

Agency Budget Comparison

The following table compares 2014 actuals expenditures without one-time appropriations plus 2015 estimated appropriations including one-time appropriations, but excluding certain base appropriations to the 2017 biennial total legislative budget. The comparison is listed by year, type of expenditure, and source of funding. The biennial percent change column has been eliminated to allow for the transition to a comparison of biennial appropriations consistent with SB 140 in the future. The biennial appropriation growth/decline is listed in the agency highlight tables and the expenditure section of Volume 1 of this Fiscal Report.

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
FTE	5.54	5.54	5.54	5.54	5.54	5.54	0.00
Personal Services	552,168	649,849	644,520	658,065	1,202,017	1,302,585	100,568
Operating Expenses	768,482	1,053,776	1,062,039	1,075,219	1,822,258	2,137,258	315,000
Total Costs	\$1,320,650	\$1,703,625	\$1,706,559	\$1,733,284	\$3,024,275	\$3,439,843	\$415,568
State/Other Special Rev. Funds	1,320,650	1,703,625	1,706,559	1,733,284	3,024,275	3,439,843	415,568
Total Funds	\$1,320,650	\$1,703,625	\$1,706,559	\$1,733,284	\$3,024,275	\$3,439,843	\$415,568

Agency Description

The Montana Consumer Counsel (MCC) represents state-wide consumer interests in hearings before the Public Service Commission and like agencies. On behalf of the public of Montana, the Consumer Counsel may initiate, intervene, and participate in appropriate proceedings before state or federal courts or administrative agencies. The Montana Consumer Counsel is part of the Legislative Branch and is overseen by the Legislative Consumer Committee. The Consumer Counsel is provided for by Article XIII, Section 2 of the Montana Constitution, and is governed by Title 5, Chapter 15, and Title 69, Chapters 1 and 2, MCA.

Agency Highlights

Consumer Counsel Major Budget Highlights
<ul style="list-style-type: none"> • The 2015 biennium legislative appropriation to the 2017 biennium legislative appropriation increased by 2.4%. • The legislature adopted: <ul style="list-style-type: none"> ◦ New proposal request of \$500,000, one-time only for costs associated with unanticipated caseloads for the biennium; ◦ Pay plan increases for an hourly pay raise and state share increases ◦ Rent and consulting services increases

Summary of Legislative Action

The Montana Consumer Counsel budget as shown on the program budget comparison table above changes due to three main factors: 1) fully funding positions in the 2017 biennium when the agency experienced a 9.7% vacancy rate in FY 2014; 2) appropriations to implement a pay plan beginning in January 2016; and 3) funding of \$500,000 for an unanticipated caseload contingency.

Agency Discussion

The Montana Consumer Counsel is a single program Legislative Branch agency and is overseen by a four member Legislative Consumer Counsel Committee. The agency intervenes on behalf of Montana consumers in transportation and utility issues and rate cases at the state and federal level. The largest component of the Montana Consumer Counsel budget is consulting and professional services. Consultants, along with staff, analyze the public implications of the actions of transportation and utility companies. In the 2017 biennium, 52.8% of the total appropriation is for contracted services. This statistic includes the appropriations for caseload contingencies. The counsel makes use of consulting services to provide the analyses for cases for which the Consumer Counsel has intervened. The consulting costs vary given the number and complexity of the interventions.

Funding

The following table shows agency funding by source of authority. Funding for each program is discussed in detail in the individual program narratives that follow.

Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	0	0	0	0.00 %
State Special Total	3,439,843	0	0	3,439,843	100.00 %
Federal Special Total	0	0	0	0	0.00 %
Proprietary Total	0	0	0	0	0.00 %
Other Total	0	0	0	0	0.00 %
Total All Funds	\$3,439,843	\$0	\$0	\$3,439,843	
Percent - Total All Sources	100.00 %	0.00 %	0.00 %		

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	0	0	0	0.00 %	1,453,625	1,453,625	2,907,250	84.52 %
PL Adjustments	0	0	0	0.00 %	(3,465)	10,369	6,904	0.20 %
New Proposals	0	0	0	0.00 %	256,399	269,290	525,689	15.28 %
Total Budget	\$0	\$0	\$0		\$1,706,559	\$1,733,284	\$3,439,843	

Other Legislation

SJ 12 - The legislature requested an interim study of net metering costs and benefits to public utilities and rural electrical cooperatives and the costs and benefits to customers who do not use metering systems. As the legislative experts on public utilities, including the impacts of net metering costs, it is conceivable that the Consumer Counsel staff may be involved in the study.

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	5.54	5.54	5.54	0.00	5.54	5.54	0.00	0.00
Personal Services	552,168	638,121	644,520	6,399	638,775	658,065	19,290	25,689
Operating Expenses	768,482	1,062,310	1,062,039	(271)	1,075,490	1,075,219	(271)	(542)
Total Costs	\$1,320,650	\$1,700,431	\$1,706,559	\$6,128	\$1,714,265	\$1,733,284	\$19,019	\$25,147
State/other Special Rev. Funds	1,320,650	1,700,431	1,706,559	6,128	1,714,265	1,733,284	19,019	25,147
Total Funds	\$1,320,650	\$1,700,431	\$1,706,559	\$6,128	\$1,714,265	\$1,733,284	\$19,019	\$25,147

Changes in personal services reflect the inclusion of the legislative pay plan within HB 2. The legislature provided for a \$0.50 an hour increase beginning in the first pay period including January 15th in both fiscal years and a 10% increase in the state share contribution to employee insurance in FY 2016 and an 8% increase in FY 2017. Reductions in operating costs reflect adjustments to fixed costs.

Present Law Adjustments

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

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 400 - Personal Services Reductions	0.00	0	(12,308)	0	(12,308)	0.00	0	(14,220)	0	(14,220)
DP 401 - Rent and Consulting Services Increases	0.00	0	8,534	0	8,534	0.00	0	21,714	0	21,714
DP 515 - State Share Health Insurance	0.00	0	2,692	0	2,692	0.00	0	2,692	0	2,692
DP 525 - Fixed Cost Adjustment	0.00	0	(645)	0	(645)	0.00	0	(661)	0	(661)
DP 527 - Inflation/Deflation Adjustment	0.00	0	85	0	85	0.00	0	105	0	105
DP 529 - Longevity and Other Adjustments	0.00	0	(2,112)	0	(2,112)	0.00	0	454	0	454
DP 531 - SITSD Rate Adjustment	0.00	0	475	0	475	0.00	0	473	0	473
DP 532 - General Liability Insurance Rate Adjustment	0.00	0	(83)	0	(83)	0.00	0	(83)	0	(83)
DP 550 - Motor Pool Rate Adjustment	0.00	0	(103)	0	(103)	0.00	0	(105)	0	(105)
Grand Total All Present Law Adjustments	0.00	\$0	(\$3,465)	\$0	(\$3,465)	0.00	\$0	\$10,369	\$0	\$10,369

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

DP 400 - Personal Services Reductions -

The legislature adopted a reduction of \$26,528 state special revenue for personal services. The 2015 legislative base budget for personal services was higher than the personal services budget requested for FY 2016 and FY 2017 due to hiring new staff at lower salaries than those of the previous staff.

DP 401 - Rent and Consulting Services Increases -

The legislature adopted \$30,248 state special revenue funding for anticipated rent increases and consulting services.

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 525 - Fixed Cost Adjustment -

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 Adjustment -

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 529 - Longevity and Other Adjustments -

The legislature adopted personal service adjustments for unemployment insurance, workers compensation rates, longevity, retirement, and health benefits.

DP 531 - SITSD Rate Adjustment -

The legislature approved an increase for fixed cost rates included in state agency budgets for information technology services provided by the State Information Technology Services Division (SITSD).

DP 532 - General Liability Insurance Rate Adjustment -

The legislature reduced the rate assessed to state agencies for general liability insurance provided by the Risk Management and Tort Defense Division.

DP 550 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to the motor pool rates.

New Proposals

The "New Proposals" table shows the adopted changes from the FY 2015 legislative appropriation. Each is discussed in the narrative that follows.

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 590 - Employee Pay and State Share	0.00	0	6,399	0	6,399	0.00	0	19,290	0	19,290
DP 100002 - Caseload Contingency (RST/OTO)	0.00	0	250,000	0	250,000	0.00	0	250,000	0	250,000
Total	0.00	\$0	\$256,399	\$0	\$256,399	0.00	\$0	\$269,290	\$0	\$269,290

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

DP 590 - Employee Pay and State Share -

The legislature approved a pay plan for state employees that provides a \$0.50 an hour raise for employees effective on the first day of the first complete pay period that includes January 15, 2016 and 2017. In addition, the legislature increased the state share contribution towards employee insurance by 10% the first year of the biennium and 8% the second.

DP 100002 - Caseload Contingency (RST/OTO) -

The legislature approved one-time-only state special revenue funding of \$250,000 for each year for the 2017 biennium restricted for costs associated with unanticipated caseload, consistent with appropriations in prior biennia.