



# Louisiana Senate Finance Committee



## FY19 Executive Budget

**04-160 – Department of  
Agriculture & Forestry**

April 2018

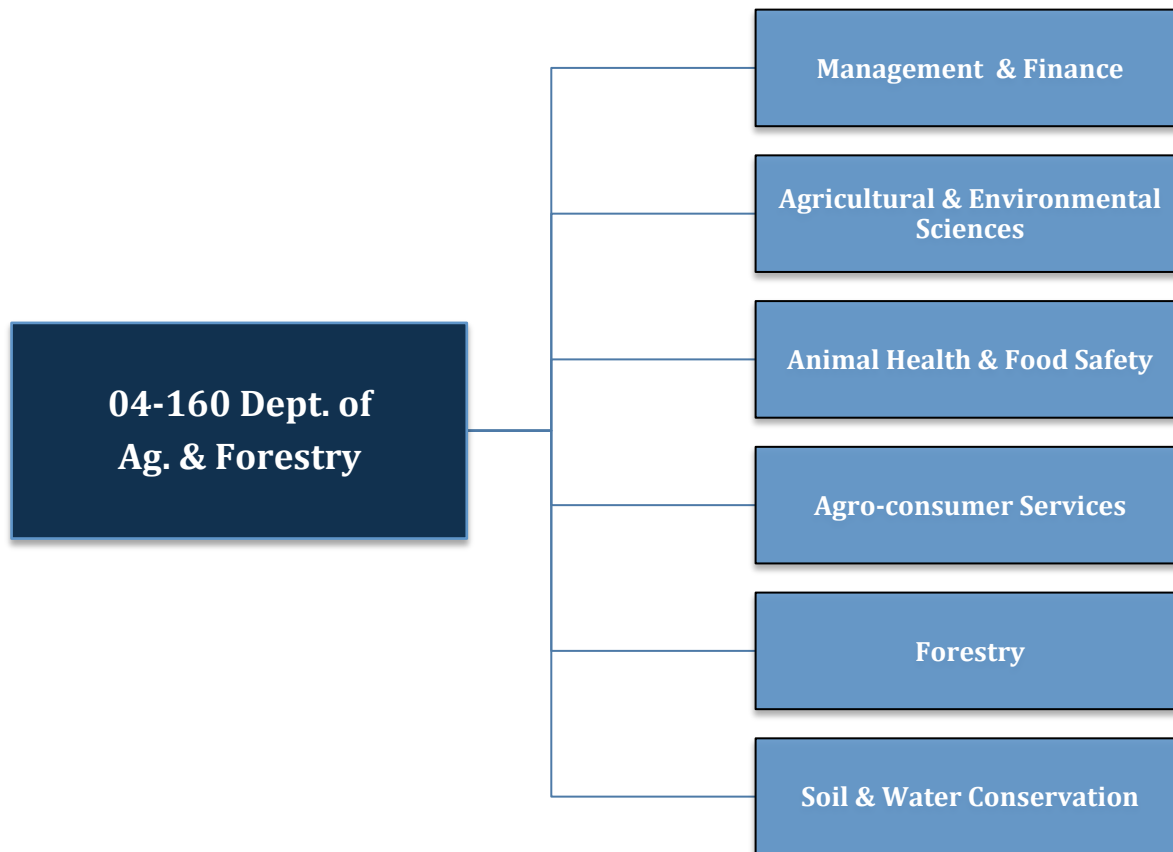
*Sen. John A. Alario, President  
Sen. Eric LaFleur, Chairman*



# FY19 Executive Budget

## Schedule 04-160 — Dept. of Ag & Forestry

Departmental mission — The mission of the Louisiana Department of Agriculture and Forestry is to administer the laws, rules and regulations of the state regarding the growing, harvesting, processing, storing and sale of forest, crop and livestock commodities. These laws, rules and regulations are to ensure that foods are prepared in sanitary processing facilities and are safe to eat, that the state's food manufacturing sector receives the full benefit of the agency's marketing expertise, that the state's soil and water resources are protected to ensure the optimum growth and yield of crops and forests, that the state's forests are protected from harmful diseases and fires, and that Louisiana livestock receives the best in veterinary care. The department also works with other state, regional, national and international sectors of business and government in fulfillment of its goal to provide oversight services and administrative assistance in the conduct of the affairs of rural Louisiana.





# Department of Ag. & Forestry

## FY17, FY18, and FY19 Comparison

### Total Funding — All Means of Finance

<b>Total Funding</b>	<b>FY17 Actual</b>	<b>FY18 Enacted</b>	<b>FY18 EOB as of 12-1-17</b>	<b>FY19 Recommended</b>	<b><i>Difference FY18 EOB HB1 vs. FY19 Recommended</i></b>
Management & Finance	\$ 16,941,245	\$ 19,433,469	\$ 19,439,542	\$ 19,987,803	\$ 548,261
Agricultural & Environmental Sciences	\$ 17,578,659	\$ 19,326,235	\$ 19,339,150	\$ 12,044,481	\$ (7,294,669)
Animal Health & Food Safety	\$ 12,779,296	\$ 13,893,335	\$ 13,900,084	\$ 14,254,097	\$ 354,013
Agro-Consumer Services	\$ 7,094,457	\$ 7,868,648	\$ 7,877,126	\$ 8,289,036	\$ 411,910
Forestry	\$ 13,737,822	\$ 15,684,272	\$ 15,687,150	\$ 15,993,795	\$ 306,645
Soil & Water Conservation	\$ 1,286,673	\$ 1,447,570	\$ 1,447,570	\$ 1,602,032	\$ 154,462
<b>TOTAL</b>	<b>\$ 69,418,152</b>	<b>\$ 77,653,529</b>	<b>\$ 77,690,622</b>	<b>\$ 72,171,244</b>	<b>\$ (5,519,378)</b>
Total Authorized FTEs	563	563	563	559	(4)

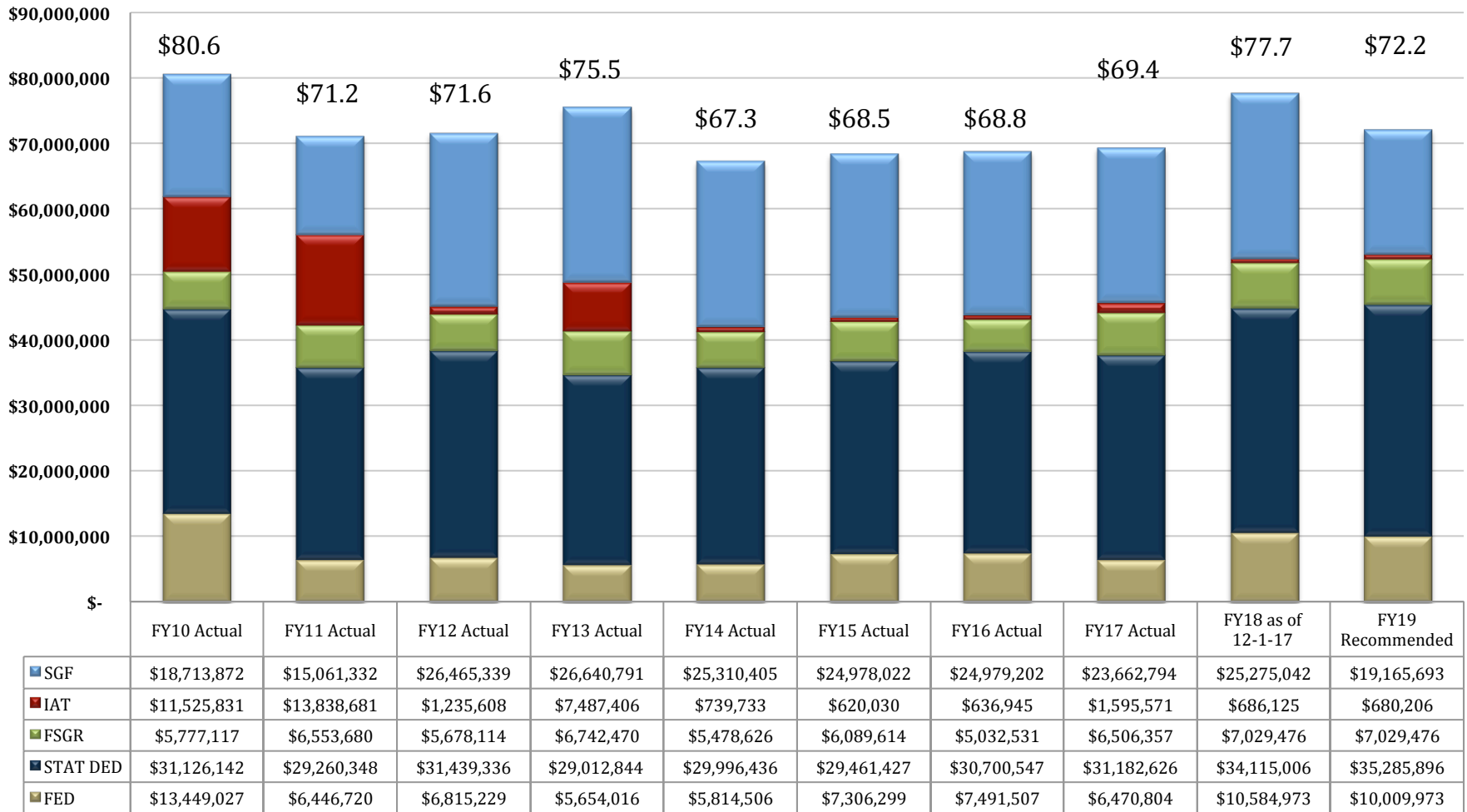


# Dept. of Ag. & Forestry

## Changes in Funding since FY10

**Total Budget by Fiscal Year and Means of Finance**  
(in \$ millions)

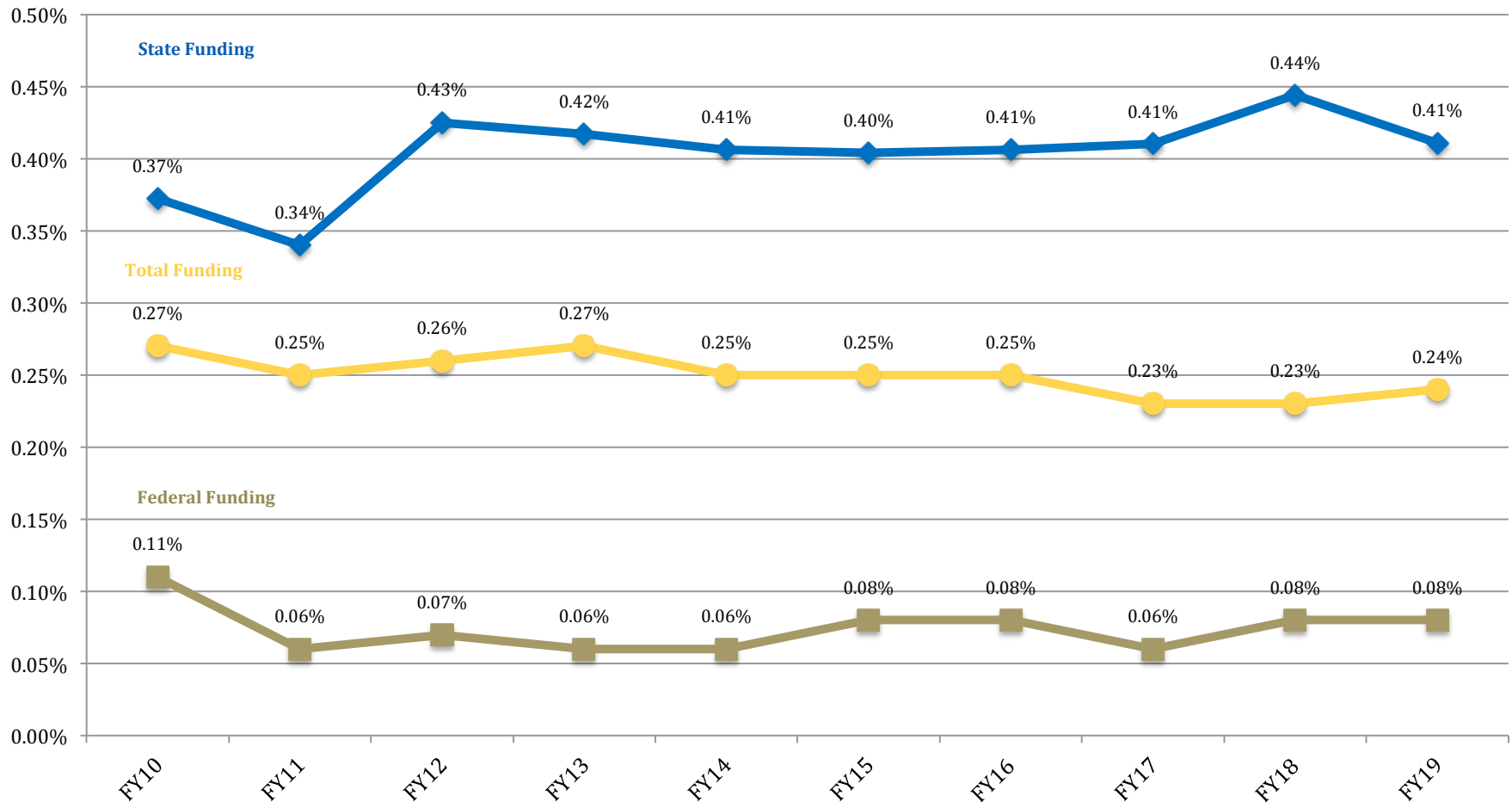
Change from FY10 to FY18 is -10.4%.





# Dept. of Ag & Forestry Changes in Funding since FY10

Dept. of Ag & Forestry's Budget as a Portion of the Total State Budget

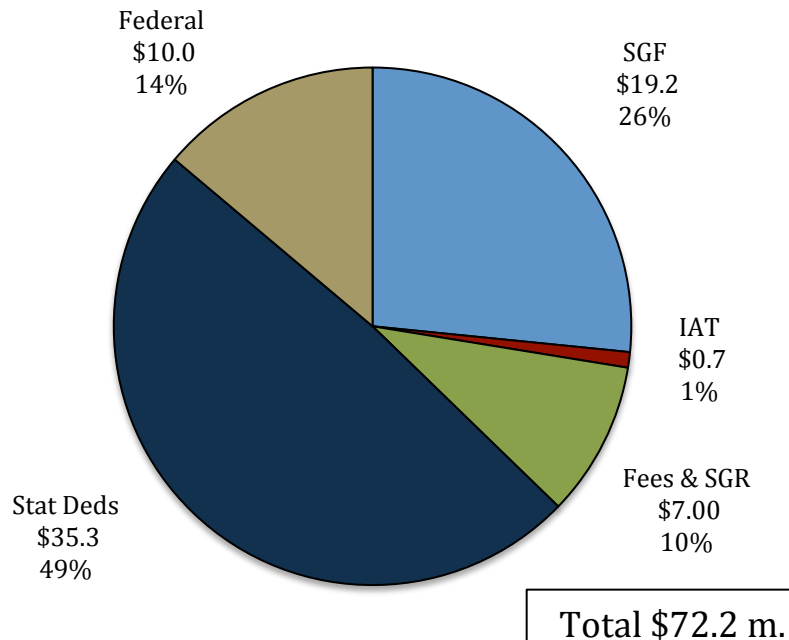




# Agriculture and Forestry

## FY19 Recommended Means of Finance

**FY19 Recommended  
Total Means of Finance  
(In Millions)**



### Non-SGF Sources of Funding:

Non-SGF means of finance in the department include Interagency Transfers, Fees & Self-generated Revenues, Statutory Dedications and Federal monies.

**Interagency Transfers** are derived from the Louisiana Department of Health, the Office of the State Fire Marshal for wildfire prevention and suppression activities, the Office of Coastal Protection and Restoration for developing erosion control plans along the coast of Louisiana, Best Management practices, water quality, and wetland resource programs.

**Fees and Self-Generated** Revenues are derived from insurance and other reimbursements; reimbursement from LAFA for salaries of maintenance personnel; grading fees assessed on meat, meat products, fish and fish products; a fee of \$2.00 per calf hood vaccination at auction markets; vaccination fees; Sale of Health Certificates; Equine Infectious Anemia Surveillance & Horse Identification Program; Deer farming; Turtle Farmers License fee; Livestock Sanitary Board; Poultry Graders; Dairy and Poultry Trust Fund; LA Egg Commission; Egg Assessment Fees; funds collected from assessments on sales of milk and dairy products; timber sales from the State Forests; fees assessed for prescribed burning and general forestry assistance materials; and from the sale of commodities and services.





# Agriculture and Forestry

## FY19 Recommended Means of Finance

### Non-SGF Sources of Funding: (Continued)

**Statutory Dedications** are received from a variety of sources, including the

- Structural Pest Control Commission Fund (S) via fees on branches and contracts of termite control operators;
- Feed and Fertilizer Fund (S) via tonnage fees on feed and fertilizer;
- Louisiana Agricultural Finance Authority (LAFA) Fund (S) as a result of interest income and fees collected with any bonds issued by LAFA;
- Pesticide Fund (S) via fees from labeling and registration of certain pesticides;
- Petroleum Products Fund (S) via assessments, fees, penalties, and all other funds related to the inspection, regulation, and analysis of petroleum products, any commercial weighing or measuring device used in the distribution handling or sale of petroleum products and enforcement;
- Agricultural Commodity Dealers and Warehouse Fund (S) via assessments on commodities stored at the first point of sale, inspection and certification of moisture meters, warehouse licenses;
- Weights and Measures Fund (S) via inspection fees for weights and measures scales;
- Boll Weevil Eradication Fund (S) via penalties and fines charged to cotton growers under the regulations of the Boll Weevil Eradication Program;
- Horticulture and Quarantine Fund (S) via fees collected for Apiary permits, fees for collecting and enforcing different horticultural professions and occupations, fees for inspection and certification of cotton for the presence of the boll weevil, and reasonable fees to help defray the expenses incurred for salaries for inspecting nursery stock grown or propagated for sale or distribution;
- Seed Commission Fund (S) via fees from seed certification;
- Sweet Potato Pests and Diseases Fund (S) via sweet potato inspection fees;
- Livestock Brand Commission Fund (S) via fees for recording brands or marks, renewals and transfers;

### Non-SGF Sources of Funding: (Continued)

- Forest Protection Fund (S) paid by the landowners at the rate of 8 cents per acre;
- Forest Productivity Fund (S) that receives 75% of the state's share of the timber severance tax;
- Agricultural Commodity Self-Insurance Fund (S)
- and the Grain and Cotton Indemnity Fund (S).

*(S) = Statutory Fund*

**Federal Funds** are received from the U.S. Department of Agriculture, the Environmental Protection Agency (EPA) - Enforcement and Certification Programs, the Ground Water Protection Worker Protection & Endangered Species Program, the USDA - Imported Fire Ant Program, the EPA - Feed Inspection Capacity Program, the federally funded Livestock Sanitary Board Program, reimbursements from the U.S. Department of Agriculture (USDA) for grading and certification of meat and meat products, reimbursements from the U.S. Department of Commerce for certification of fish and fish products, Federal Egg Product Inspection, the Federal Container Salvage Fund, State Administrative Expenses for food distribution, the U.S. Department of Agriculture (USDA) for commodity credit for reimbursement of audit expenses, Fruit and Vegetable Grain Cooperative Agreement, Weights and Measures Cooperative Agreement, the Crop and Livestock Statistical Reporting Service, the U.S. Forest Service for forest protection and fire assistance; U.S. Department of Agriculture (USDA) for development of watershed plans.



# Dept. of Ag. & Forestry Dedicated Funds FY17, FY18, and FY19

Dedicated Funds	Source of Funding	FY17 Actual	FY18 EOB	FY19 Recommended
Agricultural Commodity Dealers & Warehouse Fund	Fees, fines, assessments, and penalties	\$1,573,909	\$2,277,455	\$2,277,455
Boll Weevil Eradication Fund	Fees and Fines to cotton producers	\$12,318	\$100,000	\$100,000
Feed and Fertilizer Fund	Fees, fines, assessments, and penalties	\$1,749,865	\$1,749,865	\$2,249,865
Forest Protection Fund	Forest protection tax on timber land	\$609,008	\$806,606	\$806,606
Forestry Productivity Fund	Portion of timber severance tax	\$250,015	\$333,333	\$333,333
Horticulture and Quarantine Fund	Fees, fines, assessments, and penalties	\$1,724,081	\$2,550,000	\$2,550,000
Livestock Brand Commission Fund	Fees related to livestock branding and recordation	\$3,980	\$10,000	\$10,000
Louisiana Agricultural Finance Authority Fund	A portion of taxable net slot machine proceeds	\$12,000,742	\$12,000,919	\$11,802,482
Pesticide Fund	Fees, fines, assessments, and penalties	\$5,408,204	\$5,293,249	\$5,400,000
Petroleum Products Fund	Fees, fines, assessments, and penalties	\$3,998,271	\$4,600,000	\$5,062,576
Seed Commission Fund	Fees	\$604,191	\$807,008	\$807,008
Structural Pest Control Commission Fund	Permit, registration, and related fees	\$980,212	\$1,157,795	\$1,457,795
Sweet Potato Pests and Diseases Fund	Fees on bushels of sweet potatoes	\$144,696	\$200,000	\$200,000
Weights and Measures Fund	Fees on commercial weighing and measuring devices	\$2,123,134	\$2,228,776	\$2,228,776
<b>TOTALS</b>		<b>\$31,182,626</b>	<b>\$34,115,006</b>	<b>\$35,285,896</b>

## Dedicated Fund Review Subcommittee recommendation:

*Louisiana Agricultural Finance Authority Fund = Elimination*

*Pesticide Fund = Reclassify as Fees & Self-generated Revenues*





# Dept. of Ag. & Forestry Expenditures

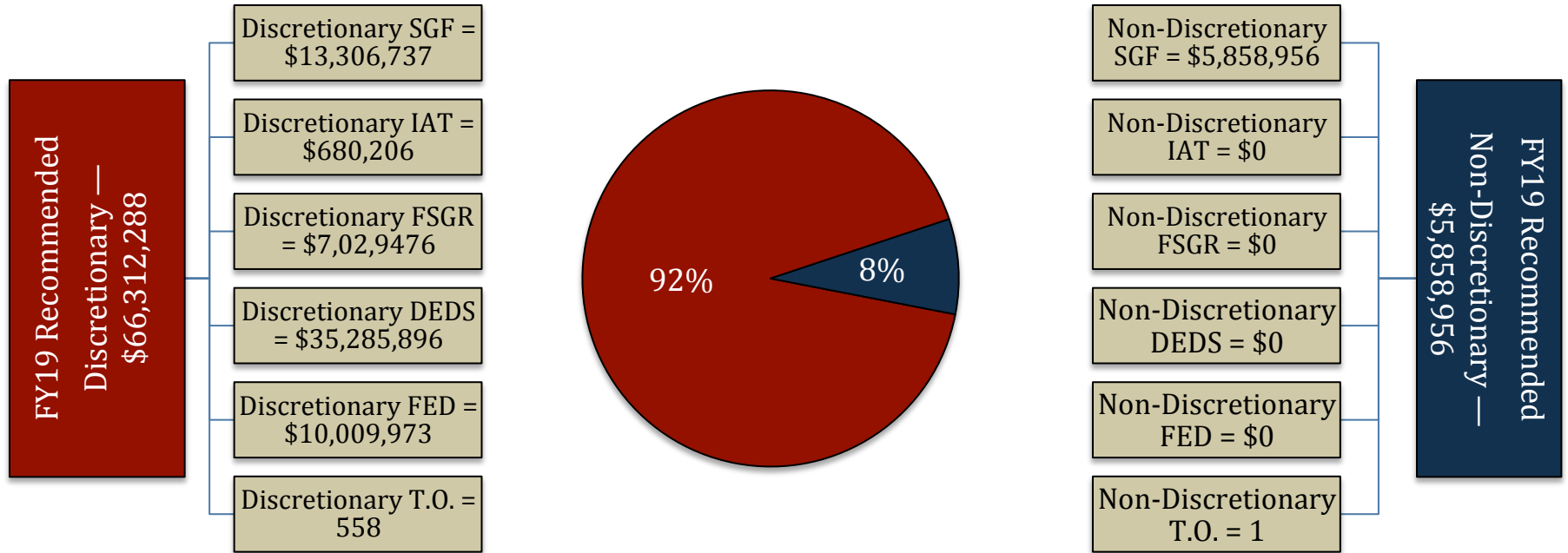
## FY17, FY18, and FY19

Expenditure Category	FY17 Actual	FY18 EOB	FY19 Recommended	Percent Change FY18 EOB vs. FY19 Recommended
<b>Personal Services:</b>	<b>\$48,273,906</b>	<b>\$52,127,342</b>	<b>\$53,027,436</b>	<b>1.7</b>
Salaries	\$28,356,532	\$29,759,311	\$30,468,005	2.4
Other Compensation	\$1,309,814	\$1,523,652	\$1,523,652	-
Related Benefits	\$18,607,560	\$20,844,379	\$21,035,779	0.9
<b>Operating Expenses:</b>	<b>\$8,745,482</b>	<b>\$9,246,196</b>	<b>\$10,844,099</b>	<b>17.3</b>
Travel	\$275,011	\$283,975	\$283,975	-
Operating Services	\$5,631,054	\$5,484,620	\$6,582,523	20.0
Supplies	\$2,839,417	\$3,477,601	\$3,977,601	14.4
<b>Professional Services</b>	<b>\$178,106</b>	<b>\$438,942</b>	<b>\$438,942</b>	<b>-</b>
<b>Other Charges:</b>	<b>\$11,225,347</b>	<b>\$14,829,920</b>	<b>\$6,866,972</b>	<b>(53.7)</b>
Other Charges	\$2,135,120	\$4,232,038	\$4,022,116	(5.0)
Debt Service	\$6,726,762	\$7,845,486	\$0	(100.0)
Interagency Transfers	\$2,363,465	\$2,752,396	\$2,844,856	3.4
<b>Acquisitions &amp; Major Repairs:</b>	<b>\$995,311</b>	<b>\$1,048,222</b>	<b>\$993,795</b>	<b>(5.2)</b>
Acquisitions	\$995,311	\$1,048,222	\$993,795	(5.2)
Major Repairs	\$0	\$0	\$0	-
<b>Total Expenditures</b>	<b>\$69,418,152</b>	<b>\$77,690,622</b>	<b>\$72,171,244</b>	<b>(7.1)</b>



# Dept. of Ag. & Forestry

## FY19 Discretionary/Non-Discretionary Comparison



Total Discretionary Funding by Office		
Management & Finance	\$ 14,128,847	21%
Agricultural & Environmental Sciences	\$ 12,044,481	18%
Animal Health & Food Safety	\$ 14,254,097	21%
Agro-Consumer Services	\$ 8,289,036	13%
Forestry	\$ 15,993,795	24%
Soil & Water Conservation	\$ 1,602,032	2%
<b>Total Discretionary</b>	<b>\$ 66,312,288</b>	<b>100%</b>

Total Non-Discretionary Funding by Type		
Constitutional Requirements	\$ 160,252	3%
Unavoidable Obligations	\$ 5,698,704	97%
<b>Total Non-Discretionary</b>	<b>\$ 5,858,956</b>	<b>100%</b>

*Constitutional Requirements = Salary and related benefits of the commissioner.*

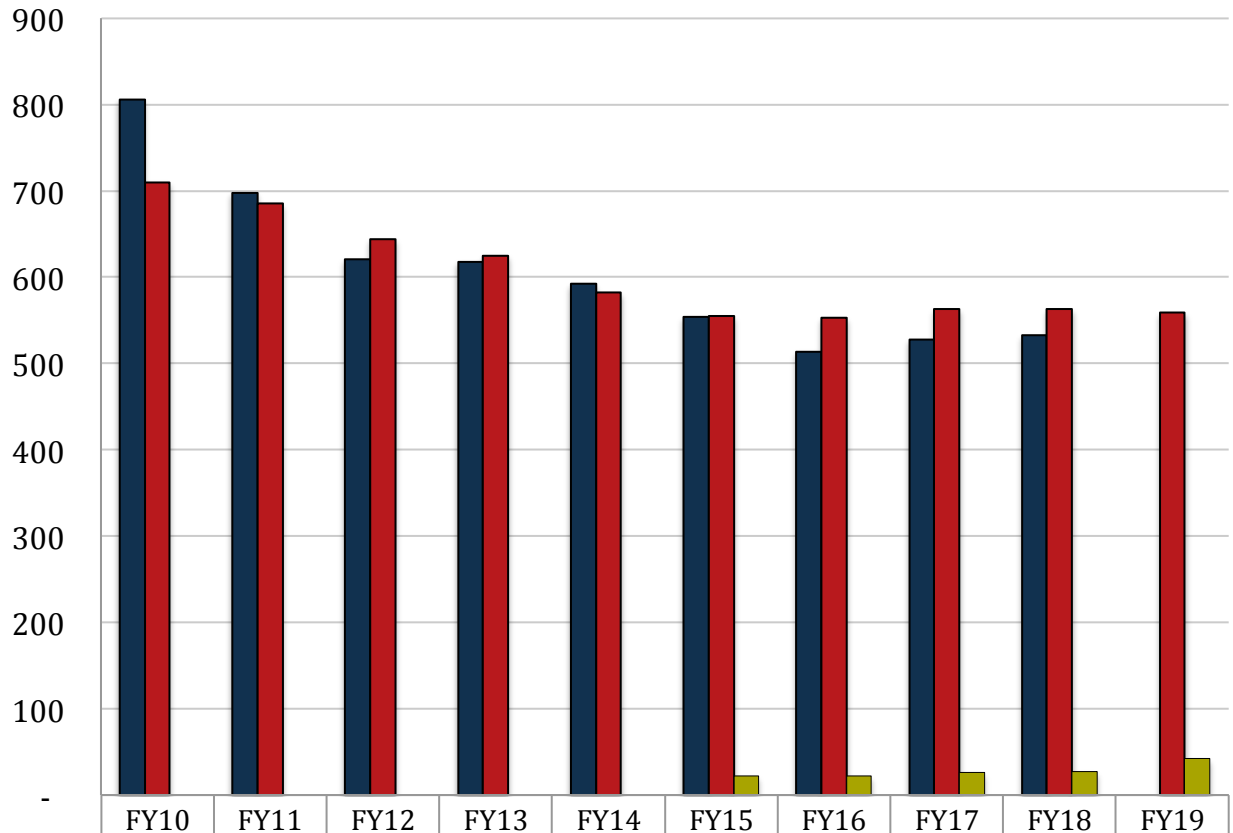
*Unavoidable Obligations = Retirees Group Insurance and Legislative Auditor Fees.*



# Department of Ag. and Forestry

## FTEs, Authorized Positions, and Other Charges Positions

Total FY19  
Recommended  
Authorized  
Positions of 559 are  
1.68% of Total State  
FY19 Recommended  
Authorized  
Positions of 33,301.



	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
■ Total FTEs (as of July 1 of each fiscal year)	806	698	621	618	592	554	514	528	533	-
■ Total Authorized Positions (Enacted)	710	685	644	625	582	555	553	563	563	559
■ Authorized Other Charges Positions	-	-	-	-	-	22	22	26	27	42

**Notes:**  
 Data for Total FTEs uses the first weekly employment report published by State Civil Service in July at the start of the named fiscal year.  
 Data for Total Authorized Positions uses fiscal year enacted levels, except for FY18 Recommended.  
 Data for Other Charges Positions are reflected in the Executive Budget per Act 377 of the 2013 Regular Legislative Session (beginning in FY15).



# Dept. of Ag. & Forestry

## FY19 Recommended Total Authorized Positions by Agency

**Forestry** – The largest categories of positions are spread among fire districts, including District 6 - Hammond (36), District 4 - Oberlin (38), District 3 - Jena (30), District 1 - Haughton (20), and District 2 - Monroe (13). The remaining positions are spread among administration, central services, enforcement, and education.

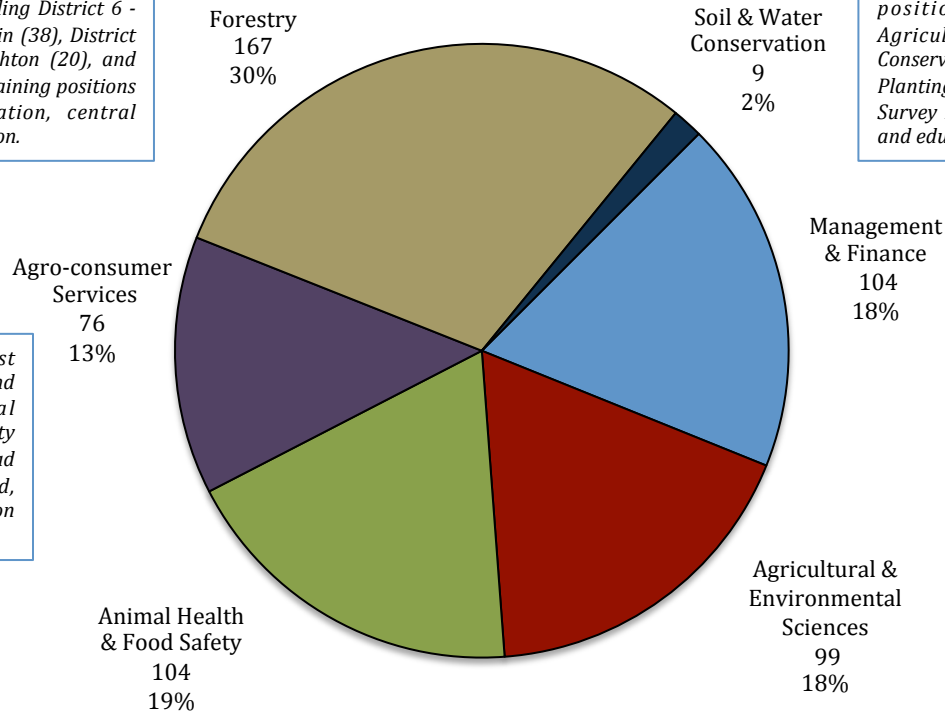
**Agro-Consumer Services** – The largest categories of positions include Weights and Measures (53) and the Agricultural Commodities and Dealers Warehouse Activity (15). The remaining positions are spread among the Dairy Stabilization Board, Administration, and Commodity Promotion and Research.

**Animal Health & Food Safety** – The largest categories of positions include Federal/State Meat Activity (37), the Livestock Sanitary Board (20), and the Food Distribution Activity (17). The remaining positions are spread among Poultry and Eggs, Fruit and Vegetables, Livestock Brand Commission, Promotion and Research, and the Feed Program.

**Soil and Water Conservation** – Duties of these positions include administration of the Agricultural Solid Waste Program, Federal Conservation Program, Coastal Marsh Vegetation Planting Program, USDA State Cooperative Soil Survey Program, EPA Clean Water Act provisions, and educational outreach.

**Management & Finance** – The largest categories of positions include support services (38) and fleet and facility (32). The remaining positions are spread among executive functions, IT, print shop, market information, Indian Creek Recreation Area, and the La. Agricultural Finance Authority.

**Agricultural & Environmental Services** – The largest categories of positions include the Pesticide & Environmental Program (50), the Agricultural Chemistry Program (13), and the Horticulture & Quarantine Program (10). The remaining positions are spread among the Seed, Sweet Potato, Pest Control, Pesticide Enforcement, Pesticide Certification, USDA Horticulture, Boll Weevil, and Food Safety Program.



Dept. of Ag. & Forestry	
Management & Finance	104
Agric. & Environmental Sciences	99
Animal Health & Food Safety	104
Agro-consumer Services	76
Forestry	167
Soil & Water Conservation	9



# Dept. of Ag. & Forestry

## Total Statewide Adjustments for FY19

04F\_AGRI  
Agriculture and Forestry  
ADJUSTMENTS TO EXISTING OPERATING BUDGET  
Recommended

GEN. FUND	I.A.T.	SELF-GEN.	STAT. DED.	I.E.B.	FEDERAL	TOTAL	T.O.	DESCRIPTION
\$25,275,042	\$686,125	\$7,029,476	\$34,115,006	\$0	\$10,584,973	\$77,690,622	563	Existing Oper Budget as of 12/01/17
<b>A. STATEWIDE STANDARDS</b>								
\$216,898	\$0	\$0	\$107,698	\$0	\$0	\$324,596	0	2% General Increase Annualization Classified
\$18,319	\$0	\$0	\$24,959	\$0	\$0	\$43,278	0	2% General Increase Annualization Unclassified
\$230,606	\$0	\$0	\$99,415	\$0	\$0	\$330,021	0	Structural Annualization Classified
\$609,833	\$0	\$0	\$297,520	\$0	\$0	\$907,353	0	Market Rate Classified
\$36,676	\$0	\$0	\$56,079	\$0	\$0	\$92,755	0	Civil Service Training Series
\$129,529	\$0	\$0	\$76,310	\$0	\$0	\$205,839	0	Related Benefits Base Adjustment
\$877	\$0	\$0	\$240	\$0	\$0	\$1,117	0	Retirement Rate Adjustment
\$370,880	\$0	\$0	\$61,122	\$0	\$0	\$432,002	0	Salary Base Adjustment
(\$828,956)	\$0	\$0	(\$264,264)	\$0	\$0	(\$1,093,220)	0	Attrition Adjustment
(\$191,271)	\$0	\$0	(\$230,330)	\$0	\$0	(\$421,601)	(4)	Personnel Reductions
\$0	\$0	\$0	\$993,795	\$0	\$0	\$993,795	0	Acquisitions & Major Repairs
\$0	\$0	\$0	(\$473,222)	\$0	(\$575,000)	(\$1,048,222)	0	Non-Recurring Acquisitions & Major Repairs
(\$74,088)	\$0	\$0	\$0	\$0	\$0	(\$74,088)	0	Risk Management
(\$606)	\$0	\$0	\$0	\$0	\$0	(\$606)	0	Legislative Auditor Fees
(\$1,545)	\$0	\$0	\$0	\$0	\$0	(\$1,545)	0	UPS Fees
\$1,398	\$0	\$0	\$0	\$0	\$0	\$1,398	0	Civil Service Fees
\$3,471	\$0	\$0	\$0	\$0	\$0	\$3,471	0	State Treasury Fees
\$29,053	\$0	\$0	\$0	\$0	\$0	\$29,053	0	Office of Technology Services (OTS)
(\$4,335)	\$0	\$0	\$0	\$0	\$0	(\$4,335)	0	Office of State Procurement
\$139,112	\$0	\$0	\$0	\$0	\$0	\$139,112	0	Topographic Mapping



# Dept. of Ag. & Forestry

## Total Statewide Adjustments for FY19

(\$6,795,200)	\$0	\$0	\$6,795,200	\$0	\$0	\$0	0	TOTAL MEANS OF FINANCING SUB ADJUSTMENT
\$0	\$0	\$0	(\$7,845,486)	\$0	\$0	(\$7,845,486)	0	TOTAL NON-RECURRING OTHER ADJUSTMENT
\$0	\$0	\$0	\$1,471,854	\$0	\$0	\$1,471,854	0	TOTAL OTHER ADJUSTMENTS ADJUSTMENT
\$0	(\$5,919)	\$0	\$0	\$0	\$0	(\$5,919)	0	TOTAL OTHER TECHNICAL ADJUSTMENTS ADJUSTMENT

\$19,165,693	\$680,206	\$7,029,476	\$35,285,896	\$0	\$10,009,973	\$72,171,244	559	Total Budget
(\$6,109,349)	(\$5,919)	\$0	\$1,170,890	\$0	(\$575,000)	(\$5,519,378)	(4)	Total Adjustments



## Dept. of Ag. and Forestry Significant Increases for FY19

Increase	Source	T.O.	Agency	Description
\$482,354	Statutory Dedications	0	LAFa Fund and Pesticide Fund	Increase out of the LAFa Fund (\$472,321) and the Pesticide Fund (\$10,033) to address maintenance and repairs at facilities throughout the state.
\$500,000	Statutory Dedications	0	Feed and Fertilizer Fund	Increase out of the Feed and Fertilizer Fund for additional testing and analysis of feeds and fertilizers.
\$300,000	Statutory Dedications	0	Structural Pest Control Fund	Increase to conduct a statewide Farm Pesticide Hazardous Waste Pick-up Day. A private contractor will collect and dispose of the waste. A similar event in 1996 collected 200 tons of hazardous ingredients.





## Dept. of Ag. and Forestry Significant Decreases for FY19

Decrease	Source	T.O.	Agency	Description
(\$7.8 Million)	Statutory Dedications	0	Dept. of Ag and Forestry	Reduction out of the Louisiana Agricultural Finance Authority Fund for non-recurring debt service payments on bonds. The department paid off the debt in FY2018.

## Significant Means of Financing Substitutions for FY19

MOF Swap	Source	T.O.	Agency	Description
\$6.6 Million	LAFA Fund	0	Dept. of Ag. & Forestry	Means of financing substitution reduces state general fund by \$6.6 million and increases statutory dedications out of the Louisiana Agricultural Finance Authority Fund by the same amount.