

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	6.50	6.50	7.50	7.50	6.50	7.50	1.00	15.38 %
Personal Services	360,783	391,994	489,936	489,604	752,777	979,540	226,763	30.12 %
Operating Expenses	64,420	65,807	123,832	75,034	130,227	198,866	68,639	52.71 %
Total Costs	\$425,203	\$457,801	\$613,768	\$564,638	\$883,004	\$1,178,406	\$295,402	33.45 %
State/Other Special Rev. Funds	403,862	429,311	592,427	543,297	833,173	1,135,724	302,551	36.31 %
Federal Spec. Rev. Funds	21,341	28,490	21,341	21,341	49,831	42,682	(7,149)	(14.35)%
Total Funds	\$425,203	\$457,801	\$613,768	\$564,638	\$883,004	\$1,178,406	\$295,402	33.45 %

Program Description

The Milk and Egg Inspection program ensures that eggs, milk, and milk products sold or manufactured in Montana are fit for human consumption. Enforcement of state and federal laws is accomplished through licensing, sampling, laboratory testing, and product and site inspections, done in cooperation with other state and federal agencies.

Program Highlights

Milk and Egg Program Major Budget Highlights
<p>The program budget increases over the previous biennium due to:</p> <ul style="list-style-type: none"> • Personal services present law adjustments • New proposal for IT software • Present law proposal of 1.00 FTE

Program Discussion -

Comparison of FY 2015 Legislative Appropriation to FY 2015 Executive Implementation

FY 2015 Appropriation Transactions - Department of Livestock					
Program	Legislative Appropriation	Legislative Approps	House OTO Adjustment	Operating Plan	Total Executive Implementation
05 MILK & EGG PROGRAM	457,801		-		457,801
Personal Services	391,994		-		391,994
Operating Expenses	65,807		-		65,807

There are no differences between FY 2015 Legislative Appropriation and FY 2015 as implemented by the executive.

Comparison of FY 2014 Actual Expenditures to FY 2015 Legislative Appropriation

Actual FY 2014 expenditures of \$425,203 were \$32,598 below the FY 2015 legislative appropriation of \$457,801 due to vacancy savings.

Funding

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

Department of Livestock, 05-Milk & Egg Program Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0.00 %	
02262 Egg Shielded Grading Program	375,975	0	0	375,975	33.10 %	
02427 Animal Health	0	0	0	0	0.00 %	
02701 Milk and Egg Inspection	759,749	0	0	759,749	66.90 %	
State Special Total	\$1,135,724	\$0	\$0	\$1,135,724	96.38 %	
03032 Animal Health Sp. Rev	42,682	0	0	42,682	100.00 %	
Federal Special Total	\$42,682	\$0	\$0	\$42,682	3.62 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$1,178,406	\$0	\$0	\$1,178,406		

State special revenue from milk industry fees is the primary funding source for this division. Federal special revenues are provided by the U.S. Department of Agriculture to conduct shell egg surveillance.

Budget Summary by Category

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

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 %	457,801	457,801	915,602	0.00 %
PL Adjustments	0	0	0	0.00 %	100,967	101,837	202,804	0.00 %
New Proposals	0	0	0	0.00 %	55,000	5,000	60,000	0.00 %
Total Budget	\$0	\$0	\$0		\$613,768	\$564,638	\$1,178,406	

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	104,877	(6,935)	97,942	0.00	0	104,462	(6,852)	97,610
DP 99 - LEG. Present Law	0.00	0	3,239	(214)	3,025	0.00	0	4,524	(297)	4,227
Grand Total All Present Law Adjustments	0.00	\$0	\$108,116	(\$7,149)	\$100,967	0.00	\$0	\$108,986	(\$7,149)	\$101,837

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	6.50	\$0	\$3,159	\$0	\$3,159
Executive Implementation of 2015 Pay Increase		-	7,045	-	7,045
Fully Fund 2015 Legislatively Authorized FTE		-	7,358	-	7,358
Other	1.00	-	87,315	(6,935)	80,380
Personal Services Present Law Adjustments	7.50	\$0	\$104,877	(\$6,935)	\$97,942
FY 2017					
CP 98 PSPL Item	FTE	General Fund	State Special	Federal Special	Total Funds
State Share Health Insurance	6.50	\$0	\$3,159	\$0	\$3,159
Executive Implementation of 2015 Pay Increase		-	7,045	-	7,045
Fully Fund 2015 Legislatively Authorized FTE		-	7,358	-	7,358
Other	1.00	-	86,900	(6,852)	80,048
Personal Services Present Law Adjustments	7.50	\$0	\$104,462	(\$6,852)	\$97,610

The executive proposes to decrease personal services adjustments by 25% in FY 2016 and 25% in FY 2017 when compared to the FY 2015 legislative budget primarily due to request of 1.00 FTE for Egg Grading.

DP 99 - LEG. Present Law -

The adjustments in LGPL primarily consist of fixed costs, inflation, and deflation.

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 500510 - Milk and Egg Software	0.00	0	55,000	0	55,000	0.00	0	5,000	0	5,000
Total	0.00	\$0	\$55,000	\$0	\$55,000	0.00	\$0	\$5,000	\$0	\$5,000

DP 500510 - Milk and Egg Software -

The executive requests a software program to manage the milk licensing function for Montana dairy producers and plants. The system would also track all submissions and results from the milk testing lab. Data tracked would be used to determine any non-compliance with federal and state dairy sanitation requirements.