

Program Budget Comparison

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

Program 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	20.50	20.50	21.50	21.50	20.50	21.50	1.00	4.88%
Personal Services	914,398	926,725	925,279	926,613	1,841,123	1,851,892	10,769	0.58%
Operating Expenses	311,881	308,668	328,998	317,777	620,549	646,775	26,226	4.23%
Total Costs	\$1,226,279	\$1,235,393	\$1,254,277	\$1,244,390	\$2,461,672	\$2,498,667	\$36,995	1.50%
General Fund	613,109	614,184	623,524	618,581	1,227,293	1,242,105	14,812	1.21%
State Special	5,717	5,717	5,718	5,717	11,434	11,435	1	0.01%
Federal Special	607,453	615,492	625,035	620,092	1,222,945	1,245,127	22,182	1.81%
Total Funds	\$1,226,279	\$1,235,393	\$1,254,277	\$1,244,390	\$2,461,672	\$2,498,667	\$36,995	1.50%

Program Description

The Meat and Poultry Inspection Program was established in 1987 by the Montana Meat and Poultry Inspection Act. It implements and enforces a meat and poultry inspection system equal to that maintained by the U.S. Department of Agriculture and the Food Safety Inspection Service to assure clean, wholesome, and properly-labeled meat and poultry products for consumers.

Program Highlights

Meat and Poultry Inspection Major Budget Highlights	
◆	The legislatively approved budget increases by 1.5% from the previous biennium primarily due to: <ul style="list-style-type: none"> • Funding for a meat inspector, inspector training, and meat inspection field supplies • Application in this program of the 2% additional vacancy savings reduction, which can be allocated across all agency programs

Funding

The following table shows program funding by source of authority for the 2015 biennium as adopted by the legislature.

Total Department Of Livestock Funding by Source of Authority 2015 Biennium Budget - Meat/Poultry Inspection							
Funds	Non-		Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
	HB 2	Budgeted Proprietary					
General Fund	\$1,242,105	\$0	\$0	\$1,242,105	49.7%		
State Special Total	\$11,435	\$0	\$0	\$11,435	0.5%		
02427 Animal Health	\$11,435	\$0	\$0	\$11,435	0.5%		
Federal Special Total	\$1,245,127	\$0	\$0	\$1,245,127	49.8%		
03209 Meat/poultry Inspection Sp Rev	\$1,245,127	\$0	\$0	\$1,245,127	49.8%		
Total All Funds	\$2,498,667	\$0	\$0	\$2,498,667	100.0%		
Percent - Total All Sources	100.0%	0.0%	0.0%				

The majority of meat and poultry inspection program funding is split evenly between federal funds and the general fund. Per cooperative agreement with the US Department of Agriculture, state special revenue funds cannot be used as match when they are derived through a fee on producers being inspected by the program. Since the majority of state special revenue funds are generated from fees on producers being inspected, general fund is used as match. A small portion of state special revenue derived from inspection fees on facilities are used in this division.

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	613,109	613,109	1,226,218	98.72%	1,226,279	1,226,279	2,452,558	98.15%
Statewide PL Adjustments	(1,977)	(184)	(2,161)	(0.17%)	1,703	5,288	6,991	0.28%
Other PL Adjustments	10,886	4,161	15,047	1.21%	21,772	8,322	30,094	1.20%
New Proposals	1,506	1,495	3,001	0.24%	4,523	4,501	9,024	0.36%
Total Budget	\$623,524	\$618,581	\$1,242,105		\$1,254,277	\$1,244,390	\$2,498,667	

Present Law Adjustments

The “Present Law Adjustments” table shows the changes to the base budget adopted by the legislature.

	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Present Law Adjustments										
Personal Services					45,867					47,329
Vacancy Savings					(38,411)					(38,468)
Inflation/Deflation					(5,631)					(3,696)
Fixed Costs					(122)					123
Total Statewide Present Law Adjustments										
		(\$1,977)	\$1	\$3,679	\$1,703		(\$184)	\$0	\$5,472	\$5,288
DP 50 - Initial Motion to FY 2012 Base										
	0.00	1,977	(1)	(3,679)	(1,703)	0.00	184	0	(5,472)	(5,288)
DP 51 - Adjustment for Statewide Personal Services										
	0.00	(8,656)	4	16,108	7,456	0.00	(308)	0	9,169	8,861
DP 52 - Adjustment for Statewide Operations										
	0.00	6,679	(3)	(12,429)	(5,753)	0.00	124	0	(3,697)	(3,573)
DP 1001 - Meat Inspector Training (OTO/BIEN)										
	0.00	4,161	0	4,161	8,322	0.00	4,161	0	4,161	8,322
DP 1002 - Meat Inspection Field Supplies (OTO/BIEN)										
	0.00	6,725	0	6,725	13,450	0.00	0	0	0	0
Total Other Present Law Adjustments										
	0.00	\$10,886	\$0	\$10,886	\$21,772	0.00	\$4,161	\$0	\$4,161	\$8,322
Grand Total All Present Law Adjustments										
	0.00	\$8,909	\$1	\$14,565	\$23,475	0.00	\$3,977	\$0	\$9,633	\$13,610

DP 50 - Initial Motion to FY 2012 Base - The legislature adopted a motion to establish the starting point for budget deliberations as the FY 2012 base. This adjustment removes statewide present law adjustments for personal services, vacancy savings, fixed costs, and inflation/deflation.

DP 51 - Adjustment for Statewide Personal Services - This adjustment funds statewide personal services and vacancy savings.

DP 52 - Adjustment for Statewide Operations - This adjustment establishes the fixed cost and inflation/deflation rates as approved by the General Government subcommittee.

DP 1001 - Meat Inspector Training OTO/BIEN - The legislature approved funding from the general fund and the meat and poultry inspection account for training for the Food Safety Inspection Service (FSIS) meat inspection program to maintain equal status in the federal state cooperative agreement.

DP 1002 - Meat Inspection Field Supplies OTO/BIEN - The legislature approved funding from the general fund and the meat and poultry inspection account for meat inspection equipment for field and office work used for the FSIS cooperative agreement. Funding is for items such as antibiotic test kits incubators, data loggers, and thermal couplers. This request is funded with 50% general fund and 50% federal funds.

New Proposals

Program	-----Fiscal 2014-----					-----Fiscal 2015-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 54 - Additional Vacancy Savings											
	10	0.00	(18,130)	0	(16,619)	(34,749)	0.00	(18,141)	0	(16,630)	(34,771)
DP 1003 - Meat Inspection - New Plants (OTO)											
	10	1.00	19,636	0	19,636	39,272	1.00	19,636	0	19,636	39,272
Total	1.00	\$1,506	\$0	\$3,017	\$4,523	1.00	\$1,495	\$0	\$3,006	\$4,501	

DP 54 - Additional Vacancy Savings - The legislature applied an additional 2% vacancy savings to all positions except those exempt in statute or that must be filled 24/7. Language was included in HB 2 that allows the agency to allocate the reduction among programs.

DP 1003 - Meat Inspection - New Plants (OTO) - The legislature approved funding from the general fund and the meat and poultry inspection account for a meat inspector for new plants. Currently, there are six new plants that are requesting to begin operations. The legislature added 1.00 FTE meat inspector in the 2015 biennium funded with 50% general fund and 50% federal funds.

Language and Statutory Authority

The legislature included the following language in HB 2.

“Centralized Services Program includes a reduction in state special revenue of \$116,334 in fiscal year 2014 and \$116,408 in fiscal year 2015. Meat and Poultry Inspection Program includes a reduction in general fund of \$18,130 in fiscal year 2014 and \$18,141 in fiscal year 2015 and federal special revenue of \$16,619 in fiscal year 2014 and \$16,630 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.”