

Agency Legislative Budget

The following table summarizes the total legislative budget for the agency by year, type of expenditure, and source of funding. Also included in the table is the HB 447 pay plan allocation.

Agency Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	5.04	0.00	0.50	5.54	0.00	0.50	5.54	5.54
Personal Services	410,889	11,104	42,009	464,002	12,608	60,299	483,796	947,798
Operating Expenses	886,194	69,329	2,976	958,499	81,014	0	967,208	1,925,707
Total Costs	\$1,297,083	\$80,433	\$44,985	\$1,422,501	\$93,622	\$60,299	\$1,451,004	\$2,873,505
State/Other Special	1,297,083	80,433	44,985	1,422,501	93,622	60,299	1,451,004	2,873,505
Total Funds	\$1,297,083	\$80,433	\$44,985	\$1,422,501	\$93,622	\$60,299	\$1,451,004	\$2,873,505

Agency Description

The Consumer Counsel was created by Article XIII, Section 2 of the 1972 Montana Constitution, and is governed by Title 5, Chapter 15, and Title 69, Chapters 1 and 2, MCA. The Consumer Counsel represents statewide consumer interests in hearings before the Public Service Commission and like agencies. The Counsel may initiate, intervene in, and participate in appropriate proceedings in the state or federal court systems or at administrative agencies on behalf of the public of Montana. The Montana Consumer Counsel is part of the legislative branch and is overseen by the Legislative Consumer Committee.

Agency Highlights

Consumer Counsel Major Budget Highlights
Funding increases over the FY 2004 base are primarily due to: <ul style="list-style-type: none"> ◆ \$32,000 in statewide present law adjustments ◆ \$142,000 for a present law adjustment to continue the agency’s restricted contingency fund at \$250,000 per year, increase professional services, and implement minor equipment upgrades ◆ \$105,000 of increased funding over the biennium for 0.50 FTE and the pay plan as provided in HB 447.

Summary of Legislative Action

The legislature increased the budget in state special revenue over the FY 2004 base to support \$174,000 in present law adjustments and \$105,000 to fund 0.50 FTE and the pay plan provided in HB 447.

The largest increase was for \$142,000 over the biennium comprising \$61,000 to restore the agency's contingency appropriation to \$250,000 per year, \$64,000 to increase consultants and personal services, and \$17,000 in miscellaneous expenses. There is further discussion of the contingency in the present law adjustments section.

The balance of the increase was \$32,000 over the biennium for statewide present law adjustments.

Additional increases to the budget include \$63,500 for an additional 0.50 FTE and \$41,700 to implement the pay plan adopted in HB 447.

Executive Budget Comparison

The following table compares the legislative budget for the 2007 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2004	Executive Budget Fiscal 2006	Legislative Budget Fiscal 2006	Leg - Exec. Difference Fiscal 2006	Executive Budget Fiscal 2007	Legislative Budget Fiscal 2007	Leg - Exec. Difference Fiscal 2007	Biennium Difference Fiscal 06-07
FTE	5.04	5.04	5.54	0.50	5.04	5.54	0.50	
Personal Services	410,889	421,993	464,002	42,009	423,497	483,796	60,299	102,308
Operating Expenses	886,194	955,523	958,499	2,976	967,208	967,208	0	2,976
Total Costs	\$1,297,083	\$1,377,516	\$1,422,501	\$44,985	\$1,390,705	\$1,451,004	\$60,299	\$105,284
State/Other Special	1,297,083	1,377,516	1,422,501	44,985	1,390,705	1,451,004	60,299	105,284
Total Funds	\$1,297,083	\$1,377,516	\$1,422,501	\$44,985	\$1,390,705	\$1,451,004	\$60,299	\$105,284

The legislature increased the executive budget by \$105,300 in state special revenue to include \$41,800 to fund the HB 447 pay plan and \$63,500 for 0.50 FTE to allow the agency to respond to increased utility caseload issues.

Funding

The Consumer Counsel is funded by a constitutionally earmarked tax levied on all regulated entities under the jurisdiction of the Public Service Commission (69-1-224, MCA). The Department of Revenue generates an amount, which must be equal to the current appropriation to the Office of the Consumer Counsel. The department computes the percentage based upon the company's total gross operating revenue for the previous fiscal year. The tax rate can be revised, with 30 days notice to regulated companies, to adjust for previous fiscal year carryover to avoid accumulation of a significant cash balance (69-1-224(1)(a), MCA) and to adjust for fluctuations in the actual gross operating revenue (69-1-224(2)(a), MCA).

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative 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 2006-----					-----Fiscal 2007-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					11,104					12,608
Inflation/Deflation					(399)					(397)
Fixed Costs					4,406					4,413
Total Statewide Present Law Adjustments					\$15,111					\$16,624
DP 1 - Present Law Base Adjustments	0.00	0	65,322	0	65,322	0.00	0	76,998	0	76,998
Total Other Present Law Adjustments	0.00	\$0	\$65,322	\$0	\$65,322	0.00	\$0	\$76,998	\$0	\$76,998
Grand Total All Present Law Adjustments					\$80,433					\$93,622

DP 1 - Present Law Base Adjustments - The legislature approved a present law budget increase of \$30,646 each year to restore the contingency appropriation to the 2005 biennium level of \$250,000 per year, as well as increases over the biennium of \$64,000 for consultants and professional services, \$17,000 in miscellaneous expenses, and \$32,000 in statewide present law adjustments for a total of \$174,000.

The contingency (69-1-223, MCA) is for contract services, unanticipated caseload increases, and legal costs due to uncertainties related to supply and market conditions in the utilities industries. The 2003 Legislature raised the contingency amount to \$250,000 per year for the 2005 biennium. The 2005 Legislature maintained that amount for the 2007 biennium.

Prior Biennia	\$200,000
2003 Biennium	400,000
2005 Biennium	500,000
2007 Biennium	500,000

Unused contingency funds are applied as a reduction to the calculated fees of the regulated entities for the subsequent fiscal year.

In the event the Consumer Counsel's caseload exceeds budget authority, the only option for emergency funding is a request in the supplemental bill of the next session because the agency's funding is state special revenue based upon tax rates.

New Proposals

Program	FTE	Fiscal 2006				Fiscal 2007				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - Add 0.50 FTE										
01	0.50	0	33,251	0	33,251	0.50	0	30,275	0	30,275
DP 6010 - 2007 Biennium Pay Plan - HB 447										
01	0.00	0	11,734	0	11,734	0.00	0	30,024	0	30,024
Total	0.50	\$0	\$44,985	\$0	\$44,985	0.50	\$0	\$60,299	\$0	\$60,299

DP 2 - Add 0.50 FTE - The legislature approved funding for 0.50 FTE to allow the Consumer Counsel to respond to increased utility issues while continuing to address ratepayer concerns about traditional rates and services issues.

DP 6010 - 2007 Biennium Pay Plan - HB 447 - The legislature passed a pay plan in HB 447 that provides an additional 3.5 percent (or \$1,005, whichever is greater) in FY 2006 and an additional 4.0 percent (or \$1,188, whichever is greater) in FY 2007, as well as \$46 per month in insurance contributions in calendar 2006 and an additional \$51 per month in calendar 2007. These amounts represent the program's allocation of costs to fund this pay plan.