

Agency Budget Comparison

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

Agency Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	693.60	693.60	700.28	700.28	693.60	700.28	6.68	0.96%
Estimated Impact of HB 2*			(24.20)	(24.20)		(24.20)	(24.20)	
Net Estimated FTE*			676.08	676.08		676.08	(17.52)	
Personal Services	39,400,159	40,915,669	42,394,102	42,436,198	80,315,828	84,830,300	4,514,472	5.62%
Operating Expenses	28,842,673	29,571,626	31,096,091	30,435,118	58,414,299	61,531,209	3,116,910	5.34%
Equipment & Intangible Assets	1,120,538	661,995	1,156,038	1,156,038	1,782,533	2,312,076	529,543	29.71%
Capital Outlay	0	0	0	0	0	0	0	n/a
Grants	952,466	941,468	952,466	952,466	1,893,934	1,904,932	10,998	0.58%
Benefits & Claims	6,225	4,823	6,225	6,225	11,048	12,450	1,402	12.69%
Transfers	293,826	274,580	337,626	337,626	568,406	675,252	106,846	18.80%
Debt Service	25,898	15,300	27,698	27,698	41,198	55,396	14,198	34.46%
Total Costs	\$70,641,785	\$72,385,461	\$75,970,246	\$75,351,369	\$143,027,246	\$151,321,615	\$8,294,369	5.80%
General Fund	0	0	309,125	309,125	0	618,250	618,250	n/a
State Special	55,375,319	56,522,854	56,591,231	56,034,700	111,898,173	112,625,931	727,758	0.65%
Federal Special	15,266,466	15,862,607	19,069,890	19,007,544	31,129,073	38,077,434	6,948,361	22.32%
Other	0	0	0	0	0	0	0	n/a
Total Funds	\$70,641,785	\$72,385,461	\$75,970,246	\$75,351,369	\$143,027,246	\$151,321,615	\$8,294,369	5.80%

*Estimated impact of HB 2 boilerplate language showing net FTE with reductions. See boilerplate language on the following pages.

Agency Description

Agency Mission: Montana Fish, Wildlife and Parks, through its employees and citizen commission, provides for the stewardship of the fish, wildlife, parks, and recreational resources of Montana, while contributing to the quality of life for present and future generations.

Fish, Wildlife, and Parks is responsible for the management of Montana’s fish, wildlife, and recreational resources; development of recreational opportunities; and operation of the state park system. A five-member Governor-appointed commission provides direction on specific issues provided in statute. This guidance includes land usage, preservation and management of wildlife, establishment of license and permit fees, and the creation of hunting and fishing seasons.

Agency Highlights

Department of Fish, Wildlife and Parks Major Budget Highlights
<ul style="list-style-type: none"> ◆ The primary initiatives in the approved budget include: <ul style="list-style-type: none"> • Additional funding for the wolf management program • An additional 2.53 FTE for parks maintenance and operations • \$2.9 million in funding switches from state special revenue to federal funds in the Fisheries and Wildlife Divisions • Continuance and full-year funding of the general pay increase provided to staff partway through FY 2012 (\$2.5 million per year) • Continuance of funding for aquatic invasive species detection and containment activities (\$0.6 million general fund) • Developing and maintaining property managed for wildlife habitat • \$400,000 for fishing access site operation and maintenance • \$0.5 million for a long-term moose research project and sage grouse research • \$400,000 one-time-only/restricted funding to purchase heavy equipment in the parks division • Creating a restricted line-item appropriation for ongoing funding of shooting range grants instead of funding them from the base

Summary of Legislative Action

The legislature approved a biennial budget of \$151.3 million, including \$81.6 million in general license funds. The budget includes \$5.9 million in statewide present law adjustments, including the funding for the pay increase given in FY 2012, accounting for \$5.0 million, \$2.5 million in present law adjustments, and \$1.6 million in new proposals. The budget is funded with 53.7% general license funds (\$81.6 million) and 23.6% federal special revenue (\$38.1 million).

Included in the approved budget is \$600,000 over the biennium for prevention of aquatic invasive species, along with HB 586 that provides \$1.0 million of general fund to the department.

The legislature also approved additional funding for the wolf management program to continue funding in alignment with SB 348 from the 2011 Legislature, requiring the department to allocate \$900,000 annually for wolf management. To reduce state special revenue expenditures, the legislature approved a funding switch of \$2.4 million from the general license account to federal funds, since the agency is receiving an increase in federal dollars due to an increase in sales of ammunition and firearms.

The legislature typically has provided shooting range grants in base level funding. The agency reduced these funds in the 2013 biennium. To prevent the agency from further reducing the funding for these grants, the funding was created as a restricted line item.

The legislature chose to appropriate a number of items on a one-time-only basis to allow for follow up review by the next legislature, including:

- Funding for aquatic invasive species
- Fishing lands access and fishing land access sites (FAS) operations and maintenance funding
- Game damage herders
- Grizzly bear study funding
- Park reservation system
- Parks equipment

Boilerplate

The boilerplate section in HB 2 includes the following language:

“It is the intent of the legislature that the appropriations for personal services contained in this bill for fiscal year 2014 and fiscal year 2015, except for the reductions contained in decision packages that remove an additional vacancy savings amount, are supported by only the number of FTE that are funded. It is the intent of the legislature that this net level of FTE is the level that will be used to calculate personal services funding in the next biennium.”

The LFD has calculated that this intent language would reduce the current biennium base FTE by 440 statewide and by 24.2 for this agency. The lower level of FTE will be the starting point or base the legislature will use for personal services budget deliberations in the 2017 biennium.

Funding

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

Total Department Of Fish, Wildlife & Parks Funding by Source of Authority 2015 Biennium Budget					
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	\$618,250	\$0	\$0	\$618,250	0.4%
State Special Total	112,625,931	-	2,919,009	115,544,940	71.3%
Federal Special Total	38,077,434	-	344,146	38,421,580	23.7%
Proprietary Total	-	7,459,723	-	7,459,723	4.6%
Current Unrestricted	-	-	-	-	0.0%
Other Total	-	-	-	-	0.0%
Total All Funds	\$151,321,615	\$7,459,723	\$3,263,155	\$162,044,493	
Percent - Total All Sources	93.4%	4.6%	2.0%		

The department is funded with state special and federal special revenue. The legislature approved general fund in the 2015 biennium for continuance of aquatic invasive species (AIS) program activities. The most prominent funding source is the general license account (GLA), where the license and fee revenue from hunting and fishing is maintained. The state has assented to federal law to utilize these funds only for the operation of the state fish and wildlife agency. Any diversion of the funds from this purpose would result in the loss of federal excise tax funds.

The following table provides revenues, expenditures and estimated ending fund balance for the general license account.

FWP General License Account				
	Actual Fiscal 2012	Appropriated Fiscal 2013	Approved	
			Fiscal 2014	Fiscal 2015
Beginning Balance	\$33,186,061	\$29,450,091	\$20,223,750	\$17,742,326
License Revenue	32,445,894	33,727,400	34,255,000	34,800,000
Other Revenue	7,036,443	5,510,000	5,673,270	5,572,000
Total Funds Available	72,490,257	68,687,491	60,152,020	58,114,326
Disbursements				
Program Expenditures	40,684,695	43,964,224	41,894,109	41,875,734
Statutory Appropriations	773,215	363,281	473,215	473,215
Cat & Dog Bills	0	274,000	0	0
Continuing Capital Costs	1,760,397	3,862,236	0	0
LRB Projects	0	0	0	0
HB 13 Estimated Pay Increase	0	0	935,180	981,939
Budget Proposals (PL & NP)	0	0	(892,810)	(1,593,683)
Total Disbursements	43,218,307	48,463,741	42,409,694	41,737,205
Adjustments (Prior Year Revenue)	178,141	0	0	0
Available Ending Balance	\$29,450,091	\$20,223,750	\$17,742,326	\$16,377,121

Structural Balance

The revenues to the general license account are based on fees set by the legislature. Historically, fees have been set at a stable level for a period of eight to ten years. Early in the cycle, the increased fees generate more income than the revenue needed to meet expenses, creating a surplus of funds in the general license account, which is utilized when expenses begin to exceed revenues. During the later period, the balance in the GLA declines as expenditures exceed revenues. When the balance is projected to reach a certain point, the executive proposes a fee increase. The department considers a fund balance of \$6.0 million to be the critical point when fee increases are necessary to support department activities. The adjacent table provides a comparison of revenues and expenditures since FY 2002. The department managed a period of four years between FY 2005 and FY 2009 where revenues exceeded expenditures, resulting in an increasing ending fund balance. Beginning in FY 2010, the department began expending more than projected revenues, causing a decrease to the ending fund balance. This situation is to continue through the 2015 biennium. This indicates that the fund is at the turning point where expenditures exceed revenues and the department begins to spend down the fund balance.

Fish, Wildlife and Parks General License Account Revenues and Disbursements				
Fiscal Year	Revenues	Disbursements	Difference	Cumulative
*2015	\$40,372,000	\$41,737,205	(1,365,205)	(9,836,436)
*2014	39,928,270	42,409,694	(2,481,424)	(8,471,231)
*2013	39,237,400	48,463,741	(9,226,341)	(5,989,807)
2012	39,850,107	43,596,073	(3,745,966)	3,236,534
2011	38,486,839	40,167,839	(1,681,000)	6,982,500
2010	40,270,320	42,360,806	(2,090,486)	8,663,500
2009	42,201,959	39,362,308	2,839,651	10,753,986
2008	39,667,344	38,504,168	1,163,176	7,914,335
2007	36,060,099	31,692,176	4,367,923	6,751,159
2006	32,214,305	32,011,336	202,969	2,383,236
2005	30,399,417	30,149,840	249,577	2,180,267
2004	28,437,937	28,905,675	(467,738)	1,930,690
2003	29,189,792	27,039,789	2,150,003	2,398,428
2002	27,145,523	26,897,098	248,425	248,425

*Based upon appropriations and executive request

A large part of the decline seen between FY 2012 and FY 2013 is due to the pay increases that the department gave in FY 2012, which totaled approximately \$4.8 million for the biennium, with approximately \$3.0 million being funding by the general license account per biennium. The legislature reduced expenditures by \$2.9 million for the 2015 biennium primarily through federal funding switches to aid in structural balance of the fund.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	0	0	0	0.00%	70,641,785	70,641,785	141,283,570	93.37%
Statewide PL Adjustments	0	0	0	0.00%	2,935,069	2,959,424	5,894,493	3.90%
Other PL Adjustments	309,125	309,125	618,250	100.00%	1,276,947	1,276,429	2,553,376	1.69%
New Proposals	0	0	0	0.00%	1,116,445	473,731	1,590,176	1.05%
Total Budget	\$309,125	\$309,125	\$618,250		\$75,970,246	\$75,351,369	\$151,321,615	

Other Legislation

HB 13 – The legislature approved funding for a pay plan for state employees. The bill includes a lump sum appropriation for pay raises that will be determined for their respective employees by the executive, legislative, and judicial branches as well as the Montana University System. The bill also includes funding for a 10% insurance increase for all employees each year. The legislature did not specify a particular percentage salary increase a state employee should receive, but stipulated that the appropriated funds must be used to increase the base pay of each employee, with particular attention to the lower pay bands and employees who did not receive an increase in the 2013 biennium.

HB 163 - This bill requires the department to eliminate the mountain lion trophy license and is estimated to result in a net loss in revenue of \$20,000 to the general license account.

HB 170 - This bill creates a 3-day nonresident upland game bird license would result in a net gain in revenue of \$98,500 annually to multiple state special revenue accounts.

HB 273 - This bill removes the sunset date on the sale of licenses to a non-resident to hunt with a resident sponsor or family member. Removal of the sunset date continues the sale of these non-resident licenses and provides \$65,990 of revenue annually to multiple state special revenue accounts.

HB 401 - This bill creates special application fees collected by the Department of Fish, Wildlife and Parks resulting in an increase of revenue in the amount of \$1,259,520 per year to the general license account.

HB 580 - This bill appropriates \$75,000 from the state special revenue oil and gas ERA account to the Governor's Office for the biennia beginning July 1, 2011 and July 1, 2013 for the purpose of funding the Greater Sage-Grouse Habitat Conservation Advisory Council established by the Governor in Executive Order No. 2-2013.

HB 586 - This bill establishes authority for the Department of Fish, Wildlife and Parks for check stations and quarantine measures for aquatic invasive species and appropriates \$1,000,000 from the general fund to the agency for the biennium. It also appropriates \$300,000 of general fund at the beginning of each biennium to the invasive species account, to be used by the Department of Natural Resources and Conservation (DNRC).

Executive Budget Comparison

The following table compares the legislative budget in the 2015 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2012	Executive Budget Fiscal 2014	Legislative Budget Fiscal 2014	Leg – Exec. Difference Fiscal 2014	Executive Budget Fiscal 2015	Legislative Budget Fiscal 2015	Leg – Exec. Difference Fiscal 2015	Biennium Difference Fiscal 14-15
FTE	693.60	705.03	700.28	(4.75)	706.78	700.28	(6.50)	
Estimated Impact of HB 2*			(24.20)	(24.20)		(24.20)	(24.20)	
Net Estimated FTE*			676.08	(28.95)		676.08	(30.70)	
Equipment & Intangible Assets	1,120,538	1,156,038	1,156,038	0	1,156,038	1,156,038	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Grants	952,466	952,466	952,466	0	952,466	952,466	0	0
Benefits & Claims	6,225	6,225	6,225	0	6,225	6,225	0	0
Transfers	293,826	337,626	337,626	0	337,626	337,626	0	0
Debt Service	25,898	27,698	27,698	0	27,698	27,698	0	0
Total Costs	\$70,641,785	\$75,848,167	\$75,970,246	\$122,079	\$76,020,541	\$75,351,369	(\$669,172)	(\$547,093)
General Fund	0	309,125	309,125	0	309,125	309,125	0	0
State/Other Special	55,375,319	56,618,647	56,591,231	(27,416)	56,772,323	56,034,700	(737,623)	(765,039)
Federal Special	15,266,466	18,920,395	19,069,890	149,495	18,939,093	19,007,544	68,451	217,946
Proprietary	0	0	0	0	0	0	0	0
Total Funds	\$70,641,785	\$75,848,167	\$75,970,246	\$122,079	\$76,020,541	\$75,351,369	(\$669,172)	(\$547,093)

*Estimated impact of HB 2 boilerplate language showing net FTE with reductions. See boilerplate language on the previous pages.

The legislative approved budget is \$0.5 million lower than the executive. Adjustments include additional funding for the grizzly bear study reimbursement and fishing access sites maintenance, offset by not approving the proposed migratory bird program funding increase or 7.0 additional FTE for the wolf program. In addition, the legislature imposed an additional 2% vacancy savings.

Language and Statutory Authority

The legislature included the following language in HB 2.

“Wildlife Division includes a reduction in state special revenue of \$519,403 in fiscal year 2014 and \$522,032 in fiscal year 2015 and federal special revenue of \$213,635 in fiscal year 2014 and \$211,731 in fiscal year 2015. The reduction is the equivalent of an additional 2% vacancy savings. The agency may allocate this reduction in funding among programs when developing 2015 biennium operating plans.”