

THE MINUTES OF THE MEETING OF THE JOINT APPROPRIATIONS
SUBCOMMITTEE ON NATURAL RESOURCES
January 12, 1981

The meeting was called to order by CHAIRMAN STOBIE at 8:00 a.m., Monday, January 12, 1981. All members were present except REPRESENTATIVE MANUEL and SENATOR STIMATZ. The purpose of this meeting is to be a work meeting to study the work sheets and budget submitted to the subcommittee by the Fiscal Analyst's Office and the Executive Budget office for the LIVESTOCK DEPARTMENT.

BOB ROBINSON from the Fiscal Analyst's office gave a preview of the LIVESTOCK BUDGET and how their recommendations were developed. Each position was authorized by past Legislatures and is figured at the current step and grade on the state pay plan. It is adding a 9% pay advancement each year for pay raises. It is also flexible so it can be changed if the legislature says to add any other pay increase. Exhibit A shows the recommendation for pay increases. The CONTRACTED SERVICES budget is zero based. No supplementals are included in the base budgets. Utilities were given special attention because of their unusually fast increases. Goods purchased for resale were put in only to show budget modifications and in most cases are zeros.

Question arose how the group was going to regulate the spending and still allow these agencies to carry on their obligations. REPRESENTATIVE COZZENS suggested that an organizational chart showing bodies might help and also a brief narrative of what the jobs are currently requiring. Mr. Robinson said they were trying to get the agencies to let them know where people are really needed or not needed so they can be identified and cut. JUDY RIPPINGDALE who took over for Mr. Robinson suggested that the Fiscal Analyst's office should be given the right to evaluate and be given authority to make cuts or recommendations since that is their job to understand these areas. It was questioned whether or not records could be obtained to draw these comparisons and to study the growth and if the Fiscal Analyst's office could provide much of this information to the subcommittee. It was recorded that a close relationship now between the Fiscal Analyst's Office and the Legislative Council and the Governor's budget office has helped draw these conclusions.

It was stated that just because a law was passed to allow an act to be carried out did not necessarily mean that it was a program that should be funded. Cited was an example of a law passed to require picking up vicious dogs; the law, not the money may be the problem. This should be carefully evaluated.

Dairy inspectors were another example of a possible cutback since many dairies have been closed, inspectors should have less work.

The Budget Office may be able to help the Fiscal Analysts in some areas because they have a direct line to those agencies. It was stated that analysts working other departments would be willing to come before the subcommittee.

The Fiscal Analyst's budget was presented to the group and it was stated that this budget as well as the Executive Budget (Exhibit B) based their recommendation on base expenditures and employee grade levels.

REPRESENTATIVE MANUEL and SENATOR STIMATZ joined the meeting late.

CAROLYN DOERING from the Executive Budget office presented the difference between the Fiscal Analyst's recommendation and the executive recommendation concerning legislative audit fees. The major differences were layed out and in Centralized Services the Executive Budget had added in auditing fees which were given by the Legislative Audit's office. They anticipate what it will cost over the next two years to audit that department. CENTRALIZED SERVICES added in \$13,000 for what it would cost them in 1982 to cover annual costs of auditing the LIVESTOCK DEPARTMENT. The Fiscal Analyst does not include this. Auditing is now done about every two years.

The primary funding of the Livestock Department is earmarked funds. The numbers listed on Exhibit B, page 1, indicated the catagories as follows:

01100-General fund money	02151-Animal Health,E.R.A.
02149-Inspection Control,E.R.A.	04001-Pork Resource & Marketing

BOB ROBINSON, now back in the meeting, explained the Montana Pork Council receives 10 cents per head that goes into a fund for research and marketing promotion of pork.

The Legislative Auditor's office wants to increase its staff to conduct annual audits. They are in the process of doing an audit of the Livestock Department and have done one about every three years. They would like to do an audit every year which means an increase of about 50% in the auditor's staff. It was noted that one FTE means one person for 2,080 hours per year. It was suggested that the Livestock Department budget be used as a comparison budget to other departments with the same work-load capacity. If the cattle assessment is decreased, the mill levy will generate less dollars.

SENATOR BOYLAN was excused to go to another meeting.

DIAGNOSTIC LABORATORY budget (Exhibit B, page 2) was discussed. This laboratory is located at M.S.U. in Bozeman and used to diagnose animal diseases, do animal autopsies, and examine suspected rabid animals. In the past the laboratory requested 70% to be funded by the General funds, but the study proved that more than 30% of the effort was being spent on the livestock, therefore, the budget shows a 50-50 split. Under supplies, two pieces of equipment were budgeted, a microtome and a spectrophotometer.

THE DISEASE CONTROL PROGRAM (Exhibit B, page 3) which eradicates and controls diseases in livestock also inspects animals moving in and out of Montana. They must have an import/export certificate as well as those sold having a certificate showing they are disease free animals. The major item of concern in this budget is state financing of market veterinarians. The state hires and pays a veterinarian to inspect the animals at all stockyard sales. The vets are now asking for \$25.00 an hour. This is going to be taken out of the budget, saving a total of \$60,000.00 per year. This inspection is a result of a rule set up by the Livestock Department and is wanted by the stockyards. The cost will now go to the individual selling cattle. Travel also shows a difference. Personal cars were used, but now there are enough cars within the department so motor pool and personal cars should be unnecessary. This will reduce the travel cost from \$43,862.00 to \$29,732.00.

THE MILK AND EGG PROGRAM (Exhibit B, page 4) provides inspection of dairies and milk and egg processors for sanitation purposes. It is funded with General Funds primarily and some federal funds.

SENATOR BOYLAN having returned to the meeting, suggested a place of savings may be in using economy cars instead of the big ones for those inspectors and people who do not have to carry large loads.

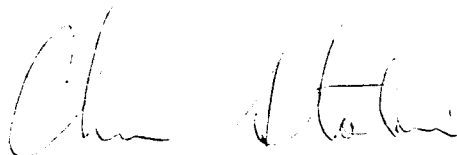
INSPECTION AND CONTROL (Exhibit B, page 5) is all earmarked funds. The main responsibility is brand and sale inspections. It also approves all brands that have been authorized in the state. These must be re-recorded every 10 years. There are approximately 40,000 brands.

Regarding the price of gas: the INSPECTION AND CONTROL DIVISION anticipates consuming 31,500 gallons to 35,000 gallons per year at a price of \$1.59.

PREDATORY ANIMAL CONTROL PROGRAM, (Exhibit B, page 6) is set up to run the Coyote Eradication Program. It is budgeted for a helicopter, pilots, biologists and secretary. \$65,000.00 was budgeted the Department of Fish, Wildlife and Parks in the past, but they do not have the money for this program any longer. It was brought to the attention of the subcommittee that the hides did bring in money. This also is all earmarked funds.

RABIES AND RODENT CONTROL PROGRAMS have some of the same people as in the Predatory Program. This also is mostly general funds. Some of this could be contracted by the Environmental Program of the Agriculture Department to eliminate duplicated services.

THE MEETING ADJOURNED at 11:25 a.m.



CHRIS STOBIE, CHAIRMAN

lmw

one recommended budget expansion per program, you will need to enter the current level calculation from LIBS on spread sheet, enter line items for budget expansions in subsequent columns, add them and enter new line totals in LIBS.

LIBS automatically calculates 1982-83 expenses using the following inflation factors:

<u>Expenditure</u>	<u>--Average Annual Percent Change--</u>			
	<u>1980-1981</u>	<u>1981-82</u>	<u>1980-82</u>	<u>1982-83</u>
21 - Contracted Services	10.0	8.0	9.0	8.0
22 - Supplies & Materials	10.5	10.0	10.2	8.5
23 - Communications	12.0	10.0	11.0	8.5
24 - Travel	8.0	8.0	8.0	8.0
25 - Rent	7.5	7.5	7.5	7.5
26 - Utilities	15.0	12.0	13.5	12.0
27 - Repair & Maintenance	12.0	10.0	11.0	8.5
28 - Other Expenses	10.0	10.0	10.0	8.5
29 - Goods Purchased for Resale	12.0	10.0	11.0	8.5
31 - Equipment	12.0	10.0	11.0	8.5
32 - Livestock	12.0	10.0	11.0	8.5

If an agency has reason to plead for more in a given line, document the situation and modify accordingly.

To access the maintenance capability for operating expenses, enter code 2 from the main table and press enter key.

The screen will ask you for the agency and program codes as described previously. Once the agency and program numbers are entered the computer will print a table similar to the one following identified by agency and program titles.

AGENCY: DEPT SOCIAL AND REHAB SERVICES PROGRAM: MEDICAL ASSISTANCE
PLEASE SELECT ONE OF THE FOLLOWING ACTION CODES FOR THE ABOVE AGENCY:

- | <u>CODE</u> | <u>ACTION</u> |
|-------------|--|
| 1 | - LIST EXPENDITURE DATA |
| 2 | - UPDATE THE EXPENDITURE DATA |
| 3 | - END FILE MAINTENANCE FOR THIS AGENCY |

PLEASE ENTER ONE OF THE ABOVE CODES:?

CENTRALIZED SERVICES

100 - 1000 - 2000, 400

Expenditure	Actual 1980	Approp. 1981	LFA 1982	Exec. 1982	LFA 1983	Exec. 1983	Subcommittee 1982	Subcommittee 1983	Full Approp. 1982	Full Approp. 1983	Recommendation 1983
Personal Services	\$150,972	\$166,008	\$178,319	\$167,054	\$194,098	\$167,218					
Contracted Services	26,716	43,350	29,171	42,171	31,533	31,533					
Supplies	9,425	4,000	11,456	11,467	12,429	12,587					
Communications	17,131	13,471	21,105	22,597	22,898	23,002					
Travel	10,341	10,000	12,061	13,677	13,025	15,729					
Rent	35,392	43,600	48,870	48,870	53,844	53,844					
Repairs	1,267	200	1,560	1,693	1,692	1,944					
Other	152	-0-	183	152	198	152					
Equipment & Livestock	6,132	-0-	1,150	1,150	250	250					
Operating Costs	\$106,556	\$114,621	\$125,556	\$141,777	\$135,869	\$139,041					
TOTAL EXPENSES	\$257,528	\$280,629	\$303,875	\$308,831	\$329,967	\$306,259					
01100	1	\$59,077	\$68,862	\$71,180	\$74,809	\$70,709					
02149	5	85,694	103,292	103,886	112,213	102,349					
02151	5	85,695	103,292	104,015	112,213	102,351					
04001	5	26,166	28,429	29,750	30,732	30,850					
TOTAL FUNDS	\$257,528	\$280,629	\$303,875	\$308,831	\$329,967	\$306,259					

NOTES:

6-10-83

DIAGNOSTIC LABORATORY

Expenditure	Actual 1980	Approp. 1981	LFA 1982	Exec. 1982	LFA 1983	Exec. 1983	Subcommittee 1982	Recommendation 1983	Full Approp. 1982	Recommendation 1983
Personal Services	\$307,536	\$404,650	\$445,508	\$412,193	\$485,604	\$412,483				
Contract Services	26,141	25,000	28,598	28,598	30,914	30,914				
Supplies	54,070	25,000	65,722	70,637	71,308	79,351				
Communications	12,205	8,000	15,036	15,999	16,314	16,488				
Travel	5,340	6,000	6,228	7,066	6,726	8,127				
Rent	993	800	1,147	1,082	1,233	1,169				
Utilities	17,912	20,000	23,070	27,241	25,838	32,387				
Repairs	9,417	6,500	11,601	10,379	12,587	11,248				
Other	8,950	9,000	10,829	8,951	11,749	8,951				
Equipment & Livestock	5,062	-0-	5,126	5,062	5,129	5,062				
Equipment & Livestock	67	-0-	-0-	67	-0-	67				
Operating Costs	\$140,157	\$100,300	\$167,357	\$175,082	\$181,798	\$193,764				
TOTAL EXPENSES	\$447,693	\$504,950	\$612,865	\$587,275	\$667,402	\$606,247				
01100 1	\$207,320	\$252,475	\$300,119	\$293,637	\$326,819	\$303,123				
02151 5	240,375	252,475	312,746	293,638	340,583	303,124				
TOTAL FUNDS	\$447,695	\$504,950	\$612,865	\$587,275	\$667,402	\$606,247				

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DISEASE CONTROL PROGRAM

Does Not Include Mch. Sew.

Expenditure	Actual 1980	Approp. 1981	LFA 1982	Exec. 1982	LFA 1983	Exec. 1983	Subcommittee Recommendation 1982	Subcommittee Recommendation 1983	Full Approp. 1982	Recommendation 1983
Personal Services	\$368,513	\$432,208	\$422,691	\$392,676	\$460,732	\$393,902				
Contracted Services	100,918	94,229	25,602	32,220	27,664	41,172				
Supplies	26,773	26,000	46,960	46,960	53,798	53,798				
Communications	12,852	12,000	15,833	16,240	17,178	17,956				
Travel	43,862	48,000	34,679	58,010	37,453	66,710				
Rent	5,492	1,000	1,500	1,624	1,500	1,755				
Utilities	137	-0-	176	224	197	269				
Repairs	7,635	5,248	9,406	8,993	10,205	9,784				
Other	3,050	1,500	3,690	3,050	4,003	3,050				
Goods PFR	-0-	-0-	27,000		27,000					
Equip & Livestock	22,594	-0-	37,600	22,594	22,600	22,594				
Operating Costs	223,313	187,977	202,446	189,915	201,598	217,088				
Benef & Claims	14,400	16,000	14,400	14,400	14,400	14,400				
TOTAL EXPENSES	\$606,226	\$636,185	\$639,537	\$596,991	\$676,730	\$625,390				
02151	5	636,185	639,537	596,991	676,730	625,390				
04811	5	-0-	-0-	-0-	-0-	-0-				
TOTAL FUNDS	\$606,224	\$636,185	\$639,537	\$596,991	\$676,730	\$625,390				

\$65,000

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MILK & EGG PROGRAM

Expenditure	Actual 1980	Approp. 1981	LFA 1982	Exec. 1982	LFA 1983	Exec. 1983	Subcommittee Recommendation 1982	Subcommittee Recommendation 1983	Full Approp. Recommendation 1982	Full Approp. Recommendation 1983
<i>f/c</i>	<u>7.2</u>	<u>7.2</u>	<u>7.2</u>	<u>7.2</u>	<u>7.2</u>	<u>7.2</u>				
Personal Services	\$126,517	\$134,525	\$145,529	\$135,322	\$158,626	\$135,399				
Contract Services	2,069	2,100	2,457	2,327	2,653	2,510				
Supplies	7,191	8,610	11,942	14,041	16,232	19,526				
Communications	1,860	2,000	2,291	2,363	2,485	2,600				
Travel	16,027	20,000	15,533	21,197	16,776	24,376				
Rent	140	140	161	152	173	164				
Repairs	2,669	3,600	3,288	3,195	3,567	3,462				
Other	180	250	217	180	235	180				
Goods PFR	-0-	-0-	5,000	--	5,000	--				
Equip & Livestock	5,211	-0-	10,425	10,425	10,425	10,425				
Operating Costs	\$ 35,347	\$ 36,700	\$ 51,314	\$ 53,880	\$ 57,546	\$ 63,243				
TOTAL EXPENSES	\$161,864	\$171,225	\$196,843	\$189,202	\$216,172	\$198,642				
01100	\$148,863	\$158,225	\$185,343	\$178,702	\$204,172	\$187,642				
04099	<u>13,000</u>	<u>13,000</u>	<u>11,500</u>	<u>10,500</u>	<u>12,000</u>	<u>11,000</u>				
TOTAL FUNDS	\$161,863	\$171,225	\$196,843	\$189,202	\$216,172	\$198,642				

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INSPECTION & CONTROL

Expenditure	Actual 1980	Approp. 1981	LFA 1982	Exec. 1982	LFA 1983	Exec. 1983	Subcommittee Recommendation 1982	Recommendation 1983	Full Approp. Recommendation 1982	Recommendation 1983
<i>1-76</i> Personal Services	\$1,071,336	\$1,216,051	\$1,256,407	\$1,278,077	\$1,342,047	\$1,268,637				
Contract Services	15,038	11,384	17,228	17,228	18,609	18,609				
Supplies	69,231	74,900	107,000	107,518	135,000	135,004				
Communications	26,751	27,000	32,957	34,002	35,758	37,090				
Travel	53,086	49,000	55,002	70,221	59,402	80,753				
Rent	2,922	2,400	3,376	3,181	3,629	3,439				
Utilities	711	1,000	915	1,150	1,024	1,416				
Repairs	23,683	17,000	29,177	27,841	31,657	30,240				
Other	3,977	1,000	4,812	3,979	5,221	3,979				
Equip- & Livestock	17,209	-0-	48,500	48,500	60,500	60,500				
Operating Costs	212,608	183,684	298,967	313,620	350,800	371,030				
Benef & Claims	10,446	-0-	-0-	-0-	-0-	-0-				
Benef & Claims	305	-0-	-0-	-0-	-0-	-0-				
TOTAL EXPENSES	\$1,294,695	\$1,399,735	\$1,555,374	\$1,591,697	\$1,692,847	\$1,639,667				
02149	5	\$1,399,735	\$1,530,203	\$1,591,697	\$1,692,847	\$1,639,667				
TOTAL FUNDS	\$1,294,697	\$1,399,735	\$1,530,203	\$1,591,697	\$1,692,847	\$1,639,667				

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PREDATORY ANIMAL CONTROL PROGRAM

Expenditure	Actual 1980	Approp. 1981	LFA 1982	Exec. 1982	LFA 1983	Exec. 1983	Subcommittee Recommendation 1982	Subcommittee Recommendation 1983	Full Approp. 1982	Recommendation 1983
Personal Services	\$118,153	\$129,417	\$140,257	\$130,122	\$152,880	\$130,156				
Contract Services	4,877	4,000	4,608	4,385	4,976	4,727				
Supplies	35,753	30,000	20,774	25,991	22,539	30,671				
Communications	4,053	3,000	4,993	5,143	5,417	5,681				
Travel	15,157	14,000	17,679	20,040	19,093	23,047				
Rent	3,480	3,400	2,866	2,701	3,080	2,920				
Utilities	64	-0-	82	104	91	125				
Repairs	62,001	28,069	48,728	43,165	52,869	46,676				
Other	611	500	739	611	801	611				
Equip & Livestock	498	-0-	613	498	665	498				
Operating Costs	\$126,494	\$ 82,969	\$101,082	\$102,638	\$109,531	\$114,956				
TOTAL EXPENSES	\$244,647	\$212,386	\$241,339	\$232,760	\$262,411	\$245,112				
02149 5	\$244,647	\$212,386	\$241,339	\$232,760	\$262,411	\$245,112				
TOTAL FUNDS	\$244,647	\$212,386	\$241,339	\$232,760	\$262,411	\$245,112				

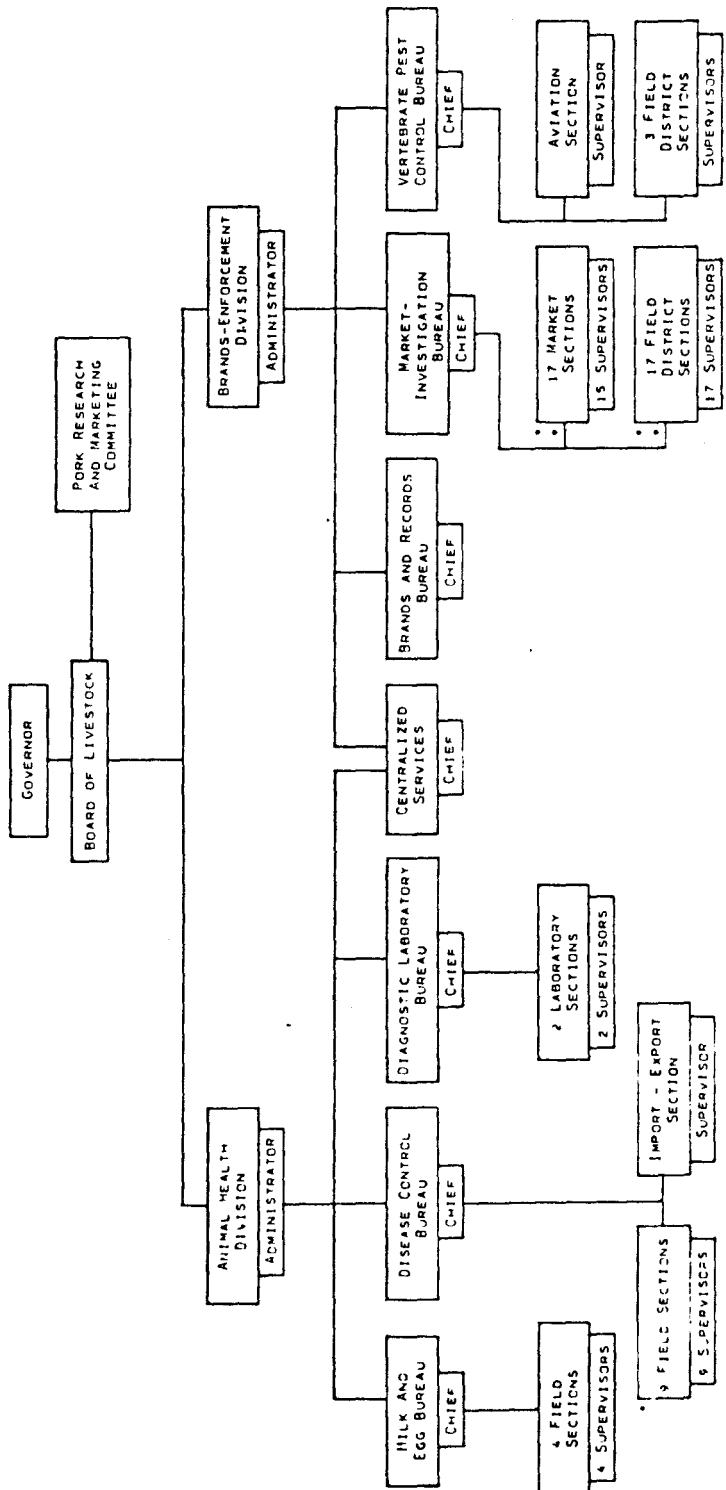
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RABIES AND RODENT CONTROL PROGRAM

Expenditure	Actual 1980	Approp. 1981	LFA 1982	Exec. 1982	LFA 1983	Exec. 1983	Subcommittee Recommendation 1982	Subcommittee Recommendation 1983	Full Approp. 1982	Full Approp. Recommendation 1983
Personal Services	\$48,374	\$53,339	\$57,190	\$53,647	\$62,338	\$53,676				
Contract Services	4,333	3,900	5,147	4,729	5,558	5,112				
Supplies	1,278	800	5,417	5,417	1,539	1,539				
Communications	2,555	2,900	3,147	3,233	3,414	3,582				
Travel	5,762	8,000	7,720	8,624	7,257	8,767				
Rent	8	100	9	9	9	10				
Repairs	344	400	423	381	458	412				
Other	93	100	2,000	2,094	121	94				
Equip & Livestock	2,429	-0-	2,429	2,429	2,429	2,429				
Operating Costs	\$16,802	\$16,200	\$26,292	\$26,916	\$20,785	\$21,945				
TOTAL EXPENSES	\$65,176	\$69,539	\$83,482	\$80,563	\$83,123	\$75,621				
01100	\$50,174	\$54,539	\$68,482	\$65,563	\$68,123	\$60,621				
02149	15,000	15,000	15,000	15,000	15,000	15,000				
TOTAL FUNDS	\$65,174	\$69,539	\$83,482	\$80,563	\$83,123	\$75,621				

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ORGANIZATION OF THE DEPARTMENT OF LIVESTOCK



* THREE FIELD SECTIONS ALSO SHARE MARKET RESPONSIBILITIES.

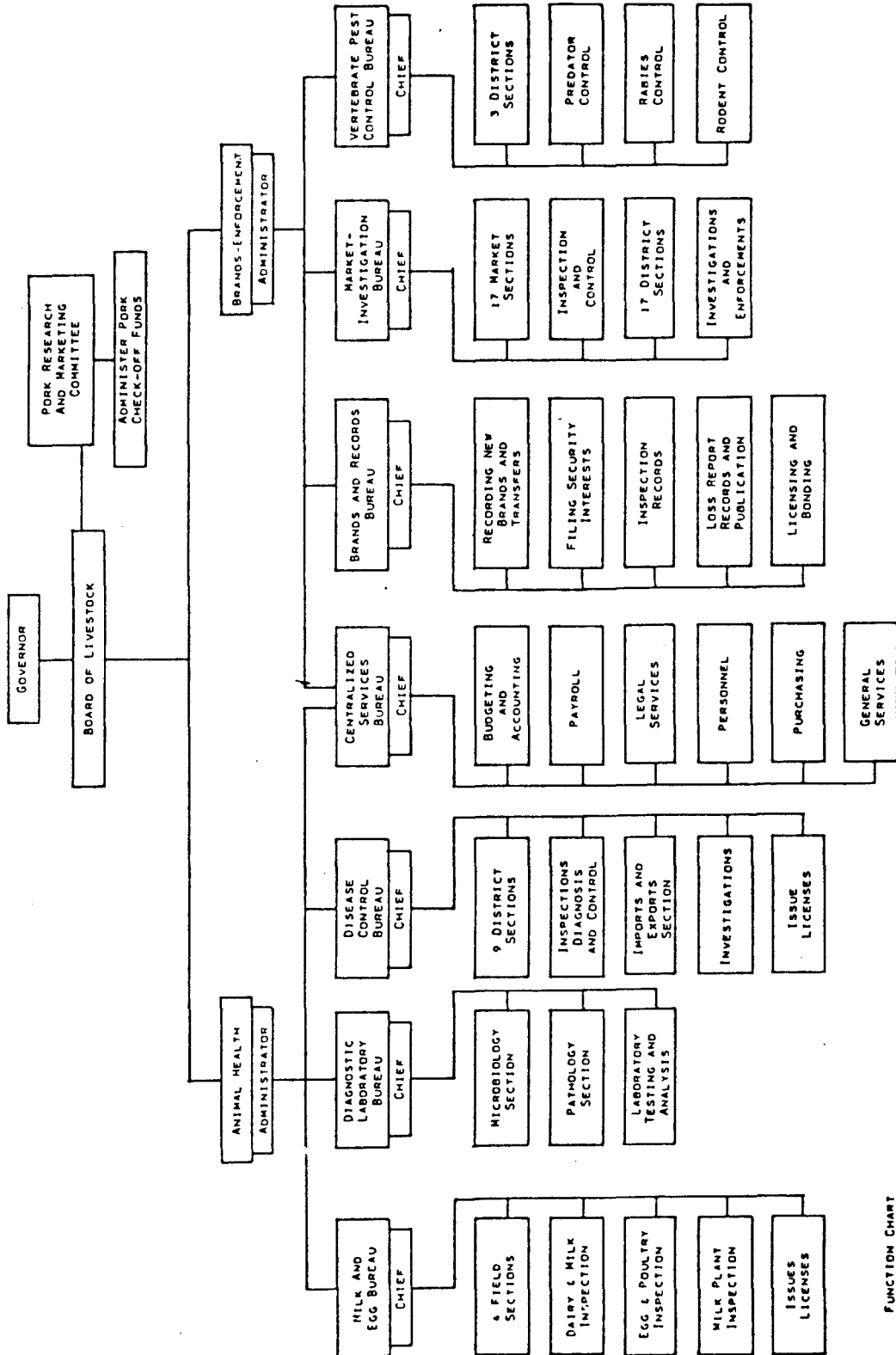
* UNDER A COOPERATIVE AGREEMENT WITH USDA, FEDERAL VETERINARIANS PERFORM STATE FUNCTIONS IN 5 DISTRICTS.

ORGANIZATIONAL CHART
DEPARTMENT OF LIVESTOCK

Robert H. ...
CHAIRMAN, BOARD OF LIVESTOCK

APPROVED _____
GOVERNOR

FUNCTIONAL CHART OF THE DEPARTMENT OF LIVESTOCK



FUNCTION CHART