

5% Base Budget Reduction Form
[17-7-111-3\(f\)](#)

AGENCY CODE & NAME:

		Minimum Requirement	
		General Fund	State Special Revenue Fund
TARGETED REDUCTION TO EQUAL 5% OF CURRENT BASE BUDGET			\$ 350,123
Priority	SERVICE(S) TO BE ELIMINATED OR REDUCED	General Fund Annual Savings	State Special Revenue Annual Savings
1	Insurance Program Contracted Services	\$	200,000
2	Travel, Training, and Education	\$	113,000
3	Computer Replacement	\$	20,000
4	Other Legal Costs	\$	17,123
5			
6			
7			
8			
9			
10			
11			
	TOTAL SAVINGS	\$ -	\$ 350,123
	DIFFERENCE		0

Form A

5% Base Budget Reduction Form

AGENCY CODE & NAME: 34010/State Auditor's Office

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Insurance Program Contracted Services

#2 THE SAVINGS THAT ARE EXPECTED:

Expected savings are \$200,000

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

This reduction will reduce the insurance examinations contract funding, resulting in fewer financial and market conduct examinations of companies. Consequently, the ability to protect consumers by ensuring that insurers in Montana are financially solvent and able to pay claims would be lessened. Failure to conduct exams would also threaten NAIC accreditation, making it much more difficult for domestic insurance companies to conduct business outside of Montana. In addition, the cost of insurance examinations are reimbursed to the agency by the company so there is no negative cash outflow.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

Yes - MCA 33-1-401

Form B

5% Base Budget Reduction Form

AGENCY CODE & NAME: 34010/State Auditor's Office

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Travel, Training, and Education

#2 THE SAVINGS THAT ARE EXPECTED:

Expected savings are \$113,000

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

Approximately 48% or \$41,414 of travel was reimbursed to the agency in FY 2018, reducing the total cash outflow for travel. Training and education allow employees to remain on the cutting edge of their related technology and encourages efficiency, productivity, and retention.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

No

Form B

5% Base Budget Reduction Form

AGENCY CODE & NAME: 34010/State Auditor's Office

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Computer Replacement

#2 THE SAVINGS THAT ARE EXPECTED:

Expected savings are \$20,000

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

Not replacing laptop or desktop computers on the standard 5 year schedule will slow processes and possibly require emergency purchases when systems fail or are no longer sustainable.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

No

Form B

5% Base Budget Reduction Form

AGENCY CODE & NAME: 34010/State Auditor's Office

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:

Other Legal Costs

#2 THE SAVINGS THAT ARE EXPECTED:

Expected savings are \$17,123

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:

The agency contracts with hearing examiners and other legal experts as needed to enforce statutes to protect consumers and for representation of the agency as needed.

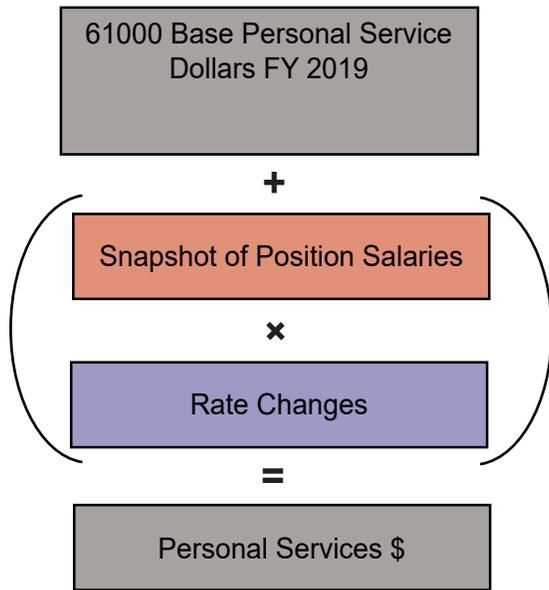
#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

Form B

2021 Biennium Personal Services Comparison

Expected PS Calculations



Personal Services
- 61000 FY 2019 Personal Services Base
= Compare to DP1

Executive



Executive Personal Services
- 61000 FY 2019 Personal Services Base
= DP1 Statewide Present Law Adjustment

Expected Personal Services Calculation Details

(Base 61000 Amount plus Expected-Benefit-Changes-Amount)

