

Agency Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	581.18	1.50	44.51	627.19	1.50	42.80	625.48	625.48
Personal Services	24,614,203	2,112,674	2,613,033	29,339,910	2,134,872	2,338,374	29,087,449	58,427,359
Operating Expenses	19,451,450	2,813,499	3,867,896	26,132,845	2,863,736	3,167,816	25,483,002	51,615,847
Equipment	689,472	97,521	66,515	853,508	(225,399)	110,015	574,088	1,427,596
Capital Outlay	0	0	0	0	0	0	0	0
Grants	570,899	321,809	256,250	1,148,958	16,809	159,375	747,083	1,896,041
Benefits & Claims	5,057	0	0	5,057	0	0	5,057	10,114
Transfers	0	0	116,000	116,000	0	226,091	226,091	342,091
Total Costs	\$45,331,081	\$5,345,503	\$6,919,694	\$57,596,278	\$4,790,018	\$6,001,671	\$56,122,770	\$113,719,048
General Fund	281,816	(26,386)	(255,430)	0	(25,379)	(256,437)	0	0
State/Other Special	33,971,373	3,799,644	2,566,289	40,337,306	3,203,782	3,288,409	40,463,564	80,800,870
Federal Special	11,077,892	1,572,245	4,608,835	17,258,972	1,611,615	2,969,699	15,659,206	32,918,178
Proprietary	0	0	0	0	0	0	0	0
Total Funds	\$45,331,081	\$5,345,503	\$6,919,694	\$57,596,278	\$4,790,018	\$6,001,671	\$56,122,770	\$113,719,048

Agency Description

Fish, Wildlife and Parks (FWP) is responsible for the management of Montana fish, wildlife, parks, and recreational resources. The department is also responsible for a state park system that includes scenic, historical, cultural, and recreational resources. The operational programs are in seven divisions and seven regional field offices. The five-member FWP Commission provides policy direction on resource management, seasons, and use of department lands.

Summary of Legislative Action

Department of Fish, Wildlife, and Parks	
Major Budget Highlights	
<ul style="list-style-type: none"> ○ The largest funding source is the general license account at 50.2 percent of the budget and \$55.3 million over the biennium ○ The legislature decreased the total executive funding request by \$4.2 million ○ Funding for shooting range grants was doubled to \$320,000 ○ General Fund of \$281,816 was eliminated from the department ○ SB 336 is estimated to generate \$2.4 million of additional funding that will be used, in part, to replace lost general fund authority ○ Proposed expenditures from the general license account were reduced ○ The use of Legislative Contract Authority (LCA) as a budget tool for spending federal grant awards was eliminated <ul style="list-style-type: none"> ○ Federal contracts previously funded with LCA were added to the department's base ○ Long-term contracts increased FTE by 41.51 and added \$5.0 million to the department's budget ○ General license account balance is projected to be \$16.9 million at the end of the 2005 biennium, and limiting program expansions could reduce likelihood of a fee increase in future biennia 	

The legislature approved present law changes in HB 2 adding 1.50 FTE in each year of the biennium and increasing base expenditures by \$10.1 million over the 2005 biennium. New proposals in HB 2 increased FTE by 44.51 in fiscal 2004 and 42.80 in fiscal 2005. New proposals contributed to a funding increase of \$12.9 million over the biennium, with the largest changes occurring from: 1) \$5.5 million federal special revenue authority for both short-term and long-term federal contracts previously appropriated as legislative contract authority; 2) \$2.1 million to implement recommendations of the

State Park Futures II committee included in SB 336; 3) \$1.4 million to implement SB 130 that changes the methodology for compensating the state land trust for hunter, angler, and trapper impacts; 4) \$1.4 million in federal authority for the state wildlife grant; 5) \$1.0 million to implement HB 13; and 5) \$0.8 million for spending authority to address retirement liability costs. Major budgetary issues include the following:

- o General fund totaling nearly \$0.3 million was eliminated from the department's budget, primarily in the Parks Division. To offset this reduction, the legislature approved SB 336 which provides a substantial new funding source for state parks
- o Legislative contract authority was eliminated and \$5.0 million of long-term federal authority and 41.51 FTE were added to the department
- o Funding for the block management totaled \$2.7 million
- o The legislature funded private landowner technical services to address elk and wildlife population growth
- o The state lands use permit will be replaced with \$1.4 million generated from an increase in the conservation license
- o Hatchery operations funding of \$0.4 million for feed, utilities, and transportation cost increases was approved
- o An additional \$0.3 million was appropriated for the Fort Peck fish hatchery
- o \$0.4 million was approved to pay overtime costs for game wardens
- o The legislature approved \$0.2 million to address chronic wasting disease in wild game animal populations
- o The legislature doubled funding available for shooting range grants to \$0.3 million

Legislative Contract Authority

Legislative contract authority (LCA) was a means by which the legislature appropriated additional federal funds that the department anticipated receiving after the legislature adjourns. The more typical post-session process to spend emergent federal money is through a budget amendment. Budget amendments are generally reserved for money the legislature could not reasonably have expected during the legislative session. The legislature decided to require the department to use the more typical budget amendment process for federal authority. The following summarizes this decision:

1) Prior to 1982, budget amendment documents were hand-written and the process was slow. Consequently, the department was unable to maximize its utility of available federal funding. Now, the budget amendment process is computerized and much quicker because data files are transferred among the agency, the Office of Budget and Program Planning, and the LFD. Thus, that the agency would lose federal funding because of a slow manual process is no longer a concern.

2) The legislature reviewed on-going federal contract projects and decided that these projects belonged in HB 2. In order to convert the department from the LCA process to the budget amendment process, the legislature identified all on-going projects previously funded with LCA. Then, these projects were sorted by project duration. Those projects that would be completed over the next biennium were designated as one-time in nature so that they could be removed from the budget before the beginning of the next legislative cycle. In contrast, those projects that have been on-going for a long period of time were added to the department's base budget. The following figure summarizes costs and FTE associated with the short and long-term projects:

Department of Fish, Wildlife and Parks Summary of Federal Contracts								
Division	Short-Term Federal Contracts				Long-Term Federal Contracts			
	Fiscal 2004		Fiscal 2005		Fiscal 2004		Fiscal 2005	
	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Administration and Finance	-	\$ -	-	\$ -	2.00	\$ 75,000	2.00	\$ 75,000
Fisheries	0.04	206,700	0.04	10,700	32.43	2,141,943	32.43	2,116,509
Wildlife	2.06	168,307	0.50	47,604	1.50	76,969	1.50	76,761
Parks	0.15	35,500	-	20,000				
Conservation Education	-	-	-	-	0.34	15,000	0.34	15,000
Department Management	-	-	-	-	5.24	200,000	5.24	200,000
Totals	<u>2.25</u>	<u>\$ 410,507</u>	<u>0.54</u>	<u>\$ 78,304</u>	<u>41.51</u>	<u>\$2,508,912</u>	<u>41.51</u>	<u>\$2,483,270</u>

3) During the interim, the department will seek budget amendments to add additional authority to spend federal grants.

General License Account

The general license account is the single largest funding source in the department. In fiscal 2002, the general license account supplied 47.1 percent of department total funding and 70.5 percent of department state special revenue funding. Over the 2005 biennium, the general license account supplies 49.3 percent of the department's funding and 69.4 percent of the department's state special revenue funding. The license fees that provide revenue to the account are set by the legislature.

The figure below provides details of the fund balance for the 2003 and 2005 biennia. Fiscal years 2002 to 2005 reflect the amount of money that is expected to be available in the fund balance after all revenue projections, outstanding projects, and new legislative appropriations are taken into account. The large decrease in fiscal 2003 is caused by the removal of \$5.8 million in unspent capital project and carry-forward appropriations. Even though the department will not spend the entire \$5.8 million in fiscal 2003, the money is not available for the 2003 legislature to appropriate.

Likewise, the full amount of the \$2.5 million capital request from this account is shown in fiscal 2004, even though expenditures will occur in later years. The actual fund balance at a given point in time will be higher. However, the legislature would not be able to appropriate the full amount of the balance because a portion has already been committed to capital projects.

FWP General License Account				
2005 Biennium-- Estimate Available Fund Balance				
	Actual	Appropriated	Legislative Budget	
	Fiscal 2002	Fiscal 2003	Fiscal 2004	Fiscal 2005
Beginning Balance	\$ 23,966,967	\$ 24,344,542	\$ 19,147,458	\$ 16,319,599
License Revenue	23,077,095	25,934,231	26,176,138	26,394,996
Other Revenue	2,473,973	1,224,628	1,803,351	2,167,020
Total Funds Available	49,518,035	51,503,401	47,126,947	44,881,615
Disbursements				
Program Expenditures	25,673,822	26,577,697	26,849,621	26,525,754
Continuing Capital Costs	848,457	4,165,921	-	-
LRB Projects	245,669	977,495	2,500,000	-
Carry Forward Appropriations	-	634,830	-	-
HB 13			103,849	443,965
New Proposals	-	-	1,353,878	1,023,567
Total Disbursements	26,767,948	32,355,943	30,807,348	27,993,286
Adjustments (Prior Year Revenue)	1,594,455			
Available Ending Balance	\$ 24,344,542	\$ 19,147,458	\$ 16,319,599	\$ 16,888,329

If all capital projects were completed in the next biennium and if all new proposals and present law adjustments are expended as approved by the 2003 legislature, the balance in the general license account would be just over \$16.8 million at the end of the 2005 biennium. Based upon revenue and disbursement estimates, the department could go for at least five biennia before the balance would approach the \$5.7 million the department considers a critical point at which a fee increase would have to be implemented. If the legislature decides to further limit funding for department expansion in the future, the current fund balance could last even longer.

Fish, Wildlife and Parks General License Account Revenues and Disbursements				
Fiscal Year	Revenues	Disbursements	Difference	Cumulative
* 2005	\$ 28,562,016	\$ 27,993,286	\$ 568,730	\$ 12,580,303
* 2004	27,979,489	30,807,348	(2,827,859)	10,400,594
* 2003	27,158,859	32,355,943	(5,197,084)	15,678,834
2002	25,551,068	26,767,948	(1,216,880)	12,011,573
2001	23,485,476	31,132,941	(7,647,465)	13,228,453
2000	24,682,872	25,980,492	(1,297,620)	20,875,918
1999	24,855,232	25,647,061	(791,829)	22,173,538
1998	24,556,436	23,387,660	1,168,776	22,965,367
1997	24,001,499	21,387,625	2,613,874	21,796,591
1996	25,118,865	21,082,910	4,035,955	19,182,717
1995	25,254,777	19,510,966	5,743,811	15,146,762
1994	23,200,161	18,963,554	4,236,607	9,402,951
1993	21,511,108	18,192,128	3,318,980	5,166,344
1992	18,836,165	17,152,135	1,684,030	1,847,364
1991	16,948,445	16,785,111	163,334	163,334

* Based upon estimate available fund balance.

From 1991 until 1998, general license account revenues have exceeded disbursements leaving the account in a structurally balanced position. From fiscal 1999 through fiscal 2004 the general license account is in a structurally imbalanced position where disbursements exceeded revenues. Currently, changes made by the legislature should once again bring the account to a structurally balanced position by the end of the 2005 biennium.

License Commissions

Under 87-2-903 MCA, license agents are paid a commission of \$.50 for each transaction. For purposes of this section of law, the term "transaction" includes the sale of any license, permit, or certificate prescribed by the department. Statute is clear on what is considered a transaction for purposes of paying a commission. Based upon current law, the legislature directed the department to no longer pay commissions on the hunting

access enhancement fees, Migratory Bird Harvest Information Program (MBHIP) surveys, and on increased conservation license fees enacted as part of SB 130 to change the current system of accessing state school trust lands.

Funding

The following table summarizes funding for the agency, by program and source, as adopted by the legislature. Funding for each program is discussed in detail in the individual program narratives that follow.

Total Agency Funding 2005 Biennium Executive Budget				
Agency Program	State Spec.	Fed Spec.	Grand Total	Total %
Administration & Finance Div.	\$ 11,967,122	\$ 3,223,877	\$ 15,190,999	13.4%
Field Services Division	16,164,465	1,596,173	17,760,638	15.6%
Fisheries Division	7,585,270	13,534,972	21,120,242	18.6%
Enforcement Division	13,341,275	464,668	13,805,943	12.1%
Wildlife Division	8,779,194	7,995,262	16,774,456	14.8%
Parks Division	12,613,762	787,158	13,400,920	11.8%
Conservation Education Div	3,948,098	1,521,844	5,469,942	4.8%
Department Management	6,401,684	3,794,224	10,195,908	9.0%
Grand Total	\$ 80,800,870	\$ 32,918,178	\$ 113,719,048	100.0%

Other Legislation

House Bill 4 - HB 4 appropriates \$584,816 federal funds in fiscal 2003 for: 1) Pallid Sturgeon egg harvest -- \$42,893; 2) Fish passage structure at Lost Creek -- \$15,720; 3) Native fish study at Fort Peck -- \$461,203; and 4) Lewis and Clark Bicentennial -- \$65,000.

House Bill 5 - HB 5 appropriates \$27.4 million over the 2005 biennium for capital projects, land acquisition, and capital improvements. Of this total, \$2.6 million are private donations for the Montana Wildlife Rehabilitation and Nature Center Complex in Helena. For the 2005 biennium, the department has received appropriations for projects including hatchery maintenance, administrative facilities repair, motorboat recreation site improvements, and community fishing ponds. Portions of motorboat recreation site improvement funding is to be used for chip seal projects at Thompson Falls, Logan, West Shore, Lake Mary Ronan, Cooney Reservoir, and Hell Creek State Park. The legislation also allows the department to transfer appropriations between fund types.

House Bill 129 - HB 129 extends authority to spend funds appropriated during the 1999 legislative session for bull and cutthroat trout enhancement. The department has until the end of the 2009 biennium to spend \$382,718 that remains of

the original \$750,000 appropriation.

House Bill 20 - HB 20 allows the department to issue one mule deer license and one elk license through a competitive auction or lottery. Similar to the big horn sheep and moose auctions, the bill allows a wildlife conservation organization to conduct the auction or lottery with a provision that the organization can keep 10 percent of the proceeds. Total proceeds are anticipated to be \$44,000 per fiscal year. The legislature added state special revenue authority of \$44,000 in fiscal 2005 to implement this bill.

House Bill 32 - HB 32 allows the hunting of mountain lions during winter open season with the aid of a dog and creates a new resident hound training license.

House Bill 42 - HB 42 requires the department to calculate the amount of habitat available for elk, deer, and antelope, determine population levels that can be sustained with the available amount of habitat, and manage herds at level determined in the calculations. The legislature approved funding in HB 2 for 1.60 FTE and related operations costs to implement the provisions of the bill.

House Bill 97 - HB 97 increases the annual taxidermists license fee from \$15 to \$50. The legislature did not add any additional spending authority to HB 2.

House Bill 100 - HB 100 revises a number of laws related to game birds and shooting preserves including: 1) the definition of "game birds" is changed by removing quail and adding ring-necked pheasants; 2) transportation, sale, or purchase of captive-reared migratory waterfowl is allowed; 3) allowing ring-necked pheasants and Merriam's turkeys to be hunted on preserves; and 4) adding a requirement that preserve operators must mark released birds to distinguish them from wild birds.

House Bill 157 - HB 157 repeals the requirement that the department develop artwork for a migratory bird stamp because the automated license system makes a migratory bird stamp obsolete. In addition, the bill requires that funding received from the sale of migratory bird licenses be used for development, conservation, and protection of wetlands in Montana.

House Bill 248 - HB 248 allows first time youth hunters to hunt and fish free of charge.

House Bill 558 - HB 558 increases the fee on a temporary snowmobile use permit from \$6 to \$15 on nonresidents. Upon paying the fee, nonresidents can use a snowmobile within the state for up to 30 days. All money collected will be deposited into a state special revenue fund and must be used as follows: 1) \$.50 is to be used as a search and rescue surcharge; 2) \$8 must be expended in areas that are impacted by nonresidents to assist in offsetting snowmobile trail grooming costs; 3) \$1.50 must be used to enforce snowmobile laws; 4) \$.50 must be used to pay the license; and 5) \$4.50 must be used by the department for the statewide snowmobile trail grooming program. The legislature added \$0.4 million in state special revenue authority in the Enforcement and Parks Divisions to implement this bill.

House Bill 559 - HB 559 revises the methodology for registration of all-terrain vehicles, motorboats, sailboats, personal watercraft, snowmobiles, travel trailers, and other recreational orientated vehicles. Rather than a series of annual registration fees, this bill enacts a larger, one-time registration fee that is valid until the vehicle is sold. The new owner would also then have to once again pay the one-time fee in lieu of annual registration fees.

Senate Bill 112 - SB 112 funds search and rescue operations in Montana through various fees and surcharges on: 1) resident and nonresident conservation licenses; 2) motorboats, sailboats, canoes, and other motorized watercraft; and 3) off-highway and other motorized recreational vehicles. The legislature added \$0.1 million state special revenue authority over the 2005 biennium to implement this bill.

Senate Bill 130 - SB 130 gives the Department of Fish, Wildlife and Parks and the Department of Natural Resources and Conservation authority to enter into an agreement to compensate state trust land beneficiaries for the use and impacts associated with hunting, fishing, and trapping on legally accessible state trust lands. If an agreement is reached between

the two departments, hunters, anglers, and trappers would no longer be required to purchase a license to access state trust lands for recreational purposes. Compensation to the state land trust would come from a \$2 increase in the price of a conservation licenses.

Senate Bill 253 - SB 253 creates a new class of nonresident fishing license and directs a portion of the proceeds to be used to purchase, operate, develop, and maintain fishing access sites. The new license will allow nonresidents to purchase a B-5 10-day nonresident fishing license that will enable the angler to fish for 10 consecutive days. Previously, anglers had to decide whether to purchase a season license or a temporary two-day license.

Senate Bill 336 - SB 336 implements recommendations of the State Parks Futures II Committee to provide a funding source for operating and maintaining state parks, fishing access sites, and for the operation of state owned facilities at Virginia City and Nevada City. Funding will be derived from a \$4 fee assessed on each passenger car or truck under 8,001 gross vehicle weight. The bill also has a provision that will allow individuals that choose not to pay the fee to submit a written election indicating that they will not be using state parks. Those that pay the fee will not be charged a day-use fee to access state parks. The legislature added state special revenue authority of just over \$2.0 million to implement this bill.

Senate Bill 395 - SB 395 establishes the ability to develop sport hunting of bison as a management tool. Further, the bill directs the Department of Fish, Wildlife and Parks to consult with the Department of Livestock regarding the management of bison that have been designated as a species in need of disease control. If a season is established for the sport hunting of bison, residents would need to possess a wild bison or bison license that would cost \$75. Nonresidents would be required to hold a license that would cost \$750. The legislature added state special revenue authority of \$32,500 to implement the provisions of this bill.

Agency Budget Comparison								
Budget Item	Base Budget Fiscal 2002	Executive Budget Fiscal 2004	Legislative Budget Fiscal 2004	Leg - Exec. Difference Fiscal 2004	Executive Budget Fiscal 2005	Legislative Budget Fiscal 2005	Leg - Exec. Difference Fiscal 2005	Biennium Difference Fiscal 04-05
FTE	581.18	598.60	627.19	28.59	599.60	625.48	25.88	
Personal Services	24,614,203	28,089,766	29,339,910	1,250,144	27,350,409	29,087,449	1,737,040	2,987,184
Operating Expenses	19,451,450	24,914,814	26,132,845	1,218,031	23,718,452	25,483,002	1,764,550	2,982,581
Equipment	689,472	858,378	853,508	(4,870)	568,958	574,088	5,130	260
Capital Outlay	0	0	0	0	0	0	0	0
Grants	570,899	817,880	1,148,958	331,078	572,880	747,083	174,203	505,281
Benefits & Claims	5,057	5,057	5,057	0	5,057	5,057	0	0
Transfers	0	3,703,719	116,000	(3,587,719)	3,703,716	226,091	(3,477,625)	(7,065,344)
Total Costs	\$45,331,081	\$58,389,614	\$57,596,278	(\$793,336)	\$55,919,472	\$56,122,770	\$203,298	(\$590,038)
General Fund	281,816	255,430	0	(255,430)	256,437	0	(256,437)	(511,867)
State/Other Special	33,971,373	39,934,461	40,337,306	402,845	38,882,011	40,463,564	1,581,553	1,984,398
Federal Special	11,077,892	18,199,723	17,258,972	(940,751)	16,781,024	15,659,206	(1,121,818)	(2,062,569)
Proprietary	0	0	0	0	0	0	0	0
Total Funds	\$45,331,081	\$58,389,614	\$57,596,278	(\$793,336)	\$55,919,472	\$56,122,770	\$203,298	(\$590,038)

Executive Budget Comparison

The legislative budget is \$0.6 million (0.4 percent) lower than the executive proposal, and includes 28.59 more FTE in fiscal 2004 and 25.88 more in fiscal 2005. The legislature's focus was on three primary areas: 1) elimination of general fund from the department; 2) reducing expenditures from the general license account in an effort to reduce the likelihood of a license fee increase in the next biennium; and 3) elimination of the use of legislative contract authority (LCA). Please see the Fish, Wildlife and Parks agency issues section for a more complete discussion of the general license account and issues related to LCA. Over the 2005 biennium, HB 13 added just under \$1.0 million across the department with state and federal special revenue as the funding sources.

The legislature eliminated general fund from the department in anticipation that another funding source would be secured

before the end of the legislative session. Ultimately, SB 336 was passed and approved. This legislation is estimated to generate \$2.4 million of additional revenue to the Parks Division that will be used to operate and maintain state parks, fishing access sites, and state owned property in Virginia City and Nevada City.

State special revenue was increased by 1.2 percent in fiscal 2004 and by 4.3 percent in fiscal 2005, a total of \$2.0 million over the biennium. Funding was added to double the executive request for shooting range grants to \$320,000 and a \$200,000 increase was approved to address chronic wasting disease in wild game populations in Montana. The reductions were primarily new proposals or requests to reconsider one-time projects approved by the last legislature. The proposals were for studies, specialized equipment, and several new position requests.

In addition, the legislature eliminated over 9.00 FTE, most of which were vacant for 7 months or longer, that were funded with the general license account. By the end of the legislative session, 3.38 FTE of the eliminated FTE were filled. Impacts on this portion of the reduction are likely be addressed through a reduction in force, attrition, or reassignment to other positions. While, the majority of the positions remain vacant and the impact on ongoing operations will be minimal, some of the positions in the Parks Division were seasonal in nature. Since these FTE will not be hired, there may be a reduction in maintenance at fishing access sites. Of the state special revenue reductions, nearly all were taken from the general license account.

Federal special revenue is lower by 5.2 percent in fiscal 2004 and 6.7 percent in fiscal 2005 or a total of \$2.1 million over the biennium. The majority of the difference arose from the legislature's decision to not utilize legislative contract authority. With that decision, \$7.4 million of one-time federal authority was removed from the agency budget and \$5.0 million of permanent federal authority was added back to the budget. This authority will be used for ongoing personal services and operations for 41.51 permanent FTE to carry out federal contract work. The remainder of the difference was approximately \$378,000 and represents primarily the federal portion of decision packages containing general license account that were not approved by the legislature.

Language

The legislature approved the following language:

"The department is to report to the natural resources and commerce appropriations subcommittee on the projects funded with federal Sikes Act money and state match money. The report is to include an analysis of the viability for continuance of the program and a list of projects funded with the money."

"If the department receives additional federal special revenue for services comparable to those with general license revenue, the approving authority shall decrease the state special revenue appropriation by the amount of federal money received and establish the federal funds appropriation. All transfers between fund types must be fully explained and justified on budget documents submitted to the office of budget and program planning."

"If the department is required to adjust personal services expenditure costs between state and federal accounts, the approving authority shall adjust the state special revenue appropriation and the federal appropriation by like amounts. All transfers between fund types must be fully explained and justified on budget documents submitted to the office of budget and program planning."

"The department shall prepare a biennial report of the expenditure of funds under the nongame wildlife checkoff, which must be made available to the environmental quality council, prior to each regular legislative session."

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	56.32	0.00	1.00	57.32	0.00	1.00	57.32	57.32
Personal Services	2,369,839	268,166	42,928	2,680,933	268,390	98,799	2,737,028	5,417,961
Operating Expenses	4,568,822	236,979	(14,579)	4,791,222	256,149	(14,409)	4,810,562	9,601,784
Equipment	10,887	0	0	10,887	0	0	10,887	21,774
Transfers	0	0	49,827	49,827	0	99,653	99,653	149,480
Total Costs	\$6,949,548	\$505,145	\$78,176	\$7,532,869	\$524,539	\$184,043	\$7,658,130	\$15,190,999
State/Other Special	5,748,821	171,742	589	5,921,152	199,192	97,957	6,045,970	11,967,122
Federal Special	1,200,727	333,403	77,587	1,611,717	325,347	86,086	1,612,160	3,223,877
Proprietary	0	0	0	0	0	0	0	0
Total Funds	\$6,949,548	\$505,145	\$78,176	\$7,532,869	\$524,539	\$184,043	\$7,658,130	\$15,190,999

Program Description

The Administration and Finance Division provides department-wide support for accounting, fiscal management, purchasing and property management, personnel, and federal aid administration. Additionally, the division provides information technology services to the agency and administers the sale of hunting, fishing, and other recreational licenses.

Program Narrative

Administration and Finance Division	
Major Program Highlights	
<ul style="list-style-type: none"> ○ The commission paid in conjunction with the annual sheep tag auction was funded ○ The legislature reduced authority to pay commissions on surveys and fee increases that are not considered “transactions” for purposes of paying commissions ○ The legislature approved funding for seasonal overtime to address workload peaks 	

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium.

Program Funding Table							
Administration & Finance Div.							
Program Funding	Base Fiscal 2002	% of Base Fiscal 2002	Budget Fiscal 2004	% of Budget Fiscal 2004	Budget Fiscal 2005	% of Budget Fiscal 2005	
02086 Mountain Sheep Account	\$ 9,000	0.1%	\$ 30,000	0.4%	\$ 30,000	0.4%	
02112 Moose Auction	2,000	0.0%	2,000	0.0%	2,000	0.0%	
02409 General License	5,737,821	82.6%	5,889,152	78.2%	6,013,970	78.5%	
03097 Fish(Dj)-Wldlf(Pr) Restor Grnt	621,101	8.9%	638,787	8.5%	627,536	8.2%	
03404 Overhead	579,626	8.3%	972,930	12.9%	984,624	12.9%	
Grand Total	\$ 6,949,548	100.0%	\$ 7,532,869	100.0%	\$ 7,658,130	100.0%	

The Administration and Finance Division operating budget is funded from the general license account, with a portion of the indirect cost assessments coming from federal grants and non-federal accounts. The Management and Field Services Divisions are also funded from these same indirect cost assessments. The proposed rate for the 2005 biennium from non-federal funds is 11.7 percent for operational expenditures and 4.1 percent for capital expenditures. The federal rate of 19.1

percent is applied to federal grants, which include Pittman-Robertson and Wallop-Breaux funds, and Corps of Engineers and U.S. Coast Guard grants.

Present Law Adjustments	-----Fiscal 2004-----					-----Fiscal 2005-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					361,234					361,470
Vacancy Savings					(109,241)					(109,253)
Inflation/Deflation					24,439					25,569
Fixed Costs					196,974					209,014
Total Statewide Present Law Adjustments					\$473,406					\$486,800
DP 101 - Agent Commissions for New Licenses	0.00	0	(5,434)	0	(5,434)	0.00	0	(5,434)	0	(5,434)
DP 102 - Seasonal Overtime	0.00	0	16,173	0	16,173	0.00	0	16,173	0	16,173
DP 104 - Sheep Auction Commission	0.00	0	21,000	0	21,000	0.00	0	21,000	0	21,000
DP 105 - Periodic Property Inventory	0.00	0	0	0	0	0.00	0	6,000	0	6,000
Total Other Present Law Adjustments	0.00	\$0	\$31,739	\$0	\$31,739	0.00	\$0	\$37,739	\$0	\$37,739
Grand Total All Present Law Adjustments					\$505,145					\$524,539

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 101 - Agent Commissions for New Licenses - The legislature approved an increase for license agent commissions for the following licenses:

- o Resident two-day fishing licenses - In license year 2002, the department started to sell resident two-day fishing licenses. According to state law, license vendors would receive a commission on these sales. However, selling two-day fishing licenses would result in a decline in full-season license sales. Because there would be fewer full-season licenses sold, an adjustment was made to account for fewer commissions being paid on these licenses.
- o Mountain lion license - Prior to license year 2002, only department headquarters could sell mountain lion licenses. Now, the automated license system (ALS) allows most non-agency license agents to sell these licenses. This portion of the request includes authority to pay a commission on these sales.
- o Duplicate licenses - Prior to license year 2002, only department headquarters could issue duplicate licenses. Now, ALS allows most non-agency license agents to issue duplicates.

Further, the legislature reduced general license authority by \$8,357 for commissions paid on surveys that are part of the Migratory Bird Harvest Information Program (MBHIP). This amount represents commissions paid for this survey in the 2001 license year. The department had been paying a \$0.50 commission for every MBHIP survey completed by a license agent. The result of these adjustments is a net decrease in general license account authority.

DP 102 - Seasonal Overtime - The legislature approved funding for seasonal overtime. Overtime is used in lieu of adding more staff during peak workload periods in the areas of licensing, payroll, fiscal year end, and budget preparation and is removed from the budget at the beginning of the next budget cycle.

DP 104 - Sheep Auction Commission - The legislature approved a request to hire a conservation organization to auction a bighorn sheep license. Accounting standards require the department to record the 10 percent commission earned from the sale of licenses as expenditures in the state accounting records. The sheep permit is auctioned annually and this authority is the expense associated with this sale. The average price paid since the 1986 license year has been \$148,912, but the permit has sold for as much as \$310,000. In the 2002 license year, the winning bid was \$90,000.

DP 105 - Periodic Property Inventory - The legislature approved a request to conduct a physical inventory in the second year of the biennium. The department is required by state policy to conduct a biennial department-wide physical inventory. The adjustment is requested because the inventory takes place during the second year of the biennium and expenditures are not reflected in the base.

Program	FTE	Fiscal 2004				Fiscal 2005				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 150 - Commission Reduction										
01	0.00	0	(16,513)	0	(16,513)	0.00	0	(16,513)	0	(16,513)
DP 151 - Eliminate FTE										
01	(1.00)	0	(47,427)	0	(47,427)	(1.00)	0	(47,886)	0	(47,886)
DP 152 - SB 112 - Fund Search and Rescue										
01	0.00	0	49,827	0	49,827	0.00	0	99,653	0	99,653
DP 192 - Long-Term Federal Contracts										
01	2.00	0	0	75,000	75,000	2.00	0	0	75,000	75,000
DP 6800 - HB 13 - Pay Plan										
01	0.00	0	14,702	2,587	17,289	0.00	0	62,703	11,086	73,789
Total	1.00	\$0	\$589	\$77,587	\$78,176	1.00	\$0	\$97,957	\$86,086	\$184,043

New Proposals

DP 150 - Commission Reduction - The legislature approved a reduction in general license authority to reflect commissions that are paid on state lands use permits. Because SB 130 was passed and approved, the department will no longer pay commissions on these permits and authority to pay these commissions is removed from the base budget.

DP 151 - Eliminate FTE - The legislature approved an elimination of 9.28 FTE throughout the department that are funded with the general license account. 1.00 FTE of the total reduction was taken in the Administration and Finance Division. Since the identified position is currently filled, the reduction will likely be addressed through a reduction in force.

DP 152 - SB 112 - Fund Search and Rescue - The legislature approved funding to implement SB 112 which charges a conservation license surcharge of \$.25 to fund search and rescue operations. The surcharge would only be used to fund search and rescue operations for conservation license holders.

DP 192 - Long-Term Federal Contracts - The legislature approved an elimination of legislative contract authority (LCA). For many years, the department received federal authority in anticipation of receiving federal grants throughout the biennium. Because many of the projects were long-term in nature, the legislature decided that the proper place for these on-going projects is within HB 2. The legislature added authority for 2.00 FTE that will be used to fund human resources and federal aid work to support federal contract negotiations and reporting.

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund the pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

Language

The legislature approved the following language:

"If Senate Bill No. 130 is not passed and approved, item [Administration and Finance Division] is increased by \$16,513 of state special revenue money in fiscal year 2004 and by \$16,513 of state special revenue money in fiscal year 2005."

"Item [Administration and Finance Division, implement SB 112] is contingent upon passage and approval of Senate Bill No. 112."

Proprietary Rates**Program Description**

There are three proprietary functions within this division:

Warehouse Inventory

The department warehouse contains mainly uniform items (both for wardens and non-wardens) and items specifically related to the duties of the department such as gill nets for the fisheries biologists. Overhead costs are recovered by charging a predetermined fixed percentage to all sales.

Duplicating Center

The department's duplicating center provides duplicating and bindery services to department employees. The duplicating center has 1.00 FTE and whenever the demand for services becomes too great or a particular job is considered too large, the excess jobs are taken to Publications & Graphics to be completed.

Equipment Enterprise Fund

The department equipment fund provides a fleet of vehicles and aircraft to department employees. The customers are department employees, mostly enforcement wardens, fish and wildlife biologists and park employees. Users are charged for the miles driven (hours flown) during the previous month.

Revenues and Expenses*Duplicating Center*

Expenses recovered in the rates are the personal services of the 1.00 FTE, operating expenses, and the raw materials needed for duplicating. Rates have been historically adjusted based on the need to increase or decrease the cash balances in the account. Prior to requesting new rates, a review of the cash balance is done. At the end of fiscal 2002, the cash balance was \$20,850.

The 60-day working capital requirement provides sufficient cash to fund on-going operations of this program. Field projects are billed monthly for the services provided during the month. The workload is fairly consistent so there is little fluctuation in cash balances except when additional inventory is purchased.

A portion of the program fund balance has been reserved for the duplicating center equipment and inventory. At the end of fiscal 2002, the book value of the fund assets was \$13,000 and the fund had \$11,600 in inventory.

Equipment Fund

The objective of the vehicle account is to recover (through rates and annual auction revenues) funds to cover administrative costs to operate the program (personal services and operations) in addition to being able to replace fleet vehicles at approximately 100,000 miles. A total of 2.06 FTE are funded in this fund. The two largest costs are fuel and repairs. In fiscal 2002, the fund spent \$625,000 on fuel and \$500,000 on repairs. In fiscal 2002 the department drove just over 5.0 million miles in department vehicles while the 10-year average is 4.9 million miles. Due to a 15.0 percent rate

increase in fiscal 2003, and the approved rate increases in fiscal 2004 and fiscal 2005, the program anticipates revenues of \$4.7 million over the 2005 biennium. These amounts are increases of approximately 19.0 percent and 23.0 percent, respectively, over base year fee revenue.

The department attempts to manage this account so that a 60-day working capital amount of cash is available when the cash balance is at its lowest level. To compensate for a cash flow problem created by keeping rates artificially low, rates were increased 25.0 percent in fiscal 2002 and 15.0 percent in fiscal 2003. The executive is requesting a 6.0 percent rate increase in fiscal 2004 and an additional 3.0 percent rate increase in fiscal 2005. The department attempts to ensure that fees are commensurate with costs over time. It does this in two ways. First, proposed rates for the next biennium take into consideration any excess income or loss generated from previous periods. Second, prior to finalizing new rates at the beginning of a new fiscal year, the rates are recalculated based on actual information.

In order to maintain a positive cash balance, the vehicle fund currently has a \$300,000 loan from another fund. Working capital at the end of fiscal 2002 was \$147,000.

Divisions are billed monthly for the miles driven (hours flown) during the previous month. Cash balances fluctuate during the year for two reasons. The first is that monthly mileage is greater during the summer and fall than during the winter and spring. The second reason is that new vehicles are purchased in the spring. Thus cash balances are normally highest in December after the hunting season and lowest in the spring after purchasing the new vehicles. Fiscal year end balances tend to be significantly higher than spring balances

There is no requirement to reserve fund balance. At the end of fiscal 2002, the vehicle fund had total assets of \$5.6 million and the book value (original cost less accumulated depreciation) of the fleet was \$5.3 million. The major liability is a \$300,000 loan to ensure a positive cash balance at year-end. As stated above, working capital at the end of fiscal 2002 was \$147,000. A portion of the program fund balance has been reserved for the book value of department vehicles and aircraft.

Warehouse Inventory

The expenses associated with the warehouse include personal services, miscellaneous office supplies, expenses for the warehouse worker, and inventory purchases needed to replenish existing stock. Revenues are from the sales of inventory items to department employees. With the approved rates, the executive anticipates revenues to be approximately \$90,000 per fiscal year over the 2005 biennium. Beginning in fiscal 2002, this program will fund 0.20 FTE.

The 60-day working capital requirement provides sufficient cash to fund on-going operations of this program. The department attempts to ensure that fees are commensurate with costs over time by adjusting the proposed rates for excess income or loss from previous periods. Field projects are billed monthly for the purchases made during the month. Cash balances fluctuate during the year. Cash balances are lowest during the winter when stock is replenished and highest during the summer when temporary and seasonal employees are hired.

A portion of the program fund balance has been reserved for the warehouse inventory. At the end of fiscal 2002, the warehouse inventory was \$128,510.

Rate Explanation

Duplicating Center

The rate methodology attempts to determine a rate for various duplicating and bindery services that allows the fund to recover both the cost of the raw materials and all associated personal services and operating costs. Rates have been historically adjusted based on the need to increase or decrease the cash balance. The rates have been increased only to recover anticipated inflationary increases in the raw materials and administrative costs.

<u>Item</u>	<u>FY 2004</u>	<u>FY 2005</u>
Copies		
1-20	\$0.045	\$0.050
21-100	\$0.030	\$0.035
101-1000	\$0.025	\$0.030
1001-5000	\$0.020	\$0.025
Color - per sheet	\$0.250	\$0.250
Binding		
Collating (per sheet)	\$0.005	\$0.005
Hand Stapling (per set)	\$0.015	\$0.015
Saddle stitch (per set)	\$0.030	\$0.030
Folding (per sheet)	\$0.005	\$0.005
Punching (per sheet)	\$0.001	\$0.001
Cutting (per minute)	\$0.550	\$0.550

Equipment

The rate methodology attempts to determine a cost/mile rate for various classes of vehicles and a cost/hour rate for each class of aircraft. The methodology is to determine previous year expenses, including operating, maintenance, administration and depreciation expenses minus previous year revenue generated from the rates and the annual vehicle auction to establish the net income for a particular class. Next, the life-to-date (LTD) net income or loss on a per-mile (hour) basis is determined. Future year expenses are estimated based on the most current year information plus a 3.0 percent inflationary factor. Using the most current year mileage and the projected expenses, a cost/mile (hour) rate is determined for the future year. This rate is adjusted for any LTD net income or loss. In an attempt to minimize large increases or decreases, rates will not change more than 25.0 percent per year (10.0 percent for aircraft).

In addition, a minimum mileage rate was charged starting in fiscal 2000. This was an attempt to recover overhead costs whether a vehicle is driven or not. A minimum monthly overhead charge would be assessed to each vehicle that is not driven, and thus, does not maintain the class average mileage. By using this method, the overhead costs are recovered and low mileage vehicles are not being subsidized by higher mileage vehicles.

Each year, department employees drive over 5.0 million miles in department owned vehicles. The department currently has a fleet of over 400 vehicles, which are mainly used by enforcement officers, fish and wildlife biologists and parks employees. The department request for vehicle replacement is for 43 vehicles in both fiscal 2004 and fiscal 2005. This is based on replacing vehicles after a minimum of 100,000 miles. Annually, the department auctions these vehicles and replaces them with new vehicles. Historically, the department has replaced 40 to 45 vehicles each year. This replacement schedule does not require a present law adjustment.

In an effort to simplify the rate setting process and stabilize any future rate increases, the legislature approved reducing the number of vehicle classes from 15 to 6. The following describes the vehicle classes and approved rates:

<u>Description</u>	<u>FY 2004</u>	<u>FY 2005</u>
Per Mile Rates		
Sedans	\$0.28	\$0.31
Vans	\$0.29	\$0.32
Utilities	\$0.36	\$0.38

Grounds Maintenance	\$0.95	\$1.00
Pickup 1/2 Ton	\$0.35	\$0.36
Pickup 3/4 Ton	\$0.36	\$0.36

Per Hour Rates

2 Place Single Engine	\$ 56.72	\$ 56.72
Partnavia	\$283.60	\$297.78
Turbine Helicopters	\$345.72	\$345.72

Vehicles would be assessed a minimum overhead charge if not driven a minimum number of miles in addition to the regular rates.

In fiscal 2000, the department underwent an audit that indicated cash flow problems in the vehicle account. This arose from keeping the rates low in an attempt to show that rates were commensurate with costs. During the 2001 session, the department request to increase rates 25.0 percent in fiscal 2002 and 15.0 percent in fiscal 2003 was approved. In fiscal 2001, cash outflows exceeded cash inflows by \$299,000 but in fiscal 2002 cash inflows exceeded cash outflows by \$15,000. In order to recover from previous losses, the legislature approved a 6 percent rate increase in fiscal 2004 and an additional 3 percent rate increase in fiscal 2005.

Warehouse Inventory

The rate approved for the warehouse is an overhead rate that is added to the cost of the inventory items. The overhead rate will generate sufficient revenue to cover the administrative costs of the program. The legislature approved a 5.0 percent overhead rate for each year of the 2005 biennium. The rate was calculated by estimating the support costs to maintain the warehouse function such as personal services, office supplies and other office costs. Based on estimated warehouse sales, a fixed overhead percentage is determined that allows the department to recover the warehouse support costs. This rate is also adjusted for any previous over or under collections.

Significant Present Law

Through the approval of the equipment rates, the executive restored operations budget for aircraft to the previously authorized level. Aircraft operations were under-spent primarily due to the loss of a helicopter.

Program Legislative Budget	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	45.43	0.00	(1.80)	43.63	0.00	(1.80)	43.63	43.63
Personal Services	1,720,169	201,464	(84,145)	1,837,488	203,325	(40,025)	1,883,469	3,720,957
Operating Expenses	4,733,382	1,562,859	500,000	6,796,241	1,511,100	960,000	7,204,482	14,000,723
Equipment	14,422	0	0	14,422	0	0	14,422	28,844
Grants	0	0	0	0	0	0	0	0
Benefits & Claims	5,057	0	0	5,057	0	0	5,057	10,114
Transfers	0	0	0	0	0	0	0	0
Total Costs	\$6,473,030	\$1,764,323	\$415,855	\$8,653,208	\$1,714,425	\$919,975	\$9,107,430	\$17,760,638
State/Other Special	5,752,988	1,689,988	414,720	7,857,696	1,638,687	915,094	8,306,769	16,164,465
Federal Special	720,042	74,335	1,135	795,512	75,738	4,881	800,661	1,596,173
Proprietary	0	0	0	0	0	0	0	0
Total Funds	\$6,473,030	\$1,764,323	\$415,855	\$8,653,208	\$1,714,425	\$919,975	\$9,107,430	\$17,760,638

Program Description

The Field Services Division provides services in five areas.

- o The Landowner Sportsman Relations and Block Management Program: 1) establishes and maintains communications with user and resource-based organizations and individuals; 2) administers the Livestock Loss Reimbursement Program; and 3) administers the Block Management Program, which provides recreational access on private property
- o The Game Damage Program provides assistance to landowners in minimizing impacts of game animals to property and crops
- o The Design and Construction Bureau provides architectural and engineering services for construction and maintenance projects at state parks, state fishing access sites, and wildlife management areas.
- o The Aircraft Unit provides aerial mountain lake surveys and fish planting, wildlife surveys, wildlife capture and marking, and transportation for the department
- o The Land Unit is responsible for the real estate functions of the department, including conservation easements, acquisition and disposal of real estate and real property, and management of all permanent land records

Program Narrative

Field Services Division Major Program Highlights
<ul style="list-style-type: none"> o The legislature approved one-time authority to spend block management funding generated through sales of variable priced licenses o Funding was approved to assist local governments and other entities to disseminate information on living with wildlife o The legislature approved a pilot project to provide technical services to private landowners related to wildlife management on their lands o SB 130, which was passed and approved, allows the department to enter into a memorandum of understanding with the Department of Natural Resources and Conservation to address impacts of hunters, anglers, and trappers on state trust lands. An increase in the conservation license will fund impacts

Variable Priced License

HB 195, passed by the 1995 legislature, will terminate March 1, 2006 as amended by SB 338, also passed by the 1995 legislature. SB 338 changed the prior policy of license fees being set only by the legislature. The legislation authorized

the Fish, Wildlife and Parks Commission to set fees on an average (over five years) of 5,500 outfitter-sponsored, nonresident big game combination B-10 Licenses, and 2,300 deer combination B-11 Licenses. Figure 12 shows the prices and number of licenses that have been sold under this authorization and is included to track the number of licenses sold over the five-year period.

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium.

Program Funding	Base	% of Base	Budget	% of Budget	Budget	% of Budget
	Fiscal 2002	Fiscal 2002	Fiscal 2004	Fiscal 2004	Fiscal 2005	Fiscal 2005
02334 Market Based Combo Sales	\$ 3,858,448	59.6%	\$ 5,358,655	61.9%	\$ 5,389,431	59.2%
02408 Coal Tax Trust Account	29,085	0.4%	36,026	0.4%	36,281	0.4%
02409 General License	1,822,661	28.2%	2,417,063	27.9%	2,834,609	31.1%
02410 Real Estate Trust Earnings	12,000	0.2%	-	-	-	-
02469 Habitat Trust Interest	30,794	0.5%	45,952	0.5%	46,448	0.5%
03097 Fish(Dj)-Wildlf(Pr) Restor Grnt	452,307	7.0%	466,135	5.4%	466,135	5.1%
03404 Overhead	267,735	4.1%	329,377	3.8%	334,526	3.7%
Grand Total	\$ 6,473,030	100.0%	\$ 8,653,208	100.0%	\$ 9,107,430	100.0%

The Field Services Division primary state special funding sources are from a portion of variable-priced hunting license sales and the General License Account. Lesser amounts come from Coal Tax Trust interest and Wildlife Habitat Trust interest. Federal funds consist of Pittman-Robertson (PR), as well as this division's share of the indirect cost assessments on federal grants and non-federal accounts. The rate for fiscal years 2004 and 2005 from non-federal funds is 11.7 percent for operational expenditures and 4.1 percent for capital expenditures. These assessments are handled as a non-budgeted transfer to the General License Account, from which all expenses are paid. The federal overhead rate of 19.1 percent is applied to federal grants, which include Pittman-Robertson funds.

	Fiscal 2004					Fiscal 2005				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Present Law Adjustments					281,534					283,476
Vacancy Savings					(80,070)					(80,151)
Inflation/Deflation					2,916					20,695
Fixed Costs					2,357					2,838
Total Statewide Present Law Adjustments					\$206,737					\$226,858
DP 201 - Additional Block Management Funding	0.00	0	733,000	0	733,000	0.00	0	733,000	0	733,000
DP 202 - Block Management Funding	0.00	0	627,000	0	627,000	0.00	0	627,000	0	627,000
DP 203 - Game Damage Restoration	0.00	0	41,000	0	41,000	0.00	0	41,000	0	41,000
DP 204 - Leases	0.00	0	30,185	0	30,185	0.00	0	30,185	0	30,185
DP 205 - Net Client Hunting Use	0.00	0	40,000	0	40,000	0.00	0	40,000	0	40,000
DP 207 - Internal Service Rate Adjustment	0.00	0	24,212	0	24,212	0.00	0	19,193	0	19,193
DP 208 - Taxes	0.00	0	4,609	13,828	18,437	0.00	0	4,609	13,828	18,437
DP 212 - Public Wildlife Interface	0.00	0	43,752	0	43,752	0.00	0	(21,248)	0	(21,248)
Total Other Present Law Adjustments	0.00	\$0	\$1,543,758	\$13,828	\$1,557,586	0.00	\$0	\$1,473,739	\$13,828	\$1,487,567
Grand Total All Present Law Adjustments					\$1,764,323					\$1,714,425

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 201 - Additional Block Management Funding - The legislature approved one-time authority to expend block management funding generated by the variable priced big game license. The 2001 legislature enacted SB 285, which established new revenue from the sale of hunting licenses. The revenue is earmarked to block management and associated private and public land hunting access programs, but did not become available until fiscal 2003. Thus, the authority will allow the department to spend this revenue. Although the legislature removed 2.00 FTE from the executive request, they indicated that the department would be able to utilize 2.00 modified FTE for this purpose if approved by the Office of Budget and Program Planning.

DP 202 - Block Management Funding - The legislature approved a request to restore block management authority to the level authorized in the 2001 session. In fiscal 2001, the block management program received new funding from earmarked fees. Not all of the budget authority was expended during fiscal 2002 and this base adjustment would provide additional authority for the 2005 biennium.

DP 203 - Game Damage Restoration - The legislature approved a request to restore full funding to the Game Damage Program. Because of low snow levels during the winter of 2001-2002, the game damage budget was not fully expended and this authority restored funding to levels reflective of a more severe winter.

DP 204 - Leases - The legislature approved a request for authority to cover projected increases in leases paid on FWP wildlife management areas, state parks, fishing access sites, and lands owned by other departments.

DP 205 - Net Client Hunting Use - The legislature approved a request to re-establish budget authority in each fiscal year of the 2005 biennium, with which to calculate the impacts of net client hunting use as required by SB 334 enacted by the 1999 legislature. The department has received only one application for increases in net client hunting by the Board of Outfitters.

DP 207 - Internal Service Rate Adjustment - The legislature approved a request for increased authority for managing a fleet of vehicles and aircraft for department use. Program staff who drive department vehicles are assessed a fee for the miles they drive. The revenue generated from the vehicle rates is used to maintain the department fleet and replace existing vehicles as needed.

DP 208 - Taxes - The legislature approved a one-time adjustment to meet anticipated tax liabilities of \$139,000 per year.

DP 212 - Public Wildlife Interface - The legislature approved a request of biennial authority for Public Wildlife Interface Program for cooperative efforts with local governments and other entities to disseminate information on living with wildlife and for other programs associated with this issue.

Program	-----Fiscal 2004-----					-----Fiscal 2005-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 210 - Private Landowner Technical Services 02	0.00	0	40,000	0	40,000	0.00	0	40,000	0	40,000
DP 251 - Eliminate FTE 02	(1.80)	0	(97,492)	0	(97,492)	(1.80)	0	(97,227)	0	(97,227)
DP 6800 - HB 13 - Pay Plan 02	0.00	0	12,212	1,135	13,347	0.00	0	52,321	4,881	57,202
DP 8213 - General Recreation Use of State Lands 02	0.00	0	460,000	0	460,000	0.00	0	920,000	0	920,000
Total	(1.80)	\$0	\$414,720	\$1,135	\$415,855	(1.80)	\$0	\$915,094	\$4,881	\$919,975

New Proposals

DP 210 - Private Landowner Technical Services - The legislature approved a request for general license authority for a pilot project to provide technical services to private landowners related to wildlife management on their lands. Services would include providing information and services related to managing wildlife and wildlife habitat on private lands, reducing and preventing game damage, developing wildlife-friendly grazing and fencing systems, and developing new techniques and strategies to help private landowners successfully integrate wildlife concerns into their land management decisions.

DP 251 - Eliminate FTE - The legislature approved an elimination of 9.28 FTE throughout the department that are funded with the general license account. Of the total reduction, 1.80 FTE was eliminated in the the Field Services Division. The department will likely address the reduction through a reduction in force, attrition, or reassignment.

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund the pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

DP 8213 - General Recreation Use of State Lands - The legislature approved a request for budget authority to enter into a 10 year memorandum of understanding (MOU) with the Department of Natural Resources and Conservation to compensate the school trust for the value of recreational use of school trust lands by hunters and anglers. The total is an amount equivalent to \$2.00 for every conservation license sold the prior year. This decision is the result of a request by the Board of Land Commissioners that FWP and DNRC develop an alternative to the current method of compensating the School Trust for general recreational use through the purchase of a general recreational use stamp. This authority is contingent upon Land Board approval.

Language

The legislature approved the following language:

"If Senate Bill No. 130 is not passed and approved, item [Field Services Division] is decreased by \$460,000 of state special revenue money in fiscal year 2004 and by \$920,000 of state special revenue money in fiscal year 2005."

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	111.07	0.00	32.79	143.86	0.00	32.79	143.86	143.86
Personal Services	4,696,882	447,865	1,265,415	6,410,162	456,476	1,378,717	6,532,075	12,942,237
Operating Expenses	2,239,585	373,368	1,279,646	3,892,599	404,286	1,126,107	3,769,978	7,662,577
Equipment	112,837	26,612	66,515	205,964	26,612	110,015	249,464	455,428
Grants	30,000	0	0	30,000	0	0	30,000	60,000
Transfers	0	0	0	0	0	0	0	0
Total Costs	\$7,079,304	\$847,845	\$2,611,576	\$10,538,725	\$887,374	\$2,614,839	\$10,581,517	\$21,120,242
State/Other Special	3,355,966	230,367	120,180	3,706,513	248,250	274,541	3,878,757	7,585,270
Federal Special	3,723,338	617,478	2,491,396	6,832,212	639,124	2,340,298	6,702,760	13,534,972
Total Funds	\$7,079,304	\$847,845	\$2,611,576	\$10,538,725	\$887,374	\$2,614,839	\$10,581,517	\$21,120,242

Program Description

The Fisheries Division is responsible for preserving and perpetuating aquatic species and their ecosystems and for meeting public demand for fishing opportunities and aquatic wildlife stewardship. The division formulates and implements policies and programs that emphasize management for wild fish populations and the protection and restoration of habitat necessary to maintain these populations. The program:

- o Operates a hatchery program to stock lakes and reservoirs where natural reproduction is limited
- o Regulates angler harvests
- o Monitors fish populations
- o Provides and maintains public access

Program Narrative

Fisheries Division Major Program Highlights
<ul style="list-style-type: none"> o Funding was approved to replace computers used primarily by biologists and in hatcheries o The legislature approved funding to replace hatchery trucks and fish tanks o The legislature approved \$4.3 million of federal authority to fund long-term federal contracts o A one-time funding request was approved that will provide assistance at non-FWP sites that provide public fishing access

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium.

Program Funding	Base	% of Base	Budget	% of Budget	Budget	% of Budget
	Fiscal 2002	Fiscal 2002	Fiscal 2004	Fiscal 2004	Fiscal 2005	Fiscal 2005
02148 Paddlefish Roe Account	\$ 24,998	0.4%	\$ 25,000	0.2%	\$ 25,000	0.2%
02409 General License	3,330,968	47.1%	3,581,219	34.0%	3,652,511	34.5%
02942 Warm Water Fish Stamp	-	-	100,294	1.0%	201,246	1.9%
03097 Fish(Dj)-Wldlf(Pr) Restor Grnt	3,492,590	49.3%	4,222,816	40.1%	4,310,552	40.7%
03403 Fish & Game	188,300	2.7%	2,566,953	24.4%	2,349,765	22.2%
03404 Overhead	42,448	0.6%	42,443	0.4%	42,443	0.4%
Grand Total	\$ 7,079,304	100.0%	\$ 10,538,725	100.0%	\$ 10,581,517	100.0%

The Fisheries Division's primary funding source is the general license account with minor amounts contributed by the sale of paddlefish roe. Federal funds are from Wallop-Breaux funds, Corps of Engineers grants, and overhead contributions collected from other divisions in the department. The Wallop-Breaux funds require a 25 percent match that is provided with the general license account.

	-----Fiscal 2004-----				-----Fiscal 2005-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					662,232					671,201
Vacancy Savings					(214,367)					(214,725)
Inflation/Deflation					14,846					36,226
Total Statewide Present Law Adjustments					\$462,711					\$492,702
DP 306 - Computer Replacement	0.00	0	12,222	36,667	48,889	0.00	0	13,594	40,781	54,375
DP 309 - Internal Service Rate Adjustment	0.00	0	9,659	28,974	38,633	0.00	0	7,672	23,013	30,685
DP 310 - Hatchery Operations	0.00	0	50,000	150,000	200,000	0.00	0	53,000	159,000	212,000
DP 311 - Streamflow Gaging & Murray Springs Hatchery	0.00	0	20,000	11,000	31,000	0.00	0	20,000	11,000	31,000
DP 312 - Native Species Landowner Conservation Program	0.00	0	40,000	0	40,000	0.00	0	40,000	0	40,000
DP 313 - Equipment Replacement	0.00	0	0	26,612	26,612	0.00	0	0	26,612	26,612
Total Other Present Law Adjustments	0.00	\$0	\$131,881	\$253,253	\$385,134	0.00	\$0	\$134,266	\$260,406	\$394,672
Grand Total All Present Law Adjustments					\$847,845					\$887,374

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 306 - Computer Replacement - The legislature approved a request to replace computers. The Fisheries Division has 62 computers that are scheduled for replacement spread throughout the state and are primarily for biologists, hatcheries, and other users in the division.

DP 309 - Internal Service Rate Adjustment - The legislature approved a request to adjust vehicle travel costs due to inflationary and rate increases for FWP internal fleet of vehicles. Program staff who drive department vehicles are assessed a fee for the miles they drive. The revenue generated from the vehicle rates is used to maintain the department fleet and replace existing vehicles as needed. In order to comply with the legislative audit recommendations to keep rates commensurate with costs and spend down existing cash balances, the vehicle rates have remained low.

DP 310 - Hatchery Operations - The legislature approved a request to increase the hatchery operations budget. According to the executive, the increase would be used for fish food, station utilities, and maintenance at all eight state-owned hatcheries.

DP 311 - Streamflow Gaging & Murray Springs Hatchery - The legislature approved a request to increase the Murray Springs Hatchery funding for additional program development and maintenance. The federal portion of the requested funding will be fully reimbursed by the Corps of Engineers. In addition, federal funding was approved for the United States Geological Service stream gaging project.

DP 312 - Native Species Landowner Conservation Program - The legislature approved a request for restricted general license account authority that would be used to match federal dollars, generating between \$80,000 and \$160,000 for projects centered on the conservation of native fish. The Wildlife Conservation Restoration Program, State Wildlife Grants, and Landowner Incentive Program are examples of similar federal programs the department participates in. Each of these federal programs requires a non-federal financial match ranging from 25 - 50 percent.

DP 313 - Equipment Replacement - The legislature approved a request to fund two hatchery distribution trucks (one truck in each fiscal year) and one replacement fish tank for a total of \$65,000. The 2001 legislature authorized the use of the equipment budget to pay for Fisheries Division retirement payouts. In fiscal 2002, Fisheries Division used \$8,033 of equipment authority to make retirement payouts. In part, this request restores the equipment budget by the amount redirected for these payouts.

New Proposals											
Program	FTE	-----Fiscal 2004-----				-----Fiscal 2005-----					
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 301 - Fish Tech Support											
03	1.00	0	16,139	48,417	64,556	1.00	0	17,390	52,170	69,560	
DP 302 - Fort Peck Hatchery Support											
03	1.00	0	100,000	0	100,000	1.00	0	200,000	0	200,000	
DP 304 - Roving Creel Survey											
03	(0.30)	0	7,000	75,000	82,000	(0.30)	0	8,250	78,750	87,000	
DP 305 - Fishing Access Site Assistance Program											
03	0.00	0	25,000	0	25,000	0.00	0	25,000	0	25,000	
DP 351 - Eliminate FTE											
03	(1.38)	0	(44,129)	0	(44,129)	(1.38)	0	(44,539)	0	(44,539)	
DP 391 - Short-Term Federal Contracts											
03	0.04	0	0	206,700	206,700	0.04	0	0	10,700	10,700	
DP 392 - Long-Term Federal Contracts											
03	32.43	0	0	2,141,943	2,141,943	32.43	0	0	2,116,509	2,116,509	
DP 6800 - HB 13 - Pay Plan											
03	0.00	0	16,170	19,336	35,506	0.00	0	68,440	82,169	150,609	
Total	32.79	\$0	\$120,180	\$2,491,396	\$2,611,576	32.79	\$0	\$274,541	\$2,340,298	\$2,614,839	

New Proposals

DP 301 - Fish Tech Support - The legislature approved funding for 1.00 FTE for technical support positions that will be distributed among the regions to assist fisheries biologists. These positions will review private pond permits, oversee streambed protection and restoration projects, deal with recreation conflicts, and address introductions of aquatic nuisance species. According to the department, fewer compensatory time hours will be accumulated as a result of this authority.

DP 302 - Fort Peck Hatchery Support - The legislature approved a request for funding to provide an on-site Fort Peck Hatchery Manager to oversee construction of the site. Hiring goals include ensuring the hatchery meets department standards and familiarizing the manager with all aspects of the hatchery. The manager will be on-site during the construction phase, in part, to coordinate system development, correct unintended design flaws, modify plans, and handle public relations.

DP 304 - Roving Creel Survey - The legislature approved a request for authority to conduct roving creel surveys. In addition, the legislature eliminated 0.30 FTE associated with these surveys. Roving creel surveys are used to evaluate the effectiveness of fishing regulations and to assess the status of fish populations.

DP 305 - Fishing Access Site Assistance Program - The legislature approved a one-time request to provide assistance at non-FWP sites that provide public fishing access in areas lost as conflicts prompt owners to exclude the public. Funding will allow regions to contract with individuals who to patrol private sites for litter, conduct minor maintenance, provide lawsuit protection, and make contact with anglers and landowners.

DP 351 - Eliminate FTE - The legislature approved an elimination of 9.28 FTE throughout the department that are funded with the general license account. Of the total, 1.38 FTE were in the Fisheries Division and were occupied as of the end of the legislative session. The reduction of these FTE will likely be addressed through a reduction in force with any additional workload being redistributed among existing fish scale lab employees.

DP 391 - Short-Term Federal Contracts - The legislature approved an elimination of legislative contract authority (LCA). Instead, the projects will be funded in HB 2. For many years, the department received federal authority (LCA) in anticipation of receiving federal grants throughout the biennium. However, the legislature decided that these projects belonged in HB 2. This will add one-time authority for 0.04 FTE and related operations costs that will be used for trout and fisheries research projects over the next biennium.

DP 392 - Long-Term Federal Contracts - The legislature approved an elimination of legislative contract authority (LCA). For many years, the department received federal authority in anticipation of receiving federal grants throughout the biennium. Because many of the projects were long-term in nature, the legislature decided that the proper place for these on-going projects was within HB 2. This authority will add authority for 32.43 FTE and related operations costs that will be used for trout and fisheries research projects.

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund the pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

Language

The legislature approved the following language:

"If omnibus federal funding for the purpose of building the warm water fish hatchery at Fort Peck is not passed and approved, item [Fisheries Division] is decreased by \$100,000 of state special revenue money in fiscal year 2004 and by \$200,000 of state special revenue money in fiscal year 2005."

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	102.63	0.00	(0.98)	101.65	0.00	(0.98)	101.65	101.65
Personal Services	4,916,547	324,884	9,212	5,250,643	329,220	114,865	5,360,632	10,611,275
Operating Expenses	1,383,658	61,703	53,717	1,499,078	85,837	43,717	1,513,212	3,012,290
Equipment	51,189	0	0	51,189	0	0	51,189	102,378
Grants	0	40,000	0	40,000	40,000	0	40,000	80,000
Transfers	0	0	0	0	0	0	0	0
Total Costs	\$6,351,394	\$426,587	\$62,929	\$6,840,910	\$455,057	\$158,582	\$6,965,033	\$13,805,943
State/Other Special	6,105,083	444,191	62,252	6,611,526	469,077	155,589	6,729,749	13,341,275
Federal Special	246,311	(17,604)	677	229,384	(14,020)	2,993	235,284	464,668
Total Funds	\$6,351,394	\$426,587	\$62,929	\$6,840,910	\$455,057	\$158,582	\$6,965,033	\$13,805,943

Program Description

The Law Enforcement Division is responsible for ensuring compliance with the department laws and regulations for the protection and preservation of big game animals, fur-bearing animals, fish, game birds, and other wildlife species. It also enforces laws and regulations relative to lands or waters under the jurisdiction and authority of the department such as parks, fishing access sites, and wildlife management areas, as well as those laws and regulations pertaining to boating, snowmobile, and all-terrain vehicle safety and registration. Other duties include administration of special purpose licenses, overseeing the department licensing agents, and investigating wildlife damage complaints.

Program Narrative

Law Enforcement Division Major Program Highlights
<ul style="list-style-type: none"> ○ The legislature approved funding to help counties increase their boating and water safety efforts ○ Funding to pay overtime to game wardens during periods of peak workload was approved ○ The legislature approved funding to prepare environmental assessments, environmental impact statements, and conduct compliance inspections related to alternative livestock operations

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium.

Program Funding	Base	% of Base	Budget	% of Budget	Budget	% of Budget
	Fiscal 2002	Fiscal 2002	Fiscal 2004	Fiscal 2004	Fiscal 2005	Fiscal 2005
02115 Off-Highway Vehicle Fines	\$ 37,949	0.6%	\$ 48,780	0.7%	\$ 49,906	0.7%
02329 Snowmobile Fuel Tax-Enforcemnt	23,254	0.4%	24,052	0.4%	24,207	0.3%
02334 Market Based Combo Sales	270,793	4.3%	300,104	4.4%	306,592	4.4%
02409 General License	5,494,843	86.5%	6,003,249	87.8%	6,091,033	87.5%
02411 State Parks Miscellaneous	68,778	1.1%	75,813	1.1%	77,871	1.1%
02412 Motorboat Fuel Tax	23,069	0.4%	26,717	0.4%	27,278	0.4%
02413 F & G Motorboat Cert Id	129,218	2.0%	64,378	0.9%	82,557	1.2%
02414 Snowmobile Reg	57,179	0.9%	68,433	1.0%	70,305	1.0%
03403 Fish & Game	246,311	3.9%	229,384	3.4%	235,284	3.4%
Grand Total	\$ 6,351,394	100.0%	\$ 6,840,910	100.0%	\$ 6,965,033	100.0%

The Law Enforcement Division is funded primarily with state special revenue, including the general license account, variable priced non-resident hunting license fees, motorboat certificate fees, motorboat fuel taxes, state parks funds, and snowmobile and off-highway vehicle registration funds. Federal funds consist primarily of grants from the Coast Guard. Most of department's federal funding requires a non-federal source of matching funds from 20 to 50 percent.

Present Law Adjustments	Fiscal 2004					Fiscal 2005				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					334,948					339,464
Vacancy Savings					(210,064)					(210,244)
Inflation/Deflation					2,849					37,446
Total Statewide Present Law Adjustments					\$127,733					\$166,666
DP 407 - County Water Safety Program	0.00	0	20,000	20,000	40,000	0.00	0	20,000	20,000	40,000
DP 408 - Warden Overtime Compensation	0.00	0	194,000	6,000	200,000	0.00	0	194,000	6,000	200,000
DP 410 - Internal Service Rate Adjustment	0.00	0	48,074	0	48,074	0.00	0	37,611	0	37,611
DP 415 - Off-Highway Vehicle Enforcement	0.00	0	10,780	0	10,780	0.00	0	10,780	0	10,780
Total Other Present Law Adjustments	0.00	\$0	\$272,854	\$26,000	\$298,854	0.00	\$0	\$262,391	\$26,000	\$288,391
Grand Total All Present Law Adjustments					\$426,587					\$455,057

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 407 - County Water Safety Program - The legislature approved a request to fund a program to help counties increase their boating and water safety enforcement efforts through matching federal funds available under the State Recreational Boating Act administered by the U.S. Coast Guard.

DP 408 - Warden Overtime Compensation - The legislature approved a request to fund overtime for wardens working during official holidays, for providing emergency responses, and for increased coverage during peak times and seasons.

DP 410 - Internal Service Rate Adjustment - The legislature approved a request to adjust vehicle travel costs resulting from inflation and rate increases for FWP internal fleet of vehicles. The additional funding would help manage a fleet of vehicles and aircraft for department use. Program staff who drive department vehicles are assessed a fee for the miles they drive. The revenue generated from the vehicle rates is used to maintain the department fleet and replace existing vehicles as needed. In order to comply with the legislative audit recommendations to keep rates commensurate with costs and spend down existing cash balances, the vehicle rates have remained low.

DP 415 - Off-Highway Vehicle Enforcement - The legislature approved a request supporting off-highway vehicle enforcement. The division funding to enforce Off-Highway Vehicle (OHV) registration enforcement comes from a portion of revenue generated from the sale of registration decals. In fiscal 2002, the enforcement division experienced several factors that affected the full use of this funding source. The factors included vacancies, injury and illness of wardens, as well as vacation and compensatory time reduction requirements during seasons when wardens normally use an OHV. This authority restores full funding for these enforcement activities.

New Proposals											
Program	FTE	Fiscal 2004				Fiscal 2005					
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 409 - Alternative Livestock Permitting											
04	0.00	0	32,000	0	32,000	0.00	0	32,000	0	32,000	
DP 416 - Snowmobile Enforcement											
04	0.00	0	5,217	0	5,217	0.00	0	5,217	0	5,217	
DP 451 - Eliminate FTE											
04	(0.98)	0	(22,928)	0	(22,928)	(0.98)	0	(22,891)	0	(22,891)	
DP 452 - SB 395 -- Bison Hunt											
04	0.00	0	10,000	0	10,000	0.00	0	0	0	0	
DP 453 - HB 558 -- Temporary Snowmobile Permit											
04	0.00	0	6,500	0	6,500	0.00	0	6,500	0	6,500	
DP 6800 - HB 13 - Pay Plan											
04	0.00	0	31,463	677	32,140	0.00	0	134,763	2,993	137,756	
Total	(0.98)	\$0	\$62,252	\$677	\$62,929	(0.98)	\$0	\$155,589	\$2,993	\$158,582	

New Proposals

DP 409 - Alternative Livestock Permitting - The legislature approved request for restricted, one-time authority to fund contracted services and related department operational costs in the preparation of environmental assessments, environmental impact statements, compliance inspections and administrative costs incurred in commercial wildlife/alternative livestock permitting.

DP 416 - Snowmobile Enforcement - The legislature approved a one-time request for snowmobile enforcement funding. State law mandates enforcement authority to FWP and the legislature provides funding generated through snowmobile registration and fuel taxes.

DP 451 - Eliminate FTE - The legislature approved an elimination of 9.28 FTE throughout the department that are funded with the general license account. Of the total reduction, .98 FTE were eliminated from the Water Safety Program in the Law Enforcement Division. The department will likely address the reduction through a reduction in force, attrition, or reassignment.

DP 452 - SB 395 -- Bison Hunt - The legislature approved biennial state special revenue authority to implement SB 395 that provides for a bison hunt as a management tool when authorized by the Department of Livestock.

DP 453 - HB 558 -- Temporary Snowmobile Permit - The legislature added state special revenue to the Department of Fish, Wildlife and Parks to implement HB 558 which requires all nonresidents to purchase an annual temporary snowmobile use permit. Proceeds are restricted to enhancement of snowmobile enforcement activities and provide grants to snowmobile clubs for trail grooming.

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund the pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

Language

The legislature approved the following language in HB 2:

"If House Bill No. 558 is not passed and approved, item [Enforcement Division, implement HB 558] is reduced by \$6,500 of state special revenue in fiscal year 2004 and by \$6,500 of state special revenue in fiscal year 2005 and item [Parks Division, implement HB 558] is reduced by \$175,000 of state special revenue in fiscal 2004 and by \$178,500 of state special revenue in fiscal 2005."

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	98.40	1.50	4.16	104.06	1.50	2.60	102.50	102.50
Personal Services	4,466,882	346,783	215,882	5,029,547	351,188	243,058	5,061,128	10,090,675
Operating Expenses	2,500,972	378,057	340,469	3,219,498	403,381	115,428	3,019,781	6,239,279
Equipment	62,251	20,000	0	82,251	30,000	0	92,251	174,502
Capital Outlay	0	0	0	0	0	0	0	0
Grants	135,000	0	0	135,000	0	0	135,000	270,000
Transfers	0	0	0	0	0	0	0	0
Total Costs	\$7,165,105	\$744,840	\$556,351	\$8,466,296	\$784,569	\$358,486	\$8,308,160	\$16,774,456
State/Other Special	3,744,788	401,001	296,008	4,441,797	424,054	168,555	4,337,397	8,779,194
Federal Special	3,420,317	343,839	260,343	4,024,499	360,515	189,931	3,970,763	7,995,262
Total Funds	\$7,165,105	\$744,840	\$556,351	\$8,466,296	\$784,569	\$358,486	\$8,308,160	\$16,774,456

Program Description

The Wildlife Division is responsible for the department statewide Wildlife Management Program, which enhances the use of Montana renewable wildlife resources for public benefit. It protects, regulates, and perpetuates wildlife populations with habitat management and regulated harvest. Through promotion of land management practices, wildlife habitat areas are maintained and enhanced. In addition, the program provides wildlife recreational opportunities to the public, including non-game wildlife, and provides public information regarding conservation of wildlife populations and wildlife habitats. The program manages animals legislatively categorized as big game, small game, furbearers, and threatened and endangered species.

Program Narrative

Wildlife Division Major Program Highlights
<ul style="list-style-type: none"> ○ The legislature approved funding to address issues that might arise if chronic wasting disease is discovered in Montana’s wild animal populations ○ Funding to conduct wildlife survey and inventory activities was approved ○ Restricted, one-time funding to address a specific list of non-game wildlife projects was approved ○ The legislature approved an increase to address increased printing costs associated with wildlife regulations

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium.

Program Funding	Base	% of Base	Budget	% of Budget	Budget	% of Budget
	Fiscal 2002	Fiscal 2002	Fiscal 2004	Fiscal 2004	Fiscal 2005	Fiscal 2005
02061 Nongame Wildlife Account	\$ 348	0.0%	\$ 39,362	0.5%	\$ 39,362	0.5%
02085 Waterfowl Stamp Spec. Rev.	22,305	0.3%	32,305	0.4%	32,305	0.4%
02086 Mountain Sheep Account	45,380	0.6%	85,380	1.0%	85,380	1.0%
02112 Moose Auction	9,069	0.1%	16,250	0.2%	16,250	0.2%
02113 Upland Game Bird Program	77,632	1.1%	94,003	1.1%	94,842	1.1%
02409 General License	3,372,341	47.1%	3,920,402	46.3%	3,810,797	45.9%
02469 Habitat Trust Interest	217,713	3.0%	254,095	3.0%	258,461	3.1%
03097 Fish(Dj)-Wldlf(Pr) Restor Grnt	3,330,502	46.5%	3,689,408	43.6%	3,756,583	45.2%
03403 Fish & Game	-	-	245,276	2.9%	124,365	1.5%
03404 Overhead	89,815	1.3%	89,815	1.1%	89,815	1.1%
Grand Total	\$ 7,165,105	100.0%	\$ 8,466,296	100.0%	\$ 8,308,160	100.0%

The Wildlife Division state special revenue funding consists primarily of hunting and fishing license revenue. Earmarked hunting license fees fund all of the Upland Game Bird Habitat Enhancement Program and the Wildlife Habitat Program operations. Other specialized programs are funded by revenue earned from earmarked hunting license fees such as fees for waterfowl stamps, and the mountain sheep and moose license auctions. Federal funding consists of Pittman-Robertson funds that require a 25 percent non-federal match that is typically met with general license account dollars.

Present Law Adjustments	Fiscal 2004				Fiscal 2005					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					492,144					496,855
Vacancy Savings					(198,348)					(198,547)
Inflation/Deflation					8,827					32,477
Total Statewide Present Law Adjustments					\$302,623					\$330,785
DP 501 - Internal Service Rate Adjustment	0.00	0	21,404	19,758	41,162	0.00	0	18,115	16,721	34,836
DP 503 - Wildlife Survey and Inventory	0.00	0	20,000	60,000	80,000	0.00	0	22,000	66,000	88,000
DP 508 - Mountain Lion Research	0.50	0	38,847	116,542	155,389	0.50	0	38,840	116,522	155,362
DP 509 - Moose Auction	0.00	0	7,181	0	7,181	0.00	0	7,181	0	7,181
DP 511 - Nongame Wildlife Program	0.00	0	39,000	0	39,000	0.00	0	39,000	0	39,000
DP 512 - Region 1 Wildlife Conflict Specialist	1.00	0	37,265	0	37,265	1.00	0	37,185	0	37,185
DP 514 - Upland Game Bird Habitat Administration	0.00	0	14,000	0	14,000	0.00	0	14,000	0	14,000
DP 515 - Wildlife Habitat Trust	0.00	0	20,720	0	20,720	0.00	0	20,720	0	20,720
DP 516 - Equipment	0.00	0	20,000	0	20,000	0.00	0	30,000	0	30,000
DP 518 - Wildlife Regulation Printing	0.00	0	17,500	0	17,500	0.00	0	17,500	0	17,500
DP 519 - Migratory Bird Stamp Implementation	0.00	0	10,000	0	10,000	0.00	0	10,000	0	10,000
Total Other Present Law Adjustments	1.50	\$0	\$245,917	\$196,300	\$442,217	1.50	\$0	\$254,541	\$199,243	\$453,784
Grand Total All Present Law Adjustments					\$744,840					\$784,569

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 501 - Internal Service Rate Adjustment - The legislature approved a request to adjust vehicle travel costs resulting from inflation and rate increases for FWP internal fleet of vehicles. Fish, Wildlife and Parks manages a fleet of vehicles and aircraft for department use. Program staff who drive department vehicles are assessed a fee for the miles they drive. The revenue generated from the vehicle rates is used to maintain the department fleet and replace existing vehicles as needed. In order to comply with the legislative audit recommendations to keep rates commensurate with costs and spend down existing cash balances, vehicle rates have been kept low. However, cash flow projections now predict that additional revenue is needed to operate the fleet.

DP 503 - Wildlife Survey and Inventory - The legislature approved a request to fund wildlife survey and inventory activities to monitor wildlife species. The results would be used to make recommendations and management plans for hunting seasons. The authority will be used for private aircraft rental used in population monitoring efforts across the state and is funded 75 percent with federal funds.

DP 508 - Mountain Lion Research - The legislature approved a request for restricted, one-time authority to fund mountain lion research to continue work started in 1997. In addition, the funding would allow FTE to increase by 0.50 to conduct the lion trapping and track monitoring.

DP 509 - Moose Auction - The legislature approved a request for the additional authority from moose auction receipts to be used to increase moose survey efforts to develop population trends.

DP 511 - Nongame Wildlife Program - The legislature approved a request to increase personal services and operations in the non-game account that is consistent with funding availability. The authority is designated as restricted and one-time in nature and will be used in operations for survey and inventory of non-game species. Language was added to HB 2 that restricts spending to certain nongame related projects that were presented to the legislature. The department will be required to prepare a biennial report for the environmental quality council that details project expenditures associated with the non-game wildlife account.

DP 512 - Region 1 Wildlife Conflict Specialist - The legislature approved restricted, one-time funding for 1.00 FTE wildlife conflict specialist to replace a contract position in Region 1 and respond to nuisance black bears, mountain lions, and moose in the urban/wild land interface.

DP 514 - Upland Game Bird Habitat Administration - The legislature approved a request to add authority to the upland game bird habitat program for administrative costs of the program. Last session, the legislature moved the implementation portion of this program into HB 5 to be managed as a capital project.

DP 515 - Wildlife Habitat Trust - The legislature approved a request to increase annual operating authority at wildlife management areas. Additional funding will be used for operations and maintenance efforts such as fencing, weed control, and monitoring of conservation easements.

DP 516 - Equipment - The legislature approved a request for restricted, one-time authority to purchase a weed boom sprayer, flail mower for weed management, and a game check trailer for various projects across several regions.

DP 518 - Wildlife Regulation Printing - The legislature approved a request for additional authority to print hunting and trapping regulations due to volume and number increases. The regulation booklets have become a source of information as well as regulation and application.

DP 519 - Migratory Bird Stamp Implementation - The legislature approved a request to increase authority for operation expenses associated with implementation of the wetland program under the Wetland Legacy Program. Migratory bird stamp revenue increased because of an increase in non-resident fees during the last legislative session. While most of the additional revenue is used in the capital funding portion of the program, increased capital activity creates additional annual operation expense to implement the program. This authority will be used to pay increased costs.

New Proposals		-----Fiscal 2004-----				-----Fiscal 2005-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 510 - Bighorn Sheep Auction 05	0.00	0	40,000	0	40,000	0.00	0	40,000	0	40,000
DP 550 - Chronic Wasting Disease In Wildlife 05	0.00	0	200,000	0	200,000	0.00	0	0	0	0
DP 551 - Eliminate FTE 05	(1.00)	0	(46,021)	0	(46,021)	(1.00)	0	(45,918)	0	(45,918)
DP 552 - Manage Wildlife in a Sustainable Manner 05	1.60	0	64,265	0	64,265	1.60	0	64,063	0	64,063
DP 553 - Deer and Elk License Auction 05	0.00	0	0	0	0	0.00	0	44,000	0	44,000
DP 554 - SB 395 -- Bison Hunt 05	0.00	0	22,500	0	22,500	0.00	0	0	0	0
DP 591 - Short-Term Federal Contracts 05	2.06	0	0	168,307	168,307	0.50	0	0	47,604	47,604
DP 592 - Long-Term Federal Contracts 05	1.50	0	0	76,969	76,969	1.50	0	0	76,761	76,761
DP 6800 - HB 13 - Pay Plan 05	0.00	0	15,264	15,067	30,331	0.00	0	66,410	65,566	131,976
Total	4.16	\$0	\$296,008	\$260,343	\$556,351	2.60	\$0	\$168,555	\$189,931	\$358,486

New Proposals

DP 510 - Bighorn Sheep Auction - The legislature approved a request for additional operations for additional Bighorn Sheep transplanting and research.

DP 550 - Chronic Wasting Disease In Wildlife - The legislature approved biennial, restricted, one-time funding to address chronic wasting disease (CWD) issues in wildlife. The authority is given to the department to help address issues that might arise if chronic wasting disease is discovered in Montana wild animal populations.

DP 551 - Eliminate FTE - The legislature approved an elimination of 9.28 FTE throughout the department that are funded with the general license account. Of the total reduction, 1.00 FTE were eliminated from the Wildlife Division. Because this position was filled as of the end of the legislative session, the department will likely address the reduction through a reduction in force or a reassignment.

DP 552 - Manage Wildlife in a Sustainable Manner - The legislature approved funding for 1.60 FTE and associated operations costs to implement the provisions of HB 42 requiring wildlife management in a sustainable manner. This authority allows the department to perform habitat mapping, follow-up on landowner concerns about wildlife, set seasons, and coordinate rulemaking on sustainable wildlife numbers.

DP 553 - Deer and Elk License Auction - The legislature approved funding in fiscal 2005 to implement the provisions of HB 20, which allows the department to auction a deer and an elk license.

DP 554 - SB 395 -- Bison Hunt - The legislature approved biennial state special revenue authority to implement SB 395 that provides for a bison hunt as a management tool when authorized by the Department of Livestock.

DP 591 - Short-Term Federal Contracts - The legislature eliminated the use of legislative contract authority (LCA) by the department. Instead, federal projects will be funded in HB 2. For many years, the department received federal authority (LCA) in anticipation of receiving federal grants throughout the biennium. However, the legislature decided that these

projects belonged in HB 2. This will add one-time authority for 2.06 FTE and related operations costs that will be used for elk, cougar, reptile, and wolf projects over the next biennium.

DP 592 - Long-Term Federal Contracts - The legislature approved an elimination of legislative contract authority (LCA). For many years, the department received federal authority in anticipation of receiving federal grants throughout the biennium. Because many of the projects were long-term in nature, the legislature decided that the proper place for these on-going projects was within HB 2. This authority will add authority for 1.50 FTE and related operations costs that will be used for operations and maintenance at Canyon Ferry and a Wetland Legacy coordinator.

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund the pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

Language

The legislature approved the following language:

"If House Bill No. 42 is not passed and approved, item [Wildlife Division] is decreased by \$64,265 of state special revenue in fiscal year 2004 and by \$64,063 of state special revenue in fiscal year 2005."

"Item [Wildlife Division, nongame wildlife funding] contains an appropriation of \$39,000 in state special revenue in fiscal year 2004 and \$39,000 in state special revenue in fiscal year 2005 that is restricted to:

- 1) \$13,000 in fiscal year 2004 and \$13,000 in fiscal year 2005 for 25% of a native species specialist position in Billings;
- 2) \$5,000 in fiscal year 2004 to support publishing the sixth edition of Montana Bird Distribution and an updated list of Montana bird species;
- 3) \$5,000 in fiscal year 2004 to support publishing of a field guide to reptiles and amphibians;
- 4) \$5,000 in fiscal year 2004 and \$8,000 in fiscal year 2005 to support loon conservation efforts in northwestern Montana;
- 5) \$3,000 in fiscal year 2004 and \$5,000 in fiscal year 2005 to promote placement and maintenance of nesting boxes for bluebirds and other species;
- 6) \$6,000 in fiscal year 2004 and \$10,000 in fiscal year 2005 to inventory and monitor sensitive wildlife species; and
- 7) \$2,000 in fiscal year 2004 and \$3,000 in fiscal year 2005 to study statewide raptor survey routes."

"If federal money becomes available for the wildlife chronic wasting disease management plan, the approving authority shall adjust the state special revenue appropriation and the federal appropriation by like amounts. All transfers between fund types must be fully explained and justified on budget documents submitted to the office of budget and program planning."

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	93.55	0.00	3.96	97.51	0.00	3.81	97.36	97.36
Personal Services	3,083,284	275,977	176,282	3,535,543	277,994	264,275	3,625,553	7,161,096
Operating Expenses	1,553,181	83,999	386,006	2,023,186	101,777	873,968	2,528,926	4,552,112
Equipment	391,970	50,909	0	442,879	(282,011)	0	109,959	552,838
Capital Outlay	0	0	0	0	0	0	0	0
Grants	311,541	1,778	156,250	469,569	1,778	159,375	472,694	942,263
Transfers	0	0	66,173	66,173	0	126,438	126,438	192,611
Total Costs	\$5,339,976	\$412,663	\$784,711	\$6,537,350	\$99,538	\$1,424,056	\$6,863,570	\$13,400,920
General Fund	279,253	(23,823)	(255,430)	0	(22,816)	(256,437)	0	0
State/Other Special	4,831,807	383,031	923,341	6,138,179	68,899	1,574,877	6,475,583	12,613,762
Federal Special	228,916	53,455	116,800	399,171	53,455	105,616	387,987	787,158
Proprietary	0	0	0	0	0	0	0	0
Total Funds	\$5,339,976	\$412,663	\$784,711	\$6,537,350	\$99,538	\$1,424,056	\$6,863,570	\$13,400,920

Program Description

The Parks Division is responsible for conserving the scenic, historic, archaeological, scientific, and recreational resources of the state, and for providing for their use and enjoyment. The program includes 42 parks, 12 affiliated lands such as rifle ranges and recreation sites managed by local and federal agencies, and 320 fishing access sites. Other programs administered by the division include motorized and non-motorized trail grants, local government recreation grants, and state Capitol Complex grounds maintenance.

Program Narrative

Parks Division Major Program Highlights
<ul style="list-style-type: none"> ○ The legislature eliminated all general fund from the Parks Division ○ A fee on vehicle registrations imposed through SB 336 will provide \$2.4 million of additional revenue to replace the lost general fund ○ The legislature approved funding to help local snowmobile clubs purchase grooming equipment ○ Funding was approved to address maintenance and operation efforts at fishing access sites ○ The legislature did not approve a requested increase in the capitol grounds maintenance proprietary fund

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium.

Program Funding	Base Fiscal 2002	% of Base Fiscal 2002	Budget Fiscal 2004	% of Budget Fiscal 2004	Budget Fiscal 2005	% of Budget Fiscal 2005
01100 General Fund	\$ 279,253	5.2%	\$ -	-	\$ -	-
02213 Off Highway Vehicle Gas Tax	29,271	0.5%	29,447	0.5%	29,988	0.4%
02239 Off Hwy Vehicle Acct (Parks)	21,682	0.4%	21,808	0.3%	22,194	0.3%
02332 Snowmobile Registration-Parks	68,042	1.3%	244,970	3.7%	248,932	3.6%
02333 Fishing Access Site Maint	118,238	2.2%	123,765	1.9%	126,421	1.8%
02407 Snowmobile Fuel Tax	647,585	12.1%	718,362	11.0%	387,462	5.6%
02408 Coal Tax Trust Account	816,316	15.3%	1,055,374	16.1%	1,072,261	15.6%
02409 General License	846,874	15.9%	940,782	14.4%	960,133	14.0%
02411 State Parks Miscellaneous	1,213,886	22.7%	1,998,390	30.6%	2,605,263	38.0%
02412 Motorboat Fuel Tax	1,069,913	20.0%	1,005,281	15.4%	1,022,929	14.9%
03097 Fish(Dj)-Wldlf(Pr) Restor Grnt	178,248	3.3%	254,624	3.9%	258,167	3.8%
03403 Fish & Game	-	-	35,500	0.5%	20,000	0.3%
03404 Overhead	50,668	0.9%	109,047	1.7%	109,820	1.6%
Grand Total	\$ 5,339,976	100.0%	\$ 6,537,350	100.0%	\$ 6,863,570	100.0%

The largest state special revenue source is park fee revenues, followed by motorboat fuel taxes, parks coal tax trust earnings, the general license account, snowmobile fuel taxes, off-highway vehicle fuel taxes, fishing access maintenance and acquisition fee revenues, snowmobile registration fees and off-highway vehicle registration fees. The department receives the following allocations of gasoline dealers license taxes: 1) nine-tenths of 1.0 percent for maintenance of parks with motorboat use; 2) one-eighth of 1.0 percent for off-highway vehicle safety, repair of off-highway vehicle damage, and facility development; and 3) fifteen-twenty-eighths of 1.0 percent for snowmobile safety, facility development, enforcement, and control of noxious weeds. Of total coal severance tax revenue collections, 1.27 percent is deposited into a non-expendable trust, with the interest from this trust allocated for maintenance of state parks and historic sites. The general license account and earmarked fishing license fees are used to maintain fishing access sites.

Federal sources of funds include Wallop-Breaux, the National Recreational Trails, and the Land and Water Conservation funds, as well as miscellaneous federal revenues. These federal funding sources require a non-federal source of matching funds that ranges from 20 to 50 percent.

The department receives 6.5 percent of lodging facility tax collections for maintenance of state park facilities. However, since the money is statutorily appropriated, appropriations are not included in HB 2.

Capitol grounds maintenance is funded via a proprietary account; rate charges are based on the amount of office space occupied in the capitol complex. The legislature does not appropriate these funds, but does approve the rates.

Because of the potential to secure other funding sources, the legislature removed all general fund authority from the Parks Division.

	-----Fiscal 2004-----					-----Fiscal 2005-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Present Law Adjustments										
Personal Services					415,948					418,051
Vacancy Savings					(139,971)					(140,057)
Inflation/Deflation					7,773					21,818
Total Statewide Present Law Adjustments					\$283,750					\$299,812
DP 601 - Snowmobile Grant Authority	0.00	0	1,778	0	1,778	0.00	0	1,778	0	1,778
DP 602 - Snowmobile Trail Grooming Equipment	0.00	0	50,909	0	50,909	0.00	0	(282,011)	0	(282,011)
DP 603 - Land & Water Conservation Fund	0.00	0	0	58,129	58,129	0.00	0	0	58,129	58,129
DP 605 - Internal Service Rate Adjustment	0.00	0	10,500	0	10,500	0.00	0	14,233	0	14,233
DP 606 - Restore Base Operations	0.00	0	4,342	0	4,342	0.00	0	4,342	0	4,342
DP 607 - Parks Community Service	0.00	0	35,000	0	35,000	0.00	0	35,000	0	35,000
DP 7612 - General Fund Reduction	0.00	(31,745)	0	0	(31,745)	0.00	(31,745)	0	0	(31,745)
Total Other Present Law Adjustments	0.00	(\$31,745)	\$102,529	\$58,129	\$128,913	0.00	(\$31,745)	(\$226,658)	\$58,129	(\$200,274)
Grand Total All Present Law Adjustments					\$412,663					\$99,538

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 601 - Snowmobile Grant Authority - The legislature approved a request to restore grant authority to fund grooming of snowmobile trails that went unspent due to late winter snow.

DP 602 - Snowmobile Trail Grooming Equipment - The legislature approved a request for a biennial appropriation to purchase snowmobile-trail grooming equipment. Funds for this program come from a rebate of fees paid by users on snowmobile fuel. Funds are used to purchase snowmobile trail grooming equipment for local snowmobile clubs. Members of these clubs volunteer their time to groom trail systems all over the state. The department receives fifteen-twenty-eights of 1.0 percent of total gasoline dealer license tax revenue to "...develop and maintain facilities open to the general public at no admission cost, to promote snowmobile safety, for enforcement purposes, and for the control of noxious weeds." This funding will be used to purchase three used trail groomers.

DP 603 - Land & Water Conservation Fund - The legislature approved a request for federal authority to administer the Land and Water Conservation Fund program that gives grants to state and local communities for recreational improvements. In addition to grants, other work includes coordination with Montana Department of Transportation, site inspections, and planning. Since inception in 1965, approximately \$30 million has been spent improving local recreation in nearly every county in the state.

DP 605 - Internal Service Rate Adjustment - The legislature approved a request to adjust vehicle travel costs resulting from inflation and rate increases for FWP internal fleet of vehicles. The department manages a fleet of vehicles and aircraft for department use. Program staff who drive department vehicles are assessed a fee for the miles they drive. The revenue generated from the vehicle rates is used to maintain the department fleet and replace existing vehicles.

DP 606 - Restore Base Operations - The legislature approved a request to restore base operations to fund daily operation costs such as security contracts, custodial contracts, mowing, fence repair, weed control, paying light bills, and the purchase of gas.

DP 607 - Parks Community Service - The legislature approved funding to utilize community service programs to assist with park maintenance projects. Montana State Parks uses modified level FTE to supplement current staff members who are supervising Montana Conservation Corps, volunteer groups, and Aspen Youth Alternative crews. Community service crews work on park projects such as toilet cleaning, vandal repair, painting, trail repair, carpentry, weed control and other labor-intensive tasks.

DP 7612 - General Fund Reduction - The legislature approved a request to reduce general fund authority in the Parks Division.

New Proposals										
Program	FTE	Fiscal 2004				Fiscal 2005				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 609 - Fishing Access Site Maintenance and Operations										
06	2.00	0	119,110	0	119,110	2.00	0	119,102	0	119,102
DP 650 - Eliminate Parks Division General Fund										
06	0.00	(243,181)	0	0	(243,181)	0.00	(243,169)	0	0	(243,169)
DP 651 - Parks Funding Switch										
06	0.00	0	(80,000)	80,000	0	0.00	0	(80,000)	80,000	0
DP 652 - Eliminate FTE										
06	(2.92)	0	(64,869)	0	(64,869)	(2.92)	0	(64,940)	0	(64,940)
DP 653 - HB 558 -- Temporary Snowmobile Permit										
06	0.00	0	175,000	0	175,000	0.00	0	178,500	0	178,500
DP 654 - SB 336 -- State Park Futures II										
06	4.73	0	747,798	0	747,798	4.73	0	1,308,063	0	1,308,063
DP 691 - Short-Term Federal Contracts										
06	0.15	0	0	35,500	35,500	0.00	0	0	20,000	20,000
DP 6800 - HB 13 - Pay Plan										
06	0.00	0	26,302	1,300	27,602	0.00	0	114,152	5,616	119,768
DP 9000 - Legislative Reduction										
06	0.00	(12,249)	0	0	(12,249)	0.00	(13,268)	0	0	(13,268)
Total	3.96	(\$255,430)	\$923,341	\$116,800	\$784,711	3.81	(\$256,437)	\$1,574,877	\$105,616	\$1,424,056

New Proposals

DP 609 - Fishing Access Site Maintenance and Operations - The legislature approved a request to fund maintenance efforts at fishing access sites. This authority adds 2.00 FTE and related operations funding that will be used across the state to help address impacts associated with increased visitation, longer recreation seasons, and the aging of the facilities. Maintenance is typically accomplished by part-time seasonal employees who live on a nearby farm, ranch, or in a small community.

DP 650 - Eliminate Parks Division General Fund - The legislature eliminated all remaining general fund within the Parks Division.

DP 651 - Parks Funding Switch - The legislature approved a funding switch to increase federal special authority and decrease state special authority.

DP 652 - Eliminate FTE - The legislature approved an elimination of 9.28 FTE throughout the department funded with the general license account. Of the total, 2.92 were eliminated from the Fishing Access Site Maintenance Program in the Parks Division. The department will likely address the reduction through decreased maintenance at fishing access sites.

DP 653 - HB 558 -- Temporary Snowmobile Permit - The legislature added state special revenue to the Department of Fish, Wildlife and Parks to implement HB 558 that requires all nonresidents to purchase an annual temporary snowmobile use permit. Proceeds are restricted to enhancement of snowmobile enforcement activities and provide grants to snowmobile clubs for trail grooming.

DP 654 - SB 336 -- State Park Futures II - The legislature added state special authority for 4.73 FTE and associated operations costs to the Department of Fish, Wildlife, and Parks to implement SB 336. SB 336 implements recommendations of the State Park Futures II Committee to improve the operation and funding of the state park and fishing access site system. A portion of the optional fees collected will be designated for state parks and 6.25 percent will be designated for the operation of state-owned facilities at Virginia City and Nevada City.

DP 691 - Short-Term Federal Contracts - The legislature eliminated the use of legislative contract authority (LCA) by the department. Instead, federal projects will be funded in HB 2. For many years, the department received federal authority (LCA) in anticipation of receiving federal grants throughout the biennium. However, the legislature decided that these projects belonged in HB 2. This will add one-time authority for 0.15 FTE and related operations costs that will be used for projects on the Blackfoot and Smith rivers and in preparation for Lewis and Clark activities over the next biennium.

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund the pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

DP 9000 - Legislative Reduction - The legislature approved reducing the base to the lower of the 2000 base budget or the fiscal 2003 appropriated level as adjusted for August 2002 Special Session action.

Language

The legislature approved the following language in HB 2:

"If Senate Bill No. 336 is not passed and approved, item [Parks Division] is decreased by \$747,798 of state special revenue in fiscal year 2004 and by \$1,308,063 of state special revenue in fiscal year 2005."

"If House Bill No. 558 is not passed and approved, item [Enforcement Division, implement HB 558] is reduced by \$6,500 of state special revenue in fiscal year 2004 and by \$6,500 of state special revenue in fiscal year 2005 and item [Parks Division, implement HB 558] is reduced by \$175,000 of state special revenue in fiscal 2004 and by \$178,500 of state special revenue in fiscal 2005."

Proprietary Rates

Program Description

There are two main proprietary funds within the Parks Division: 1) Capitol Grounds; and 2) the Enterprise Fund.

Capitol Grounds Maintenance

The Parks Division of Montana Fish, Wildlife and Parks is responsible for the state Capitol Complex Grounds Maintenance program. The department funds the program through the capitol grounds proprietary account. Indirect costs are recovered through assessment of an indirect cost rate on actual program expenditures of the previous period. The total annual cost of the capitol grounds maintenance program is allocated to state agencies based on each agency share of the total square footage of office space on the capitol complex, which is rented from Department of Administration, General Services Division.

Enterprise Fund

23-1-105 (5), MCA, authorizes the Parks Division of Montana Fish, Wildlife and Parks to establish an Enterprise Fund for the purpose of managing state park visitor services revenue. The fund is used by the department to provide inventory through purchase, production, or donation and for the sale of educational, commemorative, and interpretive merchandise and other related goods and services at department sites and facilities.

The fund was established to develop better management practices in parks visitor centers that sell books at parks like Ulm Pishkun, Makoshika, and Chief Plenty Coups as well as parks that sell items such as firewood. Money generated is used to purchase inventory and also to improve visitor services in state parks and FWP.

In fiscal 2002, this fund accounted for the following money: \$15,000 of contributed capital, \$66,008 of earned revenue, \$51,813 of expenditures and a balance of funds in the amount of \$29,087.

Revenues and Expenses*Capitol Grounds Maintenance*

On an annual basis, revenues and expenses are reviewed to ensure costs are commensurate with the fees charged agencies. Surplus cash may occur during years when the weather is favorable for maintenance and snow removal. Accumulated cash balances from previous periods are used to calculate rates for future periods. A total of 6.06 FTE are funded in this program.

The 60-day working capital requirement provides sufficient cash to fund on-going operations of the program. On a biennial basis, program costs are reviewed to ensure fees charged to agencies are commensurate with program costs. Each biennium, the account is analyzed to determine if ending cash balances are long or short relative to program working capital requirements. Calculation of rates for future periods can be affected by ending cash balances. Fund balance is reserved for reverted appropriations from the previous period.

Agencies are billed quarterly for grounds maintenance and snow removal. Cash balances fluctuate during the year relative to the season and weather conditions. Generally, cash balances are lowest in the first and last quarter of each fiscal year. This is during the busy summer months of lawn and landscape maintenance and during the start up season in the spring. During years of heavy and or frequent snowfall, cash balances can become low in the second and third quarters.

Enterprise Fund

Revenues are generated by the sales of merchandise at park visitor centers and regional offices. The expenses associated with the enterprise fund include office supplies, merchandising materials and the purchase of inventory to replenish stock. As the program develops, the 60-day working capital requirement will provide sufficient cash to fund on-going operations of the program. As the program continues to develop, a portion of the fund balance will be reserved for inventory. In the first year of operation the fund cash balances were highest in the winter after the parks season ended and lowest in the spring when stock was replenished.

Rate Explanation*Grounds Maintenance*

Capitol grounds unit of service is the grounds maintenance and snow removal on the capitol complex. The unit price is the total annual revenue of the program divided by the total square footage of rented office space on the capitol complex. Square footage of rented office space on the capitol complex for the 2005 biennium is provided by General Services Division and used in these calculations. The summary of costs billed to agencies and per unit costs for fiscal 1998 - fiscal 2005 are as follows:

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>
Revenue	\$297,349	\$298,562	\$296,112	\$296,000	\$319,189	\$319,189	\$319,189	\$319,189
Per Sq. Ft.	\$.3446	\$.3446	\$.3446	\$.3446	\$.3696	\$.3696	\$.3696	\$.3696

The legislature did not approve a rate increase of \$0.01 for the 2005 biennium as proposed.

Enterprise Fund

The enterprise fund applies a markup rate of no less than 40.0 percent on goods purchased for resale to ensure sufficient revenues to replenish stock.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	23.55	0.00	0.34	23.89	0.00	0.34	23.89	23.89
Personal Services	1,113,240	61,764	22,598	1,197,602	63,194	47,132	1,223,566	2,421,168
Operating Expenses	1,265,351	102,619	0	1,367,970	92,097	0	1,357,448	2,725,418
Equipment	9,178	0	0	9,178	0	0	9,178	18,356
Grants	24,969	280,031	0	305,000	(24,969)	0	0	305,000
Transfers	0	0	0	0	0	0	0	0
Total Costs	\$2,412,738	\$444,414	\$22,598	\$2,879,750	\$130,322	\$47,132	\$2,590,192	\$5,469,942
General Fund	2,563	(2,563)	0	0	(2,563)	0	0	0
State/Other Special	1,770,966	343,448	6,377	2,120,791	29,356	26,985	1,827,307	3,948,098
Federal Special	639,209	103,529	16,221	758,959	103,529	20,147	762,885	1,521,844
Total Funds	\$2,412,738	\$444,414	\$22,598	\$2,879,750	\$130,322	\$47,132	\$2,590,192	\$5,469,942

Program Description

The Conservation Education Division, through its Helena office and six regional information officers, provides the department primary information and education programs. Its responsibilities include:

- o Distributing public information through news releases, audio-visual materials, brochures and public service announcements
- o Coordinating youth education programs
- o Coordinating the production of hunting, fishing and trapping regulations
- o Coordinating the hunter, bow-hunter, snowmobile, boat and off-highway vehicle education and safety programs
- o Providing reception services for the department Helena headquarters

The program also publishes Montana Outdoors Magazine, produces video documentaries and television public service announcements, as well as a weekly television report, maintains a film/video lending library and operates the department wild animal rehabilitation center.

Program Narrative

Conservation Education Division Major Program Highlights
<ul style="list-style-type: none"> o Funding for shooting range grants was increased to \$320,000 o The legislature appropriated federal funding that is available to enhance existing hunter education programs o The legislature approved the Governor’s proposal to eliminate general fund from the Conservation Education Division

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium.

Program Funding	Base	% of Base	Budget	% of Budget	Budget	% of Budget
	Fiscal 2002	Fiscal 2002	Fiscal 2004	Fiscal 2004	Fiscal 2005	Fiscal 2005
01100 General Fund	\$ 2,563	0.1%	\$ -	-	\$ -	-
02328 Ohv Gas Tax - Con Ed	11,086	0.5%	11,528	0.4%	11,528	0.4%
02330 Snowmobile Fuel Tax-Con Ed	56,989	2.4%	59,495	2.1%	60,235	2.3%
02408 Coal Tax Trust Account	40,180	1.7%	45,539	1.6%	46,343	1.8%
02409 General License	1,662,711	68.9%	2,004,229	69.6%	1,709,201	66.0%
03097 Fish(Dj)-Wldlf(Pr) Restor Grnt	555,602	23.0%	658,893	22.9%	662,332	25.6%
03403 Fish & Game	32,619	1.4%	49,081	1.7%	49,568	1.9%
03404 Overhead	4,705	0.2%	4,702	0.2%	4,702	0.2%
03408 Cara	46,283	1.9%	46,283	1.6%	46,283	1.8%
Grand Total	\$ 2,412,738	100.0%	\$ 2,879,750	100.0%	\$ 2,590,192	100.0%

The largest funding source in the Conservation Education Division is revenue from hunting and fishing license fees. Other state special revenue sources include interest earnings from the department Coal Tax Trust, snowmobile and off-highway vehicle fuel taxes, and off-highway vehicle decal fees. Federal funding consists of Pittman-Robertson and Wallop-Breaux funds and grants from the Coast Guard. After legislative action, the division no longer receives general fund.

Present Law Adjustments	-----Fiscal 2004-----				-----Fiscal 2005-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					110,721					112,214
Vacancy Savings					(48,957)					(49,020)
Inflation/Deflation					10,195					15,122
Total Statewide Present Law Adjustments					\$71,959					\$78,316
DP 805 - Shooting Range Grants	0.00	0	290,865	0	290,865	0.00	0	(29,135)	0	(29,135)
DP 807 - Hunter Education Enhancement	0.00	0	0	80,000	80,000	0.00	0	0	80,000	80,000
DP 808 - Internal Service Rate Adjustment	0.00	0	4,155	0	4,155	0.00	0	3,718	0	3,718
DP 7809 - General Fund Reduction	0.00	(2,565)	0	0	(2,565)	0.00	(2,577)	0	0	(2,577)
Total Other Present Law Adjustments	0.00	(\$2,565)	\$295,020	\$80,000	\$372,455	0.00	(\$2,577)	(\$25,417)	\$80,000	\$52,006
Grand Total All Present Law Adjustments					\$444,414					\$130,322

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 805 - Shooting Range Grants - The legislature approved a request to continue a biennial appropriation to fund a public shooting range grants program. FWP has administered a shooting range grants program for the last 12 years with biennial funding authority varying between \$120,000 and \$150,000. This legislative session, funding was increased to \$320,000.

DP 807 - Hunter Education Enhancement - The legislature approved a request for additional federal authority to enhance the state Hunter Education Program. As a result of the passage of the Wildlife and Sport Fish Restoration Programs Improvement Act of 2000, additional federal aid funds (Section 10) are available to enhance state hunter education programs. Montana apportionment is \$80,000 annually. Potential projects include the development of a supplemental wildlife and hunting guide for 10,000 hunter education students each year as well as the development of an outdoor-based Hunter Challenge & Skills Program as part of an optional continuing education program for hunters of all ages. The fund is to be used to "enhance" the existing hunter education program and may not be used to replace existing federal appropriations for hunter education.

DP 808 - Internal Service Rate Adjustment - The legislature approved a request for increased funding to manage a fleet of vehicles and aircraft for department use. Program staff who drive department vehicles are assessed a fee for the miles they drive. The revenue generated from the vehicle rates is used to maintain the department fleet and replace existing vehicles as needed. In order to comply with the legislative audit recommendations to keep rates commensurate with costs and spend down existing cash balances, the vehicle rates have remained low.

DP 7809 - General Fund Reduction - The legislature approved a request to eliminate general fund authority in the Conservation Education Division. The result would be to continue spending reductions enacted under 17-7-140, MCA, at a higher level by reducing printed material relating to Off-Highway Vehicle (OHV) Safety and Education. However, since the agency does these printings in bulk, some printed material will remain in inventory. Therefore, it is unlikely that the public would do without printed safety material. To mitigate the reductions, the agency would contract for slightly smaller printing runs.

New Proposals											
Program	FTE	Fiscal 2004				Fiscal 2005				Total Funds	
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special		
DP 892 - Long-Term Federal Contracts 08	0.34	0	0	15,000	15,000	0.34	0	0	15,000	15,000	
DP 6800 - HB 13 - Pay Plan 08	0.00	0	6,377	1,221	7,598	0.00	0	26,985	5,147	32,132	
Total	0.34	\$0	\$6,377	\$16,221	\$22,598	0.34	\$0	\$26,985	\$20,147	\$47,132	

New Proposals

DP 892 - Long-Term Federal Contracts - The legislature approved an elimination of legislative contract authority (LCA). For many years, the department received federal authority in anticipation of receiving federal grants throughout the biennium. Because many of the projects were long-term in nature, the legislature decided that the proper place for these on-going projects was inclusion within HB 2. This authority will add funding for 0.34 FTE and related operations costs that will be used for operations at the Montana Wildlife Rehabilitation Center to enhance public understanding of fish and wildlife habitat and provide for other educational opportunities.

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund the pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	50.23	0.00	5.04	55.27	0.00	5.04	55.27	55.27
Personal Services	2,247,360	185,771	964,861	3,397,992	185,085	231,553	2,663,998	6,061,990
Operating Expenses	1,206,499	13,915	1,322,637	2,543,051	9,109	63,005	1,278,613	3,821,664
Equipment	36,738	0	0	36,738	0	0	36,738	73,476
Capital Outlay	0	0	0	0	0	0	0	0
Grants	69,389	0	100,000	169,389	0	0	69,389	238,778
Transfers	0	0	0	0	0	0	0	0
Total Costs	\$3,559,986	\$199,686	\$2,387,498	\$6,147,170	\$194,194	\$294,558	\$4,048,738	\$10,195,908
State/Other Special	2,660,954	135,876	742,822	3,539,652	126,267	74,811	2,862,032	6,401,684
Federal Special	899,032	63,810	1,644,676	2,607,518	67,927	219,747	1,186,706	3,794,224
Total Funds	\$3,559,986	\$199,686	\$2,387,498	\$6,147,170	\$194,194	\$294,558	\$4,048,738	\$10,195,908

Program Description

The Department Management Division is responsible for:

- 1) Overall department direction regarding policy, planning, program development, guidelines, and budgets;
- 2) serving as a liaison with the Governor's Office and the legislature;
- 3) interaction with the Fish, Wildlife and Parks Commission;
- 4) decision-making for key resource activities affecting the department;
- 5) supervision of the seven divisions that provide program development and staff support;
- 6) supervision of the seven regional offices that are responsible for program implementation;
- 7) legal services for the department; and
- 8) serving as a liaison with Montana Indian tribes and with other state and federal agencies.

Program Narrative

Department Management Division Major Program Highlights
<ul style="list-style-type: none"> ○ The legislature approved additional funding to pay overtime costs during peak workload periods ○ Funding was approved to address routine building maintenance costs such as carpeting, plumbing repairs, and replacement of office equipment ○ The legislature approved funding to pay for retirement termination costs associated with nearly 60 department employees that are eligible to retire over the next biennium

Funding

The following table shows program funding, by source, for the base year and for the 2005 biennium.

Program Funding	Base	% of Base	Budget	% of Budget	Budget	% of Budget
	Fiscal 2002	Fiscal 2002	Fiscal 2004	Fiscal 2004	Fiscal 2005	Fiscal 2005
02409 General License	\$ 2,660,954	74.7%	\$ 3,486,252	56.7%	\$ 2,862,032	70.7%
02411 State Parks Miscellaneous	-	-	53,400	0.9%	-	-
03097 Fish(Dj)-Wldlf(Pr) Restor Gmt	-	-	240,000	3.9%	-	-
03404 Overhead	899,032	25.3%	1,167,518	19.0%	1,186,706	29.3%
03408 Cara	-	-	1,200,000	19.5%	-	-
Grand Total	\$ 3,559,986	100.0%	\$ 6,147,170	100.0%	\$ 4,048,738	100.0%

The Department Management Division operating budget is funded from the General License Account and a portion of the indirect cost assessments on federal grants and non-federal accounts. The proposed rate for the 2005 biennium for non-federal funds is 11.7 percent for operational expenditures and 4.1 percent for capital expenditures. These assessments are handled as non-budgeted transfers to the general license account, from which expenses are paid. The federal overhead rate of 19.1 percent is applied to federal grants, which include Pittman-Robertson, Wallop-Breaux, Corps of Engineers, and Coast Guard funds.

Present Law Adjustments	-----Fiscal 2004-----					-----Fiscal 2005-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					267,358					266,644
Vacancy Savings					(100,587)					(100,559)
Inflation/Deflation					10,375					14,831
Total Statewide Present Law Adjustments					\$177,146					\$180,916
DP 901 - Internal Service Rate Adjustment	0.00	0	2,540	0	2,540	0.00	0	2,104	0	2,104
DP 902 - Printing of Statute Books	0.00	0	1,000	0	1,000	0.00	0	(7,826)	0	(7,826)
DP 904 - Overtime Costs	0.00	0	3,000	0	3,000	0.00	0	3,000	0	3,000
DP 907 - Commission Per Diem	0.00	0	16,000	0	16,000	0.00	0	16,000	0	16,000
Total Other Present Law Adjustments	0.00	\$0	\$22,540	\$0	\$22,540	0.00	\$0	\$13,278	\$0	\$13,278
Grand Total All Present Law Adjustments					\$199,686					\$194,194

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 901 - Internal Service Rate Adjustment - The legislature approved a request to adjust vehicle travel costs resulting from inflation and rate increases for FWP internal fleet of vehicles. FWP manages a fleet of vehicles and aircraft for department use. Program staff who drive department vehicles are assessed a fee for the miles they drive. The revenue generated from the vehicle rates is used to maintain the department fleet and replace existing vehicles as needed. In order to comply with the legislative audit recommendations to keep rates commensurate with costs and spend down existing cash balances, the vehicle rates have been kept low.

DP 902 - Printing of Statute Books - The legislature approved a request to reduce funding by \$7,826 in the second year of the biennium to account for cyclical costs. Following each legislative session, FWP prints statute books to inform game wardens, other staff, and the public of relevant laws pertaining to FWP. This cost of approximately \$8,826 during the base year is cyclic, and therefore, is not needed during the second year of the biennium

DP 904 - Overtime Costs - The legislature approved a request to restore funding for the overtime budget to pay clerical and administrative support staff that occasionally work in excess of 40 hours per week to meet critical deadlines. Compensatory time and flexible schedules are utilized to minimize fiscal impact, but U.S. Department of Labor rules for compensatory time payouts require that a certain amount of overtime for these services be paid. Overtime costs are removed from the budget at the start of the budget cycle.

DP 907 - Commission Per Diem - The legislature approved a request to restore personal services authority in order to cover commissioner expenses. The budget system automatically excludes all per diem paid to FWP commissioners. These funds are used to pay expenses for travel, per diem, and other costs associated with meetings of the FWP Commission.

New Proposals	-----Fiscal 2004-----					-----Fiscal 2005-----					
	Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 905 - Office Maintenance and Small Equipment											
09	0.00	0	30,000		0	30,000	0.00	0	30,000	0	30,000
DP 911 - State Wildlife Grant Program											
09	0.00	0	160,000	1,200,000		1,360,000	0.00	0	0	0	0
DP 913 - Retirement Liability											
09	0.00	0	546,800	240,000		786,800	0.00	0	0	0	0
DP 951 - Eliminate FTE											
09	(0.20)	0	(5,984)		0	(5,984)	(0.20)	0	(5,977)	0	(5,977)
DP 992 - Long-Term Federal Contracts											
09	5.24	0	0	200,000		200,000	5.24	0	0	200,000	200,000
DP 6800 - HB 13 - Pay Plan											
09	0.00	0	12,006	4,676		16,682	0.00	0	50,788	19,747	70,535
Total	5.04	\$0	\$742,822	\$1,644,676		\$2,387,498	5.04	\$0	\$74,811	\$219,747	\$294,558

New Proposals

DP 905 - Office Maintenance and Small Equipment - The legislature approved a restricted, one-time request to fund maintenance and minor office equipment. This authority will be used to address routine building maintenance that does not rise to the level of capital expenditures such as painting, carpet, plumbing repairs; rewiring to support use of computer networks; and for replacement of small office equipment, such as FAX machines, desktop photocopiers, cash registers, computers, and printers.

DP 911 - State Wildlife Grant Program - The legislature approved a request to provide one-time, biennial funding for surveys, monitoring, and conservation of native fish and wildlife species of special concern. Congress appropriated \$1.4 million in federal funds for use by FWP to conserve native fish and wildlife species with funding matched 1:1 or 1:3, depending on the nature of the project. The authority will allow the department to spend \$0.2 million in general license dollars and \$1.2 million in federal funds. The balance of matching funds will come from other non-federal sources.

DP 913 - Retirement Liability - The legislature approved a request to provide restricted, biennial, one-time authority to fund FWP retirement payout liability. During the 2005 biennium at least 59 career FWP employees will be eligible for retirement. Termination payouts for these long-term employees would average over \$20,000 each. This authority will be used to pay retirement costs and reduce the impact on operations.

DP 951 - Eliminate FTE - The legislature approved an elimination of 9.28 FTE throughout the department funded with the general license account. Of the total, 0.20 FTE were eliminated from with the Department Management Division. The department will likely address the reduction through delays in processing GIS data requests.

DP 992 - Long-Term Federal Contracts - The legislature eliminated legislative contract authority (LCA). For many years, the department received federal authority in anticipation of receiving federal grants throughout the biennium. Because many of the projects were long-term in nature, the legislature decided that the proper place for these on-going projects was within HB 2. This authority will add funding for 5.24 FTE and related operations costs that will be used for regional office support associated with managing and fulfilling federal contracts.

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund the pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.