

Agency Budget Comparison

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

Agency Budget Comparison								
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Legislative Budget 2016	Legislative Budget 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	191.95	191.95	184.52	184.51	191.95	184.51	(7.44)	(3.88)%
Personal Services	12,406,591	12,750,464	13,137,559	13,134,599	25,157,055	26,272,158	1,115,103	4.43 %
Operating Expenses	12,314,255	14,072,460	10,410,528	10,417,725	26,386,715	20,828,253	(5,558,462)	(21.07)%
Equipment & Intangible Assets	36,500	224,556	224,556	224,556	261,056	449,112	188,056	72.04 %
Grants	21,944,730	24,168,273	25,583,058	25,583,058	46,113,003	51,166,116	5,053,113	10.96 %
Benefits & Claims	14,039,913	14,656,277	14,656,277	14,656,277	28,696,190	29,312,554	616,364	2.15 %
Transfers	390,674	474,785	0	0	865,459	0	(865,459)	(100.00)%
Total Costs	\$61,132,663	\$66,346,815	\$64,011,978	\$64,016,215	\$127,479,478	\$128,028,193	\$548,715	0.43 %
General Fund	3,672,480	4,143,476	3,857,129	3,856,743	7,815,956	7,713,872	(102,084)	(1.31)%
State/Other Special Rev. Funds	16,291,732	16,847,018	18,075,780	18,079,732	33,138,750	36,155,512	3,016,762	9.10 %
Federal Spec. Rev. Funds	41,168,451	45,356,321	42,079,069	42,079,740	86,524,772	84,158,809	(2,365,963)	(2.73)%
Total Funds	\$61,132,663	\$66,346,815	\$64,011,978	\$64,016,215	\$127,479,478	\$128,028,193	\$548,715	0.43 %

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Legislative Budget Analysis, B-52

Executive Budget Comparison

The following table compares the legislative budget for the 2017 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2014	Executive Budget Fiscal 2016	Legislative Budget Fiscal 2016	Leg — Exec. Difference Fiscal 2016	Executive Budget Fiscal 2017	Legislative Budget Fiscal 2017	Leg — Exec. Difference Fiscal 2017	Biennium Difference Fiscal 16-17
FTE	191.95	184.52	184.52	0.00	184.51	184.51	0.00	0.00
Personal Services	12,406,591	13,363,965	13,137,559	(226,406)	13,361,005	13,134,599	(226,406)	(452,812)
Operating Expenses	12,314,255	12,576,503	10,410,528	(2,165,975)	12,579,287	10,417,725	(2,161,562)	(4,327,537)
Equipment & Intangible Assets	36,500	36,500	224,556	188,056	36,500	224,556	188,056	376,112
Grants	21,944,730	23,707,257	25,583,058	1,875,801	23,707,257	25,583,058	1,875,801	3,751,602
Benefits & Claims	14,039,913	14,039,913	14,656,277	616,364	14,039,913	14,656,277	616,364	1,232,728
Transfers	390,674	390,674	0	(390,674)	390,674	0	(390,674)	(781,348)
Total Costs	\$61,132,663	\$64,114,812	\$64,011,978	(\$102,834)	\$64,114,636	\$64,016,215	(\$98,421)	(\$201,255)
General Fund	3,672,480	3,864,690	3,857,129	(7,561)	3,863,707	3,856,743	(6,964)	(14,525)
State/other Special Rev. Funds	16,291,732	18,152,485	18,075,780	(76,705)	18,155,511	18,079,732	(75,779)	(152,484)
Federal Spec. Rev. Funds	41,168,451	42,097,637	42,079,069	(18,568)	42,095,418	42,079,740	(15,678)	(34,246)
Total Funds	\$61,132,663	\$64,114,812	\$64,011,978	(\$102,834)	\$64,114,636	\$64,016,215	(\$98,421)	(\$201,255)

The 2017 biennium legislative appropriation for the Public Health and Safety Division is about \$600,000 lower than the executive request because the legislature did not fund:

- Two new proposals to expand asthma home visiting and cardiovascular and diabetes prevention programs - \$190,000

- Executive implementation of the 2015 biennium pay plan - \$452,815

Increases in inflation and fixed cost adjustments partially offset the difference.

Agency Highlights

Public Health and Safety Division Major Budget Highlights
<ul style="list-style-type: none">• The 2017 biennium budget is about \$200,000 lower than the executive request<ul style="list-style-type: none">◦ Increases in personal services and grant funding are partially offset by reductions in operating expenses and benefits and claims• The legislature added state special revenue for colorectal cancer screening, and expansion of the asthma home visiting and cardiovascular and diabetes prevention programs

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Legislative Budget Analysis, B-60

Funding

The Public Health and Safety Division (PHSD) 2017 biennium appropriation is about \$2.3 million lower each year than the FY 2015 legislative appropriation. The primary difference is due to reductions in federal grant funds from sequestration, which is reflected in lower operating costs. Personal services are higher each year of the 2017 biennium due to annualization of pay plan increases and other changes related to longevity and statutorily required changes. Benefits and claims (services provided to eligible persons) are higher due to approval of a new proposal to provide colorectal cancer screenings to 600 low-income Montanans.

Funding

The 2017 biennium PHSD budget is funded by general fund, state special revenue, and federal funds. There are over 60 funding sources that support PHSD, with the majority being federal categorical grants. The funding table below lists each individual source that comprises at least 1% of division funding over the 2017 biennium. The major sources of state special revenue are:

- Tobacco settlement funds and tobacco settlement trust fund interest
- Public health laboratory fees
- Insurance fees for a genetics program (\$1 annually for each Montana resident insured under any individual or group disability or health insurance policy)
- Licensing fees for food manufacturers or food sales establishments (5% of an annual license fee of \$115) and penalties for failure to renew licenses in a timely manner

Federal funding sources supporting PHSD functions are categorical grants governed by federal laws that specify allowable uses for each source. The single largest federal source supports the Women, Infants, and Children (WIC) nutrition program.

Some PHSD functions are supported by more than one fund. The following figure shows the major PHSD functions and the fund source(s) that support each.

Funding Sources for PHSD by Major Function			
Major Program/Function	General Fund	State	
		Special Revenue*	Federal Funds
Administration	x	x	x
Asthma, Diabetes, Cardiovascular Health		x	x
Behavioral Risk Factor Surveillance		x*	x
Cancer Control	x	x	x
Childrens Special Health Services		x	x
Communicable Disease and Epidemiology	x	x	x
Emergency Medical Services &Trauma Systems	x	x	x
Emergency Preparedness			x
Food and Consumer Safety	x	x*	x
Genetics		x	x
HIV & Sexually Transmitted Disease Prevention	x	x	x
Immunization	x	x	x
Maternal Child Health		x	x
Newborn Hearing Screening		x	
Public Health Home Visits	x	x	
Tobacco Prevention and Control		x	x
Vital Statistics	x	x*	
Women's and Men's Health	x		x
Women, Infant, & Children Nutrition Assistance		x	x

*Sources of state special revenue include fee for service income.

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	3,788,496	3,788,496	7,576,992	98.23 %	66,218,973	66,218,973	132,437,946	103.44 %
PL Adjustments	68,633	68,247	136,880	1.77 %	(2,546,995)	(2,542,758)	(5,089,753)	(3.98)%
New Proposals	0	0	0	0.00 %	340,000	340,000	680,000	0.53 %
Total Budget	\$3,857,129	\$3,856,743	\$7,713,872		\$64,011,978	\$64,016,215	\$128,028,193	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from FY 2015 legislative appropriation to the budget proposed. Each is discussed in the narrative that follows.

	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 101 - Remaining Differences from FY 2015 Appropriation - Pers Servs	0.00	(92,742)	(464,604)	740,221	182,875	0.00	(94,492)	(463,698)	738,110	179,920
DP 102 - Remaining Differences from FY 2015 Appropriation - Other Cost	0.00	45,292	174,000	(4,459,209)	(4,239,917)	0.00	46,265	176,497	(4,457,290)	(4,234,528)
DP 515 - State Share Health Insurance	0.00	11,385	31,913	46,379	89,677	0.00	11,385	31,911	46,376	89,672
DP 520 - Fully Fund 2015 Legislatively Authorized FTE	0.00	4,324	17,983	37,678	59,985	0.00	4,324	17,983	37,678	59,985
DP 525 - Fixed Costs	0.00	91,411	101,808	110,007	303,226	0.00	91,634	102,057	110,275	303,966
DP 527 - Inflation/Deflation	0.00	8,963	16,205	31,991	57,159	0.00	9,131	16,507	32,589	58,227
DP 700444 - Statewide 4% FTE Reduction - Program 7	(7.43)	0	0	0	0	(7.44)	0	0	0	0
DP 707001 - Tobacco Use Prevention Program	0.00	0	1,000,000	0	1,000,000	0.00	0	1,000,000	0	1,000,000
Grand Total All Present Law Adjustments	(7.43)	\$68,633	\$877,305	(\$3,492,933)	(\$2,546,995)	(7.44)	\$68,247	\$881,257	(\$3,492,262)	(\$2,542,758)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 101 - Remaining Differences from FY 2015 Appropriation - Pers Servs -

The legislature adjusted from the FY 2015 base appropriation to account for the remainder of differences in personal services between the legislative appropriation and executive request.

DP 102 - Remaining Differences from FY 2015 Appropriation - Other Cost -

The legislature reduced funding to account for the difference between the FY 2015 appropriation and the executive request. The majority of difference is due to lower federal grant funds in the 2017 biennium compared to the FY 2015 appropriation.

DP 515 - State Share Health Insurance -

The legislature provided appropriation authority for the state share of health insurance, as adopted by the 2013 Legislature.

DP 520 - Fully Fund 2015 Legislatively Authorized FTE -

The legislature provided appropriation authority to restore personal services funding to create a vacancy savings rate of zero.

DP 525 - Fixed Costs -

The legislature adopted proprietary rates for fixed costs charged to state agencies for services such as information technology or rent and grounds maintenance within the capitol complex. Rates for messenger services, legislative audit, grounds maintenance, records management, agency legal costs, and the statewide cost allocation plan were adopted as proposed by the executive. The legislature lowered proprietary rates for warrant writer, payroll services, SABHRS, SITSD fees, and rent. The legislature increased insurance premiums to provide for increased costs of claims and to establish a reserve for the insurance fund.

DP 527 - Inflation/Deflation -

The legislature adopted inflation/deflation factors for budgeted expenditures such as food or electricity. The legislature concurred with the executive on the factors with the exception of gasoline, aviation gasoline, diesel fuel, and jet fuel. For these factors the legislature further deflated costs to align the budget with more current information on declining prices of oil and gas projected to continue into the 2017 biennium.

DP 700444 - Statewide 4% FTE Reduction - Program 7 -

The 2015 biennium budget included a 4% vacancy savings reduction. Language included in the boilerplate of HB 2 passed by the 2013 Legislature, indicated legislative intent that the 4% vacancy savings be made permanent as an FTE reduction for the 2017 biennium. Change package 700444 includes a reduction of 7.43 FTE each year of the biennium and \$981,825 total funds for the biennium to accomplish the FTE reduction.

DP 707001 - Tobacco Use Prevention Program -

The legislature appropriated \$1.0 million each year of the biennium in state special revenue tobacco settlement funds for the Montana Tobacco Use Prevention Program. This adjustment will fund youth prevention, tobacco use cessation, and smoke-free housing activities. Base budget appropriations for grant funding administered by the tobacco control and prevention program is \$4.1 million.

New Proposals -

The "New Proposals" table shows the changes from the legislative appropriation for FY 15 to the proposed budget.

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 707002 - CV Disease & Diabetes Prevention	0.00	0	100,000	0	100,000	0.00	0	100,000	0	100,000
DP 707003 - Asthma Home Visiting Program	0.00	0	90,000	0	90,000	0.00	0	90,000	0	90,000
DP 707004 - Colorectal Cancer Screening	0.00	0	150,000	0	150,000	0.00	0	150,000	0	150,000
Total	0.00	\$0	\$340,000	\$0	\$340,000	0.00	\$0	\$340,000	\$0	\$340,000

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 707002 - CV Disease & Diabetes Prevention -

The legislature added funds to expand the Cardiovascular Disease and Diabetes Prevention program. Funds will be used to increase the number of Montana communities that have access to these prevention services.

DP 707003 - Asthma Home Visiting Program -

The legislature added \$90,000 in each year of the biennium in tobacco settlement state special revenue to expand the asthma home visiting program.

DP 707004 - Colorectal Cancer Screening -

The legislature approved \$300,000 for the biennium in state special revenue tobacco settlement funds for the Colorectal Cancer Screening program. This new funding will allow the agency to screen 600 low-income adults for colorectal cancer.