

Program Budget Comparison

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

Program 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	8.00	8.00	7.64	7.64	8.00	7.64	(0.36)	(4.50)%
Personal Services	717,876	792,831	764,730	772,371	1,510,707	1,537,101	26,394	1.75%
Operating Expenses	1,152,831	1,101,543	1,086,782	1,091,808	2,254,374	2,178,590	(75,784)	(3.36)%
Equipment & Intangible Assets	9,624	0	0	0	9,624	0	(9,624)	(100.00)%
Total Costs	\$1,880,331	\$1,894,374	\$1,851,512	\$1,864,179	\$3,774,705	\$3,715,691	(\$59,014)	(1.56)%
General Fund	284,396	323,563	280,926	281,707	607,959	562,633	(45,326)	(7.46)%
State/Other Special Rev. Funds	1,176,906	1,187,058	1,203,941	1,213,709	2,363,964	2,417,650	53,686	2.27%
Federal Spec. Rev. Funds	419,029	383,753	366,645	368,763	802,782	735,408	(67,374)	(8.39)%
Proprietary Funds	0	0	0	0	0	0	0	0.00%
Total Funds	\$1,880,331	\$1,894,374	\$1,851,512	\$1,864,179	\$3,774,705	\$3,715,691	(\$59,014)	(1.56)%

Program Description

The Central Management Program consists of the Director's Office, a Financial Services office, and an Information Technology Office. It is the organizational component of DEQ responsible and accountable for the administration, management, planning, and evaluation of agency performance in carrying out the department's mission and statutory responsibilities. The Director's Office includes the director's staff, the deputy director, an administrative officer, a public information officer, a centralized legal services unit, and a centralized personnel office. The Financial Services Office provides budgeting, accounting, payroll, procurement, and contract management support to other divisions. The Information Technology Office provides information technology services support to other divisions.

Program Highlights

Central Management Program Major Budget Highlights
<ul style="list-style-type: none"> • When compared to the 2015 biennium appropriations, the 2017 biennium appropriation reduced program funding by 1.1% or \$41,041 <ul style="list-style-type: none"> ◦ Increases in expenditures are primarily due to various personal services adjustments, including annualization of costs of the 2015 biennium pay plan and fully funding all FTE

Funding

The following table shows program funding by source from all sources of authority.

Department of Environmental Quality, 10-Central Management Program Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	562,633	0	0	562,633	3.14 %
02075 UST Leak Prevention Program	26,310	0	0	26,310	1.09 %
02097 Environmental Rehab & Response	200,000	0	0	200,000	8.27 %
02157 Solid Waste Management Fee	77,134	0	0	77,134	3.19 %
02201 Air Quality-Operating Fees	144,360	0	0	144,360	5.97 %
02202 Asbestos Control	53,602	0	0	53,602	2.22 %
02204 Public Drinking Water	19,342	0	0	19,342	0.80 %
02223 Wastewater SRF Special Admin	196	0	0	196	0.01 %
02278 MPDES Permit Program	101,438	0	0	101,438	4.20 %
02370 Energy Conserv Repayment Acct	132	0	0	132	0.01 %
02418 Subdivision Plat Review	5,214	0	0	5,214	0.22 %
02542 MT Environ Policy Act Fee	1,501,620	0	0	1,501,620	62.11 %
02555 Alternative Energy Rev Loan	12,910	0	0	12,910	0.53 %
02576 Natural Resources Operations SSR Fu	274,272	0	0	274,272	11.34 %
02955 STATE ENERGY CONSERVATION ARRA	1,120	0	0	1,120	0.05 %
State Special Total	\$2,417,650	\$0	\$0	\$2,417,650	13.49 %
03015 2013 Exchange Network Grant	0	0	0	0	0.00 %
03067 DSL Federal Reclamation Grant	0	0	0	0	0.00 %
03151 2012 Exchange Network Grant	48,358	0	0	48,358	6.58 %
03152 DW SRF FY15 Grant	5,404	0	0	5,404	0.73 %
03262 EPA PPG	370,070	0	0	370,070	50.32 %
03337 2011 Exchange Network Grant	182,000	0	0	182,000	24.75 %
03430 DW SRF FY14 Grant	0	0	0	0	0.00 %
03433 EPA PPG FY10-11	0	0	0	0	0.00 %
03436 NPS 09 Staffing & Support	43,010	0	0	43,010	5.85 %
03442 FY09 Exchange Network Grant	0	0	0	0	0.00 %
03691 Non Pt Source Staffing/Support	146	0	0	146	0.02 %
03816 DOI OSM A&E GRANT	86,420	0	0	86,420	11.75 %
Federal Special Total	\$735,408	\$0	\$0	\$735,408	4.10 %
06509 DEQ Indirects	0	14,203,774	0	14,203,774	100.00 %
Proprietary Total	\$0	\$14,203,774	\$0	\$14,203,774	79.26 %
Total All Funds	\$3,715,691	\$14,203,774	\$0	\$17,919,465	

The majority of the functions in the division are funded with non-budgeted proprietary funds that are not appropriated through HB 2. The proprietary funding is based upon a negotiated indirect rate with the Environmental Protection Agency (EPA). The indirect rate is assessed against personal services and operations. The division uses the fund to support personal services, contracted, services and operating costs for management, budgeting, accounting, payroll, procurement, contract management, and information technology services to other divisions. The legislature approved a 24.0% cap on personal services and a 4.0% cap on all other expenditures for the indirect rate.

The appropriated funds provide support for the agency's legal services, the Board of Environmental Review, and Montana Environmental Protection Act (MEPA) activities. The appropriated funds consist of general fund, a number of state special revenue fees, and small federal grants. The majority of the funding comes from MEPA review fees.

Budget Summary by Category

The following summarizes the total budget utilizing the FY 2015 legislative base, present law adjustments, and new proposals.

Budget Summary by Category								
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	323,563	323,563	647,126	115.02 %	1,894,374	1,894,374	3,788,748	101.97 %
PL Adjustments	(42,637)	(41,856)	(84,493)	(15.02)%	(42,862)	(30,195)	(73,057)	(1.97)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$280,926	\$281,707	\$562,633		\$1,851,512	\$1,864,179	\$3,715,691	

Present law adjustments are negative due to personal services adjustments as well as operating adjustments for fixed cost and inflation/deflation factors.

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 515 - State Share Health Insurance	0.00	1,525	3,279	(1,090)	3,714	0.00	1,525	3,279	(1,090)	3,714
DP 525 - Fixed Cost Adjustment	0.00	(2,978)	(17,196)	(11,307)	(31,481)	0.00	(2,978)	(17,203)	(11,314)	(31,495)
DP 527 - Inflation/Deflation Adjustment	0.00	(7,196)	(41,570)	(27,338)	(76,104)	0.00	(6,720)	(38,820)	(25,530)	(71,070)
DP 529 - Longevity and Other Adjustments	0.00	0	(6,347)	0	(6,347)	0.00	0	(1,566)	0	(1,566)
DP 531 - SITSD Rate Adjustment	0.00	2,878	16,619	10,927	30,424	0.00	2,878	16,623	10,930	30,431
DP 532 - General Liability Insurance Rate Adjustment	0.00	(16,086)	(2,319)	(76)	(18,481)	0.00	(16,086)	(2,319)	(77)	(18,482)
DP 550 - Motor Pool Adjustment	0.00	(5)	(19)	(7)	(31)	0.00	(5)	(19)	(7)	(31)
DP 570 - Other Personal Services Adjustments	0.00	(51,657)	144,047	(117,858)	(25,468)	0.00	(72,947)	231,254	(180,915)	(22,608)
DP 580 - Additional Operating Adjustments	0.00	30,882	(79,611)	129,641	80,912	0.00	52,477	(164,578)	193,013	80,912
DP 1000444 - Statewide 4% FTE Reduction - Program 10	(0.36)	0	0	0	0	(0.36)	0	0	0	0
Grand Total All Present Law Adjustments	(0.36)	(\$42,637)	\$16,883	(\$17,108)	(\$42,862)	(0.36)	(\$41,856)	\$26,651	(\$14,990)	(\$30,195)

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

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 Adjustment -

The legislature adopted a reduction to the motor pool rates.

DP 570 - Other Personal Services Adjustments -

The legislature adopted all other personal service cost adjustments, except the annualization of the 2015 biennium pay plan.

DP 580 - Additional Operating Adjustments -

The legislature adopted all other operating cost adjustments.

DP 1000444 - Statewide 4% FTE Reduction - Program 10 -

FY 2016 and FY 2017 contain any reductions in FTE made by the executive to implement the boilerplate language in HB 2. Though intended by the legislature, the FY 2014 and FY 2015 FTE levels do not reflect this language.