

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	23.00	23.00	24.00	24.00	23.00	24.00	1.00	4.35%
Personal Services	1,434,854	1,517,195	1,232,077	1,238,198	2,952,049	2,470,275	(481,774)	(16.32%)
Operating Expenses	602,199	353,842	697,541	685,127	956,041	1,382,668	426,627	44.62%
Grants	3,767,443	5,101,505	13,335,443	11,735,443	8,868,948	25,070,886	16,201,938	182.68%
Transfers	570,674	707,549	2,932,674	2,532,674	1,278,223	5,465,348	4,187,125	327.57%
Total Costs	\$6,375,170	\$7,680,091	\$18,197,735	\$16,191,442	\$14,055,261	\$34,389,177	\$20,333,916	144.67%
General Fund	1,044,104	1,065,244	1,132,636	1,129,232	2,109,348	2,261,868	152,520	7.23%
State Special	216,020	350,200	233,539	236,536	566,220	470,075	(96,145)	(16.98%)
Federal Special	5,115,046	6,264,647	16,831,560	14,825,674	11,379,693	31,657,234	20,277,541	178.19%
Total Funds	\$6,375,170	\$7,680,091	\$18,197,735	\$16,191,442	\$14,055,261	\$34,389,177	\$20,333,916	144.67%

Program Description

The Disaster and Emergency Services Division (DES) duties and responsibilities are provided for under Title 10, Chapter 3, MCA. The division is responsible for the coordination, development and implementation of emergency management planning, mitigation, response, and recovery statewide. This responsibility includes the administration and disbursement of federal homeland security and emergency management funds to eligible political subdivisions and tribal nations across the state. The division maintains a 24 hour a day point of contact to coordinate the volunteer, state, and federal response for assistance to political subdivisions and tribal nations in the event of an incident, emergency, or disaster.

Program Highlights

Disaster & Emergency Services Division	
Major Budget Highlights	
◆	The budget for the division increases by 145% due almost entirely to a change in the level of funding for Homeland Security Program Grants. At least 80% must be passed through to local and tribal applicants. The change includes increases in operating expenses, grants, and transfers
◆	The legislature adopted an additional 2% vacancy savings for DMA and included the entire reduction in the DES budget. The legislature provided language in HB 2 allowing the agency to allocate the reduction among programs
◆	Other increases include general fund and federal funding for: <ul style="list-style-type: none"> • 1.00 FTE and support for the Homeland Security Exercise and Evaluation Program • Contracts costs and training related to the State Emergency Coordination Center (SECC) • Re-establishment of overtime for disaster and emergency services personnel

Program Narrative

The 2015 biennium budget for the Disaster and Emergency Services Division increases by \$20.3 million or 144.7% when compared to the 2013 biennium. The majority of the increase is due to increased federal authority for the

Homeland Security Program, \$22.0 million in additional funding approved for the 2015 biennium. The increased funding supports increases for both grants and transfers.

Personal services decrease due a legislative decision to increase vacancy savings by an additional 2%. The legislature approved the additional amount based on all HB 2 positions within the Department of Military Affairs. The agency reduction was taken from the Disaster and Emergency Services Division budget but the legislature approved language in HB 2 allowing the agency to allocate the reduction to all programs within the Department of Military Affairs.

It should be noted that the legislature exempted facilities that are open 24 hours a day, 7 days a week from the calculation. As a result, certain staff positions within the Challenge Program should have been exempted from the additional reduction. This did not occur. The impact on the agency is that about \$15,000 of additional vacancy savings should have been excluded from the reduction.

The legislature also approved additional personal services supporting an additional 1.00 FTE for homeland security exercises and evaluations.

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 - Disaster & Emergency Services							
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
General Fund	\$2,261,868	\$0	\$0	\$2,261,868	6.6%		
State Special Total	\$470,075	\$0	\$0	\$470,075	1.4%		
02156 Sar Des Dfwp Fees	\$107,000	\$0	\$0	\$107,000	0.3%		
02180 Emergency Preparedness Summit	\$20,035	\$0	\$0	\$20,035	0.1%		
Federal Special Total	\$31,657,234	\$0	\$0	\$31,657,234	92.1%		
Total All Funds	\$34,389,177	\$0	\$0	\$34,389,177	100.0%		
Percent - Total All Sources	100.0%	0.0%	0.0%				

Funding for the Disaster and Emergency Services Division is broken down roughly into three functional areas:

- Administration and coordination
- Search and rescue
- Grant programs

Administrative and coordination functions are funded primarily through a 50/50 partnership between state general fund and federal revenues. Disaster coordination functions are usually funded 100% with federal funds.

Search and rescue activities are funded through state special revenue funds derived from surcharges on conservation licenses and off-road vehicle licenses.

Grant activities are dominated by federal funding. The amount of this funding budgeted in HB 2 varies greatly depending on the federal source and available amounts known at the time of the budget submission. This is reflected in the \$22.0 million increase in federal funding for the upcoming biennium compared the 2013 biennium. The increased funding is provided for homeland security grants of which 80% are allocated to local and tribal governments.

The Governor is also provided a number of statutory appropriations in the event of a declared emergency or disaster. The most notable of these is the authority to authorize up to \$16 million over the biennium for disaster relief. These expenditures are authorized through executive orders. In FY 2012, the Governor authorized disaster relief expenditures from the general fund totaling \$7,631, with the remainder anticipated to be fully expended in FY 2013, primarily for fire suppression costs.

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	1,044,104	1,044,104	2,088,208	92.32%	6,375,170	6,375,170	12,750,340	37.08%
Statewide PL Adjustments	86,477	83,159	169,636	7.50%	(4,465)	(13,505)	(17,970)	(0.05%)
Other PL Adjustments	61,818	61,778	123,596	5.46%	12,061,818	10,061,778	22,123,596	64.33%
New Proposals	(59,763)	(59,809)	(119,572)	(5.29%)	(234,788)	(232,001)	(466,789)	(1.36%)
Total Budget	\$1,132,636	\$1,129,232	\$2,261,868		\$18,197,735	\$16,191,442	\$34,389,177	

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					44,359					47,879
Vacancy Savings					(59,166)					(59,312)
Inflation/Deflation					(101)					(6)
Fixed Costs					10,443					(2,066)
Total Statewide Present Law Adjustments		\$86,477	\$31,730	(\$122,672)	(\$4,465)		\$83,159	\$34,730	(\$131,394)	(\$13,505)
DP 50 - Initial Motion to FY 2012 Base	0.00	(86,477)	(31,730)	122,672	4,465	0.00	(83,159)	(34,730)	131,394	13,505
DP 51 - Adjustment for Statewide Personal Services	0.00	(2,425)	(502)	(11,880)	(14,807)	0.00	(1,872)	(387)	(9,174)	(11,433)
DP 52 - Adjustment for Statewide Operations	0.00	1,694	350	8,298	10,342	0.00	(339)	(70)	(1,663)	(2,072)
DP 53 - Base Funding Switch	0.00	87,208	31,882	(119,090)	0	0.00	85,370	35,187	(120,557)	0
DP 2101 - Federal Homeland Security Exercise & Evaluation	1.00	27,330	0	0	27,330	1.00	27,290	0	0	27,290
DP 2102 - Systems for State Emergency Coordination Center	0.00	15,000	0	0	15,000	0.00	15,000	0	0	15,000
DP 2103 - Spending Authority for Homeland Security Program	0.00	0	0	12,000,000	12,000,000	0.00	0	0	10,000,000	10,000,000
DP 2104 - DES Overtime	0.00	19,488	0	0	19,488	0.00	19,488	0	0	19,488
Total Other Present Law Adjustments	1.00	\$61,818	\$0	\$12,000,000	\$12,061,818	1.00	\$61,778	\$0	\$10,000,000	\$10,061,778
Grand Total All Present Law Adjustments	1.00	\$148,295	\$31,730	\$11,877,328	\$12,057,353	1.00	\$144,937	\$34,730	\$9,868,606	\$10,048,273

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 subcommittees.

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

DP 2101 - Federal Homeland Security Exercise & Evaluation - The legislature provided the Homeland Security Exercise & Evaluation Program (HSEEP) with an additional 1.00 FTE. HSEEP is an initiative directed by the Department of Homeland Security (DHS) to make all emergency management exercises uniform in nature. To continue to receive Emergency Management Assistance Grants (EMPG), HSEEP exercise guidelines must be followed. The position is to help insure guidelines are met.

DP 2102 - Systems for State Emergency Coordination Center - The legislature approved funding for the State Emergency Coordination Center (SECC) to maintain the crisis management system that tracks and records all activities. The annual maintenance costs are \$13,000 per year which covers upgrades and end user support. There is a \$7,000 per year cost for hosting the system. In addition, funds will be used for continued outreach and training with local, tribal, and state end users at an estimated \$10,000 per year.

DP 2103 - Spending Authority for Homeland Security Program - The Homeland Security Grant Program manages US Department of Homeland Security (DHS) anti-terrorism grant funds to pay for local, tribal, and state projects to strengthen the state’s ability to prevent and respond to any hazard events. Focus for the grants is on interoperable communications, fusion center operations, explosive ordinance disposal and many other areas. Of the funds received through this grant program, at least 80% must be passed through to local and tribal applicants.

DP 2104 - DES Overtime – The legislature provided funding for the overtime salary and benefits costs incurred by the DES duty officers to provide 24 hour, 7 day a week disaster and emergency response. Overtime costs are zero based and not captured in the personnel services snapshot used for the initial budget preparation.

New Proposals

New Proposals											
Program	FTE	-----Fiscal 2014-----				-----Fiscal 2015-----					
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 54 - Additional Vacancy Savings	21	0.00	(59,763)	(14,211)	(160,814)	(234,788)	0.00	(59,809)	(14,214)	(157,978)	(232,001)
Total	0.00	(\$59,763)	(\$14,211)	(\$160,814)	(\$234,788)	0.00	(\$59,809)	(\$14,214)	(\$157,978)	(\$232,001)	

DP 54 - Additional Vacancy Savings - The legislature applied an additional 2% vacancy savings to all positions except those exempt in statute or that must be filled 24/7. Language was included in HB 2 that allows the agency to allocate the reduction among programs.