

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	13.50	13.50	14.50	14.50	13.50	14.50	1.00	7.41 %
Personal Services	679,680	858,580	1,077,664	1,075,482	1,538,260	2,153,146	614,886	39.97 %
Operating Expenses	645,119	1,143,189	1,097,242	1,098,143	1,788,308	2,195,385	407,077	22.76 %
Equipment & Intangible Assets	61,689	0	61,689	61,689	61,689	123,378	61,689	100.00 %
Transfers	6,573	0	6,573	6,573	6,573	13,146	6,573	100.00 %
Total Costs	\$1,393,061	\$2,001,769	\$2,243,168	\$2,241,887	\$3,394,830	\$4,485,055	\$1,090,225	32.11 %
General Fund	0	506,413	596,662	596,283	506,413	1,192,945	686,532	135.57 %
State/Other Special Rev. Funds	647,788	729,971	697,376	697,460	1,377,759	1,394,836	17,077	1.24 %
Federal Spec. Rev. Funds	745,273	765,385	949,130	948,144	1,510,658	1,897,274	386,616	25.59 %
Total Funds	\$1,393,061	\$2,001,769	\$2,243,168	\$2,241,887	\$3,394,830	\$4,485,055	\$1,090,225	32.11 %

Program Description

The Animal Health Division provides diagnosis, prevention, control, and eradication of animal diseases, including those in bison and alternative livestock animals. The program cooperates with the Departments of Public Health and Human Services, Fish Wildlife and Parks, and the US Department of Agriculture to protect human health from animal diseases transmissible to humans. Sanitary standards are supervised for animal concentration points, such as auction markets, and certain animal product processing facilities, such as rendering plants. The Rabies Control Unit protects public and animal health from rabies by monitoring new rabies infections and enforcing quarantines.

Program Highlights

Animal Health Division Major Budget Highlights
<p>The Division proposes an increase from the prior biennium due to:</p> <ul style="list-style-type: none"> • Personal services increases for annualization of the 2015 biennium pay plan • An additional 2.0 FTE for veterinary and compliance specialists for the Designated Surveillance Area (DSA) - \$0.3 million general fund • Requested funding for brucellosis testing at DSA - \$0.9 million general fund • The division utilized only 72% of FY 2014 appropriations
Legislative Action Issues
<ul style="list-style-type: none"> • If the two DSA items are approved, the added general fund will be in the base budget • Significant authority for these requests may already be in the FY 2015 Legislative base.

Program Discussion -

Comparison of the 2015 Legislative Base and the 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 budget base.

FY 2015 Appropriation Transactions - Department of Livestock					
Program	Legislative Appropriation	Legislative Approps	House OTO Adjustment	Operating Plan	Total Executive Implementation
04 ANIMAL HEALTH DIVISION	1,495,356	506,413		-	2,001,769
Personal Services	887,466	133,245		(162,131)	858,580
Operating Expenses	607,890	373,168		(77,869)	903,189
Transfers				240,000	240,000

The difference between the legislative appropriation for FY 2015 and the executive implementation is primarily due to a transfer of funds from Department of Livestock to Department of Fish, Wildlife, and Parks as part of a memorandum of understanding (MOU). The remaining difference was due to one-time-only appropriations for brucellosis inspection.

Comparison of the 2014 Actual Expenditures to FY 2015 Legislative Appropriations

Actual FY 2014 expenditures of \$1,393,061 were \$102,295 below the FY 2015 legislative appropriation of \$1,495,356, primarily due to carry-forward authority.

Funding

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

Department of Livestock, 04-Animal Health Division Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	1,192,945	0	0	1,192,945	26.60 %	
02426 Lvstk Per Capita	1,344,836	0	0	1,344,836	96.42 %	
02427 Animal Health	50,000	0	0	50,000	3.58 %	
State Special Total	\$1,394,836	\$0	\$0	\$1,394,836	31.10 %	
03427 Bison Trap Funds	1,897,274	0	0	1,897,274	100.00 %	
03710 West Nile Virus	0	0	0	0	0.00 %	
Federal Special Total	\$1,897,274	\$0	\$0	\$1,897,274	42.30 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$4,485,055	\$0	\$0	\$4,485,055		

The program is primarily funded with federal funds supporting bison operations and the Greater Yellowstone Interagency Brucellosis Committee (GYIBC) research and cooperative efforts. The program is also supported with a state special revenue fund via a per capita livestock fee to support disease control, import/export activities, and alternative livestock activities. General fund is proposed to support brucellosis activities for the 2017 biennium.

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	0	0	0	0.00 %	1,495,356	1,495,356	2,990,712	66.68 %
PL Adjustments	0	0	0	0.00 %	151,150	150,248	301,398	6.72 %
New Proposals	596,662	596,283	1,192,945	100.00 %	596,662	596,283	1,192,945	26.60 %
Total Budget	\$596,662	\$596,283	\$1,192,945		\$2,243,168	\$2,241,887	\$4,485,055	

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	0	301,669	(260,564)	41,105	0.00	0	293,164	(253,862)	39,302
DP 99 - LEG. Present Law	0.00	0	(334,264)	444,309	110,045	0.00	0	(325,675)	436,621	110,946
Grand Total All Present Law Adjustments	0.00	\$0	(\$32,595)	\$183,745	\$151,150	0.00	\$0	(\$32,511)	\$182,759	\$150,248

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					
FY 2016					
CP 98 PSPL Item	FTE	General Fund	State Special	Federal Special	Total Funds
State Share Health Insurance	12.50	\$0	\$3,966	\$2,109	\$6,075
Executive Implementation of 2015 Pay Increase		-	9,668	5,710	15,378
Fully Fund 2015 Legislatively Authorized FTE		-	12,750	5,894	18,644
Other		-	275,285	(274,277)	1,008
Personal Services Present Law Adjustments	12.50	\$0	\$301,669	(\$260,564)	\$41,105
FY 2017					
CP 98 PSPL Item	FTE	General Fund	State Special	Federal Special	Total Funds
State Share Health Insurance	12.50	\$0	\$3,966	\$2,109	\$6,075
Executive Implementation of 2015 Pay Increase		-	9,668	5,710	15,378
Fully Fund 2015 Legislatively Authorized FTE		-	12,750	5,894	18,644
Other		-	266,780	(267,575)	(795)
Personal Services Present Law Adjustments	12.50	\$0	\$293,164	(\$253,862)	\$39,302

The executive proposes to increase support to personal services by 21.4% in FY 2016 and 21.2% in FY 2017 in comparison to the FY 2015 legislatively appropriated budget of \$887,466. The adjustments are due to the three main line items and pay raises due to longevity.

DP 99 - LEG. Present Law -

LGPL adjustments are primarily due to laboratory testing as well as costs associated with vehicles and trucks.

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 400401 - DSA Vet and Compliance Specialist	2.00	149,093	0	0	149,093	2.00	148,714	0	0	148,714
DP 400402 - DSA Brucellosis Testing	0.00	447,569	0	0	447,569	0.00	447,569	0	0	447,569
Total	2.00	\$596,662	\$0	\$0	\$596,662	2.00	\$596,283	\$0	\$0	\$596,283

DP 400401 - DSA Vet and Compliance Specialist -

This request is for \$149,093 in FY 2016 and \$148,714 in FY 2017 of general fund for 1.00 FTE brucellosis veterinarian and 1.00 FTE brucellosis compliance specialist for the Designated Surveillance Area (DSA). These positions have been one-time-only (OTO) for the past four years. It is clear that the DSA will continue into the future and is vital to maintain the marketability of Montana cattle. This request makes these positions permanent.

LFD COMMENT These positions have been funded as one-time-only (OTO) in the past two legislative sessions. If these two DPs are approved, the general fund will be in the base budget.

DP 400402 - DSA Brucellosis Testing -

The budget includes \$447,569 per year in general fund for Designated Surveillance Area (DSA) brucellosis testing. Previously, the legislature approved general fund for brucellosis surveillance in Montana to maintain brucellosis free status in Montana. The cost per test is estimated at \$7.94 for an estimated 56,369 cattle tested. The DSA has expanded in 2011, 2012, and 2014 because of new information about the distribution of brucellosis positive elk. It includes parts of Park, Gallatin, Madison, and Beaverhead counties for an area of 7,106 sq. miles. The DSA and associated testing allows the majority of Montana cattle to ship interstate without additional brucellosis testing requirements.

LFD COMMENT As of this writing an investigation of a new brucellosis discovery was underway. The committee may want an update on the issues.