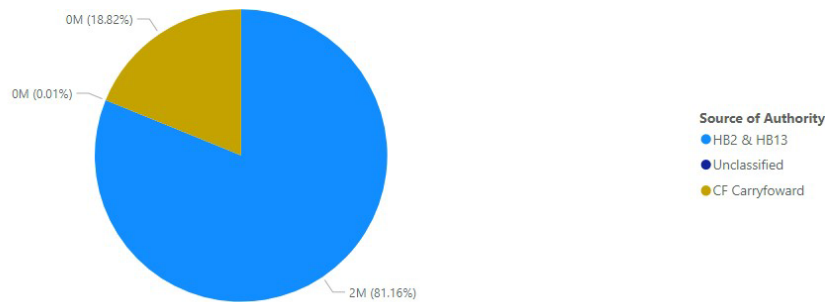


CONSUMER COUNSEL

TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the agency is shown in the pie chart below. HB 2 and HB 13 provide 81.2% of the total authority for this agency. All types of appropriation authority for this agency are described below, including total budget and the percent expended by source of authority.

Total Modified Budget by Source of Authority



Source of Authority	Modified Budget	Expended Budget	Percent Expended
HB2 & HB13	1,691,238	768,364	45.4%
CF Carryforward	392,256		
Unclassified	277		
Total	2,083,771	768,364	36.9%

Report Period

- Jul
- Aug
- Sep
- Oct
- Nov
- Dec
- Jan
- Feb
- Mar
- Apr
- May
- Jun

Carryforward

The Consumer Counsel established \$174,404 in operating expenses in FY 2020 carryforward authority in FY 2021. At the 2021 fiscal year-end, the funding had not been utilized. The Consumer Counsel reestablished the carryforward authority in FY 2022 as operating expenses. In addition, the Consumer Counsel established \$217,852 in operating expenses for FY 2021 carryforward authority in December 2021. As reflected in the figure above, as of the end of May the Consumer Counsel has not expended any of the carryforward appropriations.

Unclassified

Per 39-71-403(1)(b)(iv), MCA, when workers' compensation premiums are lower than the previous year, state agencies shall reduce personal services appropriations by the amount of the premium reduction. To track the changes in appropriation authority, total appropriation is not reduced, instead the Governor's Office of Budget and Program Planning (OBPP) requires state agencies to:

- Reduce HB 2, statutory, and proprietary appropriations

- Create a separate offsetting entry on the financial statements in the same amount using an identifying number for workers' compensation entries

The offsetting entries are identified as "frozen" appropriations, which means the appropriations will not be spent unless authorized by OBPP. The Consumer Counsel reduced personal services appropriations by \$277 for workers' compensation premium savings.

HB 2 BUDGET MODIFICATIONS

The following chart shows the HB 2 budget as passed by the legislature, including the pay plan, and the HB 2 modified budget between March 1, 2022 and May 31, 2022. Net modifications to the budget include operating plan changes from one expenditure account to another, program transfers, reorganizations, and agency transfers of authority. The **positive modifications** and **negative modifications** are shown by program, expenditure account, and fund type.

Legislative Budget Compared to Modified Budget - HB 2 Only			
Agency Name	March Modified Budget	June Modified Budget	Net Modifications
Consumer Counsel	1,691,515	1,691,238	-277
Total	1,691,515	1,691,238	-277

Acct & Lvl 1 DESC	March Modified Budget	June Modified Budget	Net Modifications
61000 Personal Services	682,684	682,407	-277
62000 Operating Expenses	1,007,165	967,838	-39,327
69000 Debt Service	1,666	40,993	39,327

Fund Type	March Modified Budget	June Modified Budget	Net Modifications
02 State/Other Spec Rev	1,691,515	1,691,238	-277

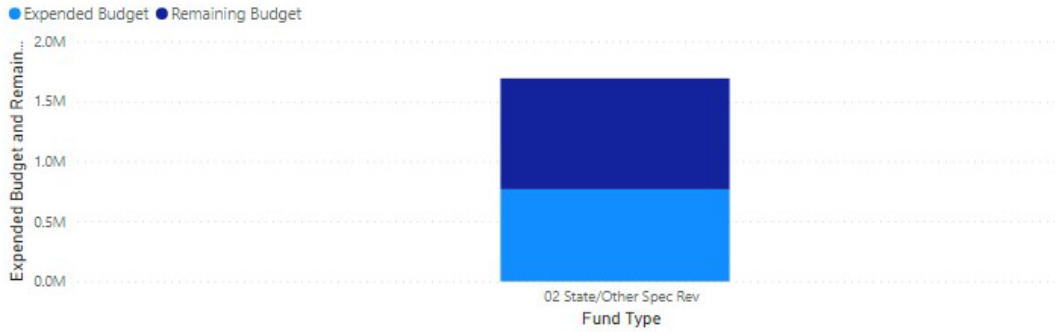
As of May 31, 2022, the Consumer Counsel:

- Reduced personal services appropriations by \$277 for workers' compensation premium reductions
- Transferred \$39,327 from operating expenses to debt service to correctly record office space lease expenses due to changes in accounting requirements

HB 2 APPROPRIATION AUTHORITY

The following chart shows the appropriated budget for the agency compared to expenditures through May 31, 2022.

Expended Budget and Remaining Budget by Fund Type - HB 2 Only



acclv1_descr	Modified Budget	Expended Budget	Percent Expended
Personal Services	682,407	427,558	62.7%
Operating Expenses	967,838	299,815	31.0%
Debt Service	40,993	40,992	100.0%

Program Name	Modified Budget	Expended Budget	Percent Expended
ADMINISTRATIVE PROGRAM	1,691,238	768,364	45.4%
Total	1,691,238	768,364	45.4%

The Consumer Counsel is entirely funded with state special revenue generated by fees imposed on regulated entities under the jurisdiction of the Public Service Commission.

Personal Services

Personal services made up 40.3% of the HB 2 modified budget and, as shown in the chart above, were 62.7% expended as of May 31, 2022, which is below the level anticipated in the budget.

The following chart shows the filled and vacant FTE within the agency as of May 1, 2022.



As of May 1, 2022, all positions within the Consumer Counsel were filled. However, in FY 2021, the Consumer Counsel director retired. In October 2021 the Legislative Consumer Committee appointed a new director from

agency staff. The attorney position freed up by this appointment was vacant between October 2021 and mid-April 2022. The vacancy and changes in the salaries for the new hires result in lower expenditures for personal services.

Next Steps for Personal Services Reporting

In upcoming Quarterly Financial Reports, the LFD will begin the process of a more comprehensive look at personal services. The LFD will compare two executive “snapshots” -- July 2020 and July 2022. The analysis will identify adjustments adopted by the legislature in 2021 and modifications made by the agencies, within the confines of budget law.

The September Quarterly Financial Report will provide the complete comparison from July 2020 to July 2022. Ultimately, the analysis will result in a description of all the components that will be part of the executive’s decision package one (DP 1) 2025 biennium budget request. This work will prepare legislators for budget deliberations in the 2023 session. For a review of how DP 1 works and snapshot components, please read this [short brochure](#) from 2019.

Operating Expenses

Operating expenses make up 57.2% of the FY 2022 HB 2 modified budget. Included in the operating expenses is a restricted, biennial appropriation of \$150,000 for caseload contingencies. As of the end of May, the Public Service Commission filings and state and federal court hearings have not required the use of the caseload contingency.

OTHER ISSUES

Required Reports

The Consumer Counsel did not have any budget amendments, operating plan changes, or program transfers that require reporting to the Legislative Finance Committee.