

5% Base Budget Reduction Form
[17-7-111-3\(f\)](#)

AGENCY CODE & NAME: 61010 Administration

	Minimum Requirement	
	General Fund	State Special Revenue Fund
TARGETED REDUCTION TO EQUAL 5% OF CURRENT BASE BUDGET	\$ 226,614	\$ 200,660
	General Fund Annual Savings	State Special Revenue Annual Savings
SERVICE(S) TO BE ELIMINATED OR REDUCED		
1 4% FTE Reduction - SFSD (LGS FTE)	77,712	
2 4% FTE Reduction - SITSD (Public Safety Supervisor)	47,111	
3 4% FTE Reduction - SHRD FTE (Accounting Technician)	18,078	
4 4% FTE Reduction - MTAB FTE (Secretary Position)	23,136	
5 4% FTE Reduction - Banking FTEs (Examiner Positions)		156,635
6 4% FTE Reduction - A&E FTE (Administrative Assistant Position)		26,506
7 Banking Operating Reduction See Form B(5) for discussion		17,519
8 GSD Operating Reduction	60,577	
9		
10		
TOTAL SAVINGS	\$ 226,614	\$ 200,660
DIFFERENCE	0	0

Form A

Worked with Ryan Evans to produce a new SSR number than what is shown on Memo 8

5% Base Budget Reduction Form

**AGENCY CODE & NAME: 6101 Department of Administration
Program 3 - State Financial Services Division**

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Move one of the Local Government Systems lead worker positions to the Local Government Services Proprietary Fund (position 61162002).

#2 THE SAVINGS THAT ARE EXPECTED:

Personal services of \$77,712, FY 2016 and \$77,739, FY 2017

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

This will increase costs to the Enterprise Fund and will lead to an increase in the local government report filing fees that provide the funding.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

The increased proprietary fund costs will be passed on to the local governments as increased filing fees.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

A service would not be discontinued as a result of this funding change.

Form B

5% Base Budget Reduction Form

**AGENCY CODE & NAME: 6101 Department of Administration
Program 7 - State Information Technology Services Division**

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Move a portion (41%) of a Public Safety Services Bureau Chief position costs to the SITSD Proprietary Fund (position #61109422)

#2 THE SAVINGS THAT ARE EXPECTED:

Personal services of \$47,111 FY 2016 and \$46,972 in FY 2017.

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

This will increase costs to the Internal Service Fund and will lead to an increases SITSD rates that provide the funding. This was not budgeted in rate setting.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

The increased proprietary fund costs will be passed on to the other state agencies as an increased cost.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

A service would not be discontinued as a result of this funding change.

Form B

5% Base Budget Reduction Form

**AGENCY CODE & NAME: 6101 Department of Administration
Program 23 - State Human Resources Division**

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Eliminate the general fund portion (.46) of the a State Human Resources Division Accounting Technician. This position is moved to the Director's Office Proprietary Fund (position 61100053). This position is part of the OFB Reorganization.

#2 THE SAVINGS THAT ARE EXPECTED:

Personal services of \$18,078 for FY 2016 and \$18,195 for FY 2017.

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

This will increase costs to the Internal Service Fund and will lead to an increase in administrative costs to DOA Programs.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

This will increase costs to the Internal Service Fund and will lead to an increase in administrative costs to DOA Programs.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

A service would not be discontinued as a result of this funding change.

Form B

5% Base Budget Reduction Form

**AGENCY CODE & NAME: 6101 Department of Administration
Program 37 - Montana Tax Appeal Board**

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Reduce .50 FTE from county secretaries aggregate positions (who support the work of 56 county tax appeal boards. This position number is 61193701.

#2 THE SAVINGS THAT ARE EXPECTED:

Personal services of \$23,136 for FY 2016 and \$23,100 for FY 2017.

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

Consequences are minimal. Many counties have moved to utilizing county staff for these positions, which are then reimbursed through the general fund budget of the Montana tax appeal board. Thus, loss is not extensive and FTE can be shifted to the counties.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:

Direct costs are higher to the state, due to reimbursement costs to the counties, but impact on taxpayers is minimal.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

Yes, secretarial service to county tax appeal boards is required by state statute.

Form B

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**AGENCY CODE & NAME: 6101 Department of Administration
Program 14 - Division of Banking & Financial Institutions**

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Eliminate 2.20 Bank Examiner positions.

#2 THE SAVINGS THAT ARE EXPECTED:

For the 4% FTE reduction Personal Services is reduced by \$156,802 in FY 16 and \$156,635 in FY 17. This removes 2.20 FTEs and eliminate \$17,519 from the operating budget.

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

Loss of personal services funding would create an extreme hardship on the Division which is already struggling to maintain an acceptable number of trained examination staff. Failure to have enough trained and qualified examiners could result in loss of accreditation and an inability to examine all state-chartered banks and financial institutions on the statutorily required basis. Trained bank examiners are commonly lured away by higher paying federal regulatory agencies and private lending institutions. Bank examinations are critical to maintaining the safety and soundness of Montana's financial institutions. Without adequate supervision, constituents could experience increased risk at local lending institutions and changes in local bank services. The loss of this funding would also create a greater strain on remaining examination staff resulting in increased overtime and travel which would result in higher fees charged to licensees and leads to greater turnover due to burnout in experienced examiners.

Reduction in operating expenses will have the greatest impact on examiner travel in mortgage supervision. Reduction in this area would severely impact the Division's ability to conduct examinations of Montana's licensed institutions that are located out-of-state, preventing Montana borrowers from having the protection of state regulatory examiners reviewing Montana loans for compliance with Montana's laws.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

There are no mitigation options that can compensate for the loss of a trained bank examiner. The Division is continuously working on an electronic examination format that will reduce the number of examiners that are required to be onsite during an examination.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

Yes - 32-1-211 MCA

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**AGENCY CODE & NAME: 6101 Department of Administration
Program 4 - Architecture and Engineering Division**

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Reduce Architecture and Engineering's Administration Support Specialist, position number 61102031, to A .50 FTE.

#2 THE SAVINGS THAT ARE EXPECTED:

A reduction of 26,506 in FY 2016 and \$26,459 in FY 2017

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

The division currently fills this position as .50 FTE so the reduction will not have any consequence or impact.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

There is no expected impact to constituents or staff.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

No

Form B

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**AGENCY CODE & NAME: 6101 Department of Administration
Program 6 - General Services Division**

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

The Facilities Management Bureau receives a general fund appropriation in lieu of rent for common space in the Capitol, the Executive Residence, the display portion of the Montana Historical Society and the Old Governor's Mansion. The bureau uses general fund to supplement rent charge to agencies to fund our major maintenance projects in the capitol complex.

#2 THE SAVINGS THAT ARE EXPECTED:

The targeted reduction amounts to \$60,557.

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

Either we reduce major maintenance projects or state agencies will see their rental rate charge increase. The Capital Complex has significant deferred maintenance. General Services Division is completing a facilities condition report.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

Any reduction in funding will result in projects being eliminated or delayed.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

Yes. 2-17-811, MCA

Form B

5% Base Budget Reduction Form

AGENCY CODE & NAME: 6101 Department of Administration

- #1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR *ELIMINATION OR* REDUCTION:**

- #2 THE SAVINGS THAT ARE EXPECTED:**

- #3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED *ELIMINATION OR* REDUCTION:**

- #4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED**

- #5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**

Form B

5% |

AGE

#1

#2

#3

#4

#5

Form

Base Budget Reduction Form

NCY CODE & NAME:

BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR *ELIMINATION* OR *REDUCTION*:

THE SAVINGS THAT ARE EXPECTED:

THE CONSEQUENCES OR IMPACTS OF THE PROPOSED *ELIMINATION* OR *REDUCTION*:

HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

B