

OFFICE OF THE GOVERNOR  
BUDGET AND PROGRAM PLANNING  
STATE OF MONTANA

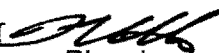
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MEMORANDUM

TO: Amy Carlson, Legislative Fiscal Analyst  
Legislative Fiscal Division

FROM: Dan Villa, Budget Director   
Office of Budget and Program Planning

DATE: September 15, 2015

SUBJECT: **Fee accounts with balances exceeding the biennium appropriations**

In accordance with 17-2-304, MCA, the report from the Office of Budget and Program Planning to the Legislative Finance Committee – via the Legislative Fiscal Analyst - on fee accounts with balances exceeding the biennium appropriations is attached.

The attached sheet lists for all state special revenue “charge for services” funds which exceed the limits of section 17-2-302(1) and are not exempt under 17-2-302(4): the agency and account, the fiscal year end 2013 balance, the amount the balance exceeds the limitation, and any certified exception to the limitation as allowed under 17-2-302(2).

Please let me know if you have questions or wish additional information.

CC: Affected Agency Centralized Services Administrators

**Compliance with 17-2-302, MCA**

<u>Agency Name</u>	<u>Fund</u>	<u>Fund Name</u>	<u>Approp. Authority</u>	<u>7/1/14 Balance</u>	<u>Excess Cash Balance</u>	<u>Certified Exception/Explanation</u>
DOJ	02106	Crime Victims Compensation-St	441,028	550,893	109,865	The excess cash balance in the fund will be used for restitution during the 2017 biennium.
DOJ	02200	Permits and Transfer Plates	0	23,349	23,349	The excess cash balance in the fund will be leveraged to defray program administration costs during the 2017 biennium.
DOJ	02798	61-3-550 MVD MERLIN HB261	1,633,400	2,936,671	1,303,271	The excess cash balance in the fund will be used to pay the loan incurred for the creation of the new information technology system for motor vehicles (MERLIN) Drivers' License phase and will also be utilized to support costs directly incurred to support of the system.
FWP	02171	Smith R Corridor Enhancement	296,887	479,500	182,613	This fund is used specifically for the enhancement of the Smith River Corridor and the balance will be utilized when appropriate projects are approved by the advisory council.
FWP	02176	Mountain Goat Auction	31,000	59,207	28,207	The balance is accumulating and will be used for appropriate goat related projects when they are identified and sufficient funds are available.
FWP	02330	Parks Snomo Fuel Tax Sfty/Educ	69,496	234,327	164,831	Staff turnover resulted in program interruptions which impacted program expenditures. The program anticipate that the full allocation will be expended for Snowmobile Safety and Education once staffing is stable.
FWP	02942	Warm Water Fish Stamp	0	15,851	15,851	The source of revenue for this fund has sunset, so the both revenues and expenditures have terminated. Remaining fund balance will be transferred to another fund.
DEQ	02054	UST-Installer Lic & Permit Acc	101,504	138,427	36,923	In FY 2015, federal funding exceeded projections. This funding has been reduced and will require the program to utilize this excess balance. Management and fiscal staff are monitoring closely to ensure fees are commensurate with costs as the program moves forward.
DEQ	02075	UST Leak Prevention Program	446,136	839,669	393,533	In FY 2015, federal funding exceeded projections. This funding has since been reduced and will require the program to utilize this excess balance. Costs required for implementing a new database as well as an on-line training module will reduce balance. The program does not anticipate the fund balance will persist into the future.
DNRC	02430	Water Right Appropriation	1,267,148	1,344,363	77,215	The excess cash will be used for accrued liabilities incurred by the program during FY 2015.
Commerce	02229	MT SSBCI Servicing Fees	0	109,958	109,958	The MT State Small Business Credit Initiative (SSBCI) program plans to reallocate existing 2017 biennium HB 2 state special revenue authority to expend these funds within the Montana Office of Tourism and Business Development Division.
DLI	02079	Fire Protection & Permitting	179,580	181,375	1,795	A vacant position contributed to the excess cash balance. This position is filled and the balance should return to an appropriate level in FY 2016.
DLI	02082	Real Estate Recovery Account	400	46,803	46,403	The excess cash balance was due to an accounting journal that was inadvertently not posted at year end.
DLI	02207	Cranes Program	211,944	218,034	6,090	The program is experiencing an increase in crane permit processing and they anticipate the cash returning to an appropriate level.
DLI	02580	Board of Athletic Trainers	55,684	63,928	8,244	Board member training occurring in FY 2016 will return the cash to the appropriate level.
DLI	02808	Board Of Landscape Architects	74,466	78,250	3,784	The board meeting and travel schedule during FY 2016 will reduce cash balance.
DLI	02832	Board Of Pharmacy	1,946,174	2,189,207	243,033	The board is anticipating increased staff and travel expenses in the coming fiscal year. In addition, the board will continue with a 50% fee abatement this year on license renewals and is beginning the process to reduce renewal fees to better align revenues and expenditures.
DLI	02833	Board Of Nursing	3,233,620	3,724,942	491,322	The Board of Nursing is expecting a 30% reduction of revenues as a result of participating in the interstate nurse licensure compact. The board is also expecting increased expenses as a result of implementation of the compact. It is expected that the cash balance will normalize at an appropriate level.
DMA	02180	Emergency Preparedness Summit	0	34,936	34,936	The Emergency Preparedness Summit scheduled for February 3-4, 2016 will significantly reduce fund balance. This summit was not held for several years, thus the excess balance.
DPHHS	02566	Medical Marijuana	337,864	1,397,574	1,059,710	Initially the program was running in a deficit, so fees were raised at that time. Since then, the number of card holders and providers has fluctuated widely. DPHHS is in the process of preparing rules to reduce the excess revenue.