



### Statutory Reference

44-1-504, MCA; 61-3-321 (20), MCA

### Account Purpose

The account is dedicated to funding the base salaries, operating costs, and biennial salary increases for Montana Highway Patrol officers (MPH).

### Revenues

Revenue from licenses and permits accounted for 99.9% of the total revenue. Licenses and permits revenue is generated through an additional fee of \$10 on each light vehicle, trailer, semitrailer, pole trailer, heavy truck, motor home, motorcycle, quadricycle, and travel trailer that are subject to registration fees specifically for the purpose of funding the MPH. The fee was increased from \$5 to \$10 beginning on May 22, 2017 (effective on passage and approval of SB 57-2017 Legislature).

### Use of Fund

In FY 2022, this account funded 6.0% the Department of Justice (DOJ) expenditures and 17.8% of the Montana Highway Patrol expenditures. Historically, account expenditures are made up of 87.4% personal services. Beginning in FY 2022, the account will be used to address the imbalance in the Highway Patrol pension trust.

### Ending Fund Balance

Highway Patrol Recruitment & Retention Account (02014)						
Ending Fund Balance						
	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Actual FY 2022
<b>Beginning Fund Balance</b>	\$4,112,513	\$3,112,735	\$4,569,594	\$7,686,447	\$10,175,935	\$10,069,442
<b>Nominal Revenues</b>						
Licenses & Permits	\$5,362,989	\$10,201,831	\$10,158,721	\$10,061,206	\$10,642,805	\$10,808,892
Other	5,036	1,136	3,792	3	4,573	23
Total Revenues	\$5,368,025	\$10,202,967	\$10,162,513	\$10,061,209	\$10,647,378	\$10,808,915
<b>Nominal Disbursements</b>						
Personal Services	(\$6,045,507)	(\$6,908,092)	(\$6,634,193)	(\$7,152,445)	(\$7,850,287)	(\$8,570,022)
Operating Expenses	(322,296)	-	(214,564)	(136,259)	(363,298)	(290,987)
Equipment & Intangible Assets	-	(1,844,240)	(235,509)	(99,737)	(98,686)	-
Transfers-out	-	-	-	(183,279)	(2,441,600)	(4,053,062)
Total Disbursements	(\$6,367,803)	(\$8,752,332)	(\$7,084,266)	(\$7,571,720)	(\$10,753,871)	(\$12,914,071)
Prior Period Adjustments	\$0	\$6,224	\$38,606	(\$1)	\$0	(\$1)
<b>Ending Fund Balance</b>						
<b>Assets</b>						
Cash	\$3,739,056	\$6,571,686	\$8,302,195	\$10,650,448	\$10,485,462	\$8,360,836
Other	132	132	132	132	659	132
<b>Liabilities</b>						
A-Accruals	(322,296)	(1,438,881)	(258,834)	(9,187)	(8,280)	-
Other	(304,157)	(563,344)	(357,046)	(465,458)	(408,399)	(396,683)
Ending Fund Balance	\$3,112,735	\$4,569,594	\$7,686,447	\$10,175,935	\$10,069,442	\$7,964,285

**Appropriations and Expenditures**

Appropriations and Expenditures with Percent Expended							
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Budget	7,091,465	9,030,727	7,379,365	10,314,140	10,958,900	9,096,684	9,232,837
Expenditures	6,376,567	8,774,485	7,081,744	7,572,850	10,719,516	8,914,071	
% Expended	89.9%	97.2%	96.0%	73.4%	97.8%	98.0%	

The FY 2022 ending fund balance of \$8.0 million does not consider outstanding appropriation authority. Appropriations in FY 2023 are \$9.2 million, and DOJ expects revenues in the year of \$10.2 million. The appropriations table above does not include a non-budgeted transfer to the MHP retirement trust of \$2.0 million expected in FY 2023. Over time, expenditures have averaged 91.8% of the total budget/appropriation authority in the account. In addition to HB 2 appropriations, in FY 2020 MHP allocated \$2.8 million in authority for the construction of a new highway patrol office in Glendive to the account. Most of the Glendive office authority was expended in FY 2021 and \$174,460 of the authority remains in the total authority of FY 2023.