

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	140.05	140.05	135.30	135.30	140.05	135.30	(4.75)	(3.39)%
Personal Services	9,431,146	9,774,740	10,020,155	10,020,917	19,205,886	20,041,072	835,186	4.35 %
Operating Expenses	4,481,589	2,747,998	5,142,318	5,021,924	7,229,587	10,164,242	2,934,655	40.59 %
Equipment & Intangible Assets	73,499	33,020	150,899	133,499	106,519	284,398	177,879	166.99 %
Transfers	21,591	7,500	21,591	21,591	29,091	43,182	14,091	48.44 %
Debt Service	547,816	612,692	745,275	738,704	1,160,508	1,483,979	323,471	27.87 %
Total Costs	\$14,555,641	\$13,175,950	\$16,080,238	\$15,936,635	\$27,731,591	\$32,016,873	\$4,285,282	15.45 %
General Fund	8,686,233	9,018,771	9,388,318	9,390,051	17,705,004	18,778,369	1,073,365	6.06 %
State/Other Special Rev. Funds	5,687,027	3,931,699	6,498,465	6,353,403	9,618,726	12,851,868	3,233,142	33.61 %
Federal Spec. Rev. Funds	182,381	225,480	193,455	193,181	407,861	386,636	(21,225)	(5.20)%
Total Funds	\$14,555,641	\$13,175,950	\$16,080,238	\$15,936,635	\$27,731,591	\$32,016,873	\$4,285,282	15.45 %

Program Description

The Water Resources Division is responsible for many programs associated with the uses, development, and protection of Montana's water.

Responsibilities of the division include:

- Manage and maintain the state-owned dams, reservoirs, and canals
- Develop and recommend in-state, interstate, and international water policy to the director, Governor, and Legislature
- Administer the Dam Safety, Floodplain Management, and Water Management programs
- Provide support to the Board of Water Well Contractors
- Assist the Water Court with the adjudication of pre-July 1, 1973, water rights
- Administer applications for new water rights, changes in historic water rights, and ownership updates
- Maintain centralized water rights records

The division consists of an administration unit and five bureaus:

- Water Management Bureau
- Water Rights Bureau
- Water Adjudication Bureau
- State Water Projects Bureau
- Water Operations Bureau

The compact implementation unit is under the Water Management Bureau and provides technical and legal support for implementation of approved water compacts for Indian tribes and federal agencies.

Program Highlights

Water Resources Division Major Budget Highlights
<p>The Division's 2017 biennial budget increased over the prior biennium primarily due to:</p> <ul style="list-style-type: none"> • Globally adopted personal services and operating adjustments • Funding for the following new proposals: <ul style="list-style-type: none"> ◦ Surface water assessment and monitoring ◦ State water project dam analysis • Funding for multiple other state water projects

Funding

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

Natural Resources and Conservation, 24-Water Resources Division Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	18,778,369	0	0	18,778,369	58.65 %	
02010 Oil & Gas Damage Mitigation	0	0	0	0	0.00 %	
02145 Broadwater O & M	1,076,767	0	0	1,076,767	8.38 %	
02146 Broadwater Irrigation	0	0	0	0	0.00 %	
02147 Broadwater R & R	0	0	0	0	0.00 %	
02216 Water Storage St Sp Rev Acct	460,000	0	0	460,000	3.58 %	
02351 Water Project Lands Lease Acct	119,460	0	0	119,460	0.93 %	
02404 Water Project Loans	765,928	0	0	765,928	5.96 %	
02430 Water Right Appropriation	1,038,869	0	0	1,038,869	8.08 %	
02431 Water Adjudication	3,963,174	0	0	3,963,174	30.84 %	
02470 State Project Hydro Earnings	4,771,701	0	0	4,771,701	37.13 %	
02576 Natural Resources Operations SSR Fu	445,587	0	0	445,587	3.47 %	
02694 Coal Bed Methane Protection	0	0	0	0	0.00 %	
02825 Water Well Contractors	210,382	0	0	210,382	1.64 %	
02938 TLMD - Administration	0	0	0	0	0.00 %	
State Special Total	\$12,851,868	\$0	\$0	\$12,851,868	40.14 %	
03034 Yellowstone Groundwater NPS	38,220	0	0	38,220	9.89 %	
03094 FEMA Federal Grants	348,416	0	0	348,416	90.11 %	
03255 CSD Federal Indirect	0	0	0	0	0.00 %	
Federal Special Total	\$386,636	\$0	\$0	\$386,636	1.21 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$32,016,873	\$0	\$0	\$32,016,873		

The Water Resources Division is predominantly funded with general fund and state special revenue, with a minor amount of federal revenue. The largest state special revenue funding comes from funds set aside for water adjudication and income derived from state owned hydroelectric projects for repair and rehabilitation of state owned water projects.

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	9,001,876	9,001,876	18,003,752	95.88 %	13,159,937	13,159,937	26,319,874	82.21 %
PL Adjustments	293,042	318,175	611,217	3.25 %	2,551,901	2,521,698	5,073,599	15.85 %
New Proposals	93,400	70,000	163,400	0.87 %	368,400	255,000	623,400	1.95 %
Total Budget	\$9,388,318	\$9,390,051	\$18,778,369		\$16,080,238	\$15,936,635	\$32,016,873	

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	49,816	15,272	668	65,756	0.00	49,823	15,265	668	65,756
DP 520 - Fully Fund 2015 Legislatively Authorized FTE	0.00	121,804	62,624	8,428	192,856	0.00	121,804	62,624	8,428	192,856
DP 525 - Fixed Cost Adjustments	0.00	41,206	18,033	297	59,536	0.00	57,249	23,887	563	81,699
DP 527 - Inflation/Deflation Adjustments	0.00	(14,291)	(2,697)	(284)	(17,272)	0.00	(8,360)	(1,464)	(164)	(9,988)
DP 529 - Longevity and Other Adjustments	0.00	(17,056)	(8,771)	(1,181)	(27,008)	0.00	(34,995)	(17,992)	(2,421)	(55,408)
DP 532 - General Liability Insurance Rate Adjustment	0.00	(2,261)	(325)	0	(2,586)	0.00	(2,261)	(325)	0	(2,586)
DP 550 - Motor Pool Rate Adjustment	0.00	(8,035)	(3,517)	(58)	(11,610)	0.00	(8,233)	(3,436)	(80)	(11,749)
DP 570 - Additional Operating Adjustments	0.00	84,683	1,793,226	(39,013)	1,838,896	0.00	87,457	1,790,325	(38,886)	1,838,896
DP 580 - Additional Personal Services Adjustments	0.00	(33,858)	(19,459)	(882)	(54,199)	0.00	(15,641)	(8,989)	(407)	(25,037)
DP 2102111 - Non-Helena Rent	0.00	13,853	1,539	0	15,392	0.00	13,853	1,539	0	15,392
DP 2400444 - Statewide 4% FTE Reduction-Program 24	(4.75)	0	0	0	0	(4.75)	0	0	0	0
DP 2402401 - WRD Operating Adjustments	0.00	57,181	227,959	0	285,140	0.00	57,479	221,388	0	278,867
DP 2402405 - WRD Water Rights Database and Online Form OTO	0.00	0	70,000	0	70,000	0.00	0	70,000	0	70,000
DP 2402406 - WRD FERC Requirements and Surveying	0.00	0	137,000	0	137,000	0.00	0	83,000	0	83,000
Grand Total All Present Law Adjustments	(4.75)	\$293,042	\$2,290,884	(\$32,025)	\$2,551,901	(4.75)	\$318,175	\$2,235,822	(\$32,299)	\$2,521,698

**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 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 Cost Adjustments -

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 Adjustments -

The legislature adopted inflation/deflation adjustments.

DP 529 - Longevity and Other Adjustments -

The legislature adopted personal services adjustments for longevity, retirement, unemployment insurance, and workers compensation.

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.

DP 570 - Additional Operating Adjustments -

The legislature adopted all other operating cost adjustments.

DP 580 - Additional Personal Services Adjustments -

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

DP 2102111 - Non-Helena Rent -

The legislature approved rent increases for department buildings located outside of Helena.

DP 2400444 - Statewide 4% FTE Reduction-Program 24 -

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 2400444 includes a reduction of 4.75 FTE each year.

DP 2402401 - WRD Operating Adjustments -

The legislature approved \$285,140 in FY 2016 and \$278,867 in FY 2017 with a combination of general fund and state special revenue to restore base authority and cover the following costs: projected increases in contracted services , costs of scheduled computer replacement, debt service on dam rehabilitation, stream guage operation and maintenance, and water rights records management.

DP 2402405 - WRD Water Rights Database and Online Form OTO -

The legislature adopted \$70,000 in state special revenue per year as a one-time-only expenditure to integrate new technologies into the existing water rights database and to capture data online which would allow water measurement reports to be submitted online and in turn be automatically used by the database.

DP 2402406 - WRD FERC Requirements and Surveying -

The legislature approved \$137,000 in FY 2016 and \$83,000 in FY 2017 in state special revenue to fund Federal Energy Regulatory Commission (FERC) requirements and for improvements on state project lands that are leased.

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 2402402 - WRD Surface Water Assessment/Monitor	0.00	93,400	0	0	93,400	0.00	70,000	0	0	70,000
DP 2402407 - WRD State Water Project Dam Analysis	0.00	0	275,000	0	275,000	0.00	0	185,000	0	185,000
Total	0.00	\$93,400	\$275,000	\$0	\$368,400	0.00	\$70,000	\$185,000	\$0	\$255,000

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

DP 2402402 - WRD Surface Water Assessment/Monitor -

The legislature adopted \$93,400 in FY 2016 and \$70,000 in FY 2014 of general fund to purchase equipment and pay operating expenses to establish a state-based surface water assessment and monitoring program.

DP 2402407 - WRD State Water Project Dam Analysis -

The legislature approved state special revenue to conduct the analysis and design work for rehabilitation of several state water projects and inundation and loss of life analyses on three dams. The appropriation includes \$370,000 to evaluate alternatives to rehabilitate Willow Creek Dam to meet existing dam safety criteria; \$20,000 for tower safety, engineering design and construction documents; and \$70,000 for inundation and loss of life analyses for Glacier, East Fork of Rock Creek, and Middle Creek Dams.