
(Last session LRBP was over twice as big as any LRBP in history of State)

5. Operational Budget

- Hope I have provided a better context for our role in State construction, the specifics are in your budget material.
- Now what are the problems I foresee.

- First, and most important, is the fact that the LRBP appropriations are continuing appropriations. The time it takes to plan, design and construct many of the projects requires that they extend beyond the biennium. So we administer more than just the current biennium projects.
- Second, is the fact that the operational budget is pretty well entrenched by mid- summer or early fall. - The LRBP is just reviewing requests from agencies.
- The program is not finalized until November or December (we have no idea until then regarding size of program).
- Bonds can be a huge factor. (and were last session) When bonds are sold resulting in huge programs (\$142 million) it puts a tremendous strain on staff.
- I believe the State is getting tremendous value for their dollar with program. We are currently administering just under \$221 million of state projects from previous biennia and if the projects in HB #5, totalling \$34.30 million are authorized, we will be responsible for over \$255 million of construction projects (1/4 of a billion dollars)
- Our budget to administer these projects would represent 0.29% of the total State building program. Once again, less than 1/3 of a percent to administer the program.

## 6. Specific Issues

- For large program we absolutely must maintain full staff. This means more travel, more correspondence, more printing and, in general, more demand for services from A & E. Give examples of bonded projects (WCC, BA, Prison)
- The LRBP we are administering is twice as big as ever before in history. Failure to provide adequate involvement in development of the program will not mitigate problems but open the State to expensive construction claims. This involvement takes time and money.
- Not asking for FTE's. In fact, we lost 1/4 FTE last session, but I am asking for funds that will help us service the LRBP. We can't effectively do that sitting in Helena instead of at the jobsite. It would be like building your house in Miles City when you were living in Missoula. You don't get the best possible facilities.



- Loss of position 02003 (Mechanical Engineer) which was vacant from December 30, 1992 will mean that A&E, as I know it, will cease to exist. That position was the only engineer on staff and will leave the division with no engineer. (Call us Architecture Division)
- Position needed to review mechanical systems, try to achieve better systems, work with agencies to solve mechanical system problems.
- Loss of .54 of our contract officer will result in added problems with bid openings, plan reviews and project management. Position was identified as part of 5% cut. Inmate labor being discussed in LRBP - this position was involved heavily in Low Security Housing built by inmates; 609 p.o.'s on project - not all with one payment.
- Last issue is housekeeping - it involves cash transfer from CPF to State Special Revenue Fund. We would like to make it a language appropriation instead of the way it is handled now. Avoid confusion and inequities between appropriations. Handout of proposed language.
- As I said earlier, we currently are administering 599 projects (planning, designing, hiring consultants, pay bills, and solving problems). Like building 600 different houses in different locations. With 15 FTE's, that's 40 projects for every position in the office.

### Conclusion

- Small budget, but every dollar and FTE is important to us.
- Remember revenue estimate - there is money available that is specifically set up for this purpose - it doesn't affect other agencies or the general fund in any way. Also, the money saved on operating costs will allow more LRBP projects to be approved so we will administer more projects with fewer people.
- The existing LRBP is over two times larger than ever before and involves 600 projects.
- Our operational costs amount to only 0.29% of the program.
- And, finally, thank you for listening and I will answer any questions.

REVENUE ESTIMATE  
CAPITAL PROJECTS FUND  
1995 BIENNIUM

EXHIBIT 24  
DATE 1/25/93  
~~HB~~

NOVEMBER 23, 1992

Estimated Beginning Cash Balance	(\$43,058)
Revenues:	
Cigarette Tax	6,846,582
Interest Earnings	400,400
Supervisory Fees & Other	<u>148,000</u>
Funds Available	7,351,924
A & E Expenditures	(1,500,212)
Funds Available for Capital Projects	5,851,712
Proposed Capital Construction Program - LRBPF only	<u>(5,768,536)</u>
Balance Remaining	<u>\$83,176</u>

Note: A & E expenditures include current and modified budget requests.

CAPITAL CONSTRUCTION PROGRAM  
FACT SHEET

Long Range Building Program  
1985 Biennium - 1995 Biennium  
(Millions)

<u>Biennium</u>	<u>Long Range Building Program Fund</u>	<u>Other Cash Projects</u>	<u>LRBP Bonds</u>	<u>Other Bonds</u>	<u>Total Program</u>
1984-1985	\$10.87	\$15.69	\$36.36	\$3.08	\$ 65.90
1986-1987	\$10.52	\$20.12	\$ 0.00	\$8.55	\$ 39.19
1988-1989	\$ 6.24	\$11.44	\$ 0.00	\$0.00	\$ 17.69
1990-1991	\$ 5.51	\$18.20	\$ 0.00	\$3.54	\$ 27.25
1992-1993	\$ 8.03	\$64.21	\$61.26	\$8.67	\$142.17
1994-1995	\$ 5.77	\$28.53	\$ 0.00	\$0.00	\$ 34.30

LRBP Requests/LRBPF Revenue  
1985 Biennium - 1995 Biennium

<u>Biennium</u>	<u>Total Requests</u>	<u>LRBPF Requests</u>	<u>LRBPF Fund</u>
1984-1985	\$118 million	\$ 95 million	\$10.87
1986-1987	\$171 " "	\$136 " "	\$10.52
1988-1989	\$160 " "	\$145 " "	\$ 6.24
1990-1991	\$188 " "	\$150 " "	\$ 5.51
1992-1993	\$318 " "	\$242 " "	\$ 8.03
1994-1995	\$239 " "	\$191 " "	\$ 5.77

EXHIBIT 24  
DATE 1/25/93  
~~HB~~

PROPOSED BILL LANGUAGE

The Department of Administration is appropriated funds to transfer cash from the capital projects fund to the state special revenue fund for its administrative expenditures authorized by the Legislature. The appropriation may not exceed the state special revenue fund appropriation for the Architecture & Engineering Division included in the General Appropriations Act and the State Pay Plan, less any cash on hand at the beginning of the fiscal year.

6101 24 00000  
DEPARTMENT OF ADMINISTRATION  
Program Summary

## Risk Management &amp; Tort Defense

HB

Budget Item	Current Level Fiscal 1992	Current Level Fiscal 1993	Executive Fiscal 1994	LFA Fiscal 1994	Difference Fiscal 1994	Executive Fiscal 1995	LFA Fiscal 1995	Difference Fiscal 1995
FTE	13.00	12.50	12.43	13.00	(0.57)	12.43	13.00	(0.57)
Personal Services	377,763	441,841	440,406	465,706	(25,300)	441,728	467,056	(25,328)
Operating Expenses	2,167,059	2,211,367	2,339,840	2,337,734	2,106	2,374,271	2,362,101	12,170
Equipment	<u>7,898</u>	<u>2,500</u>	<u>4,544</u>	<u>4,544</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Costs	\$2,552,721	\$2,655,708	\$2,784,790	\$2,807,984	(\$23,194)	\$2,815,999	\$2,829,157	(\$13,158)
<b>Fund Sources</b>								
Proprietary Fund	<u>2,552,721</u>	<u>2,655,708</u>	<u>2,784,790</u>	<u>2,807,984</u>	<u>(23,194)</u>	<u>2,815,999</u>	<u>2,829,157</u>	<u>(13,158)</u>
Total Funds	\$2,552,721	\$2,655,708	\$2,784,790	\$2,807,984	(\$23,194)	\$2,815,999	\$2,829,157	(\$13,158)

**Page References**

LFA Budget Analysis A-177 to A-215  
Stephens Executive Budget A79 to A92

**Current Level Differences**

PERSONAL SERVICES—The LFA current level is higher because it includes all positions funded by the 1991 legislature, including the "5 percent reduction" FTE (.57 FTE for this program).

**MINOR DIFFERENCES****INFLATION DIFFERENCES****TOTAL CURRENT LEVEL DIFFERENCES****Budget Modifications**

RMTD CONTRACT LEGAL SERVICES—This request would add \$150,000 in contracted legal services each year of the biennium to this program. (See LFA Budget Analysis A-184 for further description).

STATE PROPERTY APPRAISAL—The request is for \$15,000 of proprietary funds each year to appraise state property to determine value. The appraisals will be used by the RMTD in purchasing insurance to cover property risks.

**Language**

House Bill 2 for the 1993 Biennium includes language that states:

"The Department is appropriated funds to pay the deductible portion of each claim incurred and covered by a deductible insurance plan from the deductible reserve fund authorized in 2-9-202(2)."

Exec. Over(Under) LFA  
Fiscal 1994 Fiscal 1995

(25,300) (25,328)

2,040 2,040

66 130

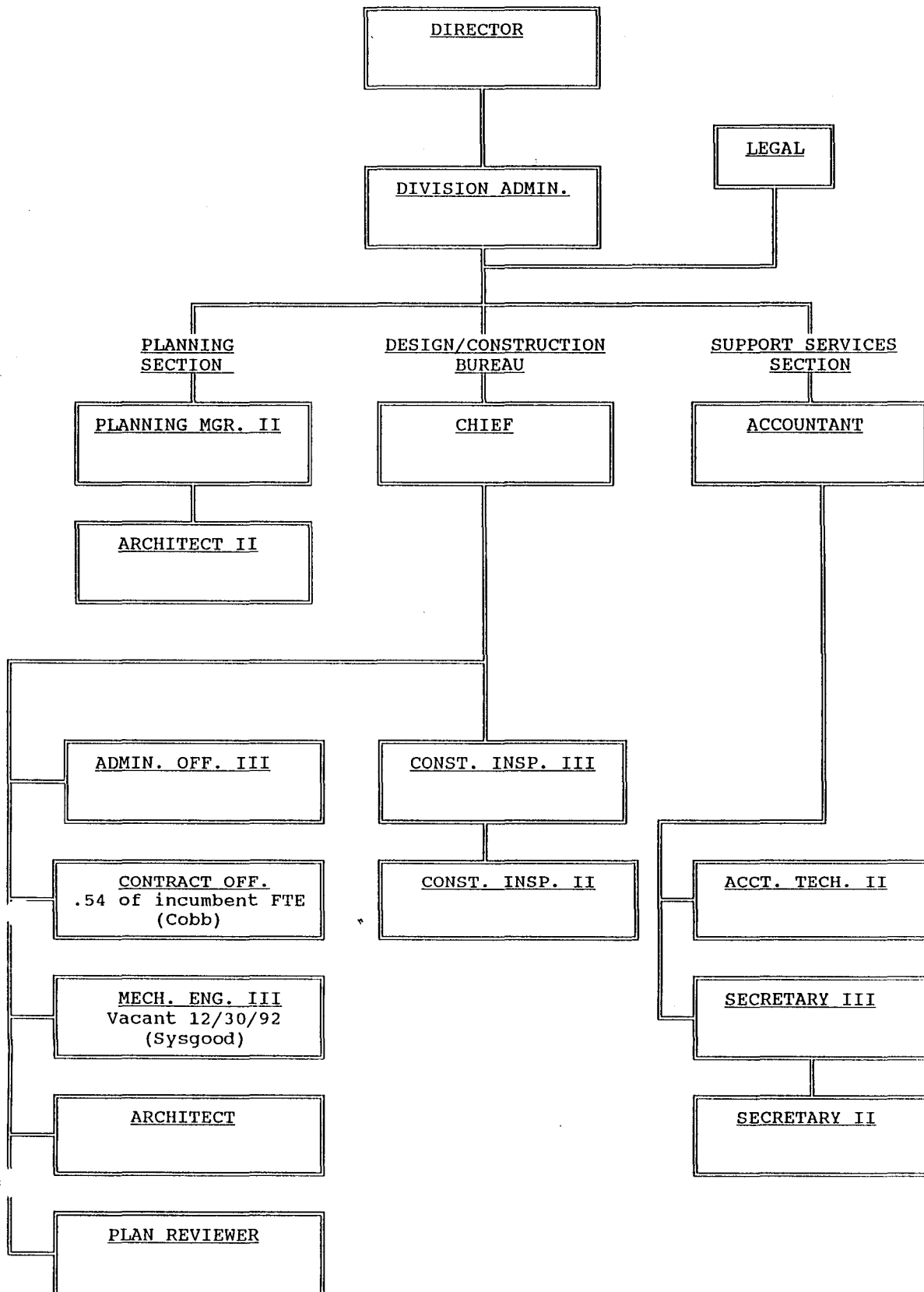
(23,194) (23,158)

150,000 150,000

15,000 15,000

ARCHITECTURE & ENGINEERING  
ORGANIZATIONAL CHART

EXHIBIT  
DATE 1/25/92  
HB



**HOUSE OF REPRESENTATIVES  
VISITOR REGISTER**

GEN. GOV. & HWYS. \_\_\_\_\_ SUBCOMMITTEE \_\_\_\_\_ DATE 1/25/93  
DEPARTMENT (S) Justice / Admin DIVISION \_\_\_\_\_

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Joe MAZUREK	AG	
Bruce Leman	Justice	
DENNIS M. TAYLOR	JUSTICE	
Justice May	Justice	
JOHN MATHEWS	Justice	
Mawin Eicholtz	Administration	
Mark Cross	Admin.	
David Senn	Teacher's Retirement	
LOIS MENZIES	ADMIN.	
Debra Fulton	General Services Adm	
Connie L. Griffith	Dept of Admin Accounting & Mgmt/Supp	
Cathy Kuersten	Accounting / M&E	
EARL ZUELKE	ACCPG / WSB	
John Schuchman	State Tax Appeal Board	
Mike Trevor Mike Dren	DOA / ISD	
Greg D. Lewis	DOA / Admin	
Rita L. Eohel	DOA / Rm-B	
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NAME	REPRESENTING	
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Tom O'Connell	AdE Division	

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