

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	59.00	59.00	57.00	57.00	59.00	57.00	(2.00)	(3.39)%
Personal Services	3,547,129	4,137,348	4,635,415	4,635,557	7,684,477	9,270,972	1,586,495	20.65 %
Operating Expenses	1,476,665	1,451,139	1,760,321	1,726,395	2,927,804	3,486,716	558,912	19.09 %
Equipment & Intangible Assets	62,554	31,042	62,554	62,554	93,596	125,108	31,512	33.67 %
Total Costs	\$5,086,348	\$5,619,529	\$6,458,290	\$6,424,506	\$10,705,877	\$12,882,796	\$2,176,919	20.33 %
General Fund	3,137,985	3,538,746	4,111,179	4,089,326	6,676,731	8,200,505	1,523,774	22.82 %
State/Other Special Rev. Funds	1,678,733	1,802,762	2,111,879	2,101,550	3,481,495	4,213,429	731,934	21.02 %
Federal Spec. Rev. Funds	269,630	278,021	235,232	233,630	547,651	468,862	(78,789)	(14.39)%
Total Funds	\$5,086,348	\$5,619,529	\$6,458,290	\$6,424,506	\$10,705,877	\$12,882,796	\$2,176,919	20.33 %

Program Description

Centralized Services Division is comprised of the Director's Office, Legal Services Office, Financial Services Office, Office of Information Technology, and the Human Resources Office. The director is responsible for the administration of all the functions vested by law in the department and for establishing policy to be followed by the department. In addition, the work units in the Centralized Services Division provide legal, personnel, financial, budgetary, procurement and contracting, information technology, and communications services to the director and the divisions within the agency.

Program Highlights

Centralized Services Division Major Budget Highlights
<ul style="list-style-type: none"> • The division proposes to increase this program's budget from the previous biennium due primarily to: <ul style="list-style-type: none"> ◦ Global personal services adjustments for annualization of the 2015 biennium pay plan and full funding of all positions ◦ A relocation of the DNRC Helena headquarters in 2016

Program Discussion -

Comparison of the 2015 Legislative Base and the 2015 Appropriation

The following highlights the differences between the FY 2015 appropriations as shown in the main table to the FY 2015 legislative appropriations used for purposes of the budget base.

FY 2015 Appropriation Transactions - Department of Natural Resources & Conservation						
Program	Legislative Appropriation	Legislative Approps	House OTO Adjustment	Operating Plan	Program Transfer	Total Executive Implementation
21 CENTRALIZED SVCS	\$5,538,024				- \$81,504	\$5,619,528
Personal Services	4,072,638				64,710	4,137,348
Operating Expenses	1,465,386			(31,042)	16,794	1,451,138
Equipment & Assets				31,042		31,042

The difference between the legislatively appropriated base and the executive implementation was due to a transfer of 1.0 FTE position from the Trust Land Management Division (TLMD) to the Centralized Services Division (CSD) as well as a transfer of funds from the Board of Oil and Gas Commission (OGC) to CSD to upgrade software and servers.

Comparison of the 2014 Actual Expenditures to FY 2015 Legislative Appropriations

Actual FY 2014 expenditures of \$5,086,348 are \$451,676 below the FY 2015 legislative appropriation of \$5,538,024, primarily because expenditures for personal services were lower due to experienced vacancy savings in FY 2014 and additional pay plan costs in FY 2015.

Funding

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

Natural Resources & Conservation, 21-Centralized Services Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	8,200,505	0	0	8,200,505	63.65 %	
02039 Forestry-Fire Protection Taxes	465,462	0	0	465,462	11.05 %	
02052 Rangeland Improvement Loans	42,454	0	0	42,454	1.01 %	
02073 Forestry - Slash Disposal	14,373	0	0	14,373	0.34 %	
02145 Broadwater O & M	48,233	0	0	48,233	1.14 %	
02223 Wastewater SRF Special Admin	100,000	0	0	100,000	2.37 %	
02340 Coal Sev. Tax Shared SSR	18,562	0	0	18,562	0.44 %	
02430 Water Right Appropriation	184,673	0	0	184,673	4.38 %	
02431 Water Adjudication	701,752	0	0	701,752	16.66 %	
02432 Oil & Gas ERA	261,567	0	0	261,567	6.21 %	
02491 Drinking Water Spec Admin Cost	100,000	0	0	100,000	2.37 %	
02576 Natural Resources Operations SSR Fu	91,588	0	0	91,588	2.17 %	
02825 Water Well Contractors	15,126	0	0	15,126	0.36 %	
02938 TLMD - Administration	2,169,639	0	0	2,169,639	51.49 %	
State Special Total	\$4,213,429	\$0	\$0	\$4,213,429	32.71 %	
03255 CSD Federal Indirect	468,862	0	0	468,862	100.00 %	
Federal Special Total	\$468,862	\$0	\$0	\$468,862	3.64 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$12,882,796	\$0	\$0	\$12,882,796		

Centralized Services is funded from revenue sources used throughout the department on a shared basis, with 64% general fund, 33% state special revenue, and 3% federal revenue. The state special revenue funds are allocated to cover the costs of services provided to other programs in the department. The federal revenue is a portion of the federal funds provided for overhead costs.

Budget Summary by Category

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

Budget Summary by Category								
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	3,534,869	3,534,869	7,069,738	86.21 %	5,538,024	5,538,024	11,076,048	85.98 %
PL Adjustments	576,310	554,457	1,130,767	13.79 %	920,266	886,482	1,806,748	14.02 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$4,111,179	\$4,089,326	\$8,200,505		\$6,458,290	\$6,424,506	\$12,882,796	

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.

Present Law Adjustments										
	-----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	440,094	141,731	(19,048)	562,777	0.00	460,990	127,620	(25,691)	562,919
DP 99 - LEG. Present Law	0.00	136,216	245,014	(23,741)	357,489	0.00	93,467	248,796	(18,700)	323,563
Grand Total All Present Law Adjustments	0.00	\$576,310	\$386,745	(\$42,789)	\$920,266	0.00	\$554,457	\$376,416	(\$44,391)	\$886,482

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					
CP 98 PSPL Item	FTE	General Fund	State Special	Federal Special	Total Funds
State Share Health Insurance	57.00	\$17,540	\$9,144	\$1,018	\$27,702
Executive Implementation of 2015 Pay Increase		50,747	26,456	2,946	80,148
Fully Fund 2015 Legislatively Authorized FTE		45,932	23,277	10,501	79,710
Other		325,875	82,854	(33,513)	375,217
Personal Services Present Law Adjustments	57.00	\$440,094	\$141,731	(\$19,048)	\$562,777
FY 2017					
CP 98 PSPL Item	FTE	General Fund	State Special	Federal Special	Total Funds
State Share Health Insurance	57.00	\$17,540	\$9,144	\$1,018	\$27,702
Executive Implementation of 2015 Pay Increase		50,743	26,460	2,946	80,148
Fully Fund 2015 Legislatively Authorized FTE		45,932	23,277	10,501	79,710
Other		346,775	68,739	(40,156)	375,359
Personal Services Present Law Adjustments	57.00	\$460,990	\$127,620	(\$25,691)	\$562,919

The executive proposes to increase support to personal services by 13.8% in FY 2016 and 13.8% in FY 2017 in comparison to the FY 2015 legislatively appropriated budget of \$4,072,638. Approximately one-third of the personal service adjustments are due to the three main line items. The remaining increases are primarily due to longevity, position reclassification, market adjustments, and moving the DNRC Helena headquarters.

DP 99 - LEG. Present Law -

The LGPL adjustments above are primarily due to increases in fixed costs and moving the DNRC Helena headquarters in May/June of 2016.