

**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	302.00	302.00	304.00	304.00	302.00	304.00	2.00	0.66 %
Personal Services	23,729,700	25,891,643	26,265,138	26,261,518	49,621,343	52,526,656	2,905,313	5.85 %
Operating Expenses	8,075,714	8,150,431	8,403,711	8,569,458	16,226,145	16,973,169	747,024	4.60 %
Equipment & Intangible Assets	2,024,653	1,992,165	2,024,653	2,024,653	4,016,818	4,049,306	32,488	0.81 %
<b>Total Costs</b>	<b>\$33,830,067</b>	<b>\$36,034,239</b>	<b>\$36,693,502</b>	<b>\$36,855,629</b>	<b>\$69,864,306</b>	<b>\$73,549,131</b>	<b>\$3,684,825</b>	<b>5.27 %</b>
General Fund	0	0	0	0	0	0	0	0.00 %
State/Other Special Rev. Funds	33,830,067	36,034,239	36,693,502	36,855,629	69,864,306	73,549,131	3,684,825	5.27 %
<b>Total Funds</b>	<b>\$33,830,067</b>	<b>\$36,034,239</b>	<b>\$36,693,502</b>	<b>\$36,855,629</b>	<b>\$69,864,306</b>	<b>\$73,549,131</b>	<b>\$3,684,825</b>	<b>5.27 %</b>

**Program Description**

The Montana Highway Patrol is responsible for patrolling the highways of Montana, enforcing traffic laws, and investigating traffic crashes. The patrol gives assistance and information to motorists and first aid to those injured in traffic crashes, transports blood and medical supplies in emergency situations, and assists other law enforcement agencies when requested. The patrol provides 24-hour-a-day, seven-day-a-week communication and radio dispatch for the Highway Patrol and other state agencies.

**Program Highlights**

<b>Montana Highway Patrol Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• Compared to the FY 2015 legislative budget, changes to the budget are for:                             <ul style="list-style-type: none"> <li>◦ Increases in funding for services purchased from the Department of Administration for information technology and office rent</li> <li>◦ Funding requested at the FY 2014 expenditure level that is higher than the FY 2015 legislative budget</li> <li>◦ Funding to annualize the 2013 biennium legislative pay plan</li> <li>◦ A request for funding to add 2.00 FTE database analysts</li> <li>◦ A statutory salary adjustment for Montana Highway Patrol officers based on a statutory market survey</li> </ul> </li> </ul>
<b>Major LFD Issues</b>
<ul style="list-style-type: none"> <li>• Outfitting costs for new staff are not an ongoing expenditure and the legislature may want to designate funding as one-time-only</li> </ul>

**Program Discussion -**

This program was exempt from the HB 2 boilerplate language.

*Personal Services*

In the FY 2015 legislative budget, personal services comprised 71.9% of the program budget. The Governor proposes 71.6% in FY 2016 and 71.3% in FY 2017. The increases in costs are due to:

- Funding to annualize the 2013 legislative pay plan, HB 13
- Funding to annualize pay adjustments made at the agency's discretion

In FY 2014, this program provided pay increases to 177 staff over the funding of the legislative pay plan. A 17.3% market adjustment was provided to one staff that added \$4,000 to subsequent years' expenditures. Additionally, pay increases were provided to 32 staff under a negotiated pay settlement at an average increase of 1.6% that added \$124,000 to subsequent years' expenditures, and 144 career ladder pay increases were provided at an average increase of 3.9% that added \$44,000 to subsequent years' expenditures.

In FY 2014, the division experienced a 2.3% vacancy savings rate in hours compared to hours budgeted.

**Funding**

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

Department of Justice, 13-Montana Highway Patrol Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	0	0	3,458,688	3,458,688	4.49 %	
02014 Highway Patrol Retire Clearing	10,975,135	0	0	10,975,135	14.92 %	
02422 Highways Special Revenue	62,573,996	0	0	62,573,996	85.08 %	
<b>State Special Total</b>	<b>\$73,549,131</b>	<b>\$0</b>	<b>\$0</b>	<b>\$73,549,131</b>	<b>95.51 %</b>	
03214 Special Law Enforcement Assist	0	0	0	0	0.00 %	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$73,549,131</b>	<b>\$0</b>	<b>\$3,458,688</b>	<b>\$77,007,819</b>		

Functions of the division are supported by state special revenue with the bulk of the costs supported by the restricted account of the highways state special revenue. The highway patrol recruitment and retention fund supported by a \$5 vehicle registration fee may be used to support the cost of uniformed officers, equipment, and pay increases, and supports the executive protection function. Please refer to the narrative for the Department of Transportation in Section C for a discussion of the highway state special revenue fund.

**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	0	0	0	0.00 %	36,034,239	36,034,239	72,068,478	0.00 %	
PL Adjustments	0	0	0	0.00 %	659,263	821,390	1,480,653	0.00 %	
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %	
<b>Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$36,693,502</b>	<b>\$36,855,629</b>	<b>\$73,549,131</b>		

**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	0	373,495	0	373,495	0.00	0	369,875	0	369,875
DP 99 - LEG. Present Law	0.00	0	285,768	0	285,768	0.00	0	451,515	0	451,515
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$659,263</b>	<b>\$0</b>	<b>\$659,263</b>	<b>0.00</b>	<b>\$0</b>	<b>\$821,390</b>	<b>\$0</b>	<b>\$821,390</b>

DP 98 - LEG. Personal Services Present Law -

The following table outlines various components of the changes included in the PS PL adjustments.

Personal Services Present Law Adjustments					
FY 2016					
CP 98 PSPL Item	FTE	General Fund	State Special	Federal Special	Total Funds
State Share Health Insurance	302.00	\$0	\$146,772	\$0	\$146,772
Executive Implementation of 2015 Pay Increase		-	426,266	-	426,266
Fully Fund 2015 Legislatively Authorized FTE		-	-	-	-
Other					
Overtime	0.00	-	100,000	-	100,000
Computer Applications Engineer	2.00	-	188,349	-	188,349
Montana Highway Patrol Salary Survey	0.00	-	1,049,000	-	1,049,000
Remainder of Other	0.00	-	(1,536,892)	-	(1,536,892)
Total Other	2.00	-	(\$199,543)	-	(199,543)
Personal Services Present Law Adjustments	304.00	\$0	\$373,495	\$0	\$373,495

  

FY 2017					
CP 98 PSPL Item	FTE	General Fund	State Special	Federal Special	Total Funds
State Share Health Insurance	302.00	\$0	\$146,772	\$0	\$146,772
Executive Implementation of 2015 Pay Increase		-	426,266	-	426,266
Fully Fund 2015 Legislatively Authorized FTE		-	-	-	-
Other					
Overtime	0.00	-	100,000	-	100,000
Computer Applications Engineer	2.00	-	187,856	-	187,856
Montana Highway Patrol Salary Survey	0.00	-	1,049,000	-	1,049,000
Remainder of Other	0.00	-	(1,540,019)	-	(1,540,019)
Total Other	2.00	-	(203,163)	-	(203,163)
Personal Services Present Law Adjustments	304.00	\$0	\$369,875	\$0	\$369,875

The executive has proposed to increase funding for personal services by 2.9% in FY 2016 and FY 2017 compared to the FY 2015 legislative budget.

*Overtime* - The executive requests funding for overtime.

<b>LFD COMMENT</b>	<p><u>FY 2014 Overtime Expenditures Over Budget</u></p> <p>In FY 2014, overtime expenditures for the division were just over \$1.0 million, or 2.5 times the amount budgeted. The legislative budgets for both FY 2014 and FY 2015 were \$400,000. The executive requests overtime of \$500,000 per year and expects that highway patrol officer positions would be filled at a higher level than in FY 2014. The division experienced a vacancy rate of 2.3% in hours compared to hours budgeted.</p>
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*Computer Applications Engineers* - The executive requests funding to add 2.00 FTE computer applications engineers to design, implement, and integrate additional systems such as lightweight mobile fingerprint readers and body cameras. Additionally, the staff would support data sharing within the division and with local government law enforcement agencies.

*Montana Highway Patrol Salary Survey* - The executive requests funding for salary adjustments for Montana Highway Patrol officers base on the most recent salary survey specified in law.

**LFD COMMENT**

Highway Patrol Salary Survey

Montana law in 2-18-303, MCA requires the Department of Administration to conduct a salary survey of the county sheriffs' offices in the following consolidated governments and counties to establish the base salaries of Montana highway patrol officers: Butte-Silver Bow, Cascade, Yellowstone, Missoula, Lewis and Clark, Gallatin, Flathead, and Dawson. The latest salary survey was completed in June 2014 and forms the basis for this adjustment.

*Remainder of Other* - Changes that make up the remainder of the other adjustments include the following:

- Annualize funding for pay adjustments made at the agency's discretion
- Annualize funding for pay adjustments made pursuant to a negotiated pay settlement

DP 99 - LEG. Present Law -

The following table outlines various components of the changes included in the LGPL adjustments.

Legislative Present Law Adjustments				
	FY 2016			
	General Fund	State Special	Federal Special	Total Funds
CP 99 Item				
Computer Applications Engineer	\$0	\$27,665	\$0	\$27,665
Other	-	258,103	-	258,103
<b>Legislative Present Law Adjustments</b>	<b>\$0</b>	<b>\$285,768</b>	<b>\$0</b>	<b>\$285,768</b>
	FY 2017			
	General Fund	State Special	Federal Special	Total Funds
CP 99 Item				
Computer Applications Engineer	\$0	\$16,258	\$0	\$16,258
Other	-	435,257	-	435,257
<b>Legislative Present Law Adjustments</b>	<b>\$0</b>	<b>\$451,515</b>	<b>\$0</b>	<b>\$451,515</b>

The executive has proposed to increase funding for all other expenditure categories excluding personal services by 4.6% in FY 2016 and by 6.2% in FY 2017 compared to the FY 2015 legislative budget. Changes that make up the other category include the following, while individually listed adjustments are described separately:

- Increases in costs for purchasing information technology services from the Department of Administration
- Increases in costs for renting office space from the Department of Administration
- FY 2014 expenditures for legal fees and court costs, prisoner per diem, clothing and personal, gasoline, law enforcement for cars, and vehicle maintenance costs that are higher than the FY 2015 legislative budget

The executive proposes higher costs for information technology services and office rent provided by the Department of Administration. The costs are budgeted as a fixed cost in this program to allow it to make payments for the services.

In FY 2014, expenditures were higher than the FY 2015 legislative budget. The executive has requested funding for these expenditures at the FY 2014 expenditure level. The largest expenditures of note are listed above.

*Computer Applications Engineer* - The executive requests funding for operating costs for the addition of 2.00 FTE computer applications engineer requested above.

**LFD** Costs to Outfit New Staff are One-Time-Only  
**ISSUE**

Included in the FY 2016 operating costs requested to outfit the new staff are expenditures that are not on-going. The legislature may want to designate \$11,407 of the FY 2016 funding as one-time-only.