

Personal Services – Snapshot to Snapshot Calculation Summary

SECTION A – INTERIM BUDGET COMMITTEE

SEPTEMBER 14, 2022

Personal Services – Snapshot to Snapshot

In preparation for the 2023 Legislative Session, the Legislative Fiscal Division has begun estimating the budget request for personal services. The starting point of this estimate is a “snapshot to snapshot” calculation, which captures changes to salaries.

The process used to establish the budget for personal services utilizes a “snapshot” of actual salaries for authorized full time equivalent positions (FTE) as they existed just prior to budget development. The “snapshot” captures:

- Annualization of costs of legislative pay plans
- Changes to longevity pay due to salary increases
- Management decisions such as promotions, market, retention, or performance pay adjustments, or hiring decisions that impact personal services
- Budget modifications that move FTE to other programs or transfer funding to or from personal services

The snapshot does not include benefit changes as those are calculated separately as part of the budgeting process.

The table on the last page of this memo summarizes the changes to actual salaries for Section A- General Government agencies between the snapshot taken in July 2020 for the 2023 biennium and the snapshot taken in July 2022 for the 2025 biennium. The changes are grouped into categories including:

- Legislatively approved changes – longevity changes, legislatively approved salary adjustments, and annualization of costs associated with the 2021 pay plan adopted by the legislature
- Management approved changes – management decisions that adjust employee pay. This includes raises or changes that adjust a position pay, such as hiring FTE at a lower rate to replace long-term staff
- Budget modifications – transfer of personal services between programs within an agency or operating plan transfers that occurred during the interim impacting the amount of the personal services

The change between the salaries in each snapshot are presented as the change to the annual salary, without benefit costs included. Vacant positions as of July 13th are included in the snapshot and, for executive branch agencies, are funded at 85.0% of the market rate established for the positions.

Next Steps

Over the next few months LFD will further refine this calculation, which will result in adjustments to the current categories outlined above. As discussed, the snapshot calculation is only a portion of the calculation used to establish the budget request for personal services. Changes to benefit amounts such as workers’ compensation, state unemployment insurance, and vacancy savings, if any, will be added to this calculation at a later date. This estimate is preliminary and expected to change as we get closer to the 2023 Legislative Session.

**Snapshot to Snapshot Summary
Section A – General Government**

Agency	Legislative Changes	Management Changes	Total Budget Modification	Total Personal Service Changes
11040 LEGISLATIVE BRANCH				
20 Legislative Services	489,366	-33,940	0	455,426
21 Legis. Committees & Activities	1,114	84,960	0	86,074
27 Fiscal Analysis & Review	173,569	79,109	0	252,679
28 Audit & Examination	108,913	334,176	0	443,089
Agency Total	772,962	464,305	0	1,237,267
11120 CONSUMER COUNCIL				
01 Administration Program	23,729	5,253	0	28,982
Agency Total	23,729	5,253	0	28,982
31010 GOVERNORS OFFICE				
01 Executive Office Program	138,497	-98,601	0	39,896
02 Executive Residence Operations	1,796	-22,141	0	-20,345
04 Ofc Budget & Program Planning	38,596	44,489	0	83,085
05 Office of Indian Affairs	2,288	-7,064	0	-4,776
20 Mental Disabilities Bd Visitors	6,313	-10,868	0	-4,555
Agency Total	187,490	-94,185	0	93,305
32020 POLITICAL PRACTICES				
01 Commissioner of Political Practices	7,866	12,045	0	19,911
Agency Total	7,866	12,045	0	19,911
34010 STATE AUDITOR				
01 Central Management	42,331	105,749	44,289	192,369
03 Insurance	71,187	257,530	0	328,716
04 Securities	14,263	159,833	-44,289	129,808
Agency Total	127,781	513,526	0	641,308
58010 REVENUE				
01 Directors Office	91,467	159,354	-896,008	-645,186
02 Technology Services Division	56,936	-42,132	817,203	830,305
03 Alcoholic Beverage Control Division	41,637	-25,341	-1,828	14,468
04 Cannabis Control Division	0	0	0	0
05 Information Management & Collections	90,668	-21,897	-36,049	32,721
07 Business & Income Taxes Division	172,046	124,016	-579,384	-283,322
08 Property Assessment Division	377,264	263,885	696,066	1,337,215
Agency Total	830,018	538,809	0	1,368,827
61010 ADMINISTRATION				
01 Directors Office	2,866	-13,699	-273,848	-284,681
03 State Financial Services Division	40,331	6,799	0	47,129
04 Architecture & Engineering Division	23,080	99,803	0	122,883
07 State IT Services Division	0	0	-93,688	-93,688
14 Banking & Financial Division	49,711	22,920	0	72,631
15 Montana State Lottery	50,668	37,155	0	87,823
23 State Human Resources Division	24,294	23,000	273,848	321,143
37 State Tax Appeal Board	6,292	-1,233	0	5,059
Agency Total	192,167	215,631	-93,688	319,184
65010 COMMERCE				
51 Business MT	19,326	22,724	-461,330	-419,280
60 Community Development Division	25,932	81,863	-438,979	-331,184
74 Housing Division	5,867	-5,720	438,979	439,126
78 Board of Horse Racing	1,430	-20,763	0	-19,333
81 Directors Office	8,316	-5,548	461,330	464,097

Agency Total	59,389	100,132	0	161,002
66020 LABOR AND INDUSTRY				
01 Work Force Services Division	314,690	94,207	0	408,897
02 Unemployment Insurance Division	201,450	273,847	33,773	509,070
03 Commissioner's Office & Centralized Services Division	15,735	56,247	-33,773	38,210
04 Employment Relations Division	0	0	-10,241,556	-10,241,556
05 Business Standards Division	313,271	135,960	10,241,556	10,690,787
07 Office of Community Services	5,841	21,106	0	26,947
09 Workers Compensation Court	14,794	-3,410	0	11,384
Agency Total	885,224	762,647	0	1,647,871
67010 MILITARY AFFAIRS				
01 Director's Office	20,594	99,065	0	119,659
02 Youth Challenge Program	62,357	174,904	0	237,261
04 STARBASE	2,337	10,192	0	12,529
12 Army National Guard Program	71,958	227,257	0	299,215
13 Air National Guard Program	56,206	35,077	0	91,284
21 Disaster & Emergency Services	30,313	76,247	0	106,560
31 Veterans Affairs Program	<u>32,733</u>	<u>24,480</u>	<u>0</u>	<u>57,213</u>
Agency Total	276,499	647,221	0	923,720
Total	3,369,682	3,165,384	-93,688	6,441,379