

Agency Biennium Comparison

The following table compares the 2017 biennium appropriated budget to the 2019 biennium requested budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 16-17	Requested Budget 18-19	Biennium Change	Biennium % Change
Personal Services	101,041,393	105,313,892	4,272,499	4.23 %
Operating Expenses	61,977,166	72,514,861	10,537,695	17.00 %
Equipment & Intangible Assets	2,126,392	2,027,018	(99,374)	(4.67)%
Capital Outlay	113,820	0	(113,820)	(100.00)%
Grants	3,043,470	3,432,008	388,538	12.77 %
Benefits & Claims	1,600	1,600	0	0.00 %
Transfers	753,169	744,314	(8,855)	(1.18)%
Debt Service	28,515	24,854	(3,661)	(12.84)%
Total Expenditures	\$169,085,525	\$184,058,547	\$14,973,022	8.86 %
General Fund	1,947,158	2,350,440	403,282	20.71 %
State/Other Special Rev. Funds	124,964,916	137,300,833	12,335,917	9.87 %
Federal Spec. Rev. Funds	42,173,451	44,407,274	2,233,823	5.30 %
Total Funds	\$169,085,525	\$184,058,547	\$14,973,022	8.86 %
Total Ongoing	\$164,666,506	\$181,648,107	\$16,981,601	10.31 %
Total OTO	\$4,419,019	\$2,410,440	(\$2,008,579)	(45.45)%

Mission Statement

To provide for the stewardship of the fish, wildlife, parks, and recreational resources of Montana while contributing to the quality of life for present and future generations.

There is additional, more detailed information about the department in the agency profile. The profile may be viewed at : http://leg.mt.gov/content/Publications/fiscal/Budget-Books/2019/Budget-Analysis/section_c/5201-00agency-profile.pdf

Agency Highlights

Department of Fish, Wildlife, and Parks Major Budget Highlights
<ul style="list-style-type: none"> • Overall budget increase due to present law adjustments across FWP <ul style="list-style-type: none"> ◦ Over half of the state special revenue present law adjustment comes from the Hunter Access request in the Wildlife division • General fund increase due to re-establishment of the aquatic invasive species appropriation in the Fisheries division

Agency Actuals and Budget Comparison

The following table compares the 2017 biennium appropriated budget to the 2019 biennium requested budget by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2016	Approp. Fiscal 2016	Approp. Fiscal 2017	Request Fiscal 2018	Request Fiscal 2019
FTE	685.59	685.59	685.59	707.98	707.98
Personal Services	48,420,466	49,629,647	51,411,746	52,580,845	52,733,047
Operating Expenses	28,928,678	31,130,287	30,846,879	36,238,744	36,276,117
Equipment & Intangible Assets	1,139,078	1,347,283	779,109	1,028,509	998,509
Capital Outlay	63,820	113,820	0	0	0
Grants	819,568	1,218,753	1,824,717	1,716,004	1,716,004
Benefits & Claims	0	800	800	800	800
Transfers	286,640	382,847	370,322	372,157	372,157
Debt Service	16,088	16,088	12,427	12,427	12,427
Total Expenditures	\$79,674,338	\$83,839,525	\$85,246,000	\$91,949,486	\$92,109,061
General Fund	817,805	973,158	974,000	1,175,000	1,175,440
State/Other Special Rev. Funds	59,113,235	61,990,730	62,974,186	68,607,790	68,693,043
Federal Spec. Rev. Funds	19,743,298	20,875,637	21,297,814	22,166,696	22,240,578
Total Funds	\$79,674,338	\$83,839,525	\$85,246,000	\$91,949,486	\$92,109,061
Total Ongoing	\$78,129,917	\$81,630,346	\$83,036,160	\$90,744,486	\$90,903,621
Total OTO	\$1,544,421	\$2,209,179	\$2,209,840	\$1,205,000	\$1,205,440

Agency Discussion

5% Reduction Plan

Statute requires that agencies submit plans to reduce general fund and certain state special revenue funds by 5%. A summary of the entire 2019 biennium 5% plan submitted for this agency is in the appendix.

The Department of Fish, Wildlife, and Parks (FWP) has created a 5% reduction plan that eliminates \$382,790 in state special revenue from their budget. The plan specifically targets the Enforcement Division with \$29,776 in reduction to Trust Lands law enforcement, Parks law enforcement, and reductions to the Snowmobile and motorboat Certification Funds; Fisheries Division with \$9,259 in reductions to Fishing Access Site maintenance; and Parks Division with \$343,755 in reductions to local grants and maintenance for parks and trails.

Legislative Audit Findings

LFD COMMENT
<p>The Legislative Audit Division conducted a performance audit of the Game Damage Program in May 2015. The audit found:</p> <ol style="list-style-type: none"> 1. FWP doesn't have a clear definition of the requirements to qualify for game damage assistance, 2. FWP has spent approximately \$1.5 million over the last five years addressing game damage issues, and 3. FWP issues cracker shells and ammunition to landowners, with limited oversight, creating concerns regarding potential lawsuits if a landowner is injured. <p>The Legislative Auditor recommends the Department of Fish, Wildlife and Parks:</p> <ol style="list-style-type: none"> 1. Establish a clear definition of the public hunting requirements landowners need to meet to qualify for game damage assistance, 2. Update administrative rules and game damage policies regarding the use and issuance of cracker shells and ammunition when responding to game damage complaints, and 3. Develop more comprehensive game damage policies regarding oversight and administration of herding contracts.

Additional information on the audit can be found at: <http://leg.mt.gov/content/Publications/Audit/Report/14P-06.pdf>

Comparison of FY 2017 Legislative Budget to FY 2017 Base

The following table demonstrates the beginning FY 2017 budget as adopted by the 2015 legislature, plus modifications done by the executive (and authorized in statute) during the interim, and the finalized 2017 Base Budget. The columns provide detail showing the changes that occurred over the course of the interim to reach the 2017 Base Budget. The 2017 Base Budget was agreed upon by the Legislative Finance Committee and the executive as a measuring point to start the 2019 biennium budgeting process.

Figure 1

FY 2017 Appropriation Transactions - Department of Fish, Wildlife, and Parks								
	Leg Approp	Allocations	Program Transfers	OP Changes	Other	2017 Base	% Change from Legislative Approp	% Change from Approp + Allocations
03 Fisheries Division								
Personal Services	\$11,441,687	\$609,281		\$33,893		\$12,084,861	5.6%	0.3%
Operating Expenses	5,193,743		185,000	(612,095)		4,766,648	-8.2%	-8.2%
Equipment	370,455			0		370,455	0.0%	0.0%
Grants				632,115		632,115	100.0%	100.0%
Transfers-out	2,392					2,392	0.0%	0.0%
Program Total	17,008,277	609,281	185,000	53,913		17,856,471	5.0%	1.4%
04 Enforcement Division								
Personal Services	8,501,509	401,241	10,563	34,804		8,948,117	5.3%	0.5%
Operating Expenses	1,994,230	24,129		28,549		2,046,908	2.6%	1.4%
Equipment	34,852			45,348		80,200	130.1%	130.1%
Grants	15,199			(15,199)		0	-100.0%	-100.0%
Program Total	10,545,790	425,370	10,563	93,502		11,075,225	5.0%	0.9%
05 Wildlife Division								
Personal Services	8,396,540	714,440	41,144	(190,540)		8,961,584	6.7%	-1.6%
Operating Expenses	10,609,751		(389,740)	125,219		10,345,230	-2.5%	-2.5%
Equipment	47,867			0		47,867	0.0%	0.0%
Grants				170,800		170,800	100.0%	100.0%
Benefits & Claims	800					800	0.0%	0.0%
Program Total	19,054,958	714,440	(348,596)	105,479		19,526,281	2.5%	-1.2%
06 Parks Division								
Personal Services	5,503,283	275,776		(18,399)		5,760,660	4.7%	-0.3%
Operating Expenses	2,280,344	32,114		4,360		2,316,818	1.6%	0.2%
Equipment	257,108	96,730		6,000	(210,000)	149,838	-41.7%	-57.7%
Grants	437,600	152,800		0		590,400	34.9%	0.0%
Transfers-out		0				0		0.0%
Program Total	8,478,335	557,420		(8,039)	(210,000)	8,817,716	4.0%	-2.4%
08 Communication & Education Division								
Personal Services	2,075,075	330,908	13,293	(179,321)		2,239,955	7.9%	-6.9%
Operating Expenses	1,379,690			50,820		1,430,510	3.7%	3.7%
Grants	141,111	150,000		140,291		431,402	205.7%	48.2%
Transfers-out		0				0	100.0%	0.0%
Program Total	3,595,876	480,908	13,293	11,790		4,101,867	14.1%	0.6%
09 Administration								
Personal Services	5,757,086	412,980		36,550		6,206,616	7.8%	0.6%
Operating Expenses	7,417,244	362,199	(250,000)	(289,653)		7,239,790	-2.4%	-6.9%
Equipment	65,751					65,751	0.0%	0.0%
Transfers-out	164,043			43,651		207,694	26.6%	26.6%
Program Total	13,404,124	775,179	(250,000)	(209,452)		13,719,851	2.4%	-3.2%
12 Department Mgmt								
Personal Services	5,388,059	415,203		(54,827)		5,748,435	6.7%	-0.9%
Operating Expenses	1,633,901		389,740	(1,379)		2,022,262	23.8%	23.8%
Equipment	14,998					14,998	0.0%	0.0%

52010 - Department Of Fish, Wildlife, And Parks

SUMMARY

Transfers-out	131,614		9,013		140,627	6.8%	6.8%
Debt Service	12,427				12,427	0.0%	0.0%
Program Total	7,180,999	415,203	389,740	(47,193)	7,938,749	10.6%	4.5%
Grand Total	\$79,268,359	\$3,977,801	\$0	\$0(\$210,000)	\$83,036,160	4.8%	-0.3%
Leg Approp = Legislative Appropriations							
Allocations = include Contingency Base & Pay Plan							
OP = Operating Plan Changes							

Significant budget changes (See Figure 1) adopted by the executive include:

- Changes to a biennial appropriation for snowmobile equipment, which moved \$210,000 from FY 2017 to FY 2016
- Movement of the game damage function to the Department Management program
- Movement of federal funds from the Administration and Wildlife programs to Fisheries and Communication & Education Programs in order to fund with Pittman/Robertson funds

Funding

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

Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	0	2,350,440	0	0	2,350,440	1.19%
State Special Total	137,240,833	60,000	0	4,616,677	141,917,510	71.95%
Federal Special Total	44,407,274	0	0	554,900	44,962,174	22.79%
Proprietary Total	0	0	8,019,826	0	8,019,826	4.07%
Other Total	0	0	0	0	0	0.00%
Total All Funds	\$181,648,107	\$2,410,440	\$8,019,826	\$5,171,577	\$197,249,950	
Percent - Total All Sources	92.09%	1.22%	4.07%	2.62%		

FWP is predominantly funded by state special revenue sources derived from fees for hunting, fishing, and other recreational activities. The largest is the general license account (GLA). Under state law and federal agreement, the GLA may not be used for any purpose other than the support of hunting and fishing as governed by FWP.

Federal sources are predominately derived from federal excise taxes on hunting and fishing equipment, grants for endangered species, and state wildlife grants. These taxes are known as Pittman-Robertson/Dingell-Johnson (PR/DJ) funds. These funds have restrictions and may not be used for law enforcement activities.

FWP has non-budgeted proprietary funds for aircraft use, parks usage, copying, equipment, and warehouse inventory. These will be discussed further in the appropriate programs.

General License Funds

The GLA is the major funding source for FWP. GLA is the depository for hunting, fishing, and conservation fees charged to residents and non-residents. These fees are mostly mandated in state law. Traditionally, FWP seeks a fee increase when the projected fund balance approaches \$6.0 million. This balance represents the minimal amount needed to buffer cash flow. The increases have been approved by the legislature about once every four years. In early years, revenues will exceed expenditures while in the later years the reverse is true, leading to a critical balance point.

During the 2015 session, the legislature passed HB140 which restructured the fees for FWP. As a result, a further fee increase would not be expected this year.

At this point, the executive is requesting to spend general license dollars as shown in figure 2:

Figure 2

2019 Bien. Gen. License Revenues and Expenditures		
	FY2018	FY2019
Beginning Fund Balance	\$30,142,307	\$30,798,694
Revenues	48,631,704	49,142,381
Expenditures		
Base Expenditures		
Fisheries	7,183,014	7,183,014
Enforcement	9,189,639	9,189,639
Wildlife	4,557,703	4,557,703
Communication and Education	3,118,040	3,118,040
Administration	13,168,509	13,168,509
Dept. Administration	<u>8,199,089</u>	<u>8,199,089</u>
Base Expenditures Total	45,415,994	45,415,994
Present Law Adjustments	1,393,223	1,439,648
New Proposals	<u>1,166,100</u>	<u>1,165,641</u>
Total Expenditures	47,975,317	48,021,283
Ending Balance:	\$30,798,694	\$31,919,792

Total expenditures for the 2019 biennia are less than anticipated revenues, building the fund balance.

Statutory Appropriations

FWP has two statutory appropriations. The first is "Payment in Lieu of Taxes" (PILT) – authorized in 87-1-603, MCA – where FWP pays counties for the full property tax income lost due to department land ownership. Over the past three fiscal years, FWP has expended an average of \$806,671 per year.

The second statutory appropriation comes from 6.5% of accommodation tax proceeds so that FWP can pay for the maintenance of state park facilities. Over the past three fiscal years, FWP has expended an average of \$967,624 per year.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2018	Budget Fiscal 2019	Biennium Fiscal 18-19	Percent of Budget	Budget Fiscal 2018	Budget Fiscal 2019	Biennium Fiscal 18-19	Percent of Budget
2017 Base Budget	0	0	0	0.00 %	83,036,160	83,036,160	166,072,320	90.23 %
SWPL Adjustments	0	0	0	0.00 %	1,025,930	1,183,979	2,209,909	1.20 %
PL Adjustments	0	0	0	0.00 %	4,884,210	4,886,699	9,770,909	5.31 %
New Proposals	1,175,000	1,175,440	2,350,440	100.00 %	3,003,186	3,002,223	6,005,409	3.26 %
Total Budget	\$1,175,000	\$1,175,440	\$2,350,440		\$91,949,486	\$92,109,061	\$184,058,547	