

Executive Budget Summary for the Montana Agricultural Experiment Station

▪ FY2010-2011 Biennial Budget (original):	\$24,503,263
▪ FY2012-2013 Biennial Budget (proposed):	\$23,665,371
	Reduction of (\$837,892)
▪ <u>DP 901</u> – Statewide Present Law Adjustments* (Combination of personal service increase [not raises], mandatory 4% vacancy, deflation of natural gas, fixed business costs)	(\$311,620)
▪ <u>DP 904</u> – Administrative Assessment* (MSU overhead, Plant Bioscience Building O&M, BART Farm services)	\$301,658
▪ <u>DP 905</u> – Utilities Inflation*	\$185,085
▪ <u>DP 906</u> – New Space (Animal Bioscience Building, EARC, NARC; MSU calculation at \$801,302 for new space and estimated utilities [only 48.6% of costs])	\$389,904
▪ <u>DP 909</u> – Faculty Termination Costs* (Faculty and staff payouts for annual leave, sick leave, comp time, retirement system)	\$295,738
▪ <u>DP 913</u> – Communication Device Allowance* (cell phone and other devices)	\$12,134
▪ <u>DP 920</u> – Retirement Calculation (Correction) OBPP 1% ORP Adjustment (84% of correction calculated by OBPP to remove 1% ORP funding that is funded statutorily outside of HB2 from base budget.)	(\$83,936)
▪ <u>DP 55141</u> – Carry Forward FY2011 17-7-140 Reduction (Adjusts the FY2011 one-time 8% reduction to 5% per OCHE and Executive Budget discussions as a permanent base cut)	(\$1,230,172)
▪ <u>DP 55402</u> – 4% Personnel Services Reduction – Agencies (<u>New</u> permanent base cut of personnel base)	(\$378,045)

*Proposed funding at 84% of actual costs. The overall result is a budget cut of \$121,305 due to partial biennium funding.

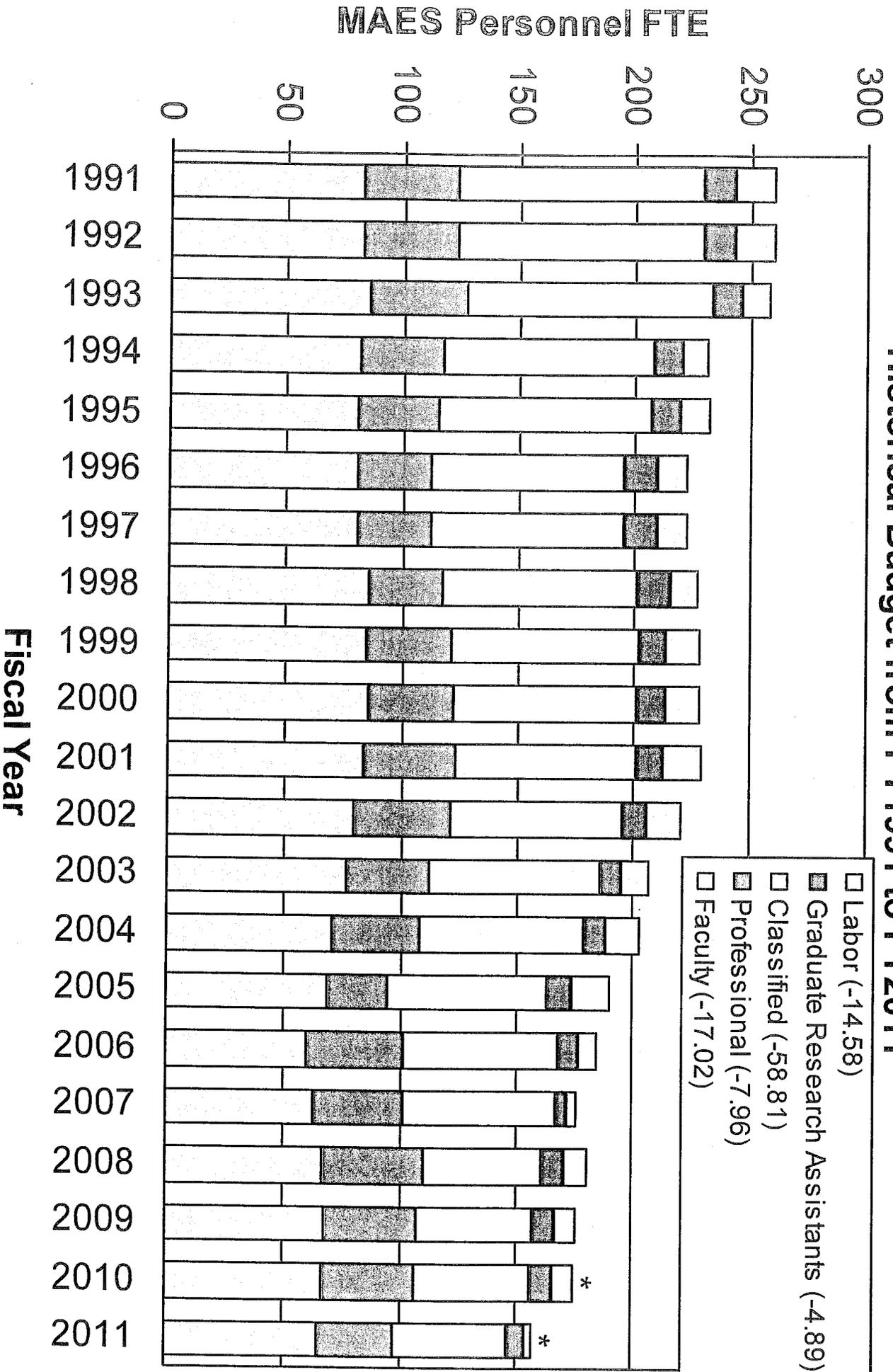
Montana Agricultural Research and Development (R&D) Funding

Proposal 1: Provide 1% of the increase in agricultural cash receipts each year to MAES for supplemental (non-base) R&D funding as an investment in Montana's main industry, agriculture.

<u>Montana's Agricultural Cash Receipts</u>	
FY2009:	\$2,565M
FY2010 (estimated):	\$3,391M
Difference:	\$826M
1% MAES R&D Fund:	\$8.26M

Proposal 2: The ag private sector invests 3 to 25% (or more) of their total base budget into agricultural R&D. Based upon the Montana Agricultural Statistics and the MAES base budget, the public sector investment (federal and state) into Montana agricultural R&D is 0.37%. If the investment was 1%, this would translate into a total MAES base budget over \$35M.

Montana Agricultural Experiment Station Historical Budget from FY1991 to FY2011



* Estimated from 2009 Legislative Allocation and 2010 Governor's Base Budget Reduction Plan.