

**Agency Budget Comparison**

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

Agency 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	5.54	5.54	5.54	5.54	5.54	5.54	0.00	0.00%
Personal Services	434,691	574,618	594,605	594,540	1,009,309	1,189,145	179,836	17.82%
Operating Expenses	659,525	818,702	1,039,677	1,053,734	1,478,227	2,093,411	615,184	41.62%
<b>Total Costs</b>	<b>\$1,094,216</b>	<b>\$1,393,320</b>	<b>\$1,634,282</b>	<b>\$1,648,274</b>	<b>\$2,487,536</b>	<b>\$3,282,556</b>	<b>\$795,020</b>	<b>31.96%</b>
State Special	1,094,216	1,393,320	1,634,282	1,648,274	2,487,536	3,282,556	795,020	31.96%
<b>Total Funds</b>	<b>\$1,094,216</b>	<b>\$1,393,320</b>	<b>\$1,634,282</b>	<b>\$1,648,274</b>	<b>\$2,487,536</b>	<b>\$3,282,556</b>	<b>\$795,020</b>	<b>31.96%</b>

The mission of the Montana Consumer Counsel (MCC) is to represent the utility and transportation consuming public of the State of Montana in hearings before the Public Service Commission or any other successor agency, and before state and federal courts and administrative agencies.

For additional information, please refer to the agency profile.

**Agency Highlights**

<b>Montana Consumer Counsel Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>◆ In FY 2012, the Montana Consumer Counsel had vacancy savings related to the inability to find a qualified utility economist. The position was filled in FY 2013</li> <li>◆ The increase in operating expenses between FY 2012 and 2014 results primarily from increases in consulting and professional costs</li> <li>◆ The Consumer Counsel budget request includes a request for one-time-only funding for unanticipated caseload contingencies</li> </ul>

**Agency Discussion**

The Montana Consumer Counsel is a single department Legislative Branch agency and is overseen by the four member Consumer 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, accounting for 48% of the expenditures in FY 2012. Consultants, along with staff, analyze the public implications of the actions of transportation and utility companies. Historically, the legislature has provided the agency with a caseload contingency appropriation to cover the costs of significant and unanticipated utility cases. For the 2015 biennium budget, Montana Consumer Counsel requests the caseload contingency as a one-time-only appropriation.

*Agency Personal Services*

- o The agency experienced vacancy savings of about 8.1% in FY 2012, primarily due to an extended position vacancy, which was advertised multiple times
- o No general pay increases were provided
- o Two employees are eligible for full retirement at a payout liability of about \$84,000. The agency estimates one may retire in the 2015 biennium. The budget does not include funding for any payouts

*5% Reduction Plan*

Statute requires that agencies submit plans to reduce general fund and certain state special revenue funds by 5%. However, due to its small number of FTE this agency is exempt from the requirement.

*IT Systems*

State agencies have identified information technology (IT) systems that are critical to the state as a whole or to the agency. Further, state agencies have assessed the age of the systems to establish whether the system is:

- o New
- o Emerging
- o Mature
- o Declining
- o Obsolete

The Legislative Finance Committee recommended that House Appropriations and Senate Finance and Claims Committee leadership direct the Long Range Planning Subcommittee to meet jointly with each of the appropriate joint appropriations subcommittees to discuss priorities related to critical IT systems, and that state agencies be prepared to discuss:

- o Current plans to address obsolescence
- o Costs to replace the system
- o Costs of maintaining the current system
- o Risks associated with both retaining the current system and replacing the system

LFD staff will be prepared to discuss issues related to those systems that have been determined to be either critical to the state as a whole or to the agency and either declining or obsolete. Issues include security, continuity of operations, and funding.

*Agency Goals and Objectives*

Goals and Objectives for the agency can be found in the appendix.

**Funding**

The following table shows program funding, by source for the 2015 biennium as recommended by the Governor.

Total Consumer Council Funding by Source of Authority 2015 Biennium Budget					
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	\$0	\$0	\$0	\$0	0.0%
State Special Total	3,282,556	-	-	3,282,556	100.0%
Federal Special Total	-	-	-	-	0.0%
Proprietary Total	-	-	-	-	0.0%
Current Unrestricted	-	-	-	-	0.0%
Other Total	-	-	-	-	0.0%
<b>Total All Funds</b>	<b>\$3,282,556</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,282,556</b>	
<b>Percent - Total All Sources</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>		

MCC is funded by a constitutionally earmarked tax that is levied on all regulated entities under the jurisdiction of the Public Service Commission. The funding formula is specified in 69-1-223 and 224, MCA. Each year the Department of Revenue determines the total gross operating revenue generated by all regulated activities within the state for the previous fiscal year. The Department of Revenue then computes the percentage tax necessary to yield an amount equal to the current appropriation, with no excess funds. If collection of excess revenue occurs, the amount charged to the regulated utilities for the following year is reduced.

**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	0	0	0	0.00%	1,094,216	1,094,216	2,188,432	66.67%
Statewide PL Adjustments	0	0	0	0.00%	159,262	159,309	318,571	9.70%
Other PL Adjustments	0	0	0	0.00%	130,804	144,749	275,553	8.39%
New Proposals	0	0	0	0.00%	250,000	250,000	500,000	15.23%
<b>Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$1,634,282</b>	<b>\$1,648,274</b>	<b>\$3,282,556</b>	

**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					159,914					159,849
Inflation/Deflation					14					32
Fixed Costs					(666)					(572)
<b>Total Statewide Present Law Adjustments</b>		<b>\$0</b>	<b>\$159,262</b>	<b>\$0</b>	<b>\$159,262</b>		<b>\$0</b>	<b>\$159,309</b>	<b>\$0</b>	<b>\$159,309</b>
DP 1 - Present Law Base Adjustment	0.00	0	130,804	0	130,804	0.00	0	144,749	0	144,749
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$130,804</b>	<b>\$0</b>	<b>\$130,804</b>	<b>0.00</b>	<b>\$0</b>	<b>\$144,749</b>	<b>\$0</b>	<b>\$144,749</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$290,066</b>	<b>\$0</b>	<b>\$290,066</b>	<b>0.00</b>	<b>\$0</b>	<b>\$304,058</b>	<b>\$0</b>	<b>\$304,058</b>

DP 1 - Present Law Base Adjustment - The executive requests adjustments to increase funding to address anticipated costs in the agency primarily in contracted services. This adjustment would bring contracted service costs up to the 5 year average of contracted service expenditures.

**New Proposals**

New Proposals										
Program	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Unanticipated Caseload Contingency - OTO										
01	0.00	0	250,000	0	250,000	0.00	0	250,000	0	250,000
<b>Total</b>	<b>0.00</b>	<b>\$0</b>	<b>\$250,000</b>	<b>\$0</b>	<b>\$250,000</b>	<b>0.00</b>	<b>\$0</b>	<b>\$250,000</b>	<b>\$0</b>	<b>\$250,000</b>

DP 2 - Unanticipated Caseload Contingency - OTO - The executive requests a one-time-only appropriation for caseload contingencies. This amount is requested biennially to fund consulting costs for difficult cases where the consumer counsel is required to intervene.

<b>LFD COMMENT</b>	The legislature may also wish to restrict this appropriation to only caseload contingencies.
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