

Agency Base Budget Comparison

The following table compares the base budget with the expenditures adopted by the legislature for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison						
Budget Item	Base Budget	Requested Budget		Biennium Change from Base		
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	82.08	98.66	98.66	16.58		10.1%
Proprietary Funds	11,600,219	13,110,638	13,129,621	3,039,821		13.1%
Total Funds	11,600,219	13,110,638	13,129,621	3,039,821		13.1%
Personal Services	5,507,851	7,018,270	7,037,253	3,039,821		27.6%
Operating Expenses	4,481,602	4,481,602	4,481,602			0.0%
Equipment & Intangible Assets	1,177,766	1,177,766	1,177,766			0.0%
Benefits & Claims	5,000	5,000	5,000			0.0%
Debt Service	428,000	428,000	428,000			0.0%
Total Expenditures	11,600,219	13,110,638	13,129,621	3,039,821		13.1%
Total Ongoing	11,600,219	13,110,638	13,129,621	3,039,821		13.1%
Total One-Time-Only						0.0%

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Agency Highlights

Department of Fish, Wildlife, and Parks
Major Budget Highlights
<p>The non-budgeted proprietary appropriations for the department total about \$3.0 million. This is a 13.1% increase above base funding. Increases include:</p> <ul style="list-style-type: none"> • Proprietary maintenance program: \$1.6 million • Statewide present law adjustments for personal services: \$1.1 million • Aircraft and vehicle fleet rates: \$315,700

Agency Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	6,033,354	6,075,056	5,507,851	7,018,270	7,037,253
Operating Expenses	5,398,017	6,582,063	4,481,602	4,481,602	4,481,602
Equipment & Intangible Assets	7,978,839	8,087,766	1,177,766	1,177,766	1,177,766
Benefits & Claims	3,000	5,000	5,000	5,000	5,000
Debt Service	89,228	428,000	428,000	428,000	428,000
Total Expenditures	\$19,502,438	\$21,177,885	\$11,600,219	\$13,110,638	\$13,129,621
Proprietary Funds	19,502,438	21,177,885	11,600,219	13,110,638	13,129,621
Total Funds	\$19,502,438	\$21,177,885	\$11,600,219	\$13,110,638	\$13,129,621
Total Ongoing	\$19,502,438	\$21,177,885	\$11,600,219	\$13,110,638	\$13,129,621
Total OTO	\$0	\$0	\$0	\$0	\$0

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Executive Budget Comparison

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

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2025	Executive Budget Fiscal 2026	Legislative Budget Fiscal 2026	Leg — Exec. Difference Fiscal 2026	Executive Budget Fiscal 2027	Legislative Budget Fiscal 2027	Leg — Exec. Difference Fiscal 2027	Biennium Difference Fiscal 26-27
Personal Services	5,507,851	7,018,270	7,018,270	0	7,037,253	7,037,253	0	0
Operating Expenses	4,481,602	4,481,602	4,481,602	0	4,481,602	4,481,602	0	0
Equipment & Intangible Assets	1,177,766	1,177,766	1,177,766	0	1,177,766	1,177,766	0	0
Benefits & Claims	5,000	5,000	5,000	0	5,000	5,000	0	0
Transfers	0	0	0	0	0	0	0	0
Debt Service	428,000	428,000	428,000	0	428,000	428,000	0	0
Total Costs	\$11,600,219	\$13,110,638	\$13,110,638	\$0	\$13,129,621	\$13,129,621	\$0	\$0
Other	11,600,219	13,110,638	13,110,638	0	13,129,621	13,129,621	0	0
Total Funds	\$11,600,219	\$13,110,638	\$13,110,638	\$0	\$13,129,621	\$13,129,621	\$0	\$0
Total Ongoing	\$11,600,219	\$13,110,638	\$13,110,638	\$0	\$13,129,621	\$13,129,621	\$0	\$0
Total OTO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislature reviewed and adopted proprietary rates proposed by the executive.

Funding

The following table shows the adopted agency funding for all sources of authority.

Total Department of Fish, Wildlife, and Parks Funding by Source of Authority 2027 Biennium Budget Request						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
02409 General License	154,868,273	1,838,676		1,114,826	157,821,775	47.8%
02334 Hunting Access	25,262,385				25,262,385	7.7%
02411 State Parks Miscellaneous	18,657,409	149,500		124,702	18,931,611	5.7%
02274 FWP Accommodations Tax				9,625,508	9,625,508	2.9%
02061 Nongame Wildlife Account	6,678,990				6,678,990	2.0%
Other State Special Revenue	17,238,424			226,298	17,464,722	5.3%
State Special Revenue Total	222,705,481	1,988,176	-	11,091,334	235,784,991	71.4%
03097 Fish(WB)-Wildlf(Pr) Restor Gmt	51,236,985			625,400	51,862,385	15.7%
03403 Misc Federal Funds	14,388,437				14,388,437	4.4%
03408 State Wildlife Grants	1,616,845				1,616,845	0.5%
03098 Parks Federal Revenue	225,816				225,816	0.1%
03129 USFWS Section 6	80,522				80,522	0.0%
Federal Special Revenue Total	67,548,605	-	-	625,400	68,174,005	20.6%
06513 FWP Maintenance Fund			15,798,287		15,798,287	4.8%
06502 FWP Fleet Fund			7,767,210		7,767,210	2.4%
06540 DFWP Aircraft			1,349,034		1,349,034	0.4%
06068 MFWP Visitor Services			1,117,356		1,117,356	0.3%
06503 F & G Warehouse Inventory			208,372		208,372	0.1%
Proprietary Fund Total	-	-	26,240,259	-	26,240,259	7.9%
Total of All Funds	290,254,086	1,988,176	26,240,259	11,716,734	330,199,255	
Percent of All Sources of Authority	87.9%	0.6%	7.9%	3.5%		

Non-Budgeted Proprietary Funds

The non-budgeted proprietary funds include all internal service and enterprise funds.

Internal service funds account for operations that provide services within the agency or other agencies of state government on a cost reimbursement basis. They include the use of department statewide facilities maintenance program, aircraft, vehicles, and the state warehouse.

Enterprise funds are revenues generated from goods or services to the public. For the department, these are primarily from the sales of merchandise at the Montana Fish, Wildlife, and Parks Visitor centers.

Descriptions of all other funds in the table above can be found in the 2027 biennium budget analysis.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Department of Fish, Wildlife, and Parks 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	0	0	0	11,600,219	88.5%	0	0	0	11,600,219	88.4%
Statewide PL										
Personal Services	0	0	0	549,560	4.2%	0	0	0	565,617	4.3%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	0	0	0	549,560	4.2%	0	0	0	565,617	4.3%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	960,859	7.3%	0	0	0	963,785	7.3%
Total HB 2 Adjustments	0	0	0	1,510,419	11.5%	0	0	0	1,529,402	11.6%
Total Budget	0	0	0	13,110,638		0	0	0	13,129,621	

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison						
Budget Item	Base Budget	Requested Budget		Biennium Change from Base		
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	5.18	5.18	5.18	0.00	0.0%	
Proprietary Funds	560,155	558,249	559,107	(2,954)	(0.3%)	
Total Funds	560,155	558,249	559,107	(2,954)	(0.3%)	
Personal Services	360,283	358,377	359,235	(2,954)	(0.4%)	
Operating Expenses	199,872	199,872	199,872	0.00	0.0%	
Total Expenditures	560,155	558,249	559,107	(2,954)	(0.3%)	
Total Ongoing	560,155	558,249	559,107	(2,954)	(0.3%)	
Total One-Time-Only					0.0%	

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Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals	Approp.	Approp.	Legislative	Legislative
	Fiscal 2024	Fiscal 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
Personal Services	166,751	199,731	360,283	358,377	359,235
Operating Expenses	329,873	339,587	199,872	199,872	199,872
Total Expenditures	\$496,624	\$539,318	\$560,155	\$558,249	\$559,107
Proprietary Funds	496,624	539,318	560,155	558,249	559,107
Total Funds	\$496,624	\$539,318	\$560,155	\$558,249	\$559,107
Total Ongoing	\$496,624	\$539,318	\$560,155	\$558,249	\$559,107
Total OTO	\$0	\$0	\$0	\$0	\$0

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Proprietary Program Description

Section 23-1-105 (5), MCA, authorizes the Parks Division of Montana Fish, Wildlife and Parks (FWP) 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 primarily to better manage Montana State Parks visitor centers that sell books, clothing, and commemorative items at parks like First Peoples Buffalo Jump, Makoshika, and Chief Plenty Coups as well as parks that sell items like firewood and ice. Monies generated go back into the purchase of inventory and the improvement of visitor services in state parks and FWP overall.

Revenues and Expenses

Revenues are generated by the sales of interpretive and educational merchandise at park visitor centers and regional offices. The expenses associated with the enterprise fund include personal services, office supplies, merchandising materials, and the purchase of inventory to replenish stock. In FY 2020, personal services were increased for positions that manage and promote educational, commemorative, and interpretive services.

Rates and Rate Explanation

A markup of 40.0% - 50.0% on goods sold is applied to ensure sufficient revenues are collected to cover expenses. The objective is to maintain an adequate fund balance to cover the costs of promoting and managing the visitor centers. The cash balances are highest in the winter after the parks season ends and lowest in the spring when stock is purchased to replenish inventory.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Parks and Outdoor Recreation Division 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	0	0	0	560,155	100.3%	0	0	0	560,155	100.2%
Statewide PL										
Personal Services	0	0	0	(1,906)	(0.3%)	0	0	0	(1,048)	(0.2%)
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	0	0	0	(1,906)	(0.3%)	0	0	0	(1,048)	(0.2%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	0	0	0	(1,906)	(0.3%)	0	0	0	(1,048)	(0.2%)
Total Budget	0	0	0	558,249		0	0	0	559,107	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	(1,906)	0.00	0	0	0	(1,048)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	(\$1,906)	0.00	\$0	\$0	\$0	(\$1,048)

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to the present law personal services budget.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison						
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent		
PB	76.90	93.48	93.48	16.58	10.8%	
Proprietary Funds	11,040,064	12,552,389	12,570,514	3,042,775	13.8%	
Total Funds	11,040,064	12,552,389	12,570,514	3,042,775	13.8%	
Personal Services	5,147,568	6,659,893	6,678,018	3,042,775	29.6%	
Operating Expenses	4,281,730	4,281,730	4,281,730		0.0%	
Equipment & Intangible Assets	1,177,766	1,177,766	1,177,766		0.0%	
Benefits & Claims	5,000	5,000	5,000		0.0%	
Debt Service	428,000	428,000	428,000		0.0%	
Total Expenditures	11,040,064	12,552,389	12,570,514	3,042,775	13.8%	
Total Ongoing	11,040,064	12,552,389	12,570,514	3,042,775	13.8%	
Total One-Time-Only					0.0%	

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Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	5,866,603	5,875,325	5,147,568	6,659,893	6,678,018
Operating Expenses	5,068,144	6,242,476	4,281,730	4,281,730	4,281,730
Equipment & Intangible Assets	7,978,839	8,087,766	1,177,766	1,177,766	1,177,766
Benefits & Claims	3,000	5,000	5,000	5,000	5,000
Debt Service	89,228	428,000	428,000	428,000	428,000
Total Expenditures	\$19,005,814	\$20,638,567	\$11,040,064	\$12,552,389	\$12,570,514
Proprietary Funds	19,005,814	20,638,567	11,040,064	12,552,389	12,570,514
Total Funds	\$19,005,814	\$20,638,567	\$11,040,064	\$12,552,389	\$12,570,514
Total Ongoing	\$19,005,814	\$20,638,567	\$11,040,064	\$12,552,389	\$12,570,514
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

The division is funded primarily with state special revenue from the sale of hunting and fishing licenses. Proprietary revenue includes charges for the vehicle fleet, and warehouse fees. Statutory expenditures are for payment in lieu of taxes (PILT). PILT are payments to local governments to help offset losses in property taxes due to the existence of state or federal lands not subject to property taxes.

Program Description

The department's equipment fund provides a fleet of vehicles to department employees.

Revenues and Expenses

Users are charged a usage rate for the number of miles driven and an assigned rate for the number of days a vehicle is used. The assigned rates are calculated to recover the costs of administration to operate the program (personal services and fixed operational costs) and replacement of fleet vehicles. The usage rates are calculated to recover the costs of fuel, supplies, repairs, and maintenance of the fleet. This fund supports a total of 4.56 PB.

In order to serve the specialized vehicle needs for the department, the fleet program has experienced an increase in workload to maintain vehicles and install necessary specialized modifications (for game warden trucks). In the previous biennium, the department added an additional modified PB fleet technician to meet this increased workload. The department requests to make the position permanent.

In FY 2024, department employees drove a total of 7.6 million miles in department-owned vehicles. The number of miles driven is expected to remain consistent over the next biennium. The department currently has a fleet of 638 vehicles. The department's request for vehicle replacement is for 56 vehicles in FY 2026 and 60 in FY 2027. This is based on replacing vehicles after a minimum of 180,000 miles. For the additional cost to the programs, the department submitted a decision package request, PL911. The department will also be managing this fund to ensure that the fiscal year end (FYE) balance will not exceed the 60-day working capital requirement.

Rates and Rate Explanation

The vehicle usage rate recovers the direct costs of fuel, supplies, repairs, and maintenance of the fleet. The assigned rates for vehicles are calculated to recover the costs of administration of the program (personal services, vehicle licensing, insurance and title work, utilities, etc.) and replacement of fleet vehicles.

FY 2026 Vehicle Usage Rate				
Vehicle Class	Assigned Cost Rate per Day:	Tier 1 \$4.50/gal	Tier 2 \$5.00/gal	Tier 3 \$5.50/gal
210 Sedan	\$17.30	\$0.25	\$0.25	\$0.27
310 Van	\$23.30	\$0.31	\$0.32	\$0.34
410 Utility	\$19.00	\$0.40	\$0.41	\$0.43
610 1/2 Ton Pickup	\$17.80	\$0.50	\$0.52	\$0.55
710 3/4 Ton Pickup	\$17.90	\$0.58	\$0.60	\$0.64
1 Ton	\$17.90	\$0.58	\$0.60	\$0.64

FY 2027 Vehicle Usage Rate				
Vehicle Class	Assigned Cost Rate per Day:	Tier 1 \$4.50/gal	Tier 2 \$5.00/gal	Tier 3 \$5.50/gal
210 Sedan	\$17.30	\$0.25	\$0.26	\$0.27
310 Van	\$23.40	\$0.32	\$0.33	\$0.35
410 Utility	\$19.80	\$0.40	\$0.41	\$0.44
610 1/2 Ton Pickup	\$18.40	\$0.51	\$0.53	\$0.56
710 3/4 Ton Pickup	\$18.40	\$0.59	\$0.61	\$0.65
1 Ton	\$18.40	\$0.59	\$0.61	\$0.65

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Administration 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	0	0	0	11,040,064	88.0%	0	0	0	11,040,064	87.8%
Statewide PL										
Personal Services	0	0	0	551,466	4.4%	0	0	0	566,665	4.5%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	0	0	0	551,466	4.4%	0	0	0	566,665	4.5%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	960,859	7.7%	0	0	0	963,785	7.7%
Total HB 2 Adjustments	0	0	0	1,512,325	12.0%	0	0	0	1,530,450	12.2%
Total Budget	0	0	0	12,552,389		0	0	0	12,570,514	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	551,466	0.00	0	0	0	566,665
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$551,466	0.00	\$0	\$0	\$0	\$566,665

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to the present law personal services budget.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 915 - Fleet Proprietary Resources	1.00	0	0	0	71,397	1.00	0	0	0	71,397
DP 916 - Aircraft Proprietary Resources	1.00	0	0	0	86,436	1.00	0	0	0	86,436
DP 917 - Maintenance Proprietary Resources	14.58	0	0	0	803,026	14.58	0	0	0	805,952
Total	16.58	\$0	\$0	\$0	\$960,859	16.58	\$0	\$0	\$0	\$963,785

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 915 - Fleet Proprietary Resources -

The legislature reviewed increases to the vehicle fleet proprietary program.

DP 916 - Aircraft Proprietary Resources -

The legislature reviewed increases to the aircraft proprietary program.

DP 917 - Maintenance Proprietary Resources -

The legislature reviewed increases to the maintenance proprietary program.

Agency Base Budget Comparison

The following table compares the base budget with the expenditures adopted by the legislature for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison						
Budget Item	Base Budget	Requested Budget		Biennium Change from Base		
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	55.50	54.50	54.50	(1.00)	(0.9%)	
Proprietary Funds	9,706,865	9,914,876	9,849,796	350,942	1.8%	
Total Funds	9,706,865	9,914,876	9,849,796	350,942	1.8%	
Personal Services	5,394,874	5,346,091	5,357,276	(86,381)	(0.8%)	
Operating Expenses	4,003,552	4,260,346	4,184,081	437,323	5.5%	
Equipment & Intangible Assets	119,739	119,739	119,739		0.0%	
Transfers	5,000	5,000	5,000		0.0%	
Debt Service	183,700	183,700	183,700		0.0%	
Total Expenditures	9,706,865	9,914,876	9,849,796	350,942	1.8%	
Total Ongoing	9,706,865	9,914,876	9,849,796	350,942	1.8%	
Total One-Time-Only					0.0%	

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Agency Highlights

Department of Environmental Quality Major Budget Highlights
<p>The department non-budgeted proprietary funding increased by about \$350,900 compared to the base budget. Increases include:</p> <ul style="list-style-type: none"> • Statewide present law adjustments: \$563,000 • Information Technology Services Consolidation (Reduction): \$212,100

Agency Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	4,474,461	5,145,785	5,394,874	5,346,091	5,357,276
Operating Expenses	2,404,344	3,798,246	4,003,552	4,260,346	4,184,081
Equipment & Intangible Assets	13,720	119,739	119,739	119,739	119,739
Transfers	0	5,000	5,000	5,000	5,000
Debt Service	687,652	183,700	183,700	183,700	183,700
Total Expenditures	\$7,580,177	\$9,252,470	\$9,706,865	\$9,914,876	\$9,849,796
Proprietary Funds	7,580,177	9,252,470	9,706,865	9,914,876	9,849,796
Total Funds	\$7,580,177	\$9,252,470	\$9,706,865	\$9,914,876	\$9,849,796
Total Ongoing	\$7,580,177	\$9,252,470	\$9,706,865	\$9,914,876	\$9,849,796
Total OTO	\$0	\$0	\$0	\$0	\$0

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Executive Budget Comparison

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

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2025	Executive Budget Fiscal 2026	Legislative Budget Fiscal 2026	Leg — Exec. Difference Fiscal 2026	Executive Budget Fiscal 2027	Legislative Budget Fiscal 2027	Leg — Exec. Difference Fiscal 2027	Biennium Difference Fiscal 26-27
Personal Services	5,394,874	5,346,091	5,346,091	0	5,357,276	5,357,276	0	0
Operating Expenses	4,003,552	4,312,679	4,260,346	(52,333)	4,239,582	4,184,081	(55,501)	(107,834)
Equipment & Intangible Assets	119,739	119,739	119,739	0	119,739	119,739	0	0
Transfers	5,000	5,000	5,000	0	5,000	5,000	0	0
Debt Service	183,700	183,700	183,700	0	183,700	183,700	0	0
Total Costs	\$9,706,865	\$9,967,209	\$9,914,876	(\$52,333)	\$9,905,297	\$9,849,796	(\$55,501)	(\$107,834)
Other	9,706,865	9,967,209	9,914,876	(52,333)	9,905,297	9,849,796	(55,501)	(107,834)
Total Funds	\$9,706,865	\$9,967,209	\$9,914,876	(\$52,333)	\$9,905,297	\$9,849,796	(\$55,501)	(\$107,834)
Total Ongoing	\$9,706,865	\$9,967,209	\$9,914,876	(\$52,333)	\$9,905,297	\$9,849,796	(\$55,501)	(\$107,834)
Total OTO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislature adopted adjustments to fixed costs totaling \$107,800.

Funding

The following table shows the adopted agency funding for all sources of authority.

Total Department of Environmental Quality Funding by Source of Authority 2027 Biennium Budget Request						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	16,578,651				16,578,651	9.5%
02058 Petroleum Storage Tank Cleanup	7,411,435			10,500,000	17,911,435	10.3%
02201 Air Quality-Operating Fees	7,320,646				7,320,646	4.2%
02278 MPDES Permit Program	7,007,137				7,007,137	4.0%
02988 Hard Rock Mining Reclamation	6,252,704				6,252,704	3.6%
02576 Natural Resources Operations	5,231,196				5,231,196	3.0%
Other State Special Revenue	41,714,041				41,714,041	23.9%
State Special Revenue Total	74,937,159	-	-	10,500,000	85,437,159	48.9%
03433 EPA Perf Partnership Grant	12,656,372				12,656,372	7.2%
03036 DEQ - Federal Aml Grant	8,756,129				8,756,129	5.0%
03816 DOI OSM A&E Grant	4,458,027				4,458,027	2.6%
03595 DW24 SRF Grant	3,862,698				3,862,698	2.2%
03231 NPS25 Staffing Grant	2,175,108				2,175,108	1.2%
Other Federal Special Revenue	20,963,330				20,963,330	12.0%
Federal Special Revenue Total	52,871,664	-	-	-	52,871,664	30.3%
06509 DEQ Indirects			19,764,672		19,764,672	11.3%
Proprietary Fund Total	-	-	19,764,672	-	19,764,672	11.3%
Total of All Funds	144,387,474	-	19,764,672	10,500,000	174,652,146	
Percent of All Sources of Authority	82.7%	0.0%	11.3%	6.0%		

The Department of Environmental Quality's largest source of funding is state special revenue which is derived from permitting fees, fines, and bond proceeds utilized to support specific department functions such as permitting, enforcement, and remediation. The federal revenue is provided from the U.S. Environmental Protection Agency (EPA) performance partnership grant, the super fund program, and other federal grant resources. General fund is utilized for personal services, travel, communications, and equipment. Statutory appropriations are funded by a tax on petroleum-based fuels and are appropriated to the administrative cost of the petroleum tank clean up.

Revenues and Expenses

The fund is supported by a charge against other divisions of DEQ. The percentage of the charge is approved by the United States EPA.

Rate(s) and Rate Explanation

The rate reviewed is a fixed rate that will not exceed 28.0% of the personal services base. This rate structure has been effective in providing the needed revenue to the internal service fund to provide services to all of the programs.

This program is funded with an internal service fund, which is a type of proprietary fund. As such, the legislature approves the maximum rate the program may charge during the biennium. They are not the rates the program must charge.

2027 Biennium Report on Internal Service and Enterprise Funds							
Agency # 53010	Agency Name: Department of Environmental Quality			Program Name: Central Management Program			
	Fund	Fund Name					
	06509	DEQ Indirects					
		Actual FY22	Actual FY23	Actual FY24	Budgeted FY25	Budgeted FY26	Budgeted FY27
Operating Revenues:							
Fee and Charges							
Fee Revenue A		5,259,538	5,371,713	5,144,077	5,896,400	5,896,400	5,896,400
Fee Revenue B		2,615,685	2,676,172	3,491,653	2,989,355	2,989,355	2,989,355
Other Operating Revenue		-	-	-	2,500	2,500	2,500
Total Operating Revenues		7,875,223	8,047,885	8,635,730	8,888,255	8,888,255	8,888,255
Expenses:							
Personal Services							
Other Operating Expenses		3,919,127	3,209,895	3,057,755	4,003,552	4,143,566	4,065,359
Expense B		-	57,057	52,475	183,700	183,700	183,700
Expense C		492,219	(20,245)	51,757	683,700	683,700	683,700
Total Operating Expenses		8,566,579	7,500,240	7,546,752	8,874,504	9,154,532	8,998,118
Operating Income (Loss)		(691,356)	547,645	1,088,978	13,751	(266,277)	(109,863)
Nonoperating Revenues:							
Nonoperating Expenses:							
Total Nonoperating Revenues (Expenses)		-	-	-	-	-	-
Income (Loss) Before Contributions and Transfers		(691,356)	547,645	1,088,978	13,751	(266,277)	(109,863)
Transfers Out		-	21,443	-	5,000	5,000	5,000
Change in Net Position		(691,356)	569,088	1,088,978	18,751	(261,277)	(104,863)
Beginning Net Position - July 1		(21,574)	(712,930)	(143,842)	945,136	963,887	702,610
Change in Net Position		(691,356)	569,088	1,088,978	18,751	(261,277)	(104,863)
Ending Net Position - June 30		(712,930)	(143,842)	945,136	963,887	702,610	597,747
Net Position (Fund Balance) Analysis							

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent	
PB	55.50	54.50	54.50	(1.00)	(0.9%)
Proprietary Funds	9,706,865	9,914,876	9,849,796	350,942	1.8%
Total Funds	9,706,865	9,914,876	9,849,796	350,942	1.8%
Personal Services	5,394,874	5,346,091	5,357,276	(86,381)	(0.8%)
Operating Expenses	4,003,552	4,260,346	4,184,081	437,323	5.5%
Equipment & Intangible Assets	119,739	119,739	119,739		0.0%
Transfers	5,000	5,000	5,000		0.0%
Debt Service	183,700	183,700	183,700		0.0%
Total Expenditures	9,706,865	9,914,876	9,849,796	350,942	1.8%
Total Ongoing	9,706,865	9,914,876	9,849,796	350,942	1.8%
Total One-Time-Only					0.0%

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Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	4,474,461	5,145,785	5,394,874	5,346,091	5,357,276
Operating Expenses	2,404,344	3,798,246	4,003,552	4,260,346	4,184,081
Equipment & Intangible Assets	13,720	119,739	119,739	119,739	119,739
Transfers	0	5,000	5,000	5,000	5,000
Debt Service	687,652	183,700	183,700	183,700	183,700
Total Expenditures	\$7,580,177	\$9,252,470	\$9,706,865	\$9,914,876	\$9,849,796
Proprietary Funds	7,580,177	9,252,470	9,706,865	9,914,876	9,849,796
Total Funds	\$7,580,177	\$9,252,470	\$9,706,865	\$9,914,876	\$9,849,796
Total Ongoing	\$7,580,177	\$9,252,470	\$9,706,865	\$9,914,876	\$9,849,796
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

N/A

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Central Management Program 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	0	0	0	9,706,865	97.9%	0	0	0	9,706,865	98.5%
Statewide PL										
Personal Services	0	0	0	57,262	0.6%	0	0	0	68,448	0.7%
Fixed Costs	0	0	0	309,509	3.1%	0	0	0	236,288	2.4%
Inflation Deflation	0	0	0	(382)	(0.0%)	0	0	0	(258)	(0.0%)
Total Statewide PL	0	0	0	366,389	3.7%	0	0	0	304,478	3.1%
Present Law (PL)	0	0	0	(52,333)	(0.5%)	0	0	0	(55,501)	(0.6%)
New Proposals	0	0	0	(106,045)	(1.1%)	0	0	0	(106,046)	(1.1%)
Total HB 2 Adjustments	0	0	0	208,011	2.1%	0	0	0	142,931	1.5%
Total Budget	0	0	0	9,914,876		0	0	0	9,849,796	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	57,262	0.00	0	0	0	68,448
DP 2 - Fixed Costs	0.00	0	0	0	309,509	0.00	0	0	0	236,288
DP 3 - Inflation Deflation	0.00	0	0	0	(382)	0.00	0	0	0	(258)
DP 22 - Fixed Cost Adjustment for Robert's Rules	0.00	0	0	0	(3,371)	0.00	0	0	0	(3,371)
DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent	0.00	0	0	0	(48,962)	0.00	0	0	0	(52,130)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$314,056	0.00	\$0	\$0	\$0	\$248,977

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature reviewed adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature reviewed adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

DP 22 - Fixed Cost Adjustment for Robert's Rules -

The legislature reviewed an adjustment to fixed cost that removed new appropriations for Robert's Rules of Order training included in DP 2.

DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent -

The legislature reviewed an adjustment to fixed costs that reduced office and non-office rent included in DP 2.

The legislature adopted an increase in general fund to support increasing caseloads at the Board of Environmental Review.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 10100 - ITSD Security Consolidation	(1.00)	0	0	0	(106,045)	(1.00)	0	0	0	(106,046)
Total	(1.00)	\$0	\$0	\$0	(\$106,045)	(1.00)	\$0	\$0	\$0	(\$106,046)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 10100 - ITSD Security Consolidation -

The legislature reviewed a reduction of 1.00 PB from Central Management Program (CMP) as part of security consolidation efforts across the Executive Branch.

Agency Base Budget Comparison

The following table compares the base budget with the expenditures adopted by the legislature for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison						
Budget Item	Base Budget FY 2025	Requested Budget		Biennium Change from Base		
		FY 2026	FY 2027	Amount	Percent	
PB	132.50	135.50	135.50	3.00	1.1%	
Proprietary Funds	48,869,640	60,115,286	60,116,281	22,492,287	23.0%	
Total Funds	48,869,640	60,115,286	60,116,281	22,492,287	23.0%	
Personal Services	12,149,765	12,316,082	12,342,184	358,736	1.5%	
Operating Expenses	20,683,545	23,762,874	23,737,767	6,133,551	14.8%	
Equipment & Intangible Assets	15,916,881	23,916,881	23,916,881	16,000,000	50.3%	
Debt Service	119,449	119,449	119,449		0.0%	
Total Expenditures	48,869,640	60,115,286	60,116,281	22,492,287	23.0%	
Total Ongoing	48,869,640	60,115,286	60,116,281	22,492,287	23.0%	
Total One-Time-Only					0.0%	

Page Reference

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Agency Highlights

Department of Transportation Major Budget Highlights
<p>The Montana Department of Transportation's (MDT) 2027 biennium non-budgeted proprietary appropriation is approximately \$22.5 million or 23.0% higher than the FY 2025 base budget. Significant changes include:</p> <ul style="list-style-type: none"> • Equipment replacement purchases: \$16.0 million • Equipment repair increase: \$6.7 million • An increase of 3.00 PB and \$568,722 for travelling mechanics

Agency Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	11,383,571	11,606,260	12,149,765	12,316,082	12,342,184
Operating Expenses	21,826,166	21,973,353	20,683,545	23,762,874	23,737,767
Equipment & Intangible Assets	15,436,275	15,707,150	15,916,881	23,916,881	23,916,881
Debt Service	416,498	454,449	119,449	119,449	119,449
Total Expenditures	\$49,062,510	\$49,741,212	\$48,869,640	\$60,115,286	\$60,116,281
Proprietary Funds	49,062,510	49,741,212	48,869,640	60,115,286	60,116,281
Total Funds	\$49,062,510	\$49,741,212	\$48,869,640	\$60,115,286	\$60,116,281
Total Ongoing	\$49,062,510	\$49,741,212	\$48,869,640	\$60,115,286	\$60,116,281
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

N/A

Executive Budget Comparison

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

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2025	Executive Budget Fiscal 2026	Legislative Budget Fiscal 2026	Leg — Exec. Difference Fiscal 2026	Executive Budget Fiscal 2027	Legislative Budget Fiscal 2027	Leg — Exec. Difference Fiscal 2027	Biennium Difference Fiscal 26-27
Personal Services	12,149,765	12,316,082	12,316,082	0	12,342,184	12,342,184	0	0
Operating Expenses	20,683,545	23,762,874	23,762,874	0	23,737,767	23,737,767	0	0
Equipment & Intangible Assets	15,916,881	23,916,881	23,916,881	0	23,916,881	23,916,881	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Debt Service	119,449	119,449	119,449	0	119,449	119,449	0	0
Total Costs	\$48,869,640	\$60,115,286	\$60,115,286	\$0	\$60,116,281	\$60,116,281	\$0	\$0
Other	48,869,640	60,115,286	60,115,286	0	60,116,281	60,116,281	0	0
Total Funds	\$48,869,640	\$60,115,286	\$60,115,286	\$0	\$60,116,281	\$60,116,281	\$0	\$0
Total Ongoing	\$48,869,640	\$60,115,286	\$60,115,286	\$0	\$60,116,281	\$60,116,281	\$0	\$0
Total OTO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislature did not adopt any changes from the executive proposed budget.

Funding

The following table shows the adopted agency funding for all sources of authority.

Total Department of Transportation Funding by Source of Authority 2027 Biennium Budget Request						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
02422 Highways Special Revenue	695,851,148	2,371,123			698,222,271	27.8%
02129 LOCAL GOVT FUEL TAX				84,185,286	84,185,286	3.4%
02253 Local Road and Bridge Account				58,091,969	58,091,969	2.3%
02435 SAFER Account				30,000,000	30,000,000	1.2%
02179 Local Bridge Projects	20,000,000				20,000,000	0.8%
Other State Special Revenue	42,781,098			18,519,370	61,300,468	2.4%
State Special Revenue Total	758,632,246	2,371,123	-	190,796,625	951,799,994	37.9%
03407 Highway Trust - Sp Rev	1,349,691,260	1,470,667			1,351,161,927	53.8%
03147 FTA Grants	52,325,008				52,325,008	2.1%
03828 Traffic Safety	20,529,788				20,529,788	0.8%
03292 MCS Federal Grants	10,002,926				10,002,926	0.4%
03060 Aeronautics Division	2,777,692				2,777,692	0.1%
Other Federal Special Revenue	332,106				332,106	0.0%
Federal Special Revenue Total	1,435,658,780	1,470,667	-	-	1,437,129,447	57.3%
06508 Highway Equipment - Int Svc.			105,326,547		105,326,547	4.2%
06506 Motor Pool - Int Svc			13,860,192		13,860,192	0.6%
06007 Yellowstone Airport			1,044,828		1,044,828	0.0%
Proprietary Fund Total	-	-	120,231,567	-	120,231,567	4.8%
Total of All Funds	2,194,291,026	3,841,790	120,231,567	190,796,625	2,509,161,008	
Percent of All Sources of Authority	87.5%	0.2%	4.8%	7.6%		

Non-Budgeted Proprietary Appropriations

The Motor Pool is funded with an internal service fund, which is a type of proprietary fund. Since all agencies in state government utilize Motor Pool, the legislature approves the maximum rate the program may charge agencies during the biennium. They are not the rates the program must charge.

The Equipment Program is also an internal service fund, but as it only serves MDT, the rates are not required to be approved by the legislature. However, the 60-day working capital reserve language must be approved by the legislature and then is included in Section R of HB 2.

The Yellowstone Airport is discussed in the HB 2 budget analysis under the Aeronautics Program.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Department of Transportation 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	0	0	0	48,869,640	81.3%	0	0	0	48,869,640	81.3%
Statewide PL										
Personal Services	0	0	0	(110,844)	(0.2%)	0	0	0	(84,742)	(0.1%)
Fixed Costs	0	0	0	(260,661)	(0.4%)	0	0	0	(274,392)	(0.5%)
Inflation Deflation	0	0	0	(75)	(0.0%)	0	0	0	(51)	(0.0%)
Total Statewide PL	0	0	0	(371,580)	(0.6%)	0	0	0	(359,185)	(0.6%)
Present Law (PL)	0	0	0	11,327,165	18.8%	0	0	0	11,327,165	18.8%
New Proposals	0	0	0	290,061	0.5%	0	0	0	278,661	0.5%
Total HB 2 Adjustments	0	0	0	11,245,646	18.7%	0	0	0	11,246,641	18.7%
Total Budget	0	0	0	60,115,286		0	0	0	60,116,281	

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison						
Budget Item	Base Budget	Requested Budget		Biennium Change from Base		
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	7.00	7.00	7.00	0.00		0.0%
Proprietary Funds	7,017,678	6,932,413	6,927,779	(175,164)		(1.2%)
Total Funds	7,017,678	6,932,413	6,927,779	(175,164)		(1.2%)
Personal Services	623,178	619,434	620,621	(6,301)		(0.5%)
Operating Expenses	2,473,298	2,391,777	2,385,956	(168,863)		(3.4%)
Equipment & Intangible Assets	3,801,753	3,801,753	3,801,753			0.0%
Debt Service	119,449	119,449	119,449			0.0%
Total Expenditures	7,017,678	6,932,413	6,927,779	(175,164)		(1.2%)
Total Ongoing	7,017,678	6,932,413	6,927,779	(175,164)		(1.2%)
Total One-Time-Only						0.0%

Page Reference

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Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	612,549	614,731	623,178	619,434	620,621
Operating Expenses	2,953,741	2,992,846	2,473,298	2,391,777	2,385,956
Equipment & Intangible Assets	4,815,977	4,816,753	3,801,753	3,801,753	3,801,753
Debt Service	416,498	454,449	119,449	119,449	119,449
Total Expenditures	\$8,798,765	\$8,878,779	\$7,017,678	\$6,932,413	\$6,927,779
Proprietary Funds	8,798,765	8,878,779	7,017,678	6,932,413	6,927,779
Total Funds	\$8,798,765	\$8,878,779	\$7,017,678	\$6,932,413	\$6,927,779
Total Ongoing	\$8,798,765	\$8,878,779	\$7,017,678	\$6,932,413	\$6,927,779
Total OTO	\$0	\$0	\$0	\$0	\$0

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Funding

Non-Budgeted Proprietary Funds

2027 Biennium Report on Internal Service and Enterprise Funds								
Agency # 54010	Agency Name: Department of Transportation		Program Name: State Motor Pool					
	Fund	Fund Name						
	06506	Motor Pool - Int Svc						
			Actual FY22	Actual FY23	Actual FY24	Budgeted FY25	Budgeted FY26	Budgeted FY27
Operating Revenues:								
Fee and Charges								
Fee Revenue A								
			4,938,476	5,562,317	5,867,600	6,556,719	6,675,989	6,895,424
Total Operating Revenues			4,938,476	5,562,317	5,867,600	6,556,719	6,675,989	6,895,424
Expenses:								
Personal Services								
			524,864	584,533	618,326	571,833	619,434	620,621
Other Operating Expenses								
			4,650,716	4,587,751	4,808,907	2,329,545	3,191,777	3,185,956
Expense B								
			-	-	-	2,500,000	2,800,000	3,000,000
Total Operating Expenses			5,175,580	5,172,284	5,427,233	5,401,378	6,611,211	6,806,577
Operating Income (Loss)			(237,104)	390,033	440,367	1,155,341	64,778	88,847
Nonoperating Revenues:								
Other Revenue A								
			338,166	21,505	189,287	-	-	-
Nonoperating Expenses:								
Other Expense A								
			(89,328)	(189,235)	(423,724)	(119,449)	(119,449)	(119,449)
Total Nonoperating Revenues (Expenses)			248,838	(167,730)	(234,437)	(119,449)	(119,449)	(119,449)
Income (Loss) Before Contributions and Transfers			11,734	222,303	205,930	1,035,892	(54,671)	(30,602)
Change in Net Position			11,734	222,303	205,930	1,035,892	(54,671)	(30,602)
Beginning Net Position - July 1			6,344,625	6,356,359	6,578,662	6,784,592	7,820,484	7,765,813
Change in Net Position			11,734	222,303	205,930	1,035,892	(54,671)	(30,602)
Ending Net Position - June 30			6,356,359	6,578,662	6,784,592	7,820,484	7,765,813	7,735,211
Net Position (Fund Balance) Analysis								

Funding for the state motor pool is generated through rental and lease fees charged to the state agencies, which are deposited in a proprietary fund.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

State Motor Pool 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	0	0	0	7,017,678	101.2%	0	0	0	7,017,678	101.3%
Statewide PL										
Personal Services	0	0	0	(3,744)	(0.1%)	0	0	0	(2,557)	(0.0%)
Fixed Costs	0	0	0	(81,521)	(1.2%)	0	0	0	(87,342)	(1.3%)
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	0	0	0	(85,265)	(1.2%)	0	0	0	(89,899)	(1.3%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	0	0	0	(85,265)	(1.2%)	0	0	0	(89,899)	(1.3%)
Total Budget	0	0	0	6,932,413		0	0	0	6,927,779	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	(3,744)	0.00	0	0	0	(2,557)
DP 2 - Fixed Costs	0.00	0	0	0	(81,521)	0.00	0	0	0	(87,342)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	(\$85,265)	0.00	\$0	\$0	\$0	(\$89,899)

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature reviewed adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison						
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent		
PB	123.00	126.00	126.00	3.00	1.2%	
Proprietary Funds	41,327,344	52,660,703	52,665,844	22,671,859	27.4%	
Total Funds	41,327,344	52,660,703	52,665,844	22,671,859	27.4%	
Personal Services	11,270,287	11,440,980	11,465,690	366,096	1.6%	
Operating Expenses	17,941,929	21,104,595	21,085,026	6,305,763	17.6%	
Equipment & Intangible Assets	12,115,128	20,115,128	20,115,128	16,000,000	66.0%	
Total Expenditures	41,327,344	52,660,703	52,665,844	22,671,859	27.4%	
Total Ongoing	41,327,344	52,660,703	52,665,844	22,671,859	27.4%	
Total One-Time-Only					0.0%	

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Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	10,686,489	10,746,310	11,270,287	11,440,980	11,465,690
Operating Expenses	18,743,543	18,740,225	17,941,929	21,104,595	21,085,026
Equipment & Intangible Assets	10,596,111	10,865,128	12,115,128	20,115,128	20,115,128
Total Expenditures	\$40,026,143	\$40,351,663	\$41,327,344	\$52,660,703	\$52,665,844
Proprietary Funds	40,026,143	40,351,663	41,327,344	52,660,703	52,665,844
Total Funds	\$40,026,143	\$40,351,663	\$41,327,344	\$52,660,703	\$52,665,844
Total Ongoing	\$40,026,143	\$40,351,663	\$41,327,344	\$52,660,703	\$52,665,844
Total OTO	\$0	\$0	\$0	\$0	\$0

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LFD Non-Budgeted Proprietary Analysis, C-32

Funding

Non-Budgeted Proprietary Funds

2027 Biennium Report on Internal Service and Enterprise Funds							
Agency # 54010	Agency Name: Department of Transportation			Program Name: Equipment Program			
	Fund	Fund Name					
	06508	Highway Equipment - Int Svc.					
		Actual FY22	Actual FY23	Actual FY24	Budgeted FY25	Budgeted FY26	Budgeted FY27
Operating Revenues:							
Fee and Charges							
Fee Revenue A							
		32,075,096	38,830,064	44,206,682	40,339,553	52,660,703	52,665,844
Total Operating Revenues							
		32,075,096	38,830,064	44,206,682	40,339,553	52,660,703	52,665,844
Expenses:							
Personal Services							
		8,804,818	10,111,236	10,483,695	11,270,287	11,440,980	11,465,690
Other Operating Expenses							
		25,328,277	28,702,812	25,861,279	30,057,057	41,219,723	41,200,154
Total Operating Expenses							
		34,133,095	38,814,048	36,344,974	41,327,344	52,660,703	52,665,844
Operating Income (Loss)							
		(2,057,999)	16,016	7,861,708	(987,791)	-	-
Nonoperating Revenues:							
Other Revenue A							
		2,474,991	2,262,039	2,225,567	-	-	-
Nonoperating Expenses:							
Total Nonoperating Revenues (Expenses)							
		2,474,991	2,262,039	2,225,567	-	-	-
Income (Loss) Before Contributions and Transfers							
		416,992	2,278,055	10,087,275	(987,791)	-	-
Change in Net Position							
		416,992	2,278,055	10,087,275	(987,791)	-	-
Beginning Net Position - July 1							
		78,750,077	79,167,069	81,445,124	91,532,399	90,544,608	90,544,608
Change in Net Position							
		416,992	2,278,055	10,087,275	(987,791)	-	-
Ending Net Position - June 30							
		79,167,069	81,445,124	91,532,399	90,544,608	90,544,608	90,544,608
Net Position (Fund Balance) Analysis							

Funding for the Equipment Program is generated through user fees charged to programs and divisions in MDT, which are deposited in a proprietary fund. The source for the majority of funding for this program are state special funds, this is because the Maintenance Program is the primary customer of the Equipment Program.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

	Equipment Program 2027 Biennium HB 2 Base Budget and Adjustments FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	0	0	0	41,327,344	78.5%	0	0	0	41,327,344	78.5%
Statewide PL										
Personal Services	0	0	0	(106,468)	(0.2%)	0	0	0	(81,758)	(0.2%)
Fixed Costs	0	0	0	(177,324)	(0.3%)	0	0	0	(185,517)	(0.4%)
Inflation Deflation	0	0	0	(75)	(0.0%)	0	0	0	(51)	(0.0%)
Total Statewide PL	0	0	0	(283,867)	(0.5%)	0	0	0	(267,326)	(0.5%)
Present Law (PL)	0	0	0	11,327,165	21.5%	0	0	0	11,327,165	21.5%
New Proposals	0	0	0	290,061	0.6%	0	0	0	278,661	0.5%
Total HB 2 Adjustments	0	0	0	11,333,359	21.5%	0	0	0	11,338,500	21.5%
Total Budget	0	0	0	52,660,703		0	0	0	52,665,844	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	(106,468)	0.00	0	0	0	(81,758)
DP 2 - Fixed Costs	0.00	0	0	0	(177,324)	0.00	0	0	0	(185,517)
DP 3 - Inflation Deflation	0.00	0	0	0	(75)	0.00	0	0	0	(51)
DP 805 - Equipment Replacement Purchases	0.00	0	0	0	8,000,000	0.00	0	0	0	8,000,000
DP 808 - Equipment Repair Increase	0.00	0	0	0	3,327,165	0.00	0	0	0	3,327,165
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$11,043,298	0.00	\$0	\$0	\$0	\$11,059,839

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature reviewed adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature reviewed adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 805 - Equipment Replacement Purchases -

The legislature reviewed adjustments to fund replacement of aging equipment and vehicles.

DP 808 - Equipment Repair Increase -

The legislature reviewed adjustments due to increased costs for repairs on aging vehicles and equipment.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 809 - Traveling Mechanics	3.00	0	0	0	290,061	3.00	0	0	0	278,661
Total	3.00	\$0	\$0	\$0	\$290,061	3.00	\$0	\$0	\$0	\$278,661

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 809 - Traveling Mechanics -

The legislature reviewed an increase in the equipment proprietary fund appropriation for FY 2026 and FY 2027 in order to convert three modified positions to permanently funded PB.

Agency Base Budget Comparison

The following table compares the base budget with the expenditures adopted by the legislature for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison						
Budget Item	Base Budget	Requested Budget		Biennium Change from Base		
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	4.75	4.75	4.75	0.00	0.0%	
Proprietary Funds	1,484,700	1,704,989	1,704,806	440,395	14.8%	
Total Funds	1,484,700	1,704,989	1,704,806	440,395	14.8%	
Personal Services	365,429	369,695	370,122	8,959	1.2%	
Operating Expenses	992,529	1,208,552	1,207,942	431,436	21.7%	
Equipment & Intangible Assets	126,742	126,742	126,742		0.0%	
Total Expenditures	1,484,700	1,704,989	1,704,806	440,395	14.8%	
Total Ongoing	1,484,700	1,704,989	1,704,806	440,395	14.8%	
Total One-Time-Only					0.0%	

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Agency Highlights

Department of Livestock Major Budget Highlights
The Department of Livestock’s non-budgeted proprietary appropriations are an increase of 14.8% or \$440,400 above the FY 2025 base budget. Changes include:
<ul style="list-style-type: none"> • Statewide present law adjustments: \$20,400 • Laboratory operations augment: \$420,000

Agency Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	339,751	346,172	365,429	369,695	370,122
Operating Expenses	956,739	957,845	992,529	1,208,552	1,207,942
Equipment & Intangible Assets	22,163	126,742	126,742	126,742	126,742
Total Expenditures	\$1,318,653	\$1,430,759	\$1,484,700	\$1,704,989	\$1,704,806
Proprietary Funds	1,318,653	1,430,759	1,484,700	1,704,989	1,704,806
Total Funds	\$1,318,653	\$1,430,759	\$1,484,700	\$1,704,989	\$1,704,806
Total Ongoing	\$1,318,653	\$1,430,759	\$1,484,700	\$1,704,989	\$1,704,806
Total OTO	\$0	\$0	\$0	\$0	\$0

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Executive Budget Comparison

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

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2025	Executive Budget Fiscal 2026	Legislative Budget Fiscal 2026	Leg — Exec. Difference Fiscal 2026	Executive Budget Fiscal 2027	Legislative Budget Fiscal 2027	Leg — Exec. Difference Fiscal 2027	Biennium Difference Fiscal 26-27
Personal Services	365,429	369,695	369,695	0	370,122	370,122	0	0
Operating Expenses	992,529	1,208,552	1,208,552	0	1,207,942	1,207,942	0	0
Equipment & Intangible Assets	126,742	126,742	126,742	0	126,742	126,742	0	0
Total Costs	\$1,484,700	\$1,704,989	\$1,704,989	\$0	\$1,704,806	\$1,704,806	\$0	\$0
Other	1,484,700	1,704,989	1,704,989	0	1,704,806	1,704,806	0	0
Total Funds	\$1,484,700	\$1,704,989	\$1,704,989	\$0	\$1,704,806	\$1,704,806	\$0	\$0
Total Ongoing	\$1,484,700	\$1,704,989	\$1,704,989	\$0	\$1,704,806	\$1,704,806	\$0	\$0
Total OTO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows the adopted agency funding for all sources of authority.

Total Department of Livestock Funding by Source of Authority 2027 Biennium Budget Request						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	9,370,536	200,400			9,570,936	23.3%
02426 Lvstk Per Capita	11,528,397	863,048			12,391,445	30.2%
02425 Inspection and Control	7,089,093				7,089,093	17.3%
02117 Predatory Animal SSR				1,150,000	1,150,000	2.8%
02262 Egg Shielded Grading Program	760,450				760,450	1.9%
02124 LLB Restricted Special Revenue				600,000	600,000	1.5%
Other State Special Revenue	1,080,784			420,000	1,500,784	3.7%
State Special Revenue Total	20,458,724	863,048	-	2,170,000	23,491,772	57.2%
03209 Meat/Poultry Inspection Sp Rev	2,946,432				2,946,432	7.2%
03427 AH FEDERAL UMBRELLA	1,564,365				1,564,365	3.8%
03673 Small Federal Grants	43,458				43,458	0.1%
03032 Animal Health Sp. Rev	35,904				35,904	0.1%
Federal Special Revenue Total	4,590,159	-	-	-	4,590,159	11.2%
06026 MT Veterinary Diagnostic Lab			3,409,795		3,409,795	8.3%
Proprietary Fund Total	-	-	3,409,795	-	3,409,795	8.3%
Total of All Funds	34,419,419	1,063,448	3,409,795	2,170,000	41,062,662	
Percent of All Sources of Authority	83.8%	2.6%	8.3%	5.3%		

Non-budgeted proprietary funds are generated from fees for service at the Montana Veterinary Diagnostic Laboratory. For descriptions of other funds shown in the table refer to the 2027 HB 2 budget analysis.

Program Description

The Montana Veterinary Diagnostic Laboratory (MVDL) is the only accredited, full-service veterinary laboratory in Montana. The division provides disease diagnostic support to veterinarians, livestock producers, companion animal owners, and the Department of Fish, Wildlife, & Parks as well as other state and federal agencies. The division provides laboratory support to the department's Animal Health and Food Safety Division and helps protect public health by testing dairy products and testing for zoonotic diseases. The laboratory is a member and participant of the National Animal Health Laboratory Network established to provide laboratory diagnostic support in the event of a local, regional, or national animal disease emergency.

Revenues and Expenses

Lab testing fees and charges for services collected from veterinarians and other users/customers of the lab make up the total proprietary fund revenue for the MVDL program. Proprietary funds from lab operations support about 40.0% of all lab operations including 4.75 staff positions (\$370,000) and \$1,200,000 in related testing expenses. The balance of revenue and expenses are budgeted in general fund and state special revenue funds. The lab in FY 2024 generated \$1,528,468 in proprietary revenue. Outside of inflationary adjustments, there are no major expected changes in services or fees from lab operations.

Rate(s) and Rate Explanation

This program is funded with an enterprise fund, which is a type of proprietary fund. As such, the legislature does not appropriate the funds or approve the rates for the program. Instead, the legislature reviews the report for the enterprise fund and identifies concerns with the financial position of the fund. Lab fee rates are predominately set by the industry across the nation.

2027 Biennium Report on Internal Service and Enterprise Funds							
Agency # 56030	Agency Name: Department of Livestock			Program Name: Animal Health Division			
	Fund	Fund Name					
	06026	MT Veterinary Diagnostic Lab					
		Actual FY22	Actual FY23	Actual FY24	Budgeted FY25	Budgeted FY26	Budgeted FY27
Operating Revenues:							
Fee and Charges							
	Fee Revenue A	1,528,396	1,551,505	1,525,353	1,700,000	1,700,000	1,700,000
	Fee Revenue B	2,139	4,216	3,115	4,000	4,000	4,000
	Total Operating Revenues	1,530,535	1,555,721	1,528,468	1,704,000	1,704,000	1,704,000
Expenses:							
Personal Services							
	Other Operating Expenses	(1,232,831)	(1,198,483)	(990,819)	(992,529)	(1,203,961)	(1,203,539)
	Expense B	-	-	-	(126,742)	(126,742)	(126,742)
	Total Operating Expenses	(1,470,391)	(1,536,558)	(1,342,656)	(1,484,700)	(1,700,399)	(1,700,403)
	Operating Income (Loss)	3,000,926	3,092,279	2,871,124	3,188,700	3,404,399	3,404,403
Nonoperating Revenues:							
Nonoperating Expenses:							
	Other Expense A	(21,380)	-	-	-	-	-
	Total Nonoperating Revenues (Expenses)	(21,380)	-	-	-	-	-
	Income (Loss) Before Contributions and Transfers	2,979,546	3,092,279	2,871,124	3,188,700	3,404,399	3,404,403
	Change in Net Position	2,979,546	3,092,279	2,871,124	3,188,700	3,404,399	3,404,403
	Beginning Net Position - July 1	324,362	3,303,908	6,396,187	9,288,691	12,477,391	15,881,790
	Prior Period Adjustments	-	-	21,380	-	-	-
	Change in Net Position	2,979,546	3,092,279	2,871,124	3,188,700	3,404,399	3,404,403
	Ending Net Position - June 30	3,303,908	6,396,187	9,288,691	12,477,391	15,881,790	19,286,193
Net Position (Fund Balance) Analysis							
	Restricted Net Pos(Enterprise Fund Only)	363,127	382,291	589,482	808,782	812,384	815,981

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	4,266	0.00	0	0	0	4,693
DP 2 - Fixed Costs	0.00	0	0	0	6,023	0.00	0	0	0	5,413
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$10,289	0.00	\$0	\$0	\$0	\$10,106

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature reviewed adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

Agency Base Budget Comparison

The following table compares the base budget with the expenditures adopted by the legislature for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison						
Budget Item	Base Budget	Requested Budget		Biennium Change from Base		
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	25.15	25.15	25.15	0.00	0.0%	
Proprietary Funds	3,993,119	4,167,389	4,174,163	355,314	4.4%	
Total Funds	3,993,119	4,167,389	4,174,163	355,314	4.4%	
Personal Services	2,280,797	2,395,700	2,400,522	234,628	5.1%	
Operating Expenses	1,654,822	1,714,189	1,716,141	120,686	3.6%	
Equipment & Intangible Assets	57,500	57,500	57,500		0.0%	
Total Expenditures	3,993,119	4,167,389	4,174,163	355,314	4.4%	
Total Ongoing	3,993,119	4,167,389	4,174,163	355,314	4.4%	
Total One-Time-Only					0.0%	

Page Reference

LFD Non-Budgeted Proprietary Analysis, C-47

Agency Highlights

Department of Natural Resources and Conservation Major Budget Highlights
<p>The legislature reviewed non-budgeted proprietary appropriations of \$355,314 or 4.4% above base funding. The entire increase is due to statewide present law adjustments.</p> <ul style="list-style-type: none"> • The legislature adopted an increase to the Air Operations proprietary rate • The legislature reviewed the report for the State Nursery Enterprise fund and had no concerns

Agency Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	2,216,887	(722,804)	2,280,797	2,395,700	2,400,522
Operating Expenses	926,211	1,187,796	1,654,822	1,714,189	1,716,141
Equipment & Intangible Assets	125,230	450,532	57,500	57,500	57,500
Total Expenditures	\$3,268,328	\$915,524	\$3,993,119	\$4,167,389	\$4,174,163
Proprietary Funds	3,268,328	915,524	3,993,119	4,167,389	4,174,163
Total Funds	\$3,268,328	\$915,524	\$3,993,119	\$4,167,389	\$4,174,163
Total Ongoing	\$3,268,328	\$915,524	\$3,993,119	\$4,167,389	\$4,174,163
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

LFD Non-Budgeted Proprietary Analysis, C-47

Executive Budget Comparison

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

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2025	Executive Budget Fiscal 2026	Legislative Budget Fiscal 2026	Leg — Exec. Difference Fiscal 2026	Executive Budget Fiscal 2027	Legislative Budget Fiscal 2027	Leg — Exec. Difference Fiscal 2027	Biennium Difference Fiscal 26-27
Personal Services	2,280,797	2,395,700	2,395,700	0	2,400,522	2,400,522	0	0
Operating Expenses	1,654,822	1,727,179	1,714,189	(12,990)	1,729,979	1,716,141	(13,838)	(26,828)
Equipment & Intangible Assets	57,500	57,500	57,500	0	57,500	57,500	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Total Costs	\$3,993,119	\$4,180,379	\$4,167,389	(\$12,990)	\$4,188,001	\$4,174,163	(\$13,838)	(\$26,828)
Federal Spec. Rev. Funds	0	0	0	0	0	0	0	0
Other	3,993,119	4,180,379	4,167,389	(12,990)	4,188,001	4,174,163	(13,838)	(26,828)
Total Funds	\$3,993,119	\$4,180,379	\$4,167,389	(\$12,990)	\$4,188,001	\$4,174,163	(\$13,838)	(\$26,828)
Total Ongoing	\$3,993,119	\$4,180,379	\$4,167,389	(\$12,990)	\$4,188,001	\$4,174,163	(\$13,838)	(\$26,828)
Total OTO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The legislature adopted appropriations \$26,828 lower than the proposed executive budget due to an adjustment to fixed costs that reduced office and non-office rent.

Funding

The following table shows the adopted agency funding for all sources of authority.

Total Department of Natural Resources and Conservation Funding by Source of Authority 2027 Biennium Budget Request							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	85,521,427	1,171,801			86,693,228	39.3%	
02938 TLMD Trust Administration	37,179,832	392,150			37,571,982	17.0%	
02039 Fire Protection Assessments	10,268,568				10,268,568	4.7%	
02048 Conservation District Acct	9,526,506				9,526,506	4.3%	
02470 State Project Hydro Earnings	8,466,220				8,466,220	3.8%	
02431 Water Adjudication	7,024,489				7,024,489	3.2%	
Other State Special Revenue	39,070,123	820,000		2,376,138	42,266,261	19.1%	
State Special Revenue Total	111,535,738	1,212,150	-	2,376,138	115,124,026	52.1%	
03500 GNA FEDERAL SPECIAL REVENUE				6,380,883	6,380,883	2.9%	
03053 CONSOLIDATED GRANT-FY27	1,096,988				1,096,988	0.5%	
03110 CONSOLIDATED GRANT-FY26	1,096,988				1,096,988	0.5%	
03094 FEMA Federal Grants	541,978				541,978	0.2%	
03595 DW24 SRF Grant	341,018				341,018	0.2%	
Other Federal Special Revenue	1,168,894				1,168,894	0.5%	
Federal Special Revenue Total	4,245,866	-	-	6,380,883	10,626,749	4.8%	
06538 Air Operations Internal Svc.				6,399,650	6,399,650	2.9%	
06003 State Nursery Enterprise Fund				1,941,902	1,941,902	0.9%	
Proprietary Fund Total	-	-	8,341,552	-	8,341,552	3.8%	
Total of All Funds	201,303,031	2,383,951	8,341,552	8,757,021	220,785,555		
Percent of All Sources of Authority	91.2%	1.1%	3.8%	4.0%			

Department of Natural Resources and Conservation is primarily funded with state special revenue and general fund. State special revenue makes up over half of the HB 2 budget. Nonbudgeted proprietary funds are supported with revenue from the state nursery and charges for air operations.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

	Department of Natural Resources and Conservation 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027					
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	
Base Budget	0	0	0	3,993,119	95.8%	0	0	0	3,993,119	95.7%	
Statewide PL											
Personal Services	0	0	0	114,903	2.8%	0	0	0	119,725	2.9%	
Fixed Costs	0	0	0	72,380	1.7%	0	0	0	75,173	1.8%	
Inflation Deflation	0	0	0	(23)	(0.0%)	0	0	0	(16)	(0.0%)	
Total Statewide PL	0	0	0	187,260	4.5%	0	0	0	194,882	4.7%	
Present Law (PL)	0	0	0	(12,990)	(0.3%)	0	0	0	(13,838)	(0.3%)	
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%	
Total HB 2 Adjustments	0	0	0	174,270	4.2%	0	0	0	181,044	4.3%	
Total Budget	0	0	0	4,167,389		0	0	0	4,174,163		

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026	Budget FY 2027	Biennium Change from Base Amount	Percent
PB	25.15	25.15	25.15	0.00	0.0%
Proprietary Funds	3,993,119	4,167,389	4,174,163	355,314	4.4%
Total Funds	3,993,119	4,167,389	4,174,163	355,314	4.4%
Personal Services	2,280,797	2,395,700	2,400,522	234,628	5.1%
Operating Expenses	1,654,822	1,714,189	1,716,141	120,686	3.6%
Equipment & Intangible Assets	57,500	57,500	57,500		0.0%
Total Expenditures	3,993,119	4,167,389	4,174,163	355,314	4.4%
Total Ongoing	3,993,119	4,167,389	4,174,163	355,314	4.4%
Total One-Time-Only					0.0%

Page Reference

LFD Non-Budgeted Proprietary Analysis, C-53

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	2,216,887	(722,804)	2,280,797	2,395,700	2,400,522
Operating Expenses	926,211	1,187,796	1,654,822	1,714,189	1,716,141
Equipment & Intangible Assets	125,230	450,532	57,500	57,500	57,500
Total Expenditures	\$3,268,328	\$915,524	\$3,993,119	\$4,167,389	\$4,174,163
Proprietary Funds	3,268,328	915,524	3,993,119	4,167,389	4,174,163
Total Funds	\$3,268,328	\$915,524	\$3,993,119	\$4,167,389	\$4,174,163
Total Ongoing	\$3,268,328	\$915,524	\$3,993,119	\$4,167,389	\$4,174,163
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

N/A

Funding

Proprietary revenues are generated from two main sources: the sale of state nursery products and fees charged to other agencies for aircraft services.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Forestry and Trust Lands 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	0	0	0	3,993,119	95.8%	0	0	0	3,993,119	95.7%
Statewide PL										
Personal Services	0	0	0	114,903	2.8%	0	0	0	119,725	2.9%
Fixed Costs	0	0	0	72,380	1.7%	0	0	0	75,173	1.8%
Inflation Deflation	0	0	0	(23)	(0.0%)	0	0	0	(16)	(0.0%)
Total Statewide PL	0	0	0	187,260	4.5%	0	0	0	194,882	4.7%
Present Law (PL)	0	0	0	(12,990)	(0.3%)	0	0	0	(13,838)	(0.3%)
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	0	0	0	174,270	4.2%	0	0	0	181,044	4.3%
Total Budget	0	0	0	4,167,389		0	0	0	4,174,163	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	114,903	0.00	0	0	0	119,725
DP 2 - Fixed Costs	0.00	0	0	0	72,380	0.00	0	0	0	75,173
DP 3 - Inflation Deflation	0.00	0	0	0	(23)	0.00	0	0	0	(16)
DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent	0.00	0	0	0	(12,990)	0.00	0	0	0	(13,838)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$174,270	0.00	\$0	\$0	\$0	\$181,044

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature reviewed adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature reviewed adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

DP 23 - Fixed Costs Adjustment for Office/Non-Office Rent -

The legislature adopted an adjustment to fixed costs that reduced office and non-office rent included in DP 2.

State Nursery Enterprise Fund – Fund 06003

Program Description

The Montana State Conservation Seedling Nursery produces and distributes seedlings for conservation plantings, including applications such as fire and logging reforestation, farmstead windbreaks, shelterbelts, wildlife habitat, stream stabilization and restoration, and other conservation uses. The Nursery Program is funded solely from the nursery proprietary account and contains 10.92 PB. Statutory authority for the program is in 17-2-102, MCA.

Proprietary Program Revenues and Expenses

The primary source of revenue is seedling sales. Other revenue sources are services such as seed collection, cleaning, and storage and selling products for seedling care and protection. The customer base for nursery products and services is comprised of private landowners in Montana, the DNRC Trust Land Management Division, the Department of Fish, Wildlife and Parks, Department of Environmental Quality, Montana Natural Resource Damage Program, the Conservation Reserve Program (CRP), Native American Tribal Governments, the Wildlife Habitat Incentives Program (WHIP), Pheasants Forever, and numerous other conservation programs and organizations.

Prices are set to recover all program costs and to increase the year-end carryover balance. Year-end carryover dollars are used for non-typical expenses such as large equipment replacement or for unforeseen expenses such as weather-related crop losses. Since the nursery is funded primarily by seedling sales, all personal services, operating, and capital equipment costs are included when setting prices.

Proprietary Rates

This program is funded with an enterprise fund, which is a type of proprietary fund. As such, the legislature does not appropriate the funds or approve the rates for the program. Instead, the legislature reviews the report for the enterprise fund and identifies concerns with the financial position of the fund.

2027 Biennium Report on Internal Service and Enterprise Funds						
Agency #	Agency Name:			Program Name:		
57060	Department of Natural Resources and Conservation			Forestry and Trust Lands		
	Fund	Fund Name				
	06003	State Nursery Enterprise Fund				
	Actual FY22	Actual FY23	Actual FY24	Reviewed FY25	Reviewed FY26	Reviewed FY27
Operating Revenues:						
Fee and Charges						
Fee Revenue A	654,392	737,531	806,639	800,000	800,000	800,000
Total Operating Revenues	654,392	737,531	806,639	800,000	800,000	800,000

Expenses:						
Personal Services	364,614	487,310	599,053	766,204	780,351	780,934
Other Operating Expenses	123,501	156,133	80,288	136,832	132,944	132,712
Expense B	-	-	-	-	57,500	57,500
Total Operating Expenses	488,115	643,443	679,341	903,036	970,795	971,146
Operating Income (Loss)	166,277	94,088	127,298	(103,036)	(170,795)	(171,146)
Nonoperating Revenues:						
Nonoperating Expenses:						
Total Nonoperating Revenues (Expenses)	-	-	-	-	-	-
Income (Loss) Before Contributions and Transfers	166,277	94,088	127,298	(103,036)	(170,795)	(171,146)
Change in Net Position	166,277	94,088	127,298	(103,036)	(170,795)	(171,146)
Beginning Net Position - July 1	347,236	513,513	607,601	734,899	631,863	461,068
Change in Net Position	166,277	94,088	127,298	(103,036)	(170,795)	(171,146)
Ending Net Position - June 30	513,513	607,601	734,899	631,863	461,068	289,922
Net Position (Fund Balance) Analysis						

Fund 06538 - Air Operations Internal Svc

Program Description

The Air Operations Program in the DNRC Forestry and Trust Lands Division operates and maintains a fleet of ten aircraft, consisting of seven helicopters and three single-engine, fixed-wing aircraft. The aircraft are primarily used for fire detection, support, and suppression of wildfires, as well as reclamation work in the Department of Environmental Quality. The program is funded in part by revenue generated by the aircraft hourly flight rates and in part by the general fund and fire protection assessment revenues. Statutory authority for the program is found in 77-5-103, MCA, and 17-2-102, MCA.

The Air Operations program provides fire suppression capability year-round across the state of Montana to protect lives, property, and natural resources. Historically, additional aviation resources needed for large fire support are ordered through the national interagency system on a call when needed basis, and related costs are charged to the fire suppression fund.

Contracted aviation services are available from private contractors, but historically the costs for these services have been two to three times more than the cost of the state-operated aircraft.

Revenues and Expenses

Revenues and expenditures are managed through an internal service fund to account for the operational costs of the program. The primary source of revenue is the legislative appropriation for the transfer of general fund and fire protection assessment funds to the proprietary account to cover the fixed costs, which include hangar rent, insurance, and personnel costs (14.23 PB). These fixed costs must be paid regardless of the number of hours flown. Variable costs that are dependent on the hours flown, such as fuel and maintenance, are recovered through an hourly rate charged to all users of the aircraft. Users of the aircraft include DNRC, other state agencies, local government, and federal agencies.

Rates are set to recover the actual expenses needed to maintain the aircraft in an air worthy condition and remain mission ready for the purpose of initial attack on wildfires on state, private, and federal ownership; this includes all costs associated with the maintenance and operation of the aircraft.

Rate(s) and Rate Explanation

The flight rates for the operation of the department aircraft are based on 5,000 hours of aircraft usage. The rate has been determined to maintain the aircraft in its original condition. At the end of 5,000 hours, all parts should have been replaced and a new maintenance/operation cycle started. The adopted increases are based on anticipated 3.0% inflation in the cost of aircraft parts and fuel prices. Fuel prices have increased considerably in recent years and continue to experience volatility.

Proprietary Rates

This program is funded with an internal service fund, which is a type of proprietary fund. As such, the legislature approves the maximum rate the program may charge during the biennium. They are not the rates the program must charge. The legislature approved an increase to Air Operations Program proprietary rate. The figure below shows the rates adopted for the 2027 biennium.

DNRC Air Operations Program Proprietary Rates			
	FY 2025	FY 2026	FY 2027
	<u>Actual</u>	<u>Adopted</u>	<u>Adopted</u>
Bell UH-1H	\$1,860	\$1,916	\$1,916
Bell Jet Ranger	\$525	\$541	\$541
Cessna 180 Series	\$210	\$216	\$216

Projected Fund Balance, Including Cash Fluctuations

2027 Biennium Report on Internal Service and Enterprise Funds							
Agency #	Agency Name:			Program Name:			
57060	Department of Natural Resources and Conservation			Forestry and Trust Lands			
	Fund	Fund Name					
	06538	Air Operations Internal Svc.					
		Actual FY22	Actual FY23	Actual FY24	Adopted FY25	Adopted FY26	Adopted FY27
Operating Revenues:							
Fee and Charges							
Fee Revenue A							
		1,151,890	909,056	802,347	1,000,000	1,100,000	1,100,000
Total Operating Revenues		1,151,890	909,056	802,347	1,000,000	1,100,000	1,100,000
Expenses:							
Personal Services							
		1,564,966	1,678,767	1,640,785	1,514,593	1,615,349	1,619,588
Other Operating Expenses							
		1,086,979	933,293	976,355	1,461,912	1,506,460	1,520,536
Total Operating Expenses		2,651,945	2,612,060	2,617,140	2,976,505	3,121,809	3,140,124
Operating Income (Loss)		(1,500,055)	(1,703,004)	(1,814,793)	(1,976,505)	(2,021,809)	(2,040,124)
Nonoperating Revenues:							
Nonoperating Expenses:							
Total Nonoperating Revenues (Expenses)		-	-	-	-	-	-
Income (Loss) Before Contributions and Transfers		(1,500,055)	(1,703,004)	(1,814,793)	(1,976,505)	(2,021,809)	(2,040,124)
Capital Contributions							
		1,638,877	1,664,652	1,664,652	1,664,652	1,987,735	1,975,473
Change in Net Position		138,822	(38,352)	(150,141)	(311,853)	(34,074)	(64,651)
Beginning Net Position - July 1		585,190	724,012	685,660	535,519	223,666	189,592
Change in Net Position		138,822	(38,352)	(150,141)	(311,853)	(34,074)	(64,651)
Ending Net Position - June 30		724,012	685,660	535,519	223,666	189,592	124,941
Net Position (Fund Balance) Analysis							

Agency Base Budget Comparison

The following table compares the base budget with the expenditures adopted by the legislature for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount Percent	
Proprietary Funds	58,200	58,200	58,200		0.0%
Total Funds	58,200	58,200	58,200		0.0%
Operating Expenses	58,200	58,200	58,200		0.0%
Total Expenditures	58,200	58,200	58,200		0.0%
Total Ongoing	58,200	58,200	58,200		0.0%
Total One-Time-Only					0.0%

Page Reference

LFD Non-Budgeted Proprietary Analysis, C-54

Agency Highlights

Department of Agriculture Major Budget Highlights
The legislature made no change to the base budget.

Agency Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Operating Expenses	0	61,285	58,200	58,200	58,200
Total Expenditures	\$0	\$61,285	\$58,200	\$58,200	\$58,200
General Fund	0	3,085	0	0	0
Proprietary Funds	0	58,200	58,200	58,200	58,200
Total Funds	\$0	\$61,285	\$58,200	\$58,200	\$58,200
Total Ongoing	\$0	\$61,285	\$58,200	\$58,200	\$58,200
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

LFD Non-Budgeted Proprietary Analysis, C - 56

Funding

The following table shows the adopted agency funding for all sources of authority.

Total Department of Agriculture Funding by Source of Authority 2027 Biennium Budget Request						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	2,176,241	49,000		3,129,335	5,354,576	9.4%
02040 Wheat & Barley Research & Mktg	9,387,172				9,387,172	16.4%
02205 Pulse Crop Research&Marketing	58,258			6,122,406	6,180,664	10.8%
02068 Noxious Weed Admin Account	4,782,856				4,782,856	8.4%
02193 Pesticide Account	3,730,955	209,200			3,940,155	6.9%
02453 Grain Services	3,576,516				3,576,516	6.3%
Other State Special Revenue	15,924,652	692,700		552,174	17,169,526	30.1%
State Special Revenue Total	37,460,409	901,900	-	6,674,580	45,036,889	78.9%
03118 Agriculture ASD Federal	2,529,435	41,600			2,571,035	4.5%
03225 Agriculture ADD Federal	591,486				591,486	1.0%
03120 Agriculture CMD Federal	521,156				521,156	0.9%
Federal Special Revenue Total	3,642,077	41,600	-	-	3,683,677	6.5%
06052 Hail Insurance	1,276,147			1,640,000	2,916,147	5.1%
06016 Beginning Farm Loans			116,400		116,400	0.2%
Proprietary Fund Total	1,276,147	-	116,400	1,640,000	3,032,547	5.3%
Total of All Funds	44,554,874	992,500	116,400	11,443,915	57,107,689	
Percent of All Sources of Authority	78.0%	1.7%	0.2%	20.0%		

Non-budgeted funds are for beginning farm loan programs. The Montana Beginning Farm/Ranch Loan Program is designed to assist beginning farmers and ranchers in acquiring agricultural property at lower interest rates.

Department of Agriculture 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	4,109	0	0	62,309	100.0%	4,109	0	0	62,309	100.0%
Statewide PL										
Personal Services	0	0	0	0	0.0%	0	0	0	0	0.0%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	0	0	0	0	0.0%	0	0	0	0	0.0%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Budget	4,109	0	0	62,309		4,109	0	0	62,309	

Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Requested Budget FY 2026 FY 2027		Biennium Change from Base Amount	Percent
Proprietary Funds	58,200	58,200	58,200		0.0%
Total Funds	58,200	58,200	58,200		0.0%
Operating Expenses	58,200	58,200	58,200		0.0%
Total Expenditures	58,200	58,200	58,200		0.0%
Total Ongoing	58,200	58,200	58,200		0.0%
Total One-Time-Only					0.0%

Page Reference

N/A

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Operating Expenses	0	58,200	58,200	58,200	58,200
Total Expenditures	\$0	\$58,200	\$58,200	\$58,200	\$58,200
Proprietary Funds	0	58,200	58,200	58,200	58,200
Total Funds	\$0	\$58,200	\$58,200	\$58,200	\$58,200
Total Ongoing	\$0	\$58,200	\$58,200	\$58,200	\$58,200
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

N/A

Funding

The Agricultural Development Division's HB 2 funding is primarily derived from state special revenue, which constitutes 87.2% of its total funding. General fund contributes 3.5%, proprietary funds account 5.8%, and federal funding makes up 3.6% of the division's budget.

The main source of state special revenue is the wheat and barley research and marketing account, supported by levies on each bushel of wheat and barley produced in Montana. Additional revenue streams include grain testing fees and alfalfa seed assessments. Levies on the net revenue of pulse crops produced in the state are statutorily appropriated to the pulse crop research and marketing fund.

The general fund authority support division administration through personal services and associated operating expenses. Federal special revenue, obtained from federal grants, is used to develop agriculture markets, fund marketing projects, and cover related operating costs.

Proprietary funding is used for beginning farm loans. Statutory appropriations support growth through agriculture seed programs, hail insurance, research, and marketing for agricultural products.

Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Agricultural Development Division 2027 Biennium HB 2 Base Budget and Adjustments											
	FY 2026					FY 2027					
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	
Base Budget	0	0	0	58,200	100.0%	0	0	0	58,200	100.0%	
Statewide PL											
Personal Services	0	0	0	0	0.0%	0	0	0	0	0.0%	
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%	
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%	
Total Statewide PL	0	0	0	0	0.0%	0	0	0	0	0.0%	
Present Law (PL)											
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%	
Total HB 2 Adjustments	0	0	0	0	0.0%	0	0	0	0	0.0%	
Total Budget	0	0	0	58,200		0	0	0	58,200		