

Program Budget Comparison

The following table summarizes the total proposed budget by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Budget Fiscal 2016	Budget Fiscal 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	11.76	11.76	11.76	11.76	11.76	11.76	0.00	0.00 %
Personal Services	809,971	986,222	972,918	970,415	1,796,193	1,943,333	147,140	8.19 %
Operating Expenses	96,834	120,419	99,256	88,872	217,253	188,128	(29,125)	(13.41)%
Benefits & Claims	2,280	2,280	2,280	2,280	4,560	4,560	0	0.00 %
Total Costs	\$909,085	\$1,108,921	\$1,074,454	\$1,061,567	\$2,018,006	\$2,136,021	\$118,015	5.85 %
General Fund	598,208	764,861	708,300	698,263	1,363,069	1,406,563	43,494	3.19 %
Federal Spec. Rev. Funds	310,877	344,060	366,154	363,304	654,937	729,458	74,521	11.38 %
Total Funds	\$909,085	\$1,108,921	\$1,074,454	\$1,061,567	\$2,018,006	\$2,136,021	\$118,015	5.85 %

Program Description

The Director's Office provides departmental administration through the Office of the Adjutant General and department-wide support for accounting, fiscal management, personnel, labor relations, and purchasing and property management oversight. The program operates in accordance with Title 2, Chapter 15, part 12 and Title 10, MCA.

Program Highlights

Director's Office Major Budget Highlights
<ul style="list-style-type: none"> General fund support for the Director's Office decreases by 8.1% from the 2015 legislative base budget doubled due to fewer FTE supported by general fund in the 2017 biennium. The amount of federal revenue support increases as a result

Program Discussion -

Comparison of FY 2015 Legislative Base to FY 2015 Adjusted Base

The Director's Office did not change the FY 2015 legislative appropriations. The number shown in the budget comparison table above reflects the budget approved by the 2013 Legislature.

Comparison of the FY 2014 Actual Expenditures to FY 2015 Legislative Appropriations

Actual FY 2014 expenditures are \$200,00 below the FY 2015 legislative appropriation. The majority of the differences are included in personal services. The primary reasons for the difference is vacancies experienced throughout the fiscal year that resulted in actual spending for personal services being lower than projected, and because FY 2015 is higher due to annualization of the pay plan enacted by the 2013 Legislature in HB 13.

Executive Request

General fund support for the program decreases by 8.1% from the 2015 legislative base budget doubled due to fewer FTE supported by general fund in the 2017 biennium. The amount of federal revenue support increases as a result.

When compared to FY 2014 actual spending personal services increase by about \$135,000 each year of the biennium. Personal services changes, in addition to increases that result from the implementation of pay raises and health insurance contributions included in HB 13, include:

- Market adjustments throughout FY 2014 that are annualized for the 2017 biennium
- Vacancy savings that were 8.5% in FY 2014 compared to a budgeted rate of 4.0%; the budget proposes full funding of positions that were unfilled during all or a portion of FY 2014
- Employee attainment of longevity milestones in FY 2015
- Changes in employer retirement contributions

As proposed, operating expenses decrease when compared to double the FY 2014 actual spending. Reductions are due to changes for fixed costs provided by the Departments of Administration and Transportation including:

- Human resource information system services
- SABHRS administrative costs

Funding

The following table shows proposed program funding by source from all sources of authority.

Department of Military Affairs, 01-Director's Office Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	1,406,563	0	0	1,406,563	65.85 %	
State Special Total	\$0	\$0	\$0	\$0	0.00 %	
03132 National Guard	476,744	0	0	476,744	65.36 %	
03134 Disaster & Emergency Services	117,866	0	0	117,866	16.16 %	
03453 Air National Guard	134,848	0	0	134,848	18.49 %	
Federal Special Total	\$729,458	\$0	\$0	\$729,458	34.15 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$2,136,021	\$0	\$0	\$2,136,021		

Federal fund support is provided by federal-state agreements. Costs of positions and activities that provide support to federally funded operations are applicable for federal funding. General fund supports the majority of the program in accordance with state-federal agreements.

Budget Summary by Category

The following summarizes the total budget utilizing the FY 2015 Legislative base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget
2015 Budget	764,861	764,861	1,529,722	108.76 %	1,108,921	1,108,921	2,217,842	103.83 %
PL Adjustments	(84,316)	(94,302)	(178,618)	(12.70)%	(62,222)	(75,058)	(137,280)	(6.43)%
New Proposals	27,755	27,704	55,459	3.94 %	27,755	27,704	55,459	2.60 %
Total Budget	\$708,300	\$698,263	\$1,406,563		\$1,074,454	\$1,061,567	\$2,136,021	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from FY 2015 legislative appropriation to the budget proposed by the executive. PSPL adjusts all personal services. LGPL provides for adjustments to other expenditures such as operating expenses. Each is discussed in the narrative that follows. Total funds in the Present Law Adjustments table do not include proprietary funds budgeted in House Bill 2.

	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 98 - LEG. Personal Services Present Law	0.00	(55,639)	0	14,580	(41,059)	0.00	(54,666)	0	11,155	(43,511)
DP 99 - LEG. Present Law	0.00	(28,677)	0	7,514	(21,163)	0.00	(39,636)	0	8,089	(31,547)
Grand Total All Present Law Adjustments	0.00	(\$84,316)	\$0	\$22,094	(\$62,222)	0.00	(\$94,302)	\$0	\$19,244	(\$75,058)

DP 98 - LEG. Personal Services Present Law -

The Personal Services Present Law Adjustments (PSPL) in the table below includes all present law adjustments related to personal services, including statewide present law personal services adjustments. This adjustment has been broken out by some of its component parts for a more detailed understanding of the adjustments. FY 2016 and FY 2017 contain the reductions in FTE made by the executive to implement the boilerplate language in HB 2.

Personal Services Present Law Adjustments					
FY 2016					
	FTE	General Fund	State Special	Federal Special	Total Funds
CP 98 PSPL Item					
State Share Health Insurance	11.26	\$4,093	\$0	\$1,379	\$5,472
Executive Implementation of 2015 Pay Increase		12,387	-	4,175	16,562
Fully Fund 2015 Legislatively Authorized FTE		-	-	-	-
Other		(72,119)	-	9,026	(63,093)
Personal Services Present Law Adjustments	11.26	(\$55,639)	\$0	\$14,580	(\$41,059)
FY 2017					
	FTE	General Fund	State Special	Federal Special	Total Funds
CP 98 PSPL Item					
State Share Health Insurance	11.26	\$4,093	\$0	\$1,379	\$5,472
Executive Implementation of 2015 Pay Increase		12,553	-	4,008	16,562
Fully Fund 2015 Legislatively Authorized FTE		-	-	-	-
Other		(71,312)	-	5,768	(65,545)
Personal Services Present Law Adjustments	11.26	(\$54,666)	\$0	\$11,155	(\$43,511)

Reductions included in the "other" category reflect the agency's compliance with the boilerplate language contained in the 2013 Legislature's HB 2.

DP 99 - LEG. Present Law -

As shown in the present law adjustment table above, overall the executive is proposing reductions in costs and funding when compared to the FY 2015 legislative budget. Funding is relatively stable between FY 2015 and FY 2016. Decreases in general fund are offset by a slight increases in federal funds.

As previously discussed, FY 2014 actual spending was lower than budgeted for a number of operating costs such as State Information Technology Services Division fixed costs, rewards, and minor equipment purchases for computers. The LGPL captures these reductions as the executive included them in the 2017 biennium.

New Proposals -

Total funds in the New Proposals table do not include proprietary funds budgeted in House Bill 2.

New Proposals	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 100101 - Admin Assistant FTE	0.50	27,755	0	0	27,755	0.50	27,704	0	0	27,704
Total	0.50	\$27,755	\$0	\$0	\$27,755	0.50	\$27,704	\$0	\$0	\$27,704

DP 100101 - Admin Assistant FTE -

This request is for \$27,772 of general fund dollars in FY 2016 and \$27,704 in FY 2017 to support an additional 0.50 FTE Administrative Assistant. This position will assist with various duties relating to state specific functions that are not reimbursable under federal guidelines.