

Program Budget Comparison

The following table summarizes the total legislative budget for the program by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	186.37	186.37	186.37	186.37	186.37	186.37	0.00	0.00%
Personal Services	11,598,457	15,030,406	10,558,961	10,563,249	26,628,863	21,122,210	(5,506,653)	(20.68%)
Operating Expenses	11,820,138	11,643,503	12,751,437	12,509,642	23,463,641	25,261,079	1,797,438	7.66%
Equipment & Intangible Assets	5,287	63,253	5,287	5,287	68,540	10,574	(57,966)	(84.57%)
Grants	360,666	428,064	360,666	360,666	788,730	721,332	(67,398)	(8.55%)
Transfers	0	0	0	0	0	0	0	n/a
Debt Service	151,412	151,414	151,412	151,412	302,826	302,824	(2)	0.00%
Total Costs	\$23,935,960	\$27,316,640	\$23,827,763	\$23,590,256	\$51,252,600	\$47,418,019	(\$3,834,581)	(7.48%)
State Special	22,477,591	25,148,228	23,544,181	23,307,456	47,625,819	46,851,637	(774,182)	(1.63%)
Federal Special	1,458,369	2,168,412	283,582	282,800	3,626,781	566,382	(3,060,399)	(84.38%)
Total Funds	\$23,935,960	\$27,316,640	\$23,827,763	\$23,590,256	\$51,252,600	\$47,418,019	(\$3,834,581)	(7.48%)

Program Description

The General Operations Program provides overall policy direction and management to the agency, administers motor fuel taxes, and provides administrative support services for the department, including general administration and management, accounting and budgeting, public affairs, information technology services, human resources activities, compliance review, and goods and services procurement.

Program Highlights

General Operations Program Major Budget Highlights
<ul style="list-style-type: none"> ◆ Personal service reductions are related to the legislatively imposed additional 2% vacancy savings ◆ Operating expenses increase by \$1.8 million <ul style="list-style-type: none"> • Fixed cost adjustments are responsible for over half of the 7.7% increase in operating expenses ◆ Federal funds are reduced by \$1.3 million or 37.1% from the 2013 biennium due to a decentralization of federal training grants and reduced funding of grant awards

Program Narrative

The General Operations Program will be reduced by 7.5% in the 2015 biennium from the 2013 biennium level, which is primarily related to the addition of 2% vacancy savings imposed on most agencies. For MDT, the vacancy savings amounted to a total of \$5.8 million. The full reduction is contained in this program and included in the table above, and language included in HB 2 allows MDT to allocate the reduction across programs as needed. The program also includes reductions in federal funding above the vacancy savings related to two changes: 1) in past biennia federal training grant expenditures were centralized in the program, and those funds will now be appropriated directly to the benefiting programs; and 2) the funding from the federal government for two grant programs, the On the Job Training and Disadvantaged Business Enterprises Grants, were less than anticipated by the 2011 Legislature.

Funding

The following table shows program funding by source of authority for the 2015 biennium as adopted by the legislature.

Total Department Of Transportation Funding by Source of Authority 2015 Biennium Budget - General Operations Program							
Funds	HB 2	Non-		Total All Sources	% Total All Funds	MCA Reference	Statutory Category
		Budgeted Proprietary	Statutory Appropriation				
State Special Total	\$46,851,637	\$0	\$41,557,452	\$88,409,089	99.4%	18-11-112	Pass Thru
02301 Tribal Motor Fuels Admin.	\$0	\$0	\$82,610	\$82,610	0.1%	18-11-112	Pass Thru
02303 Tribal Motor Fuels Tax Acct	\$0	\$0	\$8,142,842	\$8,142,842	9.2%	15-70-101	Pass Thru
02422 Highways Special Revenue	\$46,851,637	\$0	\$33,332,000	\$80,183,637	90.1%		
Federal Special Total	\$566,382	\$0	\$0	\$566,382	0.6%		
03407 Highway Trust - Sp Rev	\$566,382	\$0	\$0	\$566,382	0.6%		
Total All Funds	\$47,418,019	\$0	\$41,557,452	\$88,975,471	100.0%		
Percent - Total All Sources	53.3%	0.0%	46.7%				

The General Operations Program is funded from the highways state special revenue fund and federal special revenue. The highways state special revenue fund receives revenue primarily from motor fuel taxes, gross vehicle weight permit fees, and reimbursements for indirect costs associated with the federal-aid highway program via a Federal Highways Administration (FHWA) approved indirect cost plan. Federal funding is available for assistance for disadvantaged businesses, training, fuel tax evasion prevention efforts, and direct administrative expenses associated with the federal-aid highway program.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	0	0	0	0.00%	23,935,960	23,935,960	47,871,920	100.96%
Statewide PL Adjustments	0	0	0	0.00%	2,395,512	2,126,808	4,522,320	9.54%
Other PL Adjustments	0	0	0	0.00%	280,509	315,031	595,540	1.26%
New Proposals	0	0	0	0.00%	(2,784,218)	(2,787,543)	(5,571,761)	(11.75%)
Total Budget	\$0	\$0	\$0		\$23,827,763	\$23,590,256	\$47,418,019	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the base budget adopted by the legislature.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					2,359,015					2,366,938
Vacancy Savings					(558,174)					(558,484)
Inflation/Deflation					3,082					6,819
Fixed Costs					591,589					311,535
Total Statewide Present Law Adjustments		\$0	\$2,713,227	(\$317,715)	\$2,395,512		\$0	\$2,444,153	(\$317,345)	\$2,126,808
DP 50 - Initial Motion to FY 2012 Base	0.00	0	(2,713,227)	317,715	(2,395,512)	0.00	0	(2,444,153)	317,345	(2,126,808)
DP 51 - Adjustment for Statewide Personal Services	0.00	0	1,691,120	109,721	1,800,841	0.00	0	1,698,268	110,186	1,808,454
DP 52 - Adjustment for Statewide Operations	0.00	0	728,778	36,233	765,011	0.00	0	469,257	19,396	488,653
DP 53 - Base Funding Switch	0.00	0	463,669	(463,669)	0	0.00	0	446,927	(446,927)	0
DP 101 - Overtime/Differential	0.00	0	36,129	0	36,129	0.00	0	36,129	0	36,129
DP 102 - Equipment Rental	0.00	0	(460)	0	(460)	0.00	0	(297)	0	(297)
DP 107 - Credit Card Fees	0.00	0	62,000	0	62,000	0.00	0	96,000	0	96,000
DP 108 - Contract Increases	0.00	0	12,500	0	12,500	0.00	0	12,900	0	12,900
Total Other Present Law Adjustments	0.00	\$0	\$280,509	\$0	\$280,509	0.00	\$0	\$315,031	\$0	\$315,031
Grand Total All Present Law Adjustments	0.00	\$0	\$2,993,736	(\$317,715)	\$2,676,021	0.00	\$0	\$2,759,184	(\$317,345)	\$2,441,839

DP 50 - Initial Motion to FY 2012 Base - The legislature adopted a motion to establish the starting point for budget deliberations as the FY 2012 base. This adjustment removes statewide present law adjustments for personal services, vacancy savings, fixed costs, and inflation/deflation.

DP 51 - Adjustment for Statewide Personal Services - This adjustment funds statewide personal services and vacancy savings.

DP 52 - Adjustment for Statewide Operations - This adjustment establishes the fixed cost and inflation/deflation rates as approved by the General Government subcommittee.

DP 53 - Base Funding Switch - This adjustment establishes a fund switch between fund types to fund base operations.

DP 101 - Overtime/Differential - The legislature approved an increase in personal services costs to reestablish base year overtime and differential pay with associated benefits.

DP 102 - Equipment Rental - The legislature approved a reduction of operational expenses for equipment usage and associated rate changes from MDT's Equipment Program.

DP 107 - Credit Card Fees - The legislature approved an increase to credit card fees due to escalating volume of credit card transactions.

DP 108 - Contract Increases - The legislature approved an increase for the built-in maintenance increases associated with the Xerox contract and TEAMMATE software contract.

New Proposals

New Proposals										
		-----Fiscal 2014-----				-----Fiscal 2015-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 54 - Additional Vacancy Savings										
01	0.00	0	(2,019,394)	(857,072)	(2,876,466)	0.00	0	(2,021,567)	(858,224)	(2,879,791)
DP 106 - Small Business Enterprise										
01	0.00	0	92,248	0	92,248	0.00	0	92,248	0	92,248
Total	0.00	\$0	(\$1,927,146)	(\$857,072)	(\$2,784,218)	0.00	\$0	(\$1,929,319)	(\$858,224)	(\$2,787,543)

DP 54 - Additional Vacancy Savings - The legislature applied an additional 2% vacancy savings to all positions except those exempt in statute or that must be filled 24/7. Language was included in HB 2 that allows the agency to allocate the reduction among programs.

DP 106 - Small Business Enterprise - The legislature approved additional funding in response to a federal directive that gives guidance to the Disadvantaged Business Enterprise, Small Business Element supportive services program.