

Program Budget Comparison

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

Program Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	40.00	40.00	40.00	40.00	40.00	40.00	0.00	0.00%
Personal Services	2,620,408	2,668,452	2,682,129	2,687,730	5,288,860	5,369,859	80,999	1.53%
Operating Expenses	1,732,490	1,755,665	1,835,606	1,844,861	3,488,155	3,680,467	192,312	5.51%
Total Costs	\$4,352,898	\$4,424,117	\$4,517,735	\$4,532,591	\$8,777,015	\$9,050,326	\$273,311	3.11%
General Fund	374,869	382,588	396,664	399,460	757,457	796,124	38,667	5.10%
Federal Special	3,978,029	4,041,529	4,121,071	4,133,131	8,019,558	8,254,202	234,644	2.93%
Total Funds	\$4,352,898	\$4,424,117	\$4,517,735	\$4,532,591	\$8,777,015	\$9,050,326	\$273,311	3.11%

Program Description

The Air National Guard, until federalized, is a state military organization that provides trained and equipped military units for use in the event of a state or national emergency. The federal/state cooperative agreement provides for administrative, facilities maintenance, security, and fire protection support to the Air National Guard base at Gore Hill near Great Falls. The Air National Guard program operates under both federal and state mandates in accordance with its dual missions and is mandated by the United States and Montana Constitutions and Title 10, Chapter 1-3, MCA.

Program Highlights

Air National Guard Program Major Budget Highlights
<ul style="list-style-type: none"> ◆ The budget increases mainly due to re-establishment of federal funding authority to provide for fire fighter overtime ◆ Statewide present law adjustments include changes for longevity and broadband pay adjustments ◆ Other changes include additional federal funding to support: <ul style="list-style-type: none"> ● Required firefighting training ● Natural gas distribution lines maintenance ● Security contract personal services increases

Program Narrative

Personal services costs increase due to:

- Statutorily required longevity increases
- Reinstatement of firefighter overtime at the Malmstrom Air Force Base in Great Falls
- Broadband pay adjustments that are mainly awarded for proficiency agreements and are annualized in the 2015 biennium

Operating expenses increases are mainly due to additional federal funding to support:

- Firefighter training costs related to live fire training for aircraft
- Natural gas distribution lines maintenance
- Security contract personal service increases

Funding

The following table shows program funding by source of authority for the 2015 biennium as adopted by the legislature.

Total Department Of Military Affairs Funding by Source of Authority 2015 Biennium Budget - Air National Guard Pgm							
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
General Fund	\$796,124	\$0	\$0	\$796,124	8.8%		
Federal Special Total	\$8,254,202	\$0	\$0	\$8,254,202	91.2%		
03453 Air National Guard	\$8,254,202	\$0	\$0	\$8,254,202	91.2%		
Total All Funds	\$9,050,326	\$0	\$0	\$9,050,326	100.0%		
Percent - Total All Sources	100.0%	0.0%	0.0%				

The Montana Air National Guard is predominately funded through federal funds. General fund, comprising less than 9% of the total funding for the program, supports some building and grounds maintenance activities, a portion of administrative expenses, and a portion of the personal service costs for a quarter of the FTE.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	374,869	374,869	749,738	94.17%	4,352,898	4,352,898	8,705,796	96.19%
Statewide PL Adjustments	21,795	24,591	46,386	5.83%	(317,143)	(308,382)	(625,525)	(6.91%)
Other PL Adjustments	0	0	0	0.00%	481,980	488,075	970,055	10.72%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
Total Budget	\$396,664	\$399,460	\$796,124		\$4,517,735	\$4,532,591	\$9,050,326	

Reductions contained in the statewide present law adjustments are mainly due to the elimination of firefighter overtime from the FY 2012 base budget as required by state budgeting procedures. The decision to reinstate the funding is determined through the legislative appropriation process. Other present law adjustments include additional federal funding for:

- o Firefighter overtime and training
- o Natural gas distribution line maintenance
- o Security contract increases at Gore Hill

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the base budget adopted by the legislature.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					(261,867)					(262,381)
Vacancy Savings					(94,342)					(94,322)
Inflation/Deflation					17,017					32,387
Fixed Costs					22,049					15,934
Total Statewide Present Law Adjustments		\$21,795	\$0	(\$338,938)	(\$317,143)		\$24,591	\$0	(\$332,973)	(\$308,382)
DP 50 - Initial Motion to FY 2012 Base	0.00	(21,795)	0	338,938	317,143	0.00	(24,591)	0	332,973	308,382
DP 51 - Adjustment for Statewide Personal Services	0.00	5,364	0	(361,573)	(356,209)	0.00	5,342	0	(362,045)	(356,703)
DP 52 - Adjustment for Statewide Operations	0.00	3,130	0	35,936	39,066	0.00	5,613	0	42,708	48,321
DP 53 - Base Funding Switch	0.00	13,301	0	(13,301)	0	0.00	13,636	0	(13,636)	0
DP 1301 - Federal Authority for Firefighter Overtime	0.00	0	0	417,930	417,930	0.00	0	0	424,025	424,025
DP 1302 - Federal Authority for Firefighter Training	0.00	0	0	20,250	20,250	0.00	0	0	20,250	20,250
DP 1303 - Federal Authority for Natural Gas	0.00	0	0	22,000	22,000	0.00	0	0	22,000	22,000
DP 1306 - Federal Authority for Security Contract Increase	0.00	0	0	21,800	21,800	0.00	0	0	21,800	21,800
Total Other Present Law Adjustments	0.00	\$0	\$0	\$481,980	\$481,980	0.00	\$0	\$0	\$488,075	\$488,075
Grand Total All Present Law Adjustments	0.00	\$21,795	\$0	\$143,042	\$164,837	0.00	\$24,591	\$0	\$155,102	\$179,693

DP 50 - Initial Motion to FY 2012 Base - The legislature adopted a motion to establish the starting point for budget deliberations as the FY 2012 base. This adjustment removes statewide present law adjustments for personal services, vacancy savings, fixed costs, and inflation/deflation.

DP 51 - Adjustment for Statewide Personal Services - This adjustment funds statewide personal services and vacancy savings.

DP 52 - Adjustment for Statewide Operations - This adjustment establishes the fixed cost and inflation/deflation rates as approved by the General Government subcommittee.

DP 53 - Base Funding Switch - This adjustment establishes a fund switch between fund types to fund base operations.

DP 1301 - Federal Authority for Firefighter Overtime - Statewide present law adjustments include reductions in personal service costs due to the elimination of overtime from the salary costs used to calculate the amount of the adjustment. This adjustment drives the personal service costs negative in both fiscal years of the biennium.

The legislature approved 100% federal spending authority for the overtime salary and benefit costs incurred by the Air National Guard firefighters in Great Falls. Overtime costs are zero based and are not captured in the personnel services snapshot used for the initial budget preparation.

There are 30 Air Guard firefighters in Great Falls. These firefighters work between 182 and 416 regular extra hours per year. The requirement for additional hours is due to the 24 hour a day, 7 day a week crash/fire coverage necessary to support and maintain the Air National Guard mission and joint use requirements with the Great Falls International Airport. These scheduling requirements and holiday hours result in an additional 13,188 paid hours each year. FLSA

overtime must also be paid for all firefighter hours worked exceeding 212 in a two-pay period month, resulting in an additional 3,168 paid overtime hours each year.

DP 1302 - Federal Authority for Firefighter Training - The legislature approved federal spending authority for aircraft live fire training for 30 firefighters at the Air National Guard in Great Falls at a cost of \$675.00 per employee. This is annual mandatory training required per federal regulations for all firefighters working in a 24/7 aircraft crash/fire environment. The aircraft live fire training is conducted at the Helena Regional Airport on specialized aircraft and spill trainers for three days.

DP 1303 - Federal Authority for Natural Gas - The legislature approved federal funding for yearly additional natural gas distribution lines maintenance costs. The recurring utility maintenance costs are a new cost for MANG, and will be 100% federally reimbursed to the State of Montana through the Master Cooperative Agreement. The costs are estimated at approximately \$22,000 per year, based on recent tariff rates approved by the Public Service Commission.

DP 1306 - Federal Authority for Security Contract Increase - The legislature approved federal funding for an existing security protection services contract at the Montana Air National Guard base in Great Falls. The contract for security protection exceeds \$500,000, and the contract price did not increase in 2011 or 2012. In FY 2013 the costs increased by \$21,800, largely due to wage and benefit increases for the contracted security personnel over the past two years.