

**Agency Biennium Comparison**

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Agency Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	11,372,499	11,503,160	130,661	1.15 %
Operating Expenses	2,816,011	3,023,514	207,503	7.37 %
Debt Service	11,749	13,720	1,971	16.78 %
<b>Total Expenditures</b>	<b>\$14,200,259</b>	<b>\$14,540,394</b>	<b>\$340,135</b>	<b>2.40 %</b>
General Fund	14,200,259	14,440,394	240,135	1.69 %
State/Other Special Rev. Funds	0	100,000	100,000	0.00 %
<b>Total Funds</b>	<b>\$14,200,259</b>	<b>\$14,540,394</b>	<b>\$340,135</b>	<b>2.40 %</b>
<b>Total Ongoing</b>	<b>\$14,200,259</b>	<b>\$14,540,394</b>	<b>\$340,135</b>	<b>2.40 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Mission Statement**

The mission of the Governor's Office is to oversee and direct the activities of the Executive Branch of Montana state government, consistent with statutory and constitutional mandates, in a manner that provides necessary and affordable services to the citizens of Montana.

Please refer to the agency profile for the Governor's Office at <https://leg.mt.gov/lfd/state-agency-profiles/governors-office> for additional information about the agency's organization structure, historical expenditures, FY 2020 expenditure dashboard, and recent studies, audits, and legislation.

**Agency Highlights**

<b>Governor's Office Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The Governor's Office 2023 biennium budget request is about \$340,000 or 2.4% higher than the 2021 biennium budget</li> <li>• Overall, the Governor's Office proposes general fund increases in statewide present law adjustments for personal services and fixed costs</li> </ul>

**Agency Actuals and Budget Comparison**

The following table compares the last full fiscal year actuals, previous biennium appropriations by year, and current annual biennium budget request by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	58.07	58.07	58.07	58.07
Personal Services	5,064,950	5,654,744	5,717,755	5,745,047	5,758,113
Operating Expenses	1,168,453	1,437,684	1,378,327	1,552,879	1,470,635
Debt Service	4,569	4,889	6,860	6,860	6,860
<b>Total Expenditures</b>	<b>\$6,237,972</b>	<b>\$7,097,317</b>	<b>\$7,102,942</b>	<b>\$7,304,786</b>	<b>\$7,235,608</b>
General Fund	6,237,972	7,097,317	7,102,942	7,254,786	7,185,608
State/Other Special Rev. Funds	0	0	0	50,000	50,000
<b>Total Funds</b>	<b>\$6,237,972</b>	<b>\$7,097,317</b>	<b>\$7,102,942</b>	<b>\$7,304,786</b>	<b>\$7,235,608</b>
<b>Total Ongoing</b>	<b>\$6,237,972</b>	<b>\$7,097,317</b>	<b>\$7,102,942</b>	<b>\$7,304,786</b>	<b>\$7,235,608</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Agency Discussion**

*FY 2020 Appropriation Compared to FY 2020 Actual Expenditures*

The Governor’s office expended 87.9% of its \$7.1 million FY 2020 modified HB 2 budget. Personal services were 89.6% expended, operating expenses were 81.3% expended, and debt service was 93.5% expended. Personal services expenditures were lower than anticipated in the budget due to vacancies and turn over. Operating expenditure are below budgeted levels for several reasons including:

- \$63,567 in biennial appropriations for legislative audit included in FY 2020 that were 29.9% expended
- \$135,000 in unallocated operating expenses in the Executive Program and the Office of Budget and Program Planning were not used
- Operating expenses for other expenses, supplies, and materials were lower than anticipated in the budget in the Office of Indian Affairs
- Expenditures for rent were lower than anticipated in the Mental Disabilities Board of Visitors

*FY 2020 Appropriations Compared to FY 2021 Appropriations*

FY 2021 appropriations are higher than FY 2020 mainly due to the pay plan approved by the 2019 Legislature.

*Comparison of the FY 2021 Legislative Budget to FY 2021 Base*

Figure 1 illustrates the beginning FY 2021 budget as adopted by the 2019 Legislature compared to the finalized FY 2021 base budget, which includes modifications made during the interim as authorized in statute. The FY 2021 base budget was agreed upon by the executive and legislative branches to be the point from which any changes would be recorded for the 2023 biennium budgeting process.

Figure 1

FY 2021 Legislative Appropriations - Governor's Office				
	Legislative Action	Executive Modifications per Statutory Authority	Executive Base	% Change from Legislative Action
<b>01 EXECUTIVE OFFICE PROGRAM</b>				
61000 Personal Services	2,388,432	310,296	2,698,728	13.0%
62000 Operating Expenses	705,571	23,510	729,081	3.3%
69000 Debt Service	-	3,750	3,750	0.0%
<b>01 EXECUTIVE OFFICE PROGRAM Total</b>	<b>3,094,003</b>	<b>337,556</b>	<b>3,431,559</b>	<b>10.9%</b>
<b>02 EXECUTIVE RESIDENCE OPERATIONS</b>				
61000 Personal Services	109,854	5,000	114,854	4.6%
62000 Operating Expenses	66,847	13,000	79,847	19.4%
<b>02 EXECUTIVE RESIDENCE OPERATIONS Total</b>	<b>176,701</b>	<b>18,000</b>	<b>194,701</b>	<b>10.2%</b>
<b>03 AIR TRANSPORTATION PROGRAM</b>				
61000 Personal Services	143,631	-	143,631	0.0%
62000 Operating Expenses	167,129	-	167,129	0.0%
<b>03 AIR TRANSPORTATION PROGRAM Total</b>	<b>310,760</b>	<b>-</b>	<b>310,760</b>	<b>0.0%</b>
<b>04 OFC BUDGET &amp; PROGRAM PLANNING</b>				
61000 Personal Services	2,133,890	-	2,133,890	0.0%
62000 Operating Expenses	293,649	(1,870)	291,779	-0.6%
69000 Debt Service	-	1,870	1,870	0.0%
<b>04 OFC BUDGET &amp; PROGRAM PLANNING Total</b>	<b>2,427,539</b>	<b>-</b>	<b>2,427,539</b>	<b>0.0%</b>
<b>05 OFFICE OF INDIAN AFFAIRS</b>				
61000 Personal Services	182,002	-	182,002	0.0%
62000 Operating Expenses	32,977	-	32,977	0.0%
<b>05 OFFICE OF INDIAN AFFAIRS Total</b>	<b>214,979</b>	<b>-</b>	<b>214,979</b>	<b>0.0%</b>
<b>12 TBD - LIEUTENANT GOVERNOR'S OFFICE</b>				
61000 Personal Services	315,296	(315,296)	-	-100.0%
62000 Operating Expenses	40,260	(40,260)	-	-100.0%
<b>12 TBD - LIEUTENANT GOVERNOR'S OFFICE Total</b>	<b>355,556</b>	<b>(355,556)</b>	<b>-</b>	<b>-100.0%</b>
<b>20 MENTAL DISABILITIES BD VISTORS</b>				
61000 Personal Services	444,650	-	444,650	0.0%
62000 Operating Expenses	78,754	(1,240)	77,514	-1.6%
69000 Debt Service	-	1,240	1,240	0.0%
<b>20 MENTAL DISABILITIES BD VISTORS Total</b>	<b>523,404</b>	<b>-</b>	<b>523,404</b>	<b>0.0%</b>
<b>31010 GOVERNOR'S OFFICE Total</b>	<b>7,102,942</b>	<b>-</b>	<b>7,102,942</b>	<b>0.0%</b>

The primary budget modification made by the Governor's Office was the reorganization of the Lieutenant Governor's Office, placing it under Executive Office Program rather than in a stand-alone program previously utilized in past biennia budgets. The reorganization transferred general fund for 3.00 FTE, \$315,296 in personal services and \$40,260 in operating expenses to the Executive Office Program, thus eliminating the Lieutenant Governor's Office. In addition, the Executive Office Program transferred \$5,000 in personal services and \$13,000 in operating expenses to the Executive Residence Program to align budgets with anticipated expenditures.

*Executive Request*

The Governor's Office 2023 biennium budget request is about \$340,000 or 2.4% higher than its 2021 biennium budget. The increases are mainly due to adjustments for personal services and fixed costs included in statewide present law adjustments.

*5.0% Plan*

Statute requires that agencies submit plans to reduce general fund and certain state special revenue funds by 5.0%. The Governor's Office has provided a plan for general fund reductions of about \$298,000. The plan includes reductions in personal services and operating costs, which could impact staffing, travel, contracted services, and supplies.

A summary of the entire 2023 biennium 5.0% plan submitted for the Governor's Office can be found online at the Section A Subcommittee page on Tab D – materials.

*COVID-19 Impacts*

The Governor's Office received \$1.25 billion in federal coronavirus relief funds (CRF). Per federal requirements, the funds must be spent by December 30, 2020. As of November 15, 2020, about \$1.1 million was transferred to state agencies for:

- Grant programs to Montana businesses or individuals impacted by the pandemic
- Reimbursement to state agencies and local government for costs associated with the coronavirus

Further discussion on the grant programs can be found in the Agency Discussion of the various state agencies receiving CRF.

**Agency Personal Services**

In order to explain the factors influencing personal services changes, the proposed statewide personal services present law adjustment (DP 1) has been broken down into three categories, as follows:

1. Expected Changes - This category includes those adjustments explicitly approved by the legislature, such as expected changes to annualize personal services costs including FY 2021 statewide pay plan adjustments, changes to benefit rates, and longevity adjustments related to incumbents in each position at the time of the personal services snapshot, plus rate changes for workers' compensation and unemployment insurance.
2. Personal Services Management Decisions - Any agency management decisions that adjusted employee pay. This includes raises or position changes that may increase or reduce a budget, such as hiring FTE at a lower rate to replace retired senior staff, or moving FTE between programs.
3. Modifications to the Personal Services Base Budget - Other modifications to the FY 2021 personal services base like operating plan transfers that occurred during the interim may impact the overall size of the personal services present law adjustment (DP 1)

The figure below shows the analysis of the executive budget for personal services compared to the expected personal services budget for each program.

Figure 2

Personal Services Present Law DP 1 - FY 2022				
Program	Expected Changes	Management Decisions	Budget Modifications	DP1 SWPL
01 EXECUTIVE OFFICE PROGRAM	56,687	(130,844)	-	(74,157)
02 EXECUTIVE RESIDENCE OPERATIONS	1,034	(5,286)	-	(4,252)
03 AIR TRANSPORTATION PROGRAM	3,483	10,990	-	14,473
04 OFC BUDGET & PROGRAM PLANNING	63,483	15,312	-	78,795
05 OFFICE OF INDIAN AFFAIRS	517	1,414	-	1,931
12 LIEUTENANT GOVERNOR'S OFFICE	-	-	-	-
20 MENTAL DISABILITIES BD VISTORS	7,483	3,019	-	10,502
Agency Total	\$ 132,687	\$ (105,395)	\$ -	\$ 27,292

Personal services were \$5.7 million or 80.5% of the FY 2021 base budget. The executive proposes an increase of about \$27,000 in FY 2022 and \$40,000 in FY 2023. Increases for expected changes and management decisions are offset by the inclusion of a 2.0% vacancy savings adjustment in several programs that were not assessed the adjustment in the 2021 biennium.

**Funding**

The following table shows proposed agency funding by source of authority.

Total Governor's Office Funding by Source of Authority 2023 Biennium Budget Request - Governor's Office						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	14,440,394	0	0	0	14,440,394	99.31 %
State Special Total	100,000	0	0	0	100,000	0.69 %
Federal Special Total	0	0	0	0	0	0.00 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
<b>Total All Funds</b>	<b>\$14,540,394</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,540,394</b>	
<b>Percent - Total All Sources</b>	<b>100.00 %</b>	<b>0.00 %</b>	<b>0.00 %</b>	<b>0.00 %</b>		

The Governor's Office is mainly funded with general fund. State special revenue funds make up the balance of funding for the Governor's Office and is for the purpose of training on tribal relations by the Office of Indian Affairs.

**Budget Summary by Category**

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	7,102,942	7,102,942	14,205,884	98.38 %	7,102,942	7,102,942	14,205,884	97.70 %
SWPL Adjustments	150,057	80,816	230,873	1.60 %	150,057	80,816	230,873	1.59 %
PL Adjustments	0	0	0	0.00 %	50,000	50,000	100,000	0.69 %
New Proposals	1,787	1,850	3,637	0.03 %	1,787	1,850	3,637	0.03 %
<b>Total Budget</b>	<b>\$7,254,786</b>	<b>\$7,185,608</b>	<b>\$14,440,394</b>		<b>\$7,304,786</b>	<b>\$7,235,608</b>	<b>\$14,540,394</b>	

**HB 2 Language**

The executive has not proposed any HB 2 language for the Governor's Office.

**Program Biennium Comparison**

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	5,372,046	5,251,624	(120,422)	(2.24)%
Operating Expenses	1,455,597	1,515,671	60,074	4.13 %
Debt Service	6,421	7,500	1,079	16.80 %
<b>Total Expenditures</b>	<b>\$6,834,064</b>	<b>\$6,774,795</b>	<b>(\$59,269)</b>	<b>(0.87)%</b>
General Fund	6,834,064	6,774,795	(59,269)	(0.87)%
<b>Total Funds</b>	<b>\$6,834,064</b>	<b>\$6,774,795</b>	<b>(\$59,269)</b>	<b>(0.87)%</b>
<b>Total Ongoing</b>	<b>\$6,834,064</b>	<b>\$6,774,795</b>	<b>(\$59,269)</b>	<b>(0.87)%</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Program Description**

The Executive Office Program aids the Governor in overseeing and coordinating the activities of the Executive Branch of Montana state government. The program includes the Office of the Lieutenant Governor which is responsible for carrying out duties prescribed by statute established by Article VI, Section 4 of the Montana Constitution, as well as those delegated by the Governor. Statutory authority is Title 2, Chapter 15, part 3, MCA. The program provides administrative, legal, and press support for the Office of the Governor. The Executive Office Program also administers programs with special impact on the citizens and governmental concerns of Montana. Special programs include the Office of Economic Development, which was created to strengthen the foundations of the state's business environment and diversify and expand existing economic endeavors to achieve long-term economic stability and the Office of the Citizens' Advocate.

**Program Highlights**

<b>Executive Office Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>The Executive Office Program's 2023 biennium budget request is about \$59,000 or 0.9% lower than the 2021 biennium budget. This is due to the assessment of a 2.0% vacancy savings against personal services in the 2023 biennium</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	27.00	27.00	27.00	27.00
Personal Services	2,349,549	2,673,318	2,698,728	2,624,571	2,627,053
Operating Expenses	612,262	726,516	729,081	760,423	755,248
Debt Service	2,496	2,671	3,750	3,750	3,750
<b>Total Expenditures</b>	<b>\$2,964,307</b>	<b>\$3,402,505</b>	<b>\$3,431,559</b>	<b>\$3,388,744</b>	<b>\$3,386,051</b>
General Fund	2,964,307	3,402,505	3,431,559	3,388,744	3,386,051
<b>Total Funds</b>	<b>\$2,964,307</b>	<b>\$3,402,505</b>	<b>\$3,431,559</b>	<b>\$3,388,744</b>	<b>\$3,386,051</b>
<b>Total Ongoing</b>	<b>\$2,964,307</b>	<b>\$3,402,505</b>	<b>\$3,431,559</b>	<b>\$3,388,744</b>	<b>\$3,386,051</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Program Discussion -**

*FY 2020 Appropriations Compared to FY 2020 Actual Expenditures*

The Executive Office Program expended 87.1% of its \$3.4 million FY 2020 modified HB 2 budget. Personal services were 87.9% expended, operating expenses were 84.3% expended, and debt service was 93.4% expended.

Personal services expenditures were lower than anticipated in the budget due to vacancies. In addition to \$482,562 in appropriations allocated to specific operating expense categories, the 2019 Legislature provided the Executive Office Program with \$223,009 in unallocated operating expenses for FY 2020. About \$69,000 of the unallocated operating expenses appropriations were not spent in FY 2020.

*FY 2020 Appropriations Compared to FY 2021 Appropriations*

FY 2021 appropriations are slightly higher than FY 2020 appropriations due to the pay plan.

*Executive Request*

The Executive Office Program is requesting a decrease of \$59,000 or 0.9% when compared to the 2021 biennium budget, primarily related to a reduction in personal services. In the 2021 biennium budget the Executive Office Program was not assessed vacancy savings. However, in the 2023 biennium a 2.0% vacancy savings is applied to personal services, resulting in the lower budget request.

**Program Personal Services**

Personal services were \$2.7 million or 78.6% of FY 2021 base appropriations. The executive proposes a decrease of about \$74,000 in FY 2022 and \$72,000 in FY 2023. As discussed above, the difference is due to the assessment of 2.0% vacancy savings in the 2023 biennium.

**Funding**

The following table shows proposed program funding by source of authority.

Governor's Office, 01-Executive Office Program Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	6,774,795	0	0	0	6,774,795	100.00 %	
02038 Governor's Office SSR	0	0	0	0	0	0.00 %	
<b>State Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
03949 Coronavirus Relief Fund	0	0	0	0	0	0.00 %	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$6,774,795</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,774,795</b>		

The Executive Office Program is entirely funded with general fund.

**Program Budget Summary by Category**

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	3,431,559	3,431,559	6,863,118	101.30 %	3,431,559	3,431,559	6,863,118	101.30 %
SWPL Adjustments	(43,022)	(45,715)	(88,737)	(1.31)%	(43,022)	(45,715)	(88,737)	(1.31)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	207	207	414	0.01 %	207	207	414	0.01 %
<b>Total Budget</b>	<b>\$3,388,744</b>	<b>\$3,386,051</b>	<b>\$6,774,795</b>		<b>\$3,388,744</b>	<b>\$3,386,051</b>	<b>\$6,774,795</b>	

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(74,157)	0	0	(74,157)	0.00	(71,675)	0	0	(71,675)
DP 2 - Fixed Costs	0.00	33,799	0	0	33,799	0.00	27,630	0	0	27,630
DP 3 - Inflation Deflation	0.00	(2,664)	0	0	(2,664)	0.00	(1,670)	0	0	(1,670)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$43,022)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$43,022)</b>	<b>0.00</b>	<b>(\$45,715)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$45,715)</b>

\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).



DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

**New Proposals**

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 101 - NRIS/GIS Fixed Costs	0.00	207	0	0	207	0.00	207	0	0	207
<b>Total</b>	<b>0.00</b>	<b>\$207</b>	<b>\$0</b>	<b>\$0</b>	<b>\$207</b>	<b>0.00</b>	<b>\$207</b>	<b>\$0</b>	<b>\$0</b>	<b>\$207</b>

\*\*Total Funds\* amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 101 - NRIS/GIS Fixed Costs -

The 2019 Legislature enacted HB 633 requiring the Legislative Finance Committee (LFC) to conduct a study of the funding of digital library services. The LFC recommended that the Office of Budget and Program Planning include an assessment for the natural resource information system (NRIS) and the geographic information system (GIS) as a fixed cost to state agencies beginning in the 2023 biennium. The assessment is made to those agencies that utilize the NRIS/GIS.

**Program Biennium Comparison**

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	226,913	221,278	(5,635)	(2.48)%
Operating Expenses	159,572	151,658	(7,914)	(4.96)%
<b>Total Expenditures</b>	<b>\$386,485</b>	<b>\$372,936</b>	<b>(\$13,549)</b>	<b>(3.51)%</b>
General Fund	386,485	372,936	(13,549)	(3.51)%
<b>Total Funds</b>	<b>\$386,485</b>	<b>\$372,936</b>	<b>(\$13,549)</b>	<b>(3.51)%</b>
<b>Total Ongoing</b>	<b>\$386,485</b>	<b>\$372,936</b>	<b>(\$13,549)</b>	<b>(3.51)%</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Program Description**

The Executive Residence Operations Program provides for the day-to-day operations of the official state executive residence.

**Program Highlights**

<b>Executive Residence Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The Executive Residence Program's 2023 biennium budget request is about \$13,500 or 3.5% less than the 2021 biennium budget</li> <li>• Proposed reductions are due to changes for personal services and operating expenses as well as assessment of vacancy savings included in the statewide present law adjustments</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	1.57	1.57	1.57	1.57
Personal Services	111,385	112,059	114,854	110,602	110,676
Operating Expenses	69,650	79,725	79,847	75,807	75,851
<b>Total Expenditures</b>	<b>\$181,035</b>	<b>\$191,784</b>	<b>\$194,701</b>	<b>\$186,409</b>	<b>\$186,527</b>
General Fund	181,035	191,784	194,701	186,409	186,527
<b>Total Funds</b>	<b>\$181,035</b>	<b>\$191,784</b>	<b>\$194,701</b>	<b>\$186,409</b>	<b>\$186,527</b>
<b>Total Ongoing</b>	<b>\$181,035</b>	<b>\$191,784</b>	<b>\$194,701</b>	<b>\$186,409</b>	<b>\$186,527</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Program Discussion -**

*FY 2020 Appropriations Compared to FY 2020 Actual Expenditures*

The Executive Residence Program expended 94.4% of its almost \$192,000 FY 2020 modified HB 2 budget. Personal services were 99.4% expended and operating expenses were 87.4% expended.

*FY 2020 Appropriations Compared to FY 2021 Appropriations*

FY 2021 appropriation are higher than FY 2020 appropriations in personal services due to the pay plan approved by the 2019 Legislature.

*Executive Request*

The Executive Residence Program's 2023 biennium budget request is \$13,500 lower than the 2021 biennium budget. In the 2021 biennium budget the Executive Residence Program was not assessed vacancy savings. However, in the 2023 biennium a 2.0% vacancy savings is applied to personal services, resulting in the lower budget request. Operating expenses are also lower for the 2023 biennium as the costs for the State Information Technology Services Division declined between the two biennia.

**Program Personal Services**

Personal services in the Executive Residence Program were about \$115,000 or 59.0% of the FY 2021 base budget. The executive proposes a decrease of about \$4,300 in FY 2022 and \$4,200 in FY 2023. The decrease is due to vacancy savings that was not assessed in the 2021 biennium but are assessed at 2.0% in the 2023 biennium

**Funding**

The following table shows proposed program funding by source of authority.

Governor's Office, 02-Executive Residence Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	372,936	0	0	0	372,936	100.00 %
<b>State Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Total All Funds</b>	<b>\$372,936</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$372,936</b>	

The Executive Residence Program is entirely funded with general fund.

**Program Budget Summary by Category**

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	194,701	194,701	389,402	104.42 %	194,701	194,701	389,402	104.42 %
SWPL Adjustments	(8,292)	(8,174)	(16,466)	(4.42)%	(8,292)	(8,174)	(16,466)	(4.42)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$186,409</b>	<b>\$186,527</b>	<b>\$372,936</b>		<b>\$186,409</b>	<b>\$186,527</b>	<b>\$372,936</b>	

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(4,252)	0	0	(4,252)	0.00	(4,178)	0	0	(4,178)
DP 2 - Fixed Costs	0.00	(3,723)	0	0	(3,723)	0.00	(3,797)	0	0	(3,797)
DP 3 - Inflation Deflation	0.00	(317)	0	0	(317)	0.00	(199)	0	0	(199)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$8,292)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$8,292)</b>	<b>0.00</b>	<b>(\$8,174)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$8,174)</b>

\*\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

**Program Biennium Comparison**

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	284,018	316,321	32,303	11.37 %
Operating Expenses	334,233	333,576	(657)	(0.20)%
<b>Total Expenditures</b>	<b>\$618,251</b>	<b>\$649,897</b>	<b>\$31,646</b>	<b>5.12 %</b>
General Fund	618,251	649,897	31,646	5.12 %
<b>Total Funds</b>	<b>\$618,251</b>	<b>\$649,897</b>	<b>\$31,646</b>	<b>5.12 %</b>
<b>Total Ongoing</b>	<b>\$618,251</b>	<b>\$649,897</b>	<b>\$31,646</b>	<b>5.12 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Program Description**

The Air Transportation Program provides the Governor with air transportation.

**Program Highlights**

<b>Air Transportation Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The Air Transportation Program's 2023 biennium budget is \$32,000 or 5.1% higher than the 2021 biennium budget</li> <li>• Increases are due to statewide present law adjustments for personal services</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	1.50	1.50	1.50	1.50
Personal Services	110,672	140,387	143,631	158,104	158,217
Operating Expenses	171,319	167,104	167,129	167,620	165,956
<b>Total Expenditures</b>	<b>\$281,991</b>	<b>\$307,491</b>	<b>\$310,760</b>	<b>\$325,724</b>	<b>\$324,173</b>
General Fund	281,991	307,491	310,760	325,724	324,173
<b>Total Funds</b>	<b>\$281,991</b>	<b>\$307,491</b>	<b>\$310,760</b>	<b>\$325,724</b>	<b>\$324,173</b>
<b>Total Ongoing</b>	<b>\$281,991</b>	<b>\$307,491</b>	<b>\$310,760</b>	<b>\$325,724</b>	<b>\$324,173</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Program Discussion -**

*FY 2020 Appropriations Compared to FY 2020 Actual Expenditures*

Air Transportation Program expended 91.7% of its \$307,000 FY 2020 modified HB 2 budget. Personal services were 78.8% expended and operating expenses were 102.5% expended. The 0.50 FTE pilot position was utilized 9.1% during FY 2020 resulting in lower personal services expenditures. Operating expenses related to repair and maintenance of the Governor’s plane resulted in higher than anticipated operating expenses.

*FY 2020 Appropriations Compared to FY 2021 Appropriations*

FY 2021 expenditures are slightly higher than FY 2020 expenditures due to the pay plan approved by the 2019 Legislature.

*Executive Request*

The Air Transportation Program's 2023 biennium budget request is about \$32,000 or 5.1% higher than the 2021 biennium budget. The increases are mainly included in the statewide present law adjustment for personal services. Refer to the following Program Personal Services section for additional information on the request.

**Program Personal Services**

Personal services in the Air Transportation Program were about \$144,000 or 46.2% of the FY 2021 base budget. The executive proposes an increase of about \$14,500 in FY 2022 and \$14,600 in FY 2023. In the 2021 biennium the legislature reduced personal services by \$8,439 in FY 2021. Because the legislature did not reduce FTE as part of the adjustment, the personal services process reinstated the funding. In addition, the executive proposes increasing the pay rate for the 0.50 FTE pilot position. The change is part of the differences between the two budgets.

**Funding**

The following table shows proposed program funding by source of authority.

Governor's Office, 03-Air Transportation Program Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	649,897	0	0	0	649,897	100.00 %
<b>State Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Total All Funds</b>	<b>\$649,897</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$649,897</b>	

The Air Transportation Program is entirely funded with general fund.

**Program Budget Summary by Category**

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	310,760	310,760	621,520	95.63 %	310,760	310,760	621,520	95.63 %
SWPL Adjustments	14,964	13,413	28,377	4.37 %	14,964	13,413	28,377	4.37 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$325,724</b>	<b>\$324,173</b>	<b>\$649,897</b>		<b>\$325,724</b>	<b>\$324,173</b>	<b>\$649,897</b>	

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----				-----Fiscal 2023-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	14,473	0	0	14,473	0.00	14,586	0	0	14,586
DP 2 - Fixed Costs	0.00	491	0	0	491	0.00	(1,173)	0	0	(1,173)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$14,964</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,964</b>	<b>0.00</b>	<b>\$13,413</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,413</b>

\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).



DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

**Program Biennium Comparison**

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	4,243,912	4,433,717	189,805	4.47 %
Operating Expenses	646,109	729,055	82,946	12.84 %
Debt Service	3,204	3,740	536	16.73 %
<b>Total Expenditures</b>	<b>\$4,893,225</b>	<b>\$5,166,512</b>	<b>\$273,287</b>	<b>5.59 %</b>
General Fund	4,893,225	5,166,512	273,287	5.59 %
<b>Total Funds</b>	<b>\$4,893,225</b>	<b>\$5,166,512</b>	<b>\$273,287</b>	<b>5.59 %</b>
<b>Total Ongoing</b>	<b>\$4,893,225</b>	<b>\$5,166,512</b>	<b>\$273,287</b>	<b>5.59 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Program Description**

The Office of Budget and Program Planning (OBPP) assists the Governor in preparing the Governor's executive budget and administering the state government budget. In addition, the OBPP prepares and monitors revenue estimates and collections, prepares and publishes fiscal notes on proposed legislation and initiatives, and acts as approving authority for operational plan changes, program transfers, and budget amendments in the Executive Branch, in accordance with Title 17, Chapter 7, MCA. The OBPP acts as the lead Executive Branch agency for compliance with the federal Single Audit Act. The office also provides accounting, budgeting, human resource, procurement, safety, and information technology support for the entire Governor's Office.

**Program Highlights**

<b>Office of Budget and Program Planning Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The Office of Budget and Program Planning's 2023 biennium budget request is about \$273,000 or 5.6% higher than the 2021 biennium budget</li> <li>• Proposed changes in general fund are due to statewide present laws adjustments for personal services, fixed costs, and inflation/deflation</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	21.00	21.00	21.00	21.00
Personal Services	2,014,740	2,110,022	2,133,890	2,212,685	2,221,032
Operating Expenses	244,864	354,330	291,779	403,784	325,271
Debt Service	1,247	1,334	1,870	1,870	1,870
<b>Total Expenditures</b>	<b>\$2,260,851</b>	<b>\$2,465,686</b>	<b>\$2,427,539</b>	<b>\$2,618,339</b>	<b>\$2,548,173</b>
General Fund	2,260,851	2,465,686	2,427,539	2,618,339	2,548,173
<b>Total Funds</b>	<b>\$2,260,851</b>	<b>\$2,465,686</b>	<b>\$2,427,539</b>	<b>\$2,618,339</b>	<b>\$2,548,173</b>
<b>Total Ongoing</b>	<b>\$2,260,851</b>	<b>\$2,465,686</b>	<b>\$2,427,539</b>	<b>\$2,618,339</b>	<b>\$2,548,173</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Program Discussion -**

*FY 2020 Appropriations Compared to FY 2020 Actual Expenditures*

The Office of Budget and Program Planning expended 91.7% of its \$2.5 million FY 2020 modified HB 2 budget. Personal services were 95.5% expended, operating expenses were 69.1% expended, and debt service was 94.2% expended.

Personal services expenditures were lower than budgeted in FY 2020 due to turn over. The FY 2020 modified HB 2 budget includes \$64,000 in biennial appropriations in legislative audit costs of which \$19,000 were expended in FY 2020. Also, in addition to \$274,000 in appropriations allocated to specific operating expense categories, the 2019 Legislature provided the Executive Office Program with \$82,000 in unallocated operating expenses for FY 2020. About \$66,000 of the unallocated operating expenses appropriation was not used in FY 2020.

*FY 2020 Appropriations Compared to FY 2021 Appropriations*

FY 2021 appropriations for personal services are higher than FY 2020 appropriations due to the pay plan. Appropriations for operating expenses are lower in FY 2021 than FY 2020 due to a biennial appropriation of \$64,000 for legislative audit costs that is not included in FY 2021.

*Executive Request*

The Office of Budget and Program Planning is requesting an increase in general fund appropriations of about \$191,000 in FY 2022 and \$121,000 in FY 2023. The proposed changes are due to statewide present law adjustments for personal services, fixed costs, and inflation/deflation. Additional information on the proposed adjustments are included in the Program Personal Services and the Present Law Adjustments sections.

**Program Personal Services**

Personal services were \$2.1 million or 87.9% of the FY 2021 base budget. The executive proposes an increase of about \$79,000 in FY 2022 and \$87,000 in FY 2023. The majority of this increase is due to management decisions for broadband pay increases.

**Funding**

The following table shows proposed program funding by source of authority.

Governor's Office, 04-Office of Budget & Program Planning Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	5,166,512	0	0	0	5,166,512	100.00 %	
02038 Governor's Office SSR	0	0	0	0	0	0.00 %	
<b>State Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
03001 Governor's Office FSR	0	0	0	0	0	0.00 %	
03949 Coronavirus Relief Fund	0	0	0	0	0	0.00 %	
03989 Gov Emergency Education Relief	0	0	0	0	0	0.00 %	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
06510 Personal Services Contingency	0	0	0	0	0	0.00 %	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$5,166,512</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,166,512</b>		

The Office of Budget and Program Planning is entirely funded with general fund.

**Program Budget Summary by Category**

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	2,427,539	2,427,539	4,855,078	93.97 %	2,427,539	2,427,539	4,855,078	93.97 %
SWPL Adjustments	189,220	118,991	308,211	5.97 %	189,220	118,991	308,211	5.97 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	1,580	1,643	3,223	0.06 %	1,580	1,643	3,223	0.06 %
<b>Total Budget</b>	<b>\$2,618,339</b>	<b>\$2,548,173</b>	<b>\$5,166,512</b>		<b>\$2,618,339</b>	<b>\$2,548,173</b>	<b>\$5,166,512</b>	

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	78,795	0	0	78,795	0.00	87,142	0	0	87,142
DP 2 - Fixed Costs	0.00	110,458	0	0	110,458	0.00	31,869	0	0	31,869
DP 3 - Inflation Deflation	0.00	(33)	0	0	(33)	0.00	(20)	0	0	(20)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$189,220</b>	<b>\$0</b>	<b>\$0</b>	<b>\$189,220</b>	<b>0.00</b>	<b>\$118,991</b>	<b>\$0</b>	<b>\$0</b>	<b>\$118,991</b>

\*\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

**New Proposals**

The New Proposals table shows new changes to spending

	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 401 - Subscription Increase	0.00	1,580	0	0	1,580	0.00	1,643	0	0	1,643
<b>Total</b>	<b>0.00</b>	<b>\$1,580</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,580</b>	<b>0.00</b>	<b>\$1,643</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,643</b>

\*\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 401 - Subscription Increase -

The executive proposes increased funding for subscription costs related to economic data. The Office of Budget and Program Planning maintains a contract for an economic data service on behalf of the OBPP, the Department of Transportation and the Legislative Fiscal Division. An annual increase of 4.0% is anticipated.

**Program Biennium Comparison**

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	361,948	368,003	6,055	1.67 %
Operating Expenses	65,720	175,407	109,687	166.90 %
<b>Total Expenditures</b>	<b>\$427,668</b>	<b>\$543,410</b>	<b>\$115,742</b>	<b>27.06 %</b>
General Fund	427,668	443,410	15,742	3.68 %
State/Other Special Rev. Funds	0	100,000	100,000	0.00 %
<b>Total Funds</b>	<b>\$427,668</b>	<b>\$543,410</b>	<b>\$115,742</b>	<b>27.06 %</b>
<b>Total Ongoing</b>	<b>\$427,668</b>	<b>\$543,410</b>	<b>\$115,742</b>	<b>27.06 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Program Description**

The Director of Indian Affairs serves as the Governor's liaison with state Indian tribes, provides information and policy support on issues confronting the Indians of Montana, and advises and makes recommendations on these issues to the Legislative and Executive Branches. The director also serves the Montana congressional delegation as an advisor and intermediary in the field of Indian affairs and acts as spokesperson for representative Native American organizations and groups, both public and private, whenever that support is requested. The program is mandated by 2-15-217 and 90-11-101, MCA.

**Program Highlights**

<b>Office of Indian Affairs Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The Office of Indian Affairs' 2023 biennium budget request is about \$116,000 or 27.1% higher than the 2021 biennium budget</li> <li>• Proposed increases in general fund are due to statewide present law adjustments for personal services and fixed costs</li> <li>• A proposal to appropriate tribal relations training in HB 2 supported in part through state special revenue</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	2.00	2.00	2.00	2.00
Personal Services	118,216	179,946	182,002	183,933	184,070
Operating Expenses	22,057	32,743	32,977	86,144	89,263
<b>Total Expenditures</b>	<b>\$140,273</b>	<b>\$212,689</b>	<b>\$214,979</b>	<b>\$270,077</b>	<b>\$273,333</b>
General Fund	140,273	212,689	214,979	220,077	223,333
State/Other Special Rev. Funds	0	0	0	50,000	50,000
<b>Total Funds</b>	<b>\$140,273</b>	<b>\$212,689</b>	<b>\$214,979</b>	<b>\$270,077</b>	<b>\$273,333</b>
<b>Total Ongoing</b>	<b>\$140,273</b>	<b>\$212,689</b>	<b>\$214,979</b>	<b>\$270,077</b>	<b>\$273,333</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Program Discussion -**

*FY 2020 Appropriations Compared to FY 2020 Actual Expenditures*

The Office of Indian Affairs expended 66.0% of its almost \$213,000 FY 2020 modified HB 2 budget. Personal services were 65.7% expended and operating expenses were 67.4% expended. Personal services expenditures were lower than anticipated in the budget due to vacancies. Operating expenses for other expenses, supplies, and materials were lower than anticipated in the budget.

*FY 2020 Appropriations Compared to FY 2021 Appropriations*

FY 2021 expenditures are slightly higher than FY 2020 expenditures due to the pay plan approved by the 2019 Legislature.

*Executive Request*

The Office of Indian Affairs is requesting an increase above the FY 2021 base budget of about \$55,100 in FY 2022 and \$58,400 in FY 2023. The proposed increases are due to statewide present law adjustments for personal services and fixed costs as well as a present law adjustment for tribal relations training. Additional information on the proposed adjustments are included in the Program Personal Services and the Present Law Adjustments sections.

**Program Personal Services**

Personal services were \$182,000 or 84.7% of FY 2021 base budget appropriations. The executive proposes an increase of about \$1,900 in FY 2022 and \$2,100 in FY 2023. The majority of the increase is due to management decisions for broadband pay increases.

**Funding**

The following table shows proposed program funding by source of authority.

Governor's Office, 05-Office of Indian Affairs Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	443,410	0	0	0	443,410	81.60 %
02038 Governor's Office SSR	100,000	0	0	0	100,000	100.00 %
<b>State Special Total</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100,000</b>	<b>18.40 %</b>
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>
<b>Total All Funds</b>	<b>\$543,410</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$543,410</b>	

The majority of the Office of Indian Affairs Program is funded with general fund. The executive is proposing to have tribal relations training administered by the Office of Indian Affairs rather than the Department of Administration. Funding for this training is provided by a state special revenue fund derived from participant attendance fees.

**Program Budget Summary by Category**

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	214,979	214,979	429,958	96.97 %	214,979	214,979	429,958	79.12 %
SWPL Adjustments	5,098	8,354	13,452	3.03 %	5,098	8,354	13,452	2.48 %
PL Adjustments	0	0	0	0.00 %	50,000	50,000	100,000	18.40 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$220,077</b>	<b>\$223,333</b>	<b>\$443,410</b>		<b>\$270,077</b>	<b>\$273,333</b>	<b>\$543,410</b>	

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	1,931	0	0	1,931	0.00	2,068	0	0	2,068
DP 2 - Fixed Costs	0.00	3,535	0	0	3,535	0.00	6,517	0	0	6,517
DP 3 - Inflation Deflation	0.00	(368)	0	0	(368)	0.00	(231)	0	0	(231)
DP 501 - Tribal Relations Training	0.00	0	50,000	0	50,000	0.00	0	50,000	0	50,000
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$5,098</b>	<b>\$50,000</b>	<b>\$0</b>	<b>\$55,098</b>	<b>0.00</b>	<b>\$8,354</b>	<b>\$50,000</b>	<b>\$0</b>	<b>\$58,354</b>

\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).



DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 501 - Tribal Relations Training -

Tribal relations training is required per 2-15-143, MCA. Previously, the Professional Development Center administered the training by collecting attendance fees and registering participants while the Office of Indian Affairs conducted the training. In FY 2020 the fee was \$125 per person for the all-day training. This request is intended to establish \$50,000 appropriation in each year of the 2023 biennium as the administration of the training will now be conducted by the Office of Indian Affairs.

**Program Biennium Comparison**

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	883,662	912,217	28,555	3.23 %
Operating Expenses	154,780	118,147	(36,633)	(23.67)%
Debt Service	2,124	2,480	356	16.76 %
<b>Total Expenditures</b>	<b>\$1,040,566</b>	<b>\$1,032,844</b>	<b>(\$7,722)</b>	<b>(0.74)%</b>
General Fund	1,040,566	1,032,844	(7,722)	(0.74)%
<b>Total Funds</b>	<b>\$1,040,566</b>	<b>\$1,032,844</b>	<b>(\$7,722)</b>	<b>(0.74)%</b>
<b>Total Ongoing</b>	<b>\$1,040,566</b>	<b>\$1,032,844</b>	<b>(\$7,722)</b>	<b>(0.74)%</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Program Description**

The Mental Disabilities Board of Visitors is charged with formally reviewing patient care and assisting people who have complaints about services at Montana's licensed mental health centers, community hospital psychiatric units, children's residential treatment programs, and at the state facilities that serve people with mental illnesses and developmental disabilities. The board provides legal services to patients at Montana State Hospital. The Governor appoints six board members who represent recipients of services and their families, and the mental health and developmental disability professions. The board employs administrative and legal staff and contracts with mental health and developmental disability professionals to carry out its responsibilities for patient representation and facility review. The Mental Disabilities Board of Visitors Program was created by the Developmental Disabilities Act of 1975 and the Mental Commitment and Treatment Act of 1975 and exists as a state mandate.

The Mental Health Ombudsman is statutorily directed to "represent the interests of individuals with regard to need for public mental health services". The office functions with 1.50 FTE responding to statewide requests for service. The Office of the Ombudsman was created by the legislature in 1999 and is appointed by the Governor for a four year term.

**Program Highlights**

<b>Mental Disability Board of Visitors &amp; Mental Health Ombudsman Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The Mental Disabilities Board of Visitor/Mental Health Ombudsman Program's 2023 biennium budget is about \$7,700 or 0.7% lower the 2021 biennium budget</li> <li>• Reductions for rent and State Information Technology Services Division costs included in the statewide present law adjustment for fixed costs offset increases for personal services</li> </ul>

**Program Actuals and Budget Comparison**

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	5.00	5.00	5.00	5.00
Personal Services	360,388	439,012	444,650	455,152	457,065
Operating Expenses	48,301	77,266	77,514	59,101	59,046
Debt Service	826	884	1,240	1,240	1,240
<b>Total Expenditures</b>	<b>\$409,515</b>	<b>\$517,162</b>	<b>\$523,404</b>	<b>\$515,493</b>	<b>\$517,351</b>
General Fund	409,515	517,162	523,404	515,493	517,351
<b>Total Funds</b>	<b>\$409,515</b>	<b>\$517,162</b>	<b>\$523,404</b>	<b>\$515,493</b>	<b>\$517,351</b>
<b>Total Ongoing</b>	<b>\$409,515</b>	<b>\$517,162</b>	<b>\$523,404</b>	<b>\$515,493</b>	<b>\$517,351</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Program Discussion -**

*FY 2020 Appropriations Compared to FY 2020 Actual Expenditures*

The Mental Disabilities Board of Visitors expended 79.2% of its \$517,000 FY 2020 modified HB 2 budget. Personal services were 82.1% expended, operating expenses were 62.5% expended, and debt service was 93.4% expended. Personal services expenditures were lower than budgeted in FY 2020 due to vacancies. Expenditures for rent were significantly lower than anticipated in the budget resulting in the lower level of operating expenses expenditures.

*FY 2020 Appropriations Compared to FY 2021 Appropriations*

FY 2021 expenditures are slightly higher than FY 2020 expenditures due to the pay plan approved by the 2019 Legislature.

*Executive Request*

The Mental Disabilities Board of Visitors and Mental Health Ombudsman is requesting a decrease of about \$7,900 in FY 2022 and \$6,100 in FY 2023. The reduction is included in the statewide present law adjustment of fixed costs reflecting lower rent and State Information Technology Services Division costs. The reduction offsets increases in personal services.

**Program Personal Services**

Personal services were about \$445,000 or 85.0% of FY 2021 base budget appropriations. The executive proposes an increase of about \$11,000 in FY 2022 and \$12,000 in FY 2023. In addition to expected changes the increase is the result of management decisions related to broadband pay adjustments.

**Funding**

The following table shows proposed program funding by source of authority.

Governor's Office, 20-Ment Disb Bd of Visitors & Mh Ombudsman Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	1,032,844	0	0	0	1,032,844	100.00 %	
<b>State Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
03949 Coronavirus Relief Fund	0	0	0	0	0	0.00 %	
<b>Federal Special Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$1,032,844</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,032,844</b>		

The Mental Disabilities Board of Visitors and Mental Health Ombudsman Program is entirely funded with general fund.

**Program Budget Summary by Category**

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	523,404	523,404	1,046,808	101.35 %	523,404	523,404	1,046,808	101.35 %
SWPL Adjustments	(7,911)	(6,053)	(13,964)	(1.35)%	(7,911)	(6,053)	(13,964)	(1.35)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$515,493</b>	<b>\$517,351</b>	<b>\$1,032,844</b>		<b>\$515,493</b>	<b>\$517,351</b>	<b>\$1,032,844</b>	

**Present Law Adjustments**

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	10,502	0	0	10,502	0.00	12,415	0	0	12,415
DP 2 - Fixed Costs	0.00	(18,403)	0	0	(18,403)	0.00	(18,462)	0	0	(18,462)
DP 3 - Inflation Deflation	0.00	(10)	0	0	(10)	0.00	(6)	0	0	(6)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$7,911)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$7,911)</b>	<b>0.00</b>	<b>(\$6,053)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$6,053)</b>

\*\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.