

Program Budget Comparison

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

Program Budget Comparison								
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Budget Fiscal 2016	Budget Fiscal 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	64.78	64.78	61.52	61.52	64.78	61.52	(3.26)	(5.03)%
Personal Services	3,885,831	4,280,119	4,359,254	4,360,580	8,165,950	8,719,834	553,884	6.78 %
Operating Expenses	1,317,572	1,892,754	1,852,979	1,850,529	3,210,326	3,703,508	493,182	15.36 %
Equipment & Intangible Assets	435,934	541,512	459,434	459,434	977,446	918,868	(58,578)	(5.99)%
Grants	2,050,914	2,544,047	2,148,943	2,148,943	4,594,961	4,297,886	(297,075)	(6.47)%
Benefits & Claims	0	0	0	0	0	0	0	0.00 %
Transfers	15,000	75,842	15,000	15,000	90,842	30,000	(60,842)	(66.98)%
Total Costs	\$7,705,251	\$9,334,274	\$8,835,610	\$8,834,486	\$17,039,525	\$17,670,096	\$630,571	3.70 %
General Fund	288,691	300,335	219,274	219,298	589,026	438,572	(150,454)	(25.54)%
State/Other Special Rev. Funds	6,614,446	7,093,802	7,703,238	7,702,469	13,708,248	15,405,707	1,697,459	12.38 %
Federal Spec. Rev. Funds	802,114	1,940,137	913,098	912,719	2,742,251	1,825,817	(916,434)	(33.42)%
Total Funds	\$7,705,251	\$9,334,274	\$8,835,610	\$8,834,486	\$17,039,525	\$17,670,096	\$630,571	3.70 %

Program Description

The Agricultural Sciences Division (ASD) administers and coordinates the major activities related to:

- Pesticide management
- Pest management
- Analytical laboratory services
- Noxious weed management
- Agricultural chemical groundwater program
- Seed, feed and fertilizer program
- Organic certification
- Nursery program
- Apiary program
- Commodity programs

ASD also administers agricultural programs related to the manufacturing and certification of commodities exported from or distributed in the state. The division provides support to the Montana Noxious Weed Management Advisory Council, Noxious Weed Seed Free Forage Advisory Council, Montana Organic Commodity Advisory Council, and the Montana Mint Committee.

Program Highlights

Agricultural Sciences Division Major Budget Highlights
<ul style="list-style-type: none"> • The proposed increase in funding is primarily due to full funding of personal services costs (minus implementation of the HB 2 boilerplate language) and general operational increases that would bring operating expenses to slightly below the FY 2015 appropriation

Program Discussion -

Comparison of FY 2015 Legislative Base to FY 2015 Appropriation

The following highlights the differences between the FY 2015 appropriations as shown in the main table to the FY 2015 legislative appropriations used for purposes of the budgeted base, by program.

FY 2015 Appropriation Transactions - Agricultural Sciences Division					
Program	Legislative Appropriation	Legislative Approps OTO	House Adjustment	Program Total Transfers	Executive Implementation
Personal Services	\$4,280,119	-	-	-	\$4,280,119
Operating Expenses	1,892,754	-	-	-	1,892,754
Equipment & Intangible Assets	541,512	-	-	-	541,512
Grants	2,559,047	-	-	(15,000)	2,544,047
Transfers	75,842	-	-	-	75,842
Program Total	\$9,349,274	\$0	\$0	(\$15,000)	\$9,334,274

The total net difference between the legislative appropriation and the executive implementation is a program transfer between this division and the Agricultural Development Division.

Comparison of FY 2014 Actual Expenditures to FY 2015 Legislative Appropriations

Actual FY 2014 expenditures are \$1.6 million below the FY 2015 legislative appropriation. Primary reasons for the difference are:

- Lower personal services costs
- Turnover inside of the division that left positions vacant in excess of the anticipated vacancy rate
- Unexpended authority in FY 2014 due to lower than expected operating expenses, equipment, and grants.
- Lower than estimated demands for division services inside the agricultural community

Funding

The following table shows proposed program funding by source from all sources of authority.

Department of Agriculture, 30-Agricultural Sciences Division Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	438,572	0	0	438,572	2.47 %
02037 Mint Committee	14,000	0	0	14,000	0.09 %
02068 Noxious Weed Admin Account	3,883,988	0	0	3,883,988	25.04 %
02071 Anhydrous Ammonia Account	46,457	0	0	46,457	0.30 %
02072 Manuals & Training Account	87,552	0	0	87,552	0.56 %
02093 ALFALFA LEAF CUTTING BEE	14,346	0	0	14,346	0.09 %
02107 Environmental Contingency RIT	0	0	0	0	0.00 %
02192 Pesticide Groundwater Account	2,292,113	0	0	2,292,113	14.77 %
02193 Pesticide Account	3,071,871	0	0	3,071,871	19.80 %
02198 Fert. Groundwater Account	71,854	0	0	71,854	0.46 %
02264 Organic Certification	630,336	0	0	630,336	4.06 %
02265 FSI Produce	614,623	0	0	614,623	3.96 %
02266 Commodity Dealer/Warehouse	132,288	0	108,000	240,288	1.55 %
02267 Nursery Account	593,554	0	0	593,554	3.83 %
02268 Produce Account	843,629	0	0	843,629	5.44 %
02269 Seed Account	245,629	0	0	245,629	1.58 %
02341 Weed Seed Free Forage Account	228,690	0	0	228,690	1.47 %
02452 Commercial Fertilizer	718,696	0	0	718,696	4.63 %
02454 Commercial Feed	1,627,692	0	0	1,627,692	10.49 %
02782 Reverted Weed Grant Fund	132,136	0	0	132,136	0.85 %
02792 Apiary Account	156,253	0	0	156,253	1.01 %
State Special Total	\$15,405,707	\$0	\$108,000	\$15,513,707	87.26 %
03118 Agriculture ASD Federal	1,825,817	0	0	1,825,817	100.00 %
Federal Special Total	\$1,825,817	\$0	\$0	\$1,825,817	10.27 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$17,670,096	\$0	\$108,000	\$17,778,096	

The Agricultural Sciences Division is funded with general fund, state special revenue, and federal special revenue. General fund supports than 2.5% of the division's budget, and funds inspection and testing for prohibited materials in feed related to bovine spongiform encephalopathy (BSE or mad cow disease) and noxious weed control grants.

State special revenue represents the prominent funding source, comprising 87% of the total program funding. It is derived primarily from fees assessed for regulatory activities, product registration, and technical services. The largest funding sources are:

- The noxious weed administration account
- Pesticide account
- Pesticide groundwater account

The noxious weed administration account receives revenues from the interest earnings of the Noxious Weed Management Trust Fund and an annual transfer of \$100,000 from the highways non-restricted account.

Federal special revenue includes funding from the U.S. Forest Service, U.S. Department of Agriculture, and the Environmental Protection Agency. Federal funds support noxious weed mitigation and portions of the Bovine Spongiform Encephalopathy (BSE) feed sampling program.

Budget Summary by Category

The following summarizes the total budget utilizing the FY 2015 Legislative base, present law adjustments, and new proposals.

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				
	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget	
2015 Budget	300,335	300,335	600,670	136.96 %	9,349,274	9,349,274	18,698,548	105.82 %	
PL Adjustments	(81,061)	(81,037)	(162,098)	(36.96)%	(546,164)	(547,288)	(1,093,452)	(6.19)%	
New Proposals	0	0	0	0.00 %	32,500	32,500	65,000	0.37 %	
Total Budget	\$219,274	\$219,298	\$438,572		\$8,835,610	\$8,834,486	\$17,670,096		

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from FY 2015 legislative appropriation to the budget proposed by the executive. PSPL adjusts all personal services. LGPL provides for adjustments to other expenditures such as operating expenses. Each is discussed in the narrative that follows. Total funds in the Present Law Adjustments table do not include proprietary funds budgeted in House Bill 2.

Present Law Adjustments										
	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 98 - LEG. Personal Services Present Law	0.00	(92,523)	443,046	(271,388)	79,135	0.00	(92,592)	444,126	(271,073)	80,461
DP 99 - LEG. Present Law	0.00	11,462	133,890	(770,651)	(625,299)	0.00	11,555	132,041	(771,345)	(627,749)
Grand Total All Present Law Adjustments	0.00	(\$81,061)	\$576,936	(\$1,042,039)	(\$546,164)	0.00	(\$81,037)	\$576,167	(\$1,042,418)	(\$547,288)

DP 98 - LEG. Personal Services Present Law -

The Personal Services Present Law Adjustments (PSPL) in the table below includes all present law adjustments related to personal services, including statewide present law personal services adjustments. This adjustment has been broken out by some of its component parts for a more detailed understanding of the adjustments. FY 2016 and FY 2017 contain the reductions in FTE made by the executive to implement the boilerplate language in HB 2.

Personal Services Present Law Adjustments					
CP 98 PSPL Item	FTE	FY 2016			
		General Fund	State Special	Federal Special	Total Funds
State Share Health Insurance	61.52	\$2,517	\$13,629	\$13,753	\$29,899
Executive Implementation of 2015 Pay Increase		6,528	31,364	35,668	73,561
Fully Fund 2015 Legislatively Authorized FTE		7,398	-	46,032	53,430
Other		(108,967)	398,053	(366,841)	(77,755)
Personal Services Present Law Adjustments	61.52	(\$92,523)	\$443,046	(\$271,388)	\$79,135
CP 98 PSPL Item	FTE	FY 2017			
		General Fund	State Special	Federal Special	Total Funds
State Share Health Insurance	61.52	\$2,517	\$13,629	\$13,753	\$29,899
Executive Implementation of 2015 Pay Increase		6,500	31,833	35,228	73,561
Fully Fund 2015 Legislatively Authorized FTE		7,398	-	46,032	53,430
Other		(109,008)	398,665	(366,086)	(76,429)
Personal Services Present Law Adjustments	61.52	(\$92,592)	\$444,126	(\$271,073)	\$80,461

The executive proposes to decrease general fund but increase state special revenue funding to support an overall increase in personal services when compared to the FY 2015 legislative appropriations. As shown in the table 92% of the increase in FY 2016 and FY 2017 result from fully funding the 2015 authorized FTE. The large decrease came from increased turnover within the department, impacting starting salaries and longevity.

DP 99 - LEG. Present Law -

As shown the present law adjustment table, overall the executive proposes a decrease when compared to the FY 2015 budget. However, both the general fund and state special revenue show increases. The largest portion of this increase is due authority to expend fees that have been increased via administrative rule. They include:

- Noxious Weed Seed Free Forage – \$25,572 per year
- Phytosanitary Inspections – \$32,000 per year
- Seed Labeling and Licensing -\$27,000
- Alfalfa Leaf-cutting Bee Program – \$1,600 per year.

The other cost drivers include fixed costs and inflation/deflationary rates.

New Proposals -

Total funds in the New Proposals table do not include proprietary funds budgeted in House Bill 2.

New Proposals	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3003005 - Reverted Noxious Weed Grants	0.00	0	32,500	0	32,500	0.00	0	32,500	0	32,500
Total	0.00	\$0	\$32,500	\$0	\$32,500	0.00	\$0	\$32,500	\$0	\$32,500

DP 3003005 - Reverted Noxious Weed Grants -

The request would provide \$32,500 in state special revenue authority to redistribute reverted noxious weed grants to other projects. The 2013 Legislature authorized the department to make such re-grants.