

Agency Budget Comparison

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

Agency Budget Comparison								
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Legislative Budget 2016	Legislative Budget 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	118.53	118.53	115.74	115.74	118.53	115.74	(2.79)	(2.35)%
Personal Services	6,743,950	7,384,999	7,816,246	7,840,039	14,128,949	15,656,285	1,527,336	10.81 %
Operating Expenses	3,014,179	4,527,904	4,636,995	4,599,055	7,542,083	9,236,050	1,693,967	22.46 %
Equipment & Intangible Assets	509,214	566,389	447,889	447,889	1,075,603	895,778	(179,825)	(16.72)%
Grants	5,224,550	5,109,075	4,510,892	4,504,803	10,333,625	9,015,695	(1,317,930)	(12.75)%
Benefits & Claims	0	0	0	0	0	0	0	0.00 %
Transfers	259,899	295,725	255,574	255,574	555,624	511,148	(44,476)	(8.00)%
Total Costs	\$15,751,792	\$17,884,092	\$17,667,596	\$17,647,360	\$33,635,884	\$35,314,956	\$1,679,072	4.99 %
General Fund	969,414	985,598	971,552	929,368	1,955,012	1,900,920	(54,092)	(2.77)%
State/Other Special Rev. Funds	13,274,701	14,146,180	14,835,499	14,853,143	27,420,881	29,688,642	2,267,761	8.27 %
Federal Spec. Rev. Funds	996,061	2,142,597	1,293,777	1,297,499	3,138,658	2,591,276	(547,382)	(17.44)%
Proprietary Funds	511,616	609,717	566,768	567,350	1,121,333	1,134,118	12,785	1.14 %
Total Funds	\$15,751,792	\$17,884,092	\$17,667,596	\$17,647,360	\$33,635,884	\$35,314,956	\$1,679,072	4.99 %

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Legislative Budget Analysis, C-214

Executive Budget Comparison

The following table compares the legislative budget for the 2017 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2014	Executive Budget Fiscal 2016	Legislative Budget Fiscal 2016	Leg — Exec. Difference Fiscal 2016	Executive Budget Fiscal 2017	Legislative Budget Fiscal 2017	Leg — Exec. Difference Fiscal 2017	Biennium Difference Fiscal 16-17
FTE	118.53	115.74	115.74	0.00	115.74	115.74	0.00	0.00
Personal Services	6,743,950	7,965,255	7,816,246	(149,009)	7,966,421	7,840,039	(126,382)	(275,391)
Operating Expenses	3,014,179	3,974,605	4,636,995	662,390	3,926,438	4,599,055	672,617	1,335,007
Equipment & Intangible Assets	509,214	544,714	447,889	(96,825)	544,714	447,889	(96,825)	(193,650)
Grants	5,224,550	5,248,911	4,510,892	(738,019)	5,242,822	4,504,803	(738,019)	(1,476,038)
Benefits & Claims	0	0	0	0	0	0	0	0
Transfers	259,899	259,899	255,574	(4,325)	259,899	255,574	(4,325)	(8,650)
Total Costs	\$15,751,792	\$17,993,384	\$17,667,596	(\$325,788)	\$17,940,294	\$17,647,360	(\$292,934)	(\$618,722)
General Fund	969,414	1,236,637	971,552	(265,085)	1,192,641	929,368	(263,273)	(528,358)
State/other Special Rev. Funds	13,274,701	14,949,865	14,835,499	(114,366)	14,941,659	14,853,143	(88,516)	(202,882)
Federal Spec. Rev. Funds	996,061	1,142,707	1,293,777	151,070	1,142,163	1,297,499	155,336	306,406
Other	511,616	664,175	566,768	(97,407)	663,831	567,350	(96,481)	(193,888)
Total Funds	\$15,751,792	\$17,993,384	\$17,667,596	(\$325,788)	\$17,940,294	\$17,647,360	(\$292,934)	(\$618,722)

The legislatively-approved budget decreases both general fund and state special revenue for FY 2016 and FY 2017 when compared to the executive request. The reduction is mostly due to reductions in personal services and operating

adjustments. The adjustments include two one-time-only state special revenue appropriations for noxious weed coordination and food and agricultural development centers.

Agency Highlights

Department of Agriculture Major Budget Highlights
<ul style="list-style-type: none"> • The primary driver of the reduction in the department budget are adjustments in personal services and operating expenses. • Two new proposals for noxious weed coordination (\$300,000) and food and agricultural development centers (\$210,000) offset the reductions.

Funding

The following table shows proposed agency funding by source of authority as proposed. Funding for each program is discussed in detail in the individual program narratives that follow.

Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	1,900,920	0	1,380,000	3,280,920	6.07 %
State Special Total	29,688,642	0	2,302,970	31,991,612	59.16 %
Federal Special Total	2,591,276	0	0	2,591,276	4.79 %
Proprietary Total	1,134,118	116,400	14,966,414	16,216,932	29.99 %
Other Total	0	0	0	0	0.00 %
Total All Funds	\$35,314,956	\$116,400	\$18,649,384	\$54,080,740	
Percent - Total All Sources	65.30 %	0.22 %	34.48 %		

The Department of Agriculture is funded from general fund, state special revenue, federal special revenue, and proprietary funds. State special revenue is the predominant funding source. Major funds include:

- Wheat and Barley Research and Marketing Account
- Noxious Weed Admin Account
- Pesticide Account
- Coal tax shared account

General fund comprises about 8.54% of the department’s funding and is primarily used for program activities such as grants, mad cow disease, agriculture literacy, marketing, and statistics.

Coal Tax Shared Account

Section 15-35,108, MCA provides for 5.46% of coal severance tax collections to be deposited to a state special revenue fund to be used for the following:

- Basic library services for residents of all counties
- Conservation districts
- Growth through Agriculture

Any unreserved fund balance at the end of each fiscal year must be deposited in to the general fund.

The Growth Through Agriculture program funds grants and operations of the Agriculture Development Council, which is administratively attached to the Department of Agriculture.

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	985,598	985,598	1,971,196	103.70 %	17,779,092	17,779,092	35,558,184	100.69 %
PL Adjustments	(14,046)	(56,230)	(70,276)	(3.70)%	(318,516)	(332,720)	(651,236)	(1.84)%
New Proposals	0	0	0	0.00 %	207,020	200,988	408,008	1.16 %
Total Budget	\$971,552	\$929,368	\$1,900,920		\$17,667,596	\$17,647,360	\$35,314,956	

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	Legislative Budget 2016	Legislative Budget 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	15.00	15.00	15.00	15.00	15.00	15.00	0.00	0.00 %
Personal Services	1,129,275	1,179,639	1,296,160	1,299,631	2,308,914	2,595,791	286,877	12.42 %
Operating Expenses	167,779	140,096	201,575	157,441	307,875	359,016	51,141	16.61 %
Equipment & Intangible Assets	0	0	0	0	0	0	0	0.00 %
Total Costs	\$1,297,054	\$1,319,735	\$1,497,735	\$1,457,072	\$2,616,789	\$2,954,807	\$338,018	12.92 %
General Fund	134,542	112,957	154,531	110,331	247,499	264,862	17,363	7.02 %
State/Other Special Rev. Funds	862,862	895,391	1,107,801	1,110,429	1,758,253	2,218,230	459,977	26.16 %
Federal Spec. Rev. Funds	156,694	162,460	107,016	107,490	319,154	214,506	(104,648)	(32.79)%
Proprietary Funds	142,956	148,927	128,387	128,822	291,883	257,209	(34,674)	(11.88)%
Total Funds	\$1,297,054	\$1,319,735	\$1,497,735	\$1,457,072	\$2,616,789	\$2,954,807	\$338,018	12.92 %

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Legislative Budget Analysis, C-219

Funding

The Central Services Division (CSD) is funded based on the expenditures of the two other divisions within the agency and their funding sources. A portion of the funding is an indirect cost reimbursement from federal grants administered by the agency. The division also uses an administrative assessment charged to the state special and proprietary revenue accounts used by the divisions that are supported by CSD activities. General fund is used to account for any difference between the assessed amount and the budgeted expenditures for the CSD and for the costs associated with the legislative audit.

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	112,957	112,957	225,914	85.30 %	1,319,735	1,319,735	2,639,470	89.33 %
PL Adjustments	41,574	(2,626)	38,948	14.70 %	178,000	137,337	315,337	10.67 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$154,531	\$110,331	\$264,862		\$1,497,735	\$1,457,072	\$2,954,807	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from FY 2015 legislative appropriation to the budget proposed. Each is discussed in the narrative that follows.

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 510 - Legislative Audit - HB 2 2014 Fixed Costs (RST/BIEN)	0.00	43,316	0	0	43,316	0.00	0	0	0	0
DP 515 - State Share Health Insurance	0.00	347	10,297	(2,545)	7,290	0.00	347	10,297	(2,545)	7,290
DP 525 - Fixed Cost Adjustment	0.00	949	7,522	1,365	11,087	0.00	948	7,514	1,362	11,074
DP 526 - 2017 Biennium Legislative Audit (Restricted/Biennial)	0.00	1,213	0	0	1,213	0.00	0	0	0	0
DP 527 - Inflation/Deflation Adjustment	0.00	(170)	(1,350)	(245)	(1,990)	0.00	(136)	(1,075)	(195)	(1,584)
DP 529 - Longevity and Other Adjustments	0.00	24	190	35	284	0.00	321	2,548	462	3,755
DP 531 - SITSD Rate Adjustment	0.00	642	9,227	1,405	11,663	0.00	642	9,229	1,405	11,665
DP 532 - General Liability Insurance Rate Adjustment	0.00	(209)	(3,000)	(457)	(3,792)	0.00	(209)	(3,000)	(457)	(3,792)
DP 550 - Motor Pool Rate Adjustment	0.00	(2)	(12)	(2)	(18)	0.00	(2)	(12)	(2)	(18)
DP 570 - Additional Personal Services Adjustments	0.00	(4,536)	189,536	(55,000)	108,947	0.00	(4,537)	189,537	(55,000)	108,947
Grand Total All Present Law Adjustments	0.00	\$41,574	\$212,410	(\$55,444)	\$178,000	0.00	(\$2,626)	\$215,038	(\$54,970)	\$137,337

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 510 - Legislative Audit - HB 2 2014 Fixed Costs (RST/BIEN) -

The legislature provided a restricted biennial appropriation for the legislative audit costs. The funding is established at the level of the 2015 biennial appropriation contained in HB 2 as enacted by the 2013 Legislature.

DP 515 - State Share Health Insurance -

The legislature provided appropriation authority for the state share of health insurance, as adopted by the 2013 Legislature.

DP 525 - Fixed Cost Adjustment -

The legislature adopted proprietary rates for fixed costs charged to state agencies for services such as information technology or rent and grounds maintenance within the capitol complex. Rates for messenger services, legislative audit, grounds maintenance, records management, agency legal costs, and the statewide cost allocation plan were adopted as proposed by the executive. The legislature lowered proprietary rates for warrant writer, payroll services, SABHRS, SITSD fees, and rent. The legislature increased insurance premiums to provide for increased costs of claims and to establish a reserve for the insurance fund.

DP 526 - 2017 Biennium Legislative Audit (Restricted/Biennial) -

The legislature adjusted legislative audit costs and funding based on the current estimate of the Legislative Auditor.

DP 527 - Inflation/Deflation Adjustment -

The legislature adopted inflation/deflation factors for budgeted expenditures such as food or electricity. The legislature concurred with the executive on the factors with the exception of gasoline, aviation gasoline, diesel fuel, and jet fuel. For these factors the legislature further deflated costs to align the budget with more current information on declining prices of oil and gas projected to continue into the 2017 biennium.

DP 529 - Longevity and Other Adjustments -

The legislature adopted personal service adjustments for unemployment insurance, workers compensation rates, longevity, retirement, and health benefits.

DP 531 - SITSD Rate Adjustment -

The legislature approved an increase for fixed cost rates included in state agency budgets for information technology services provided by the State Information Technology Services Division (SITSD).

DP 532 - General Liability Insurance Rate Adjustment -

The legislature reduced the rate assessed to state agencies for general liability insurance provided by the Risk Management and Tort Defense Division.

DP 550 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to the motor pool rates.

DP 570 - Additional Personal Services Adjustments -

The legislature adopted all other personal service cost adjustments, except the annualization of the 2015 biennium pay plan.

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	Legislative Budget 2016	Legislative Budget 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	64.78	64.78	62.52	62.52	64.78	62.52	(2.26)	(3.49)%
Personal Services	3,885,831	4,280,119	4,400,037	4,414,229	8,165,950	8,814,266	648,316	7.94 %
Operating Expenses	1,317,572	1,892,754	1,914,261	1,915,813	3,210,326	3,830,074	619,748	19.30 %
Equipment & Intangible Assets	435,934	541,512	423,012	423,012	977,446	846,024	(131,422)	(13.45)%
Grants	2,050,914	2,544,047	2,019,547	2,019,547	4,594,961	4,039,094	(555,867)	(12.10)%
Benefits & Claims	0	0	0	0	0	0	0	0.00 %
Transfers	15,000	75,842	38,342	38,342	90,842	76,684	(14,158)	(15.59)%
Total Costs	\$7,705,251	\$9,334,274	\$8,795,199	\$8,810,943	\$17,039,525	\$17,606,142	\$566,617	3.33 %
General Fund	288,691	300,335	243,083	244,534	589,026	487,617	(101,409)	(17.22)%
State/Other Special Rev. Funds	6,614,446	7,093,802	7,440,258	7,451,324	13,708,248	14,891,582	1,183,334	8.63 %
Federal Spec. Rev. Funds	802,114	1,940,137	1,111,858	1,115,085	2,742,251	2,226,943	(515,308)	(18.79)%
Total Funds	\$7,705,251	\$9,334,274	\$8,795,199	\$8,810,943	\$17,039,525	\$17,606,142	\$566,617	3.33 %

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Legislative Budget Analysis, C-223

Funding

The Agricultural Sciences Division is funded with general fund, state special revenue, and federal special revenue. General fund supports 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. 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 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	123.18 %	9,349,274	9,349,274	18,698,548	106.20 %
PL Adjustments	(57,252)	(55,801)	(113,053)	(23.18)%	(714,066)	(698,389)	(1,412,455)	(8.02)%
New Proposals	0	0	0	0.00 %	159,991	160,058	320,049	1.82 %
Total Budget	\$243,083	\$244,534	\$487,617		\$8,795,199	\$8,810,943	\$17,606,142	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from FY 2015 legislative appropriation to the budget proposed. Each is discussed in the narrative that follows.

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 515 - State Share Health Insurance	0.00	2,517	13,629	13,753	29,899	0.00	2,517	13,629	13,753	29,899
DP 520 - Fully Fund 2015 Legislatively Authorized FTE	0.00	7,398	0	46,032	53,430	0.00	7,398	0	46,032	53,430
DP 525 - Fixed Cost Adjustment	0.00	3,012	71,152	19,610	93,774	0.00	2,957	69,854	19,253	92,064
DP 527 - Inflation/Deflation Adjustment	0.00	(574)	(13,548)	(3,734)	(17,856)	0.00	(476)	(11,250)	(3,100)	(14,826)
DP 529 - Longevity and Other Adjustments	0.00	(580)	(13,688)	(3,773)	(18,041)	0.00	(160)	(3,778)	(1,041)	(4,979)
DP 550 - Motor Pool Rate Adjustment	0.00	0	(6)	0	(6)	0.00	0	(7)	0	(7)
DP 570 - Additional Personal Services Adjustments	0.00	(69,025)	334,755	(291,167)	(25,437)	0.00	(68,037)	334,845	(290,949)	(24,141)
DP 580 - Additional Operating Adjustments	0.00	0	(295,901)	(624,000)	(919,901)	0.00	0	(295,901)	(624,000)	(919,901)
DP 3000444 - Statewide 4% FTE Reduction - Program 30	(3.26)	0	0	0	0	(3.26)	0	0	0	0
DP 3003003 - Establish HB 2 Authority for Seed Mediation	0.00	0	3,900	0	3,900	0.00	0	3,900	0	3,900
DP 3003004 - Program 30 Fees Amended by Rule	0.00	0	86,172	0	86,172	0.00	0	86,172	0	86,172
Grand Total All Present Law Adjustments	(3.26)	(\$57,252)	\$186,465	(\$843,279)	(\$714,066)	(3.26)	(\$55,801)	\$197,464	(\$840,052)	(\$698,389)

***Total Funds** amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 515 - State Share Health Insurance -

The legislature provided appropriation authority for the state share of health insurance, as adopted by the 2013 Legislature.

DP 520 - Fully Fund 2015 Legislatively Authorized FTE -

The legislature provided appropriation authority to restore personal services funding to create a vacancy savings rate of zero.

DP 525 - Fixed Cost Adjustment -

The legislature adopted proprietary rates for fixed costs charged to state agencies for services such as information technology or rent and grounds maintenance within the capitol complex. Rates for messenger services, legislative audit, grounds maintenance, records management, agency legal costs, and the statewide cost allocation plan were adopted as proposed by the executive. The legislature lowered proprietary rates for warrant writer, payroll services, SABHRS, SITSD fees, and rent. The legislature increased insurance premiums to provide for increased costs of claims and to establish a reserve for the insurance fund.

DP 527 - Inflation/Deflation Adjustment -

The legislature adopted inflation/deflation factors for budgeted expenditures such as food or electricity. The legislature concurred with the executive on the factors with the exception of gasoline, aviation gasoline, diesel fuel, and jet fuel. For these factors the legislature further deflated costs to align the budget with more current information on declining prices of oil and gas projected to continue into the 2017 biennium.

DP 529 - Longevity and Other Adjustments -

The legislature adopted personal service adjustments for unemployment insurance, workers compensation rates, longevity, retirement, and health benefits.

DP 550 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to the motor pool rates.

DP 570 - Additional Personal Services Adjustments -

The legislature adopted all other personal service cost adjustments, except the annualization of the 2015 biennium pay plan.

DP 580 - Additional Operating Adjustments -

The legislature adopted all other operating cost adjustments.

DP 3000444 - Statewide 4% FTE Reduction - Program 30 -

FY 2016 and FY 2017 contain any reductions in FTE made by the executive to implement the boilerplate language in HB 2. Though intended by the legislature, the FY 2014 and FY 2015 FTE levels do not reflect this language.

DP 3003003 - Establish HB 2 Authority for Seed Mediation -

The legislature appropriated additional funds for the seed mediation program which had previously been statutorily appropriated.

DP 3003004 - Program 30 Fees Amended by Rule -

The legislature authorized additional appropriations to allow the department to use revenue associated with fee changes.

New Proposals -

The "New Proposals" table shows the changes from the legislative appropriation for FY 15 to the proposed budget.

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
DP 6201001 - Statewide Noxious Weed Control Coordination (RST/OTO)	1.00	0	127,491	0	127,491	1.00	0	127,558	0	127,558
Total	1.00	\$0	\$159,991	\$0	\$159,991	1.00	\$0	\$160,058	\$0	\$160,058

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3003005 - Reverted Noxious Weed Grants -

The legislature authorized additional authority to allow the department to redistribute reverted noxious weed grants to other projects..

DP 6201001 - Statewide Noxious Weed Control Coordination (RST/OTO) -

The legislature appropriated funds from the environmental quality protection fund state special revenue account for the statewide noxious weed control coordination program that assists weed districts and local governments in their weed control efforts. This included one FTE and the associated operating expenses of the program.

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	Legislative Budget 2016	Legislative Budget 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	38.75	38.75	38.22	38.22	38.75	38.22	(0.53)	(1.37)%
Personal Services	1,728,844	1,925,241	2,120,049	2,126,179	3,654,085	4,246,228	592,143	16.20 %
Operating Expenses	1,528,828	2,495,054	2,521,159	2,525,801	4,023,882	5,046,960	1,023,078	25.43 %
Equipment & Intangible Assets	73,280	24,877	24,877	24,877	98,157	49,754	(48,403)	(49.31)%
Grants	3,173,636	2,565,028	2,491,345	2,485,256	5,738,664	4,976,601	(762,063)	(13.28)%
Transfers	244,899	219,883	217,232	217,232	464,782	434,464	(30,318)	(6.52)%
Total Costs	\$6,749,487	\$7,230,083	\$7,374,662	\$7,379,345	\$13,979,570	\$14,754,007	\$774,437	5.54 %
General Fund	546,181	572,306	573,938	574,503	1,118,487	1,148,441	29,954	2.68 %
State/Other Special Rev. Funds	5,797,393	6,156,987	6,287,440	6,291,390	11,954,380	12,578,830	624,450	5.22 %
Federal Spec. Rev. Funds	37,253	40,000	74,903	74,924	77,253	149,827	72,574	93.94 %
Proprietary Funds	368,660	460,790	438,381	438,528	829,450	876,909	47,459	5.72 %
Total Funds	\$6,749,487	\$7,230,083	\$7,374,662	\$7,379,345	\$13,979,570	\$14,754,007	\$774,437	5.54 %

Page Reference

Legislative Budget Analysis, C-228

Funding

The Agricultural Sciences Division is funded with general fund, state special revenue, and federal special revenue. General fund supports division administration, agricultural marketing, agricultural statistics functions, and the state grain lab. However, the funding for the Agricultural Development Division is dominated by state special revenue (SSR) including the wheat and barley research and marketing, coal severance tax collections, grain testing fees, alfalfa seed assessments, income tax check offs for Agriculture in Montana Schools, and interest earnings from invested fund balances in various accounts. Federal special revenue is from federal grants used to develop agriculture markets, marketing projects, and related operating costs.

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	572,306	572,306	1,144,612	99.67 %	7,110,083	7,110,083	14,220,166	96.38 %
PL Adjustments	1,632	2,197	3,829	0.33 %	217,550	228,332	445,882	3.02 %
New Proposals	0	0	0	0.00 %	47,029	40,930	87,959	0.60 %
Total Budget	\$573,938	\$574,503	\$1,148,441		\$7,374,662	\$7,379,345	\$14,754,007	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from FY 2015 legislative appropriation to the budget proposed. Each is discussed in the narrative that follows.

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 515 - State Share Health Insurance	0.00	(3,079)	12,608	5,940	18,575	0.00	(3,079)	12,608	5,940	18,575
DP 520 - Fully Fund 2015 Legislatively Authorized FTE	0.00	0	80,509	0	90,761	0.00	0	80,509	0	90,761
DP 525 - Fixed Cost Adjustment	0.00	5,740	60,702	251	71,315	0.00	5,635	59,595	246	70,013
DP 527 - Inflation/Deflation Adjustment	0.00	(1,080)	(11,424)	(47)	(13,421)	0.00	(895)	(9,463)	(39)	(11,117)
DP 529 - Longevity and Other Adjustments	0.00	158	1,675	7	1,968	0.00	645	6,816	28	8,008
DP 550 - Motor Pool Rate Adjustment	0.00	(107)	(87)	(11)	(252)	0.00	(109)	(88)	(10)	(254)
DP 570 - Additional Personal Services Adjustments	0.00	0	111,704	(237)	83,504	0.00	0	112,097	(241)	83,594
DP 580 - Additional Operating Adjustments	0.00	0	(90,000)	44,000	(46,000)	0.00	0	(90,000)	44,000	(46,000)
DP 999901 - Coal Shared Account Adjustment	0.00	0	0	0	0	0.00	0	3,652	0	3,652
DP 5000444 - Statewide 4% FTE Reduction - Program 50	(0.53)	0	0	0	0	(0.53)	0	0	0	0
DP 5005004 - Program 50 Fees Amended by Rule	0.00	0	11,100	0	11,100	0.00	0	11,100	0	11,100
DP 5005005 - Hail Insurance Program Administration	0.00	0	0	0	0	0.00	0	0	0	0
Grand Total All Present Law Adjustments	(0.53)	\$1,632	\$176,787	\$49,903	\$217,550	(0.53)	\$2,197	\$186,826	\$49,924	\$228,332

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 515 - State Share Health Insurance -

The legislature provided appropriation authority for the state share of health insurance, as adopted by the 2013 Legislature.

DP 520 - Fully Fund 2015 Legislatively Authorized FTE -

The legislature provided appropriation authority to restore personal services funding to create a vacancy savings rate of zero.

DP 525 - Fixed Cost Adjustment -

The legislature adopted proprietary rates for fixed costs charged to state agencies for services such as information technology or rent and grounds maintenance within the capitol complex. Rates for messenger services, legislative audit, grounds maintenance, records management, agency legal costs, and the statewide cost allocation plan were adopted as proposed by the executive. The legislature lowered proprietary rates for warrant writer, payroll services, SABHRS, SITSD fees, and rent. The legislature increased insurance premiums to provide for increased costs of claims and to establish a reserve for the insurance fund.

DP 527 - Inflation/Deflation Adjustment -

The legislature adopted inflation/deflation factors for budgeted expenditures such as food or electricity. The legislature concurred with the executive on the factors with the exception of gasoline, aviation gasoline, diesel fuel, and jet fuel. For these factors the legislature further deflated costs to align the budget with more current information on declining prices of oil and gas projected to continue into the 2017 biennium.

DP 529 - Longevity and Other Adjustments -

The legislature adopted personal service adjustments for unemployment insurance, workers compensation rates, longevity, retirement, and health benefits.

DP 550 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to the motor pool rates.

DP 570 - Additional Personal Services Adjustments -

The legislature adopted all other personal service cost adjustments, except the annualization of the 2015 biennium pay plan.

DP 580 - Additional Operating Adjustments -

The legislature adopted all other operating cost adjustments.

DP 999901 - Coal Shared Account Adjustment -

The legislature increased appropriations for the coal tax shared account based on revised revenue estimates.

DP 5000444 - Statewide 4% FTE Reduction - Program 50 -

FY 2016 and FY 2017 contain any reductions in FTE made by the executive to implement the boilerplate language in HB 2. Though intended by the legislature, the FY 2014 and FY 2015 FTE levels do not reflect this language.

DP 5005004 - Program 50 Fees Amended by Rule -

The legislature authorized additional appropriations to allow the department to use revenue associated with fee changes.

DP 5005005 - Hail Insurance Program Administration -

The legislature appropriated proprietary funding for the department to administer the Hail Insurance Program. As a result of the 2013 legislative session's SB 162, the Department of Revenue transferred administrative duties of the Hail Insurance Program to the Department of Agriculture.

New Proposals -

The "New Proposals" table shows the changes from the legislative appropriation for FY 15 to the proposed budget.

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 5005002 - Agriculture Literacy Program	0.00	0	30,000	0	18,363	0.00	0	30,000	0	18,353
DP 5005011 - ADD Coal Severance Tax Reduction	0.00	0	(76,334)	0	(76,334)	0.00	0	(82,423)	0	(82,423)
DP 6201002 - Food and Ag Development Centers (RST/OTO)	0.00	0	105,000	0	105,000	0.00	0	105,000	0	105,000
Total	0.00	\$0	\$58,666	\$0	\$47,029	0.00	\$0	\$52,577	\$0	\$40,930

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5005002 - Agriculture Literacy Program -

The legislature authorized funds to support an agricultural literacy instructional coordinator.

DP 5005011 - ADD Coal Severance Tax Reduction -

The legislature reduced state special revenue authority to match the declining revenue projection of the coal severance tax shared fund.

DP 6201002 - Food and Ag Development Centers (RST/OTO) -

The legislature appropriated funds from the Research and Commercialization state special revenue account to support the Food and Ag Development Centers in Joliet, Havre, Butte, and Ronan.