

Program Budget Comparison

The following table summarizes the total executive 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	1,836,116	1,845,371	3,488,155	3,681,487	193,332	5.54%
Total Costs	\$4,352,898	\$4,424,117	\$4,518,245	\$4,533,101	\$8,777,015	\$9,051,346	\$274,331	3.13%
General Fund	374,869	382,588	396,692	399,488	757,457	796,180	38,723	5.11%
Federal Special	3,978,029	4,041,529	4,121,553	4,133,613	8,019,558	8,255,166	235,608	2.94%
Total Funds	\$4,352,898	\$4,424,117	\$4,518,245	\$4,533,101	\$8,777,015	\$9,051,346	\$274,331	3.13%

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 proposed 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 proposals include requests for 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 Discussion

Personal services costs increase due to:

- Statutorily required longevity increases
- A proposal to reinstate 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 requests for 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 for the 2015 biennium as recommended by the Governor.

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	\$796,180	\$0	\$0	\$796,180	8.8%		
Federal Special Total	\$8,255,166	\$0	\$0	\$8,255,166	91.2%		
03453 Air National Guard	\$8,255,166	\$0	\$0	\$8,255,166	91.2%		
Total All Funds	\$9,051,346	\$0	\$0	\$9,051,346	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	96.18%
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	28	28	56	0.01%	510	510	1,020	0.01%
Total Budget	\$396,692	\$399,488	\$796,180		\$4,518,245	\$4,533,101	\$9,051,346	

Present Law Adjustments

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

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 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

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.

DP 1301 - Federal Authority for Firefighter Overtime - This request provides 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 executive requests 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.

LFD COMMENT	This live pit fire training has been an annual federal training requirement for many years. Until now, the cost was borne by the Great Falls Airport Authority (authority). The authority paid for the training as a courtesy. However, the joint use agreement is clear that the responsibility for the training costs is the Air National Guards.
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LFD COMMENT This decision package is a new proposal, not a present law adjustment. The costs were not included in the 2013 biennium budget approved by the legislature. State statute requires the executive to present program expansions it wants considered for funding in the new biennium as a new proposal to the next legislature rather than a present law adjustment.

DP 1303 - Federal Authority for Natural Gas – The executive proposes 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.

LFD COMMENT This decision package is a new proposal, not a present law adjustment. The costs were not included in the 2013 biennium budget approved by the legislature. State statute requires the executive to present program expansions it wants considered for funding in the new biennium as a new proposal to the next legislature rather than a present law adjustment.

DP 1306 - Federal Authority for Security Contract Increase – The executive requests 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.

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 6101 - Professional Development Center Fee Allocation	13	0.00	28	0	482	510	0.00	28	0	482	510
Total	0.00	\$28	\$0	\$482	\$510	0.00	\$28	\$0	\$482	\$510	

DP 6101 - Professional Development Center Fee Allocation - The executive requests an increase for training services purchased from the Professional Development Center (PDC) of the Department of Administration. This request reflects the difference between the amount paid in the base for PDC services and a fixed cost allocation based on agency FTE counts. Starting in the 2015 biennium and beyond, the executive recommends funding the PDC as a fixed cost item. For a further discussion, see the narrative for the Department of Administration.