

# Agency of Agriculture Food and Markets FY 15 Budget

House Appropriations Committee

February 18, 2014



**AGENCY OF AGRICULTURE, FOODS & MARKETS**

**(802)828-2430 / [www.VermontAgriculture.com](http://www.VermontAgriculture.com)**

# Agency of Agriculture Budget

- **The Mission of the Agency of Agriculture, Food and Markets is:**
  - Facilitate, support and encourage the growth and viability of agriculture while protecting the working landscape, human health, animal health, plant health, consumers and the environment.
- The Agency is comprised of the four divisions outlined below. The Agency budget maintains staffing and operations to ensure inspections, environmental protection, water quality, consumer protection services and agricultural development continue for Vermont residents. Internal service costs such as Fee for Space, insurances, VISION, etc., are spread throughout the Agency.

# Agency of Agriculture Budget

## Administration

- FY 2014 As Passed - \$2,240,175
- FY 2015 Proposed - \$1,791,225

	General \$\$	Transp \$\$	Special \$\$	Tobacco \$\$	Federal \$\$	Interdept'l Transfer \$\$	All other \$\$	Total \$\$
<b>Administration FY 2014 Approp</b>	<b>1,126,129</b>		<b>963,797</b>		<b>150,249</b>			<b>2,240,175</b>
GF Reductions as per Act 50 - vacancy savings & travel	(8,642)							(8,642)
<b>Personal Services:</b>								
1 Position transferred to Ag Resource Mngmnt			(60,322)					(60,322)
Salary & Benefit changes, Pay Act, etc.	(17,698)		20,666		15,186			18,154
<b>Other Personal Services:</b>								
Reduction to vacancy savings coupled with greater reliance on increased federal indirect earnings	(542)		(4,500)		11,667			6,625
<b>Operating:</b>								
FY 2014 funding for databases (grants & water quality)			(375,000)					(375,000)
Internal Service Fund changes	(17,505)		(51,154)		82,840			14,181
Various line adjustments and redistribution among funding sources	(2,239)		(27,088)		24,757			(4,570)
<b>Grants:</b>								
Eliminate miscellaneous grants	(10,000)							(10,000)
<b>Grant Cuts to Meet Agency GF Target:</b>								
Reduce Fair Stipend Grants - leaves \$160,312 in budget	(14,688)							(14,688)
Reduce 2+2 Program - leaves \$144,722 in budget	(14,688)							(14,688)
<b>Subtotal of increases/decreases</b>	<b>(86,002)</b>	<b>0</b>	<b>(497,398)</b>	<b>0</b>	<b>134,450</b>	<b>0</b>	<b>0</b>	<b>(448,950)</b>
<b>FY 2015 Governor Recommend</b>	<b>1,040,127</b>	<b>0</b>	<b>466,399</b>	<b>0</b>	<b>284,699</b>	<b>0</b>	<b>0</b>	<b>1,791,225</b>

# Agency of Agriculture Budget

- Administration Changes
  - Moved employee from Administration to ARM
  - Pay Act, Salary and Benefits – employee turnover offset some Pay Act costs
  - Increase in federal indirect rate
  - 1 time use of funds for Water Quality & Grants Management database purchases
  - Adjustment for internal service fund charges
  - General Fund reduction in two grant programs

# Agency of Agriculture Budget

**Federal Funding** – Increase in federal funds due to change in methodology of indirect rate calculation – increase rate from 10% to 34.9%. This method was used effective FY 14 and forward. Allows for greater recovery of indirect costs incurred throughout the Agency but especially within the Administration Appropriation.

## **Impact on Vermonters** –

- Reduction in Fair Stipend Program – In FY 13 \$175,000 allocated to 14 fairs, field days and festivals in Vermont; average amount - \$12,500. Reduction for FY 15 leaves \$160,312 for 14 fairs, Field Days and Festivals; average amount \$11,450. May affect some fairs ability to operate.
- Reduction in 2+2 Farms Scholarship Program – Scholarship program provides 10 scholarships at VTC and 10 at UVM for dairy. In past years, all slots at both colleges have not been filled. Carry forward dollars will be utilized to offset. Dependent on tuition rates - no impact on number of scholarships provided.

# Agency of Agriculture Budget

## **Position Changes** –

- *Movement of 1 position to ARMs division – Found that 2 employees could functionally manage licensing and registration and ARM needed further administrative support.*

## **Grants**

- Fair Stipend – calculated support for fairs, field days and festivals. Amount based on attendance and other criteria
- 2+2 Farms Program – Provides Scholarship for 20 students to attend 2 years at VTC and 2 years at UVM in the dairy farm management field

# Agency of Agriculture Budget

## Administration – Program Example

Program	How Much did we do?	How Well did we do it?	Is anyone better off?	Potential Improvements
Legal – land use & enforcement  Protecting the Working Landscape & protection of Vermonters	Land Conservation nearly 600 acres; Legal counsel officially opened 38 case files – majority on land use	Conservation of land, Section 248 protection of ag lands and ACT 250 criteria 9(b) & Number of enforcement actions for compliance	Conservation of farms allowing for younger generation to purchase	Working with NRB to further define ag soils in ACT 250  Mapping of soils that have been set aside for onsite mitigation

# Agency of Agriculture Budget

## **Food Safety/Consumer Protection**

- This division consists of four sections
  - Dairy
  - Animal Health
  - Meat Inspection
  - Consumer Protection
- Responsible for:
  - slaughter inspection
  - animal health regulations
  - dairy inspection
  - retail inspection of maple, meat and dairy;
  - inspection of all weighing and measuring devices used in commerce.

# Agency of Agriculture Budget

## Food Safety/Consumer Protection

- FY 14 As Passed \$6,007,003
- FY 15 Proposed \$6,535,946

	General \$\$	Transp \$\$	Special \$\$	Tobacco \$\$	Federal \$\$	Interdept'l Transfer \$\$	All other \$\$	Total \$\$
<b>Food Safety/Consumer Protection FY 2014 Approp</b>	<b>2,142,097</b>		<b>3,142,064</b>		<b>682,544</b>	<b>6,292</b>	<b>34,006</b>	<b>6,007,003</b>
GF Reductions as per Act 50 - vacancy savings & travel	(22,166)							(22,166)
<b>Personal Services:</b>								
Salary & Benefit changes, Pay Act, etc.	50,413		(5,440)		62,958			107,931
Two (2) new Food Safety Specialists (Meat Inspectors)	47,277				84,049			131,326
<b>Other Personal Services:</b>								
Maintenance agreement for USA Food Safety database (new module)	4,015		12,882		3,241			20,138
<b>Operating:</b>								
Part of Lab Information Management System (1 time purchase)			62,500					62,500
Internal Service Fund changes	1,534		8,712		8,236			18,482
Various line adjustments and redistribution among funding sources	66,000		(46,604)		(9,291)	630		10,735
<b>Grants:</b>								
Increase Vermont Dairy Promotion Board due to increased			200,000					200,000
<b>Subtotal of increases/decreases</b>	<b>147,073</b>	<b>0</b>	<b>232,050</b>	<b>0</b>	<b>149,193</b>	<b>630</b>	<b>0</b>	<b>528,946</b>
<b>FY 2015 Governor Recommend</b>	<b>2,289,170</b>	<b>0</b>	<b>3,374,114</b>	<b>0</b>	<b>831,737</b>	<b>6,922</b>	<b>34,006</b>	<b>6,535,949</b>

# Agency of Agriculture Budget

## **Food Safety/Consumer Protection**

- Two Food Safety Specialists (meat inspectors)
  - 36% General & 64% Federal funds
- New Lab Information Management Software –  
1 time purchase 25% from FSCP 75% from  
ARM
- More milk production more incoming funds –  
pass through

# Agency of Agriculture Budget

## Performance Based Budgeting Pilot - Food Safety/Consumer Protection

- **Objective/Performance Measure**
  - *To advance a safe and secure food supply within a marketplace that provides fair and equal access to consumers and processors in order to enhance Vermont's working landscape, rural character and local economies.*

# Agency of Agriculture Budget

## Performance Based Budgeting Pilot - Food Safety/Consumer Protection

Performance measure	FY 13 Target/ actual	FY 14 Target/estimate	FY 15 Estimate
Number of licenses/ registrations/permits overseen by division	0/22,381	0/0	22,400
Number of inspections completed by division	0/0	0/0	23,147
Number of compliance activities completed by the division that go beyond the level of field staff (action taken by management)	0/0	0/0	25

# Agency of Agriculture Budget

## ***Food Safety/Consumer Protection***

### **Federal Funds –**

- *Food Safety and Consumer Protection Division receives \$831,737 in Federal Funds. Majority is for meat inspection program, remainder for animal health and consumer protection. This is an increase from FY 2014 due to two new Meat Inspectors, Pay Act, and an expansion of work with Food and Drug Administration for follow-up on meat tissue residues.*

### **Impact on Vermonters –**

- *Number of slaughter and meat processing facilities is growing rapidly in VT increasing jobs and access to locally raised, slaughtered and processed meats. Also value added meat processing is growing – sausage, salamis, aged meats and smoked meats are all products being produced in VT.*

# Agency of Agriculture Budget

## **Position Changes** -

- *2 new Food Safety Specialists (meat inspectors) required to meet growing meat slaughter and processing in VT.*

## **Grants**

- Vermont Dairy Promotion Program – all Vermont dairy farmers contribute \$0.10 per hundred pounds of milk produced for generic promotion and research of dairy products by statute. Funds pass through the Agency of Agriculture, Food and Markets to the:
  - New England Dairy Promotion Board
  - Agency of Ag, Food and Markets
  - University of Vermont
  - Vermont Dairy Industry Association

# Agency of Agriculture Budget

## Food Safety/Consumer Protection Program Examples

- Dairy**

Program	How Much did we do?	How well did we do it?	Is anyone better off?	Potential Improvements
<p>Dairy</p> <p>Protect Human Health</p> <p>Assure sanitation standards are followed to minimize the risk of unsafe products entering the marketplace on dairy farms and in processing facilities</p>	<p>Dairy Farm Inspections- 2,318</p> <p>Processing facilities - 315 plant inspections</p>	<p>New compliance program for farms with repeat problems - opportunity to resolve issues through a less formal &amp; more efficient process. The producer works collaboratively with farm inspector &amp; lead farm inspector to develop a plan of action to comply with the regulation.</p>	<p>93 processing facilities</p> <p>13 new facilities in FY13</p>	<p>Farm and dairy processing inspectors participate in FDA training sessions during 2013 to maintain the Dairy Section's ability to rate supplies for national acceptance. Allows for VT raw (un-processed) milk and finished dairy products to be sold outside of VT.</p>

# Agency of Agriculture Budget

## Food Safety/Consumer Protection Program Examples

- Animal Health**

Program	How much did we do?	How well did we do it?	Is anyone better off?	Potential Improvements
<p>Animal Health</p> <p>Protect Human &amp; Animal Health</p> <p>Engage in regulatory and enforcement activities, technical outreach and assistance activities.</p> <p>Maintain Vermont's disease-free status with USDA for Brucellosis, Tuberculosis, Scrapie, and Pseudorabies.</p>	<p>*Foreign Animal Disease Investigations: 2</p> <p>*Pullorum tests performed: 876</p> <p>*Avian influenza tests performed: 361</p> <p>*Tuberculosis test submissions for cattle, sheep, alpaca, and goats reviewed for compliance: 2,673</p> <p>*Comparative Cervical Tests for tuberculosis performed: 19</p> <p>*Brucellosis test submissions for cattle, sheep, alpaca, and goats reviewed for compliance: 2,073</p> <p>*Brucellosis vaccinations charts reviewed for compliance: 230</p> <p>*Chronic Wasting Disease test samples collected: 46</p>	<p>Compliance Activity:</p> <p>*5 Notices of violation</p> <p>*25 letters of warning</p> <p>*Quarantine of 16 premises</p>	<p>Participation in New England States Animal Ag Security Alliance with survey of all commercial VT dairy farms to evaluate their ability to ship milk safely during a Foot and Mouth Disease outbreak. If disease breaks out will be able to market milk within the New England States.</p>	<p>Electronic Certificate of Veterinary Inspection initiative launched.</p> <p>Encourage the use of PDF document that can be transmitted electronically and uploaded into database.</p> <p>Reduce paper and staff time for data entry and filing.</p>

# Agency of Agriculture Budget

## Food Safety/Consumer Protection Program Examples

- Meat and Poultry Inspection**

Program	How much did we do?	How well did we do it?	Is anyone better off?	Potential Improvements
<p>Meat Insp Protection</p> <p>Human Health</p> <p>Enforces State &amp; Federal laws &amp; regulations to protect the health &amp; welfare of consumers &amp; the public by assuring meat &amp; poultry products produced in VT are wholesome, unadulterated, properly marked, labeled, &amp; packaged.</p>	<p>**2,107,485 lbs. of red meat and poultry products processed at state inspected processing establishments, as reported by the establishments</p> <p>*926 days of inspection at 14 state inspected establishments.</p> <p>*1,927 meat and/or poultry handlers licensed to buy, sell, prepare, process, pack, store, transport or otherwise handle meat and poultry.</p> <p>*830 compliance and enforcement inspections at retail establishments.</p> <p>*132 sanitation reviews at custom slaughter and processing facilities.</p>	<p>*58 Consumer concerns reported</p> <p>*853 pounds of contaminated, adulterated, misbranded or uninspected meat &amp; poultry products were detained &amp; removed from commerce in VT.</p> <p>*15 notices of warning were issued</p> <p>*3 violation cases of uninspected products being distributed were transferred to USDA FSIS.</p>	<p>All licensed commercial slaughter establishments operating in VT (livestock &amp; poultry, state &amp; federal) submit a written humane livestock handling plan for review &amp; approval.</p> <p>146 Humane handling verification activity tasks were preformed at the state inspected livestock slaughter establishments.</p>	<p>The program handled several hundred requests for information from producers &amp; consumers concerning facilities, product safety &amp; handling &amp; also offered labeling assistance with pre-approvals.</p> <p>Challenge on staff to provide technical assistance with all other duties.</p>

# Agency of Agriculture Budget

## Food Safety/Consumer Protection Program Examples

- **Consumer Protection**

Program	How much did we do?	How well did we do it?	Is anyone better off?	Potential Improvements
<p>Consumer Protection</p> <p>Protect Consumers</p> <p>Technical assistance, education, and regulatory oversight in the areas of product production, grading and quality and in all areas of weights &amp; measures in Vermont.</p>	<p>Inspections Performed</p> <p>*6,059 - Motor Fuel Dispensers (gas pumps etc.) Locations</p> <p>*10,675 Unit Prices Checked (Retail Scanners)</p> <p>*1,784 -Small Scales</p> <p>*516 - Vehicle Tank Meter Companies (heating oil)</p> <p>*178 - Heavy Duty Scales (weighing asphalt)</p>	<p>73 visits we made to follow-up on complaints for weights &amp; measures in FY 13.</p>	<p>Lab tests &amp; approves hydro-meters used in the maple industry. In 2012, staff tested nearly 11,000 sap &amp; syrup hydro-meters that were distributed throughout the maple producing regions of the U.S. and Canada. Only state lab that offers this service.</p>	<p>The weights &amp; measures lab has regained full certification under NIST, (National Institute of Standards and Trade). NIST certification is recognized testing abilities to serve VT &amp; other states.</p>

# Agency of Agriculture Budget

## Food Safety Specialists (Meat Inspectors)

- **2 Positions requested - Tremendous growth in the industry**
- **January 2012**

Slaughter/Processing Facilities	Processing Only facilities	Meat Retail Establishments	Custom & Approved Source Facilities
3	4	1,603	36

- **December 2013/ proposed in 2014**

Slaughter/Processing Facilities	Processing Only Facilities	Meat Retail Establishments	Custom & Approved Source Facilities
7/5 total 12	9/1 total 10	1,621/0 total 1,621	36/2 total 38 <sup>19</sup>

# Agency of Agriculture Budget

## **Slaughter/Processing Facilities**

- Brault's Market – Troy
- Adams' Turkey Farm – Westford
- Tangletown Farm – West Glover
- Maple Wind Farm – Richmond
- Hannaford Career Center – Middlebury
- Cavendish Game Birds – Springfield
- Green pastures Meats – New Haven

## **Processing Only Facilities**

- Bryans' Custom Meat Cutting – Barnet
- Brown's Meat Processing – West Glover
- Daisy Hill Farm – Wolcott
- Grandma Millers – So. Londonderry
- Guild Commissary - Winooski
- New England Culinary Institute – Montpelier
- Smokin' Bones – Sharon
- Mad River Food Hub – Waitsfield
- Vermont Highland Meat Company – Orleans

# Agency of Agriculture Budget

## **Food Safety Specialist (Meat Inspectors)**

- Tremendous growth in the industry
- Currently 7 inspectors and one trainee
- Slaughter facilities require inspector to be on site while any slaughter is taking place
- Inspector is at a plant for 7:00 AM and ends at 5:00 PM
- Inspector must be on site for the whole time of slaughter
- Processing only facilities – inspector must visit the sight to ensure proper procedures and record keeping are in place but does not remain on site for entire day.

# Agency of Agriculture Budget

## **Agricultural Development**

- Conducts agricultural business development projects, promotes Vermont products, publishes Agriview and administers technical assistance programs for producers and processors.

# Agency of Agriculture Budget

## Agricultural Development

- FY 2014 As Passed - \$4,414,509
- FY 2015 Proposed - \$3,943,970

	General \$\$	Transp \$\$	Special \$\$	Tobacco \$\$	Federal \$\$	Interdept'l Transfer \$\$	All other \$\$	Total \$\$
<b>Agricultural Development FY 2014 Approp</b>	<b>871,062</b>		<b>2,988,352</b>		<b>444,844</b>	<b>110,251</b>		<b>4,414,509</b>
GF Reductions as per Act 50 - vacancy savings & travel	(5,761)							(5,761)
<b>Personal Services:</b>								
Salary & Benefit changes, Pay Act, etc.	98,944		(37,516)		(3,231)	2,163		60,360
Limited Service Recovery Specialist Position Ended			(65,522)					(65,522)
Working Landscape Positions (2) moved to GF	122,182		(130,194)					(8,012)
Temporary Employee \$ moved to Salaries & Benefits for Act 250			35,446					35,446
Limited Service Position								
<b>Other Personal Services:</b>								
Working Landscape board per diem & consultants	32,400		(11,400)					21,000
Agritourism Consultant, Systems Development/Maintenance, Vacancy Savings	22,646		6,000					28,646
<b>Operating:</b>								
Internal Service Fund changes	15,636		(5,463)					10,173
Working Landscape operating to GF (not including ISF's)	57,770		(62,729)					(4,959)
Organic Processor reimbursement program ended					(27,000)			(27,000)
Various line adjustments and redistribution among funding sources	27,248		14,067		974			42,289
<b>Grants:</b>								
Reduced Farm Conservations from 3 projects to 1 project			(600,000)					(600,000)
Increased WLEB funds and moving to GF	1,279,963		(1,215,195)					64,768
Other reductions due to reclassification & rounding	(7,500)					221		(7,279)
<b>Grant Cuts to Meet Agency GF Target:</b>								
Farm to Plate - leaves \$85,312 in budget	(14,688)							(14,688)
<b>Subtotal of increases/decreases</b>	<b>1,628,840</b>	<b>0</b>	<b>(2,072,506)</b>	<b>0</b>	<b>(29,257)</b>	<b>2,384</b>	<b>0</b>	<b>(470,539)</b>
<b>FY 2015 Governor Recommend</b>	<b>2,499,902</b>	<b>0</b>	<b>915,846</b>	<b>0</b>	<b>415,587</b>	<b>112,635</b>	<b>0</b>	<b>3,943,970</b>

# Agency of Agriculture Budget

## **Agricultural Development**

- Less reliance on special funds
- Limited Service Position – Ag Recovery Specialist Ended
- Working Lands funding is now base General Fund as opposed to one time appropriation
- Received grant for full time limited service position for ACT 250 – JFO approved Aug 2013
- USDA discontinued Organic Processor certification reimbursement program
- Agency conservation easements role for farms is now stewardship with VHCB & VLT originating
- Reduction in General Fund Farm to Plate grant program to meet General Fund target

# Agency of Agriculture Budget

## Agricultural Development

### Impact on Vermonters –

- *Working Lands Initiative - Over 97 percent of Vermonters value the working landscape. Approximately 20 percent of Vermont's land is used for agricultural purposes and 75 percent as forestry. The backbone of Vermont's "working landscape" is the economic viability of the agriculture and forestry based businesses. It is Vermont's working landscape that allows us to be a key economic engine within the northeast metropolitan markets of the regional farm and forest economies.*
- *Conservation of Farmland will no longer be initiated by the Agency of Agriculture. The large number of currently conserved farms in the state requires the one employee to concentrate time on stewardship of these conserved projects. Vermont Housing and Conservation Board and Vermont Land Trust will continue to initiate projects.*
- *The Farm to Plate program is an extensive and vibrant program. The small cut in General Fund support will have little affect on the Farm to Plate Program. The Agency supports the work of this program and network.*

# Agency of Agriculture Budget

## **Agricultural Development**

### Federal Funds –

- Agricultural Development manages the USDA Specialty Crop Block Grant program. Program supports grants to non-commodity agricultural producers such as produce, fruits, hops, assistance and access to food and technical assistance to these food producers.
- The USDA Organic Producer Certification Reimbursement program provides reimbursement of up to 75%, or \$750, of organic certification costs. The Processor Reimbursement program has been eliminated by USDA.

# Agency of Agriculture Budget

## Agricultural Development

### Position Changes –

- *Working Lands Program: 2 positions converted from Limited Service to Permanent*
  - *Ag Development Coordinator - Duties include assistance to the agricultural community in marketing, production and infrastructure development with emphasis on the Working Lands Program. Work is performed under the supervision of the Agricultural Policy Administrator and in conjunction with senior staff in the Ag Development Division. Interaction with various agricultural producers, marketing groups, and media representatives is involved. Position works directly with the Working Lands Enterprise Board.*
  - *Grants Program Specialist – Duties include development of requests for proposals, collection of data for board, contract and grant development, performance measures and grant management, including tracking of reports, measurables and proper invoicing and payment for the working lands program.*
- *Ag Development Coordinator – ACT 250- received grant to move position from temporary to limited service – grant approved through JFO August 2013*
- *Ag Recovery Specialist – Limited service position – funding ends April 2014*

# Agency of Agriculture Budget

## Agricultural Development

### Grants —

- *Farm to School - \$75,000 GF*
- *Local Food Market Development - \$40,000 GF*
- *Agricultural Event Sponsorship - \$25,000 GF*
- *VT Sustainable Jobs Fund Farm to Plate - \$85,312 GF*
- *VT Sustainable Jobs Fund VT Ag & Forest Product Development - \$50,000 GF*
- *Working Lands Grants - \$1,279,963 GF*
- *VT Dairy Promotion Council - \$75,000 SF*
- *Farm to School - \$70,000 IDT from VDH (CDC \$)*
- *VT Farmland Conservation - \$300,000 pass through SF*
- *Specialty Crop Block Grants - \$170,000 Federal Funds*

# Agency of Agriculture Budget

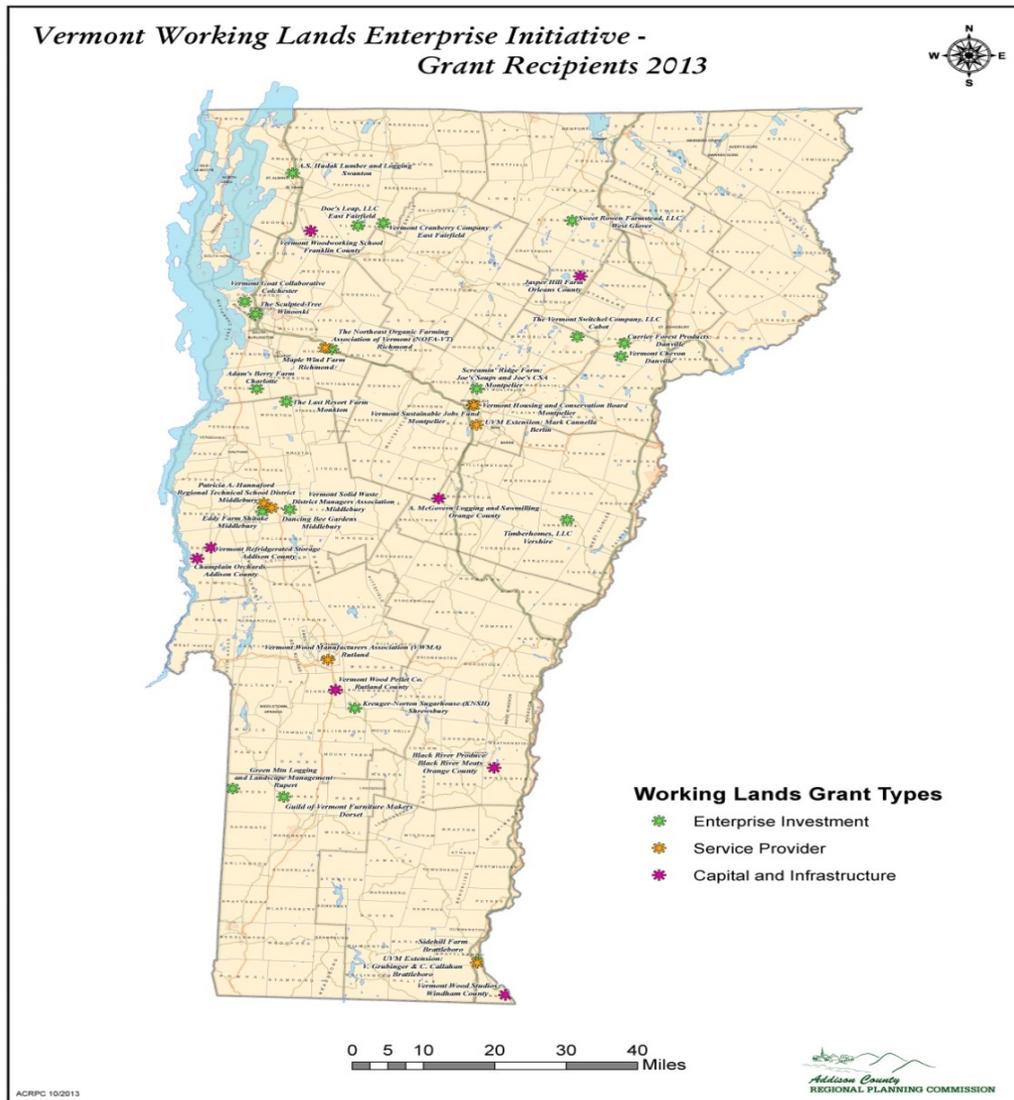
## Working Lands Budget FY 14 versus FY 15

### Working Landscape Enterprise Initiative FY 2014 to FY 2015 Appropriation

	FY 2014 As Passed	FY 2015 Requested	Increase /(Decrease) from '14 to '15
<b>Personal Services:</b>			
2 Working Lands Enterprise Initiative Positions	130,194	122,182	(8,012)
Per Diem - Working Lands Enterprise Board Members	11,400	11,400	0
Contractual/Consultants	0	21,000	21,000
<b>Operating:</b>			
Board Member Travel & Meals	26,860	26,860	0
Operating: Advertising, conference calling, meeting/conference registration, other operating	41,351	38,595	(2,756)
<b>Grants:</b>			
Working Lands Enterprise Fund	1,215,195	1,279,963	64,768
<b>Total:</b>	<b>1,425,000</b>	<b>1,500,000</b>	<b>75,000</b>

- Agency is supporting the Working Lands Initiative with a 3<sup>rd</sup> full time employee from base budget
- Positions cost lower due to benefit savings
- Contractual/Consultants assistance for grants management system development
- Operating funds reduced – Experience lower cost to operate
- Grants increased

# Agency of Agriculture Budget Working Lands – Map and numbers



## Enterprise Funding Totals

6 Forestry	\$58,535
14 Agriculture	\$145,871
<b>20 Total Investments</b>	<b>\$219,406</b>

## Service Provider Funding Totals

2 Forestry	\$98,000
6 Agriculture	\$271,802
<b>8 Total Investments</b>	<b>\$369,802</b>

## Capital and Infrastructure

### Funding Totals

4 Forestry	\$208,153
4 Agriculture	\$203,369
<b>8 Total Investments</b>	<b>\$411,522</b>

# Agency of Agriculture Budget

## Performance Based Budgeting Pilot – Working Lands Initiative

- Objective/Performance Measure
  - ***Working lands: To advance entrepreneurship develop business and increase the value of Vermont raw and value added products in order to develop Vermont Agricultural and Forest product economies***

Performance Measure	FY 13 Target/Actual	FY 14 Target/Estimate	FY 15 Estimate
Number of raw jobs created (normalized against regional economic data)	0/0	0/45	60
Increase in gross income over previous calendar year	0/0	0/\$146,871	\$183,588
Increase in Vermont sources value added products	0/0	0/\$34,441	\$51,662

# Agency of Agriculture Budget

## Agricultural Development Program Examples

- **Working Lands Initiative**

Program	How much did we do?	How well did we do it?	Is anyone better off?	Potential Improvements
<p>Working Lands Initiative Act 142, created the Working Lands Enterprise Fund (WLEF) &amp; the Working Lands Enterprise Board (WLEB).</p> <p>Three Areas for investment:</p> <ol style="list-style-type: none"> <li>1. Enterprise Investments</li> <li>2. Service Provider Grants</li> <li>3. Capital &amp; Infrastructure Investments</li> </ol>	<p>Enterprise Investment Grants May 2, 2013 – 191 applicants for \$2.1 Million Range \$3,000 to \$15,000 Total - <b>\$219,406</b> 20 grants</p> <p>Service Provider Grants June 20, 2013 27 Applicants for \$1.2 million Total <b>\$369,802</b> 8 grants</p> <p>Capital and Infrastructure Investment June 20, 2013 22 Applications for \$2.2 million Total <b>\$411,522</b> 8 grants</p>	<p>First round of grants from funds approved in FY 13 budget.</p> <p>Enterprise Investment Grant 191 applications Service Provider Grants 84 Letters of Intent Capital and Infrastructure Investments 112 letters of intent</p>	<p>VT Cranberry Company received \$15,000 for Enterprise Investment to build a cranberry juice press room, solar cranberry dehydrator and a walk in freezer on their farm.</p>	<p>Continue to streamline the grant process and to assess impact of earlier grants provided.</p>

# Agency of Agriculture Budget

## Agricultural Development Program Examples

- **Communication and Promotion**

Program	How much did we do?	How well did we do it?	Is anyone better off?	Potential Improvements
<p>Communication and Promotion</p> <p>Growth &amp; Viability of Ag</p> <p>Generic promotion of the dairy industry &amp; dairy products to increase awareness &amp; consumption</p>	<p>Award Winning Dairy products</p> <p>VT Life 2 page spread for 11 dairy processors.</p> <p>6 videos of Chefs using dairy products in recipes</p> <p>News, Blogs and web based advertising</p>	<p>Chefs and dairy processors utilizing videos to promote their products</p>	<p>Marketing to expand sales of Vermont dairy products.</p> <p>Expect sales data in calendar year 2014</p>	<p>Produce 3 videos in FY 2014 to highlight WQ, community involvement and land use.</p> <p>Continued work on education and promotion of dairy farming</p>

# Agency of Agriculture Budget

## Agricultural Development Program Examples

- **Agri-Business Development**

Program	How much did we do?	How well did we do it?	Was anyone better off?	Potential Improvements
<p>Agri-business development Meat Industry Development program</p> <p>Goal- to support development of vibrant &amp; viable meat value chains</p>	<p>Coordination of Meat Processing Task Force</p> <p>Education for Industry</p>	<p>March 2013 New England Meat Conference</p> <p>*350 meat producers and processors and industry professionals attended</p> <p>*next conference is in March 2014</p>	<p>New meat processing – Black River Produce, VT Salumni</p>	<p>*By 2025 Vermont’s value added meat industry will rival the artisan cheese industry</p>

# Agency of Agriculture Budget

## Agricultural Development Program Examples

- **Agri-Business Development**

Program	How much did we do?	How well did we do it?	Was anyone better off?	Potential Improvements
Farm to School	<p>Farm to School Grants to Schools</p> <p>VT Farm to School Network</p> <p>CDC Funding for Farm to School</p> <p>USDA Funding for Farm to School</p>	<p>*Implementation grants between \$7,500 and \$16,000 – 5 schools</p> <p>*Planning grants \$5,000 each – 4 schools</p> <p>*3 regional meeting of the Farm to School network</p> <p>*CDC funding expanding regional support for Farm to School programing, technical assistance and evaluation</p>	<p>Milton students joined First Lady, Michelle Obama, in DC to plant the garden.</p> <p>Agency continues to represent VT on regional steering committee for the National Farm to School Network</p>	<p>Vermont has been engaged in Farm to School programming since 2006 and is a national leader in the Farm to School Movement.</p>

# Agency of Agriculture Budget

## Agricultural Development Program Examples

- **Education/Workforce Development**

Program	How much did we do?	How well did we do it?	Was anyone better off?	Potential Improvements
Education/ Workforce Development Health and Wellness at the Farm Show – 2013 and 2014	Blood Pressure Screening – 250 Blood Glucose Monitoring – 200 Body Mass Index Information – 200 TDAP Vaccinations – 35 Derma Scan Skin Cancer - 100	2 <sup>nd</sup> year of wellness screening drawing more participants	Important information for farm community.	Continue to increase enrollment in Farm Safety programs and continue fund raising for ROPS program

# Agency of Agriculture Budget

## Lab, Agricultural Resources Management and Environmental Stewardship –(ARMES)

- Regulatory oversight of:
  - Feeds
  - Seeds
  - Fertilizers
  - Pesticides
  - Water Quality
  - Cost Share program for Best Management Practices & Conservation Reserve Enhancement Program
  - Agricultural pest program
  - Laboratory services

# Agency of Agriculture Budget

## Lab, Agricultural Resources Management and Environmental Stewardship –(ARMES)

- FY 2014 As Passed - \$5,442,318
- FY 2015 Proposed - \$6,386,074

	General \$\$	Transp \$\$	Special \$\$	Tobacco \$\$	Federal \$\$	Interdept'l Transfer \$\$	All other \$\$	Total \$\$
<b>Agricultural Resource Management Services FY 2014 Approp</b>	<b>2,383,659</b>		<b>1,911,422</b>		<b>794,341</b>	<b>296,624</b>	<b>56,272</b>	<b>5,442,318</b>
- GF Reductions as per Act 50 - vacancy savings, temps & travel	(16,864)							(16,864)
<b>Personal Services:</b>								
1 Position transferred from Administration			60,322					60,322
1 Small Farm Inspector - approved in '14 but classified in contractual			69,771					69,771
Salary & Benefit changes, Pay Act, etc.	30,408		119,941		(73,618)	9,142		85,873
<i>Mosquito Control - Increase temporary employees &amp; reduction in Vector Management Coordinator</i>	82,024					(24,968)	5,272	62,328
Temporary Employees					(11,148)	28,500		17,352
<b>Other Personal Services:</b>								
<i>Mosquito Control: Moved to Operating for purchase of adulticide</i>	(25,000)							(25,000)
Moved from Grants to Other Personal Services:								
Nutrient Management Program	100,000							100,000
Ag Resource Specialist & Basin Planning	190,000							190,000
Water Quality	56,500							56,500
Database Maintenance Contracts & Vacancy Savings increase	(2,445)		9,400					6,955
DEC \$ for Conservation Innovation Grants less reduction in						34,850		34,850
Radiological Emergency Response preparing contracts								
Moved to Personnel for FY'14 Small Farm Inspector position			(69,771)					(69,771)
Increased water quality contract - Stone Environmental			80,000		10,520			90,520
Pesticide Disposal Contracts			17,000					17,000
<b>Operating:</b>								
<i>Mosquito Control:</i>								
Advertising - PSA's	26,000						4,000	30,000
Other Purchased Services - Lab analysis, etc	56,728					10,000	(12,728)	54,000
Various Supplies	19,235					9,968	3,456	32,659
Microscope	3,500							3,500
Part of Lab Information Management System (1 time purchase)			187,500					187,500
Medical & Lab Supplies; Advertising and Equipment Revolving fund increases	(10,532)		52,388		9,000			50,856
Various line adjustments and redistribution among funding sources	(20,064)		(4,218)		19,445	12,486		7,649
<b>Grants:</b>								
<i>Mosquito Control - Return to level funding for mosquito control districts</i>	(30,000)							(30,000)
Moved from Grants to Other Personal Services:								
Nutrient Management Program	(100,000)							(100,000)
Ag Resource Specialist & Basin Planning	(190,000)							(190,000)
Water Quality	(56,500)							(56,500)
Certainty Enhancement & Conservation Innovation Grants (NRCS - Water Quality)					453,113			453,113
Grant programs completed	(24,230)		(75,000)		(58,775)	(20,852)		(178,857)
<b>Subtotal of increases/decreases</b>	<b>88,760</b>	<b>0</b>	<b>447,333</b>	<b>0</b>	<b>348,537</b>	<b>59,126</b>	<b>0</b>	<b>943,756</b>
<b>FY 2015 Governor Recommend</b>	<b>2,472,419</b>	<b>0</b>	<b>2,358,755</b>	<b>0</b>	<b>1,142,878</b>	<b>355,750</b>	<b>56,272</b>	<b>6,386,074</b>

# Agency of Agriculture Budget

## **Lab, Agricultural Resources Management –(ARM)**

- Position moved from Administration
- Water Quality Specialist (Small Farm Inspector) moved to personnel from contractual – classification fix; position approved in FY 14
- Less reliance on Federal Funds for staffing – moved funds to operating; coupled with a small reduction in two federal grant programs (EPA & CAPS)
- Vector Management Coordinator (all GF) and Temporary Employees for Mosquito Control
- Moved WQ grants to contracts for tighter control
- Stone Environmental Contract for WQ engineering & design – JFO approved grants

# Agency of Agriculture Budget

## Lab, Agricultural Resources Management –(ARM)

### Impact on Vermonters –

- *Water quality is a focus for many Vermonters. Grant funds have been moved to contracts as the Agency tightens its control over contractors' performance.*
- *Mosquito issues are of great concern to Vermonters since EEE deaths in 2012. Enhanced mosquito control budget will increase surveillance and, if warranted, fund aerial spraying to decrease adult mosquito populations.*

# Agency of Agriculture Budget

## Lab, Agricultural Resources Management–(ARM)

### Federal Funds –

*The Lab and Agricultural Resource Management Division receives \$1,142,878 in Federal Funds; a substantial increase from FY 14 due to an increase in Certainty Enhancement & Conservation Innovation Grants (NRCS - Water Quality).*

# Agency of Agriculture Budget

## Lab, Agricultural Resources Management–(ARM)

### Position Changes –

- *One Position moved to the division from Administration*
- *Water Quality Specialist (Small Farm Inspector) mistakenly entered as contractual – moved to personal services; position approved in FY 14*
- *Overall more reliance on Special funds for positions*

# Agency of Agriculture Budget

## Lab, Agricultural Resources Management–(ARM)

### Grants –

- *Farm Agronomic Practices - \$381,674 –GF*
- *Mosquito Control District Grants - \$116,272 - GF*
- *Natural Resource Conservation Council - \$155,500 -GF*
- *Nutrient Management Grants- \$50,000 - GF*
- *VT Association of Conservation Districts - \$57,944 – IDT – EPA 319 grant*
- *Mosquito Control Districts Grants - \$23,728 - SF*
- *Certainty Enhancement Grants - \$25,000 – Federal Funds*
- *National Conservation Innovation Grant - \$390,613 – Federal Funds*
- *Station Conservation Innovation Grant - \$37,500 – Federal Funds*

# Agency of Agriculture Budget

## Lab, Agricultural Resources Management - (ARM) - Program Examples

- Water Quality**

Program	How much did we do?	How well did we do it?	Was anyone better off?	Potential Improvement
Water Quality Protecting the Working Landscape and Environment	213 farms applied to the FAP Program in FY2013 (13 LFOs, 78 MFOs, & 122 SFOs) 20,969 acres of practices were implemented with \$436,814 of program funds administered in FY2013	Water Quality Compliance Corrective Action Letters – 14 (3MFO, 11 SFO) Cease and Desist Orders – 2(SFO) Cases referred to Attorney General Office – 1 Notices of Violation with penalty 24 (1-LFO, 22, MFO, 1- SFO) Assurance of Discontinuance – 2(MFO) Final Orders – 2(MFO)	Farm Agronomic Practices Program: Provides VT farms with state financial assistance for the implementation of soil-based practices that improve soil quality, increase crop production, & reduce erosion & agricultural waste discharges.	The program has grown such that it is projected that the requested funding will continue to surpass the yearly allocation.

# Agency of Agriculture Budget

## Lab, Agricultural Resources Management - (ARM) - Program Examples

- Enforcement and Compliance**

Program	How much did we do?	How well did we do it?	Was anyone better off?	Potential Improvements
Enforcement & Compliance Field inspections to determine compliance of the regulated community.	Land Use Related Activities Farming/Farm Structure determinations – 15 Construction of Farm structures in Floodplain - 3	Farm Structure Variances - 18	Land Use questions continue to increase at the Agency as Ag changes to include more innovative value added activities. Variances assist valued added ag activities meet local and state regulatory requirements.	Agency is working with ACCD to review all aspects of state law governing value added ag activities to determine if a new regulatory structure is possible.

# Agency of Agriculture Budget

## Lab, Agricultural Resources Management - (ARM) - Program Examples

- **Pesticides**

Program	How much did we do?	How well did we do it?	Was anyone better off?	Potential Improvements
Protecting Plant Health & the Environment	<p>*1,634 Applicator Licenses: 569 private, 733 commercial, 135 non-commercial, &amp; 197 government</p> <p>*204 Dealer Licenses: 39 Class A &amp; 165 Class B</p> <ul style="list-style-type: none"> <li>• Class A Dealers are licensed to sell Restricted-Use products &amp; Class B Dealers are licensed to sell outdoor use products in VT.</li> </ul>	<p>Pesticide Enforcement Actions</p> <p>*1 Letter of Warning</p> <p>*8 Cease and Desist orders</p> <p>*5 Notices of Violation with administrative penalty</p> <p>*1 Assurance of discontinuance</p> <p>*1 Final Order</p> <p>*1 License suspension</p>	<p>In calendar year 2013 and the beginning of 2014 – Agency has been involved in major investigation and clean up of a pesticide misuse case in Rutland area.</p>	<p>Pesticide Management Section administers VT's Pesticide Regulations, permitting activities, approves training courses in the handling, storage &amp; use, conducts examinations to ensure applicators are competent to follow prescribed pest control practices, enforces State &amp; Federal laws on the sale &amp; use, &amp; investigates accidents or incidents &amp; consumer complaints on misuse.</p>

# Agency of Agriculture Budget

## Lab, Agricultural Resources Management - (ARMES) - Program Examples

- **Plant Industry**

Program	How much did we do?	How well did we do it?	Was anyone better off?	Potential Improvements
Plant Industry Protecting Plant Health	<ul style="list-style-type: none"> <li>• Mosquito Survey and arbovirus control – extensive survey &amp; sampling efforts in FY13 &amp; after, ongoing throughout 2013 season.</li> <li>• Resting box trap sites, 31 towns in 5 counties</li> <li>• Identified 32,727 mosquitos – 32 species</li> <li>• 2013 – 1,338 mosquito pool samples tested</li> <li>• Identified 27 West Nile Virus samples</li> <li>• Identified 22 Eastern Equine Encephalitis samples</li> <li>• Surveyed moose and deer hunting season for EEE antibodies in sersum – collected 700 blood samples</li> </ul>	2 aerial applications of mosquito adulticide on 8,000 acres in Addison and Rutland counties 8/22/2013 and 8/27/2013	Increased surveillance of mosquito population & technical assistance to mosquito control districts working to control human health issues	Adjust how grant money is utilized by districts to allow more flexibility. Continue to increase surveillance in more counties in summer 2014

# Agency of Agriculture Budget

- Questions – Contact Diane Bothfeld at [diane.bothfeld@state.vt.us](mailto:diane.bothfeld@state.vt.us)

