

**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	8.75	8.75	8.75	8.75	8.75	8.75	0.00	0.00%
Personal Services	486,539	482,078	468,092	467,556	968,617	935,648	(32,969)	(3.40%)
Operating Expenses	126,702	142,972	123,335	123,399	269,674	246,734	(22,940)	(8.51%)
Grants	87,120	88,389	87,120	87,120	175,509	174,240	(1,269)	(0.72%)
<b>Total Costs</b>	<b>\$700,361</b>	<b>\$713,439</b>	<b>\$678,547</b>	<b>\$678,075</b>	<b>\$1,413,800</b>	<b>\$1,356,622</b>	<b>(\$57,178)</b>	<b>(4.04%)</b>
General Fund	34,140	32,252	35,203	35,158	66,392	70,361	3,969	5.98%
Federal Special	655,522	664,500	633,267	632,787	1,320,022	1,266,054	(53,968)	(4.09%)
Other	10,699	16,687	10,077	10,130	27,386	20,207	(7,179)	(26.21%)
<b>Total Funds</b>	<b>\$700,361</b>	<b>\$713,439</b>	<b>\$678,547</b>	<b>\$678,075</b>	<b>\$1,413,800</b>	<b>\$1,356,622</b>	<b>(\$57,178)</b>	<b>(4.04%)</b>

**Program Description**

The Historic Sites Preservation Program (State Historic Preservation Office) administers the Montana Antiquities Act (MCA 22-3-421; ARM 10.121.901) and Montana's participation in the National Historic Preservation Act of 1966, as amended, with its federal programs, guidelines, and grants-in-aid for historic preservation. Staff provide technical assistance to all Montana property owners, including agencies, organizations, and the public. Staff maintains a statewide inventory of recorded historic and archaeological sites. Staff reviews state agencies compliance with state antiquities act. Staff review and comment on all proposed federally funded or permitted projects within the state to determine their effect on properties listed or eligible for listing in the National Register of Historic Places. Staff administers the National Register of Historic Places program in Montana through the state preservation review board. The office recommends certification of historic structures and rehabilitation projects for federal tax credits to citizens and businesses, as authorized by the Tax Reform Act of 1976. The program awards and administers pass-through federal grants to local governments participating in the federal Certified Local Government Program. The program may also award funds for historic survey and planning for historic areas and for bricks and mortar rehabilitation when funds are available.

**Program Highlights**

<b>Historic Preservation Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>◆ The legislature decreased this program’s overall budget 4%</li> <li>◆ The personal services budget decrease in the 2015 biennium is attributable to:                             <ul style="list-style-type: none"> <li>• Vacancy savings of 3% in the base year compared to the 4% budgeted</li> <li>• Employee turnover</li> </ul> </li> </ul>

**Program Discussion**

Personal services are budgeted to decrease in the 2015 biennium primarily due to:

- Termination pay incurred in FY 2012 that is not carried forward into the 2015 biennium budget
- Turnover in one position resulting in a lower salary budgeted in the 2015 biennium
- 3% vacancy savings in the base year compared to 4% budgeted in the 2015 biennium

While personal services were higher than originally budgeted in FY 2012, operating expenses were less than originally budgeted, offsetting the personal services increases.

**Funding**

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

Total Montana Historical Society Funding by Source of Authority 2015 Biennium Budget - Historic Preservation Program							
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
General Fund	\$70,361	\$0	\$0	\$70,361	5.2%		
Federal Special Total	\$1,266,054	\$0	\$0	\$1,266,054	93.3%		
03021 Historic Sites Preservation	\$1,266,054	\$0	\$0	\$1,266,054	93.3%		
Proprietary Total	\$20,207	\$0	\$0	\$20,207	1.5%		
06013 Shpo Enterprise Fund	\$20,207	\$0	\$0	\$20,207	1.5%		
Total All Funds	\$1,356,622	\$0	\$0	\$1,356,622	100.0%		
<b>Percent - Total All Sources</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>				

The program is funded through a combination of general fund, federal special revenue from the National Park Service (NPS), and proprietary funds. Proprietary funds are generated from fees for historical preservation assistance and services and are used to enhance and maintain the agency’s antiquities data base. The federal grants from the NPS have a 60:40 federal/state matching requirement. MHS uses funding at the local level to match the federal grant. The NPS grant funds are subject to federal sequestration.

**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	34,140	34,140	68,280	97.04%	700,361	700,361	1,400,722	103.25%
Statewide PL Adjustments	1,063	1,017	2,080	2.96%	(21,796)	(22,266)	(44,062)	(3.25%)
Other PL Adjustments	0	1	1	0.00%	(18)	(20)	(38)	0.00%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$35,203</b>	<b>\$35,158</b>	<b>\$70,361</b>		<b>\$678,547</b>	<b>\$678,075</b>	<b>\$1,356,622</b>	

**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					1,057					500
Vacancy Savings					(19,504)					(19,483)
Inflation/Deflation					(50)					49
Fixed Costs					(3,299)					(3,332)
<b>Total Statewide Present Law Adjustments</b>		<b>\$1,063</b>	<b>\$0</b>	<b>(\$22,238)</b>	<b>(\$21,796)*</b>		<b>\$1,017</b>	<b>\$0</b>	<b>(\$22,715)</b>	<b>(\$22,266)*</b>
DP 50 - Initial Motion to FY 2012 Base	0.00	(1,063)	0	22,238	21,796*	0.00	(1,017)	0	22,715	22,266*
DP 51 - Adjustment for Statewide Personal Services	0.00	900	0	(18,821)	(18,447)*	0.00	867	0	(19,366)	(18,983)*
DP 52 - Adjustment for Statewide Operations	0.00	163	0	(3,434)	(3,367)*	0.00	151	0	(3,369)	(3,303)*
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$17)</b>	<b>(\$18)*</b>	<b>0.00</b>	<b>\$1</b>	<b>\$0</b>	<b>(\$20)</b>	<b>(\$20)*</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$1,063</b>	<b>\$0</b>	<b>(\$22,255)</b>	<b>(\$21,814)*</b>	<b>0.00</b>	<b>\$1,018</b>	<b>\$0</b>	<b>(\$22,735)</b>	<b>(\$22,286)*</b>

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

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.