



# Agency of Agriculture, Food and Markets FY 2019 Budget Presentation

House and Senate Appropriations Committees

2018

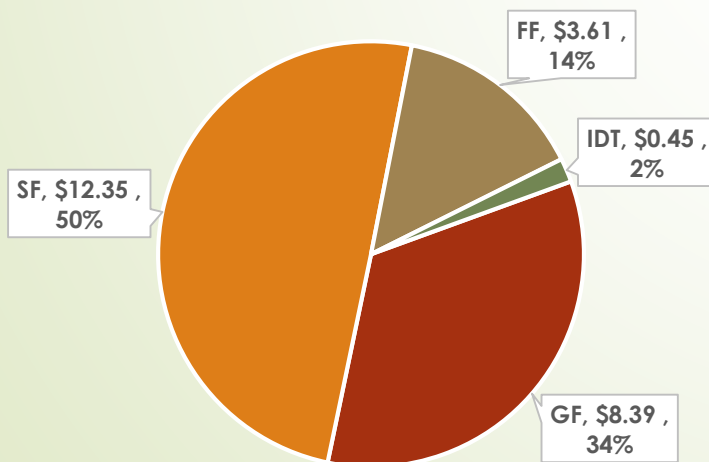
## Agency of Agriculture, Food & Markets FY 2019 Governor's Recommend

### Budget

**MISSION:** 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.

**VISION:** Help develop a safe, secure, ecologically responsive, profitable and fair local foods system for Vermont and Vermont customers which will enable Vermont to be a leader and participant in the global food system. The Agency will do this by assuming a leadership position important to the evolving food system, through access to and the application of resources (human, financial, social and environmental) and by supporting the creation of new opportunities.

Governor's Recommend Budget  
FY 2019 (\$24.8 million)



## FY 2019 SUMMARY & HIGHLIGHTS

- \$369 GF increase over FY 2018 appropriated;
- 5 Exempt, 121 Classified positions;
- Broke ground on VT Agriculture & Environmental Laboratory at VTC Campus;
- Release of RFP and deciding on vendor for Lab Information Management System Replacement;
- Moving forward with multi-year and on-line licensing & registration;
- As water quality regulatory oversight increases on farms the demand for third party technical assistance and on farm implementation efforts are increasing.

# Agency of Agriculture FY'19 Budget

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## ➤ **The Agency is comprised of the six appropriations**

- Administration
- Agricultural Development
- Agricultural Resource Management
- Agricultural and Environmental Laboratory
- Food Safety, Consumer Protection
- Agricultural Clean Water Initiative

## ➤ **The Agency budget maintains staffing and operations to ensure the main areas of focus for the Agency.**

- Water Quality
- Jobs – Agricultural Development, New Businesses and Markets, Fair Marketplace
- Laboratory – New construction
- Food Safety and Public Health – Food Safety Modernization Act, Animal Health, Dairy and Meat

## ➤ **Internal service costs such as Fee for Space, insurances, VISION, etc., are allocated throughout the Agency, generally based on number of positions.**

# Agency of Agriculture FY' 19 Budget

- FY' 19 Total Budget - \$24,832,942
- \$ 8,338,761 General Fund at 34%
- \$12,385,665 Special Funds at 50%
- \$ 3,610,367 Federal Funds at 15%
- \$ 448,149 Interdepartmental Transfer at 2%
  
- \$2,578,001 Net Increase Over FY' 18 (11.6% increase)
- \$ 369 General Fund (.004%)
- \$2,104,419 Special Funds (20.4%)
- \$ 337,122 Federal Funds (10.3%)
- \$ 136,091 Interdepartmental Transfer (43.6%)

# Agency of Agriculture FY'19 Budget

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## Areas of Increase:

- \$ 81,589: USDA NRCS funds for Water Quality - 1 Ag Engineer
- \$ 100,000: Environmental Scientist from DEC
- \$ 170,904: 2 Agricultural Product Specialists – FSMA Grant from FDA -\$3.625 million over 5 years began in FY 18
- \$ 306,602: Annualized Pay Act; \$179,403 = General Fund Portion
- \$ 438,265: One-time – Lab Info Management System – Special Funds
- \$ 445,000: Increase in Statewide Clean Water Fund Grants
- \$1,300,000: One-time – Move to new lab – Special & Federal/Indirect Funds

## Areas of Decrease:

- \$( 7,000): Moved out of leased space
- \$( 35,000): Completion of RCPP Coordinator with DEC
- \$(185,700): Decrease in contractual services – All Funds

# Agency of Agriculture FY'19 Budget

## Position Movement and Additions

|                             |   | Administration | Food Safety<br>Consumer<br>Protection | Agricultural<br>Development | Ag Resource<br>Management | VT Ag &<br>Environmental<br>Laboratory | Ag Clean<br>Water<br>Initiative | Total      |
|-----------------------------|---|----------------|---------------------------------------|-----------------------------|---------------------------|--|---------------------------------|------------|
| <b>FY 2018 Total</b>        |   | <b>16</b>      | <b>39</b>                             | <b>15</b>                   | <b>30</b>                 | <b>14</b>                              | <b>11</b>                       | <b>125</b> |
| * Limited Service Positions | Agriculture Production Specialist (FSMA)<br>(JFO #2885)     |                | 2                                     |                             |                           |  |                                 | 2          |
|                             | Engineer (NRCS) (JFO #2886)                                 |                |                                       |                             |                           |  | 1                               | 1          |
| Internal Position Movement  | Water Quality Section to Clean Water<br>Initiative Division |                |                                       |                             | (14)                      |  | 14                              | 0          |
| External Position Movement  | IT Manager - To ADS   | (1)            |                                       |                             |                           |  |                                 | (1)        |
|                             | Info Tech - To ADS  | (1)            |                                       |                             |                           |  |                                 | (1)        |
|                             | IT Systems Developer - To ADS                               | (1)            |                                       |                             |                           |  |                                 | (1)        |
|                             | Environmental Scientist - From DEC                          |                |                                       |                             | 1                         |  |                                 | 1          |
| <b>FY 2019 Total</b>        |   | <b>13</b>      | <b>41</b>                             | <b>15</b>                   | <b>17</b>                 | <b>14</b>                              | <b>26</b>                       | <b>126</b> |



# Agency of Agriculture FY'19 Budget

## High Profile Budget Items

| Program                               | GF Funding Level |
|---------------------------------------|------------------|
| Fair Stipend                          | \$110,000        |
| 2+2 Farm Scholarship                  | \$152,222        |
| Farm to Plate                         | \$135,000        |
| Natural Resource Conservation Council | \$112,000        |
| Farm to School                        | \$56,250         |
| Farm to School Universal Meals        | \$115,625        |
| Local Foods Grants                    | \$30,000         |
| Working Lands                         | \$594,000        |

# Agency of Agriculture FY'19 Budget

## Crosswalk Overview - Administration



|  | General \$\$     | Special \$\$   | Federal \$\$    | Interdept'l Transfer \$\$ | Total \$\$       |
|--|------------------|----------------|-----------------|---------------------------|------------------|
| <b>Administration: FY 2018 Approp</b>              | <b>1,098,695</b> | <b>630,066</b> | <b>487,719</b>  |                           | <b>2,216,480</b> |
| Management Savings & Rescission (From Base)        | (43,000)         |                |                 |                           | (43,000)         |
| ISF Reductions (From Base)                         |                  |                | (6,595)         |                           | (6,595)          |
| <b>Personal Services:</b>                          |                  |                |                 |                           |                  |
| Decrease Salary & Benefits for IT Positions to ADS | (75,157)         | (147,484)      | (38,292)        |                           | (260,933)        |
| Annualization of Pay Act                           | (9,279)          | 68,358         | (24,658)        |                           | 34,421           |
| Workers' Comp & Vacancy Savings                    | 3,362            |                | (4,705)         |                           | (1,343)          |
| Contractual Services (IT maintenance contracts)    | (700)            |                | 9,594           |                           | 8,894            |
| <b>Operating:</b>                                  |                  |                |                 |                           |                  |
| IT Services - ADS App Support                      |                  | 249,529        |                 |                           | 249,529          |
| Moved out of Leased Space                          | (4,000)          |                | (3,000)         |                           | (7,000)          |
| Change in Internal Service Fund Charges            |                  |                | (1,708)         |                           | (1,708)          |
| IT Lifecycle & ADS Service Level Agreement         |                  | 9,004          | (5,749)         |                           | 3,255            |
| <b>Subtotal of increases/decreases</b>             | <b>(128,774)</b> | <b>179,407</b> | <b>(75,113)</b> | <b>0</b>                  | <b>(24,480)</b>  |
| <b>FY 2019 Governor Recommend</b>                  | <b>969,921</b>   | <b>809,473</b> | <b>412,606</b>  | <b>0</b>                  | <b>2,192,000</b> |

- Adjustments for ADS creation and resulting operating costs. Decrease Salary & Benefits for IT Positions to ADS offset by increase IT Services – ADS App Support & ADS Service Level Agreement agency wide
- Moved out of Capitol Plaza space



# Agency of Agriculture FY'19 Budget

## Crosswalk Overview – Food Safety Consumer Protection

|   | General \$\$     | Special \$\$     | Federal \$\$     | Interdept'l<br>Transfer \$\$  | Total \$\$       |
|---|------------------|------------------|------------------|---|------------------|
| <b>Food Safety Consumer Protection: FY 2018 Approp</b>                | <b>2,661,332</b> | <b>3,672,807</b> | <b>1,074,715</b> | <b>7,000</b>  | <b>7,415,854</b> |
| Management Savings & Rescission (From Base)                           | (10,000)         |                  |                  |   | (10,000)         |
| ISF Reductions (From Base)  | (12,510)         | (3,565)          |                  |   | (16,075)         |
| <b>Personal Services:</b>   |                  |                  |                  |   |                  |
| Annualization of Pay Act  | 97,259           | 25,463           | 27,122           |   | 149,844          |
| Ag Production Specialists - 2 FSMA Positions - JFO<br>#2885           |                  |                  | 170,904          |    | 170,904          |
| Workers' Comp & Vacancy Savings                                       | (8,580)          | 152              |                  |   | (8,428)          |
| Contractual Services (IT maintenance contracts)                       | 42,742           | (32,874)         | (7,406)          |   | 2,462            |
| <b>Operating:</b>   |                  |                  |                  |   |                  |
| Change in Internal Service Fund Charges                               | 18               | 13,519           | 350              |   | 13,887           |
| IT Lifecycle & ADS Service Level Agreement                            | 14,483           | 7,414            |                  |   | 21,897           |
| Redistribution of Funding (Compliance is up so penalties<br>are down) | 44,506           | (44,506)         |                  |   | 0                |
| Move - New Laboratory   |                  | 105,000          |                  |  | 105,000          |
| <b>Subtotal of increases/decreases</b>                                | <b>167,918</b>   | <b>70,603</b>    | <b>190,970</b>   | <b>0</b>  | <b>429,491</b>   |
| <b>FY 2019 Governor Recommend</b>                                     | <b>2,829,250</b> | <b>3,743,410</b> | <b>1,265,685</b> | <b>7,000</b>  | <b>7,845,345</b> |

- Ag Production Specialists – 2 FSMA Positions – FDA Grant
- Move to New Laboratory – Weights & Measures and Animal Health portions

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## Crosswalk Review - Agricultural Development

|   | General \$\$     | Special \$\$   | Federal \$\$     | Interdept'l<br>Transfer \$\$ | Total \$\$       |
|---|------------------|----------------|------------------|------------------------------|------------------|
| <b>Agricultural Development: FY 2018 Approp</b> | <b>1,928,127</b> | <b>625,830</b> | <b>1,233,783</b> | <b>39,500</b>                | <b>3,827,240</b> |
| Management Savings & Rescission (From Base)     | (5,000)          |                |                  |                              | (5,000)          |
| ISF Reductions (From Base)                      | (5,857)          | (847)          | (2,062)          |                              | (8,766)          |
| <b>Personal Services:</b>                       |                  |                |                  |                              |                  |
| Annualization of Pay Act                        | 14,951           | (1,380)        | 624              | 3,329                        | 17,524           |
| Workers' Comp & Vacancy Savings                 | (1,827)          | (317)          | (773)            |                              | (2,917)          |
| Contractual Services (IT maintenance contracts) | (14,855)         |                | (99,900)         | (792)                        | (115,547)        |
| <b>Operating:</b>                               |                  |                |                  |                              |                  |
| Change in Internal Service Fund Charges         | 3,994            | 1,094          | 751              |                              | 5,839            |
| IT Lifecycle & ADS Service Level Agreement      | 2,635            |                |                  |                              | 2,635            |
| Expansion of Agriview                           |                  | 19,680         |                  |                              | 19,680           |
| Miscellaneous Operating Changes                 | (2,100)          | 2,100          | 3,617            |                              | 3,617            |
| <b>Grants:</b>                                  |                  |                |                  |                              |                  |
| Farm To School Philanthropic 5 year commitment  |                  | 20,000         |                  |                              | 20,000           |
| <b>Subtotal of increases/decreases</b>          | <b>(8,059)</b>   | <b>40,330</b>  | <b>(97,743)</b>  | <b>2,537</b>                 | <b>(62,935)</b>  |
| <b>FY 2019 Governor Recommend</b>               | <b>1,920,068</b> | <b>666,160</b> | <b>1,136,040</b> | <b>42,037</b>                | <b>3,764,305</b> |

- Contractual Services Federal State Marketing Improvement Grant ended
- Expansion of Agriview
- Farm to School Philanthropic 5-year commitment

# Agency of Agriculture FY'19 Budget




Crosswalk Review – Ag Resource Management – Slide 1

|  | General \$\$     | Special \$\$     | Federal \$\$   | Interdept'l Transfer<br>\$\$ | Total \$\$       |
|--|------------------|------------------|----------------|------------------------------|------------------|
| <b>Ag Resource Management: FY 2018 Approp</b>    | <b>1,852,119</b> | <b>1,958,384</b> | <b>477,028</b> | <b>207,431</b>               | <b>4,494,962</b> |
| Management Savings & Rescission (From Base)      | (10,000)         |                  |                |                              | (10,000)         |
| ISF Reductions (From Base)                       | (6,563)          | (6,629)          |                |                              | (13,192)         |
| <b>Personal Services:</b>                        |                  |                  |                |                              |                  |
| MOVED TO Ag Clean Water Initiative Appropriation | (695,383)        | (440,478)        | (46,527)       | (207,431)                    | (1,389,819)      |
| Annualization of Pay Act                         | 19,317           | 28,021           | (33,277)       |                              | 14,061           |
| Environmental Scientist (DEC Position)           |                  |                  |                | 95,344                       | 95,344           |
| Workers' Comp & Vacancy Savings                  | (1,339)          | (2,060)          |                |                              | (3,399)          |
| Contractual Services (IT maintenance contracts)  | (7,714)          | 16,584           |                |                              | 8,870            |

- Moving positions to Ag Clean Water Initiative – All water quality in 1 appropriation
- DEC position moved to eliminate nepotism issue

# Agency of Agriculture FY'19 Budget

## Crosswalk Overview – Ag Resource Management – Slide 2



|  | General \$\$       | Special \$\$     | Federal \$\$    | Interdept'l Transfer<br>\$\$  | Total \$\$         |
|--|--------------------|------------------|-----------------|---|--------------------|
| <b>Operating:</b>                                |                    |                  |                 |   |                    |
| MOVED TO Ag Clean Water Initiative Appropriation | (67,579)           | (51,411)         |                 |  | (118,990)          |
| Change in Internal Service Fund Charges          | 1,148              | 3,081            |                 |   | 4,229              |
| IT Lifecycle & ADS Service Level Agreement       | (2,758)            | 169              |                 |   | 2,589              |
| Miscellaneous Operating Changes                  | (7,000)            |                  |                 | 5,071   | 1,929              |
| Move - New Laboratory                            |                    | 45,000           |                 |  | (45,000)           |
| <b>Grants:</b>                                   |                    |                  |                 |   |                    |
| MOVED TO Ag Clean Water Initiative Appropriation | (412,000)          | (35,000)         |                 |  | (447,000)          |
| <b>Subtotal of increases/decreases</b>           | <b>(1,189,871)</b> | <b>(442,723)</b> | <b>(79,804)</b> | <b>(107,016)</b>  | <b>(1,819,414)</b> |
| <b>FY 2019 Governor Recommend</b>                | <b>662,248</b>     | <b>1,515,661</b> | <b>397,224</b>  | <b>100,415</b>  | <b>2,675,548</b>   |

- Operating – Moved to Clean Water Initiative
- Move to New Laboratory – ARM/Plant Industry portion
- Grants – Moved to Clean Water Initiative



# Agency of Agriculture FY' 19 Budget

## Crosswalk Review VT Agriculture and Environmental Lab

|  | General \$\$   | Special \$\$     | Federal \$\$   | Interdept'l Transfer<br>\$\$  | Total \$\$       |
|--|----------------|------------------|----------------|---|------------------|
| <b>VT Agriculture &amp; Environmental Lab: FY 2018</b> | <b>848,119</b> | <b>1,207,787</b> |                | <b>58,127</b>   | <b>2,114,033</b> |
| <b>Approp</b>  |                |                  |                |   |                  |
| ISF Reductions (From Base)                             | (2,762)        | (3,010)          |                |   | (5,772)          |
| <b>Personal Services:</b>                              |                |                  |                |   |                  |
| Annualization of Pay Act                               | 31,888         | 40,997           |                | 2,747   | 75,632           |
| Workers' Comp & Vacancy Savings                        | (2,310)        | (1,128)          |                |   | (3,438)          |
| Contractual Services (IT maintenance contracts)        | (788)          |                  |                |   | (788)            |
| <b>Operating:</b>                                      |                |                  |                |   |                  |
| Change in Internal Service Fund Charges                | 1,008          | 1,100            |                |   | 2,108            |
| IT Lifecycle & ADS Service Level Agreement             | 925            | 2,134            |                |   | 3,059            |
| Redistribution of Funding                              | (18,660)       | 18,910           |                |   | 250              |
| Lab Information Management System Implementation       |                | 438,265          |                |   | 438,265          |
| Move - New Laboratory                                  |                | 800,000          | 350,000        |  | 1,150,000        |
| <b>Subtotal of increases/decreases</b>                 | <b>9,301</b>   | <b>1,297,268</b> | <b>350,000</b> | <b>2,747</b>  | <b>1,659,316</b> |
| <b>FY 2019 Governor Recommend</b>                      | <b>857,420</b> | <b>2,505,055</b> | <b>350,000</b> | <b>60,874</b>   | <b>3,773,349</b> |

- Lab Information Management System – 2<sup>nd</sup> half of new database
- Move to new Laboratory – One-time fit up



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## Crosswalk Review – Ag Clean Water Initiative – Slide 1

|  | General \$\$ | Special \$\$     | Federal \$\$ | Interdept'l Transfer<br>\$\$ | Total \$\$       |
|--|--------------|------------------|--------------|------------------------------|------------------|
| <b>Ag Clean Water Initiative: FY 2018 Approp</b> | <b>0</b>     | <b>2,186,372</b> |              |                              | <b>2,186,372</b> |
| ISF Reductions (From Base)                       |              | (4,534)          |              |                              | (4,534)          |
| <b>Personal Services:</b>                        |              |                  |              |                              |                  |
| MOVED FROM Ag Resource Management Appropriation  | 695,383      | 440,478          | 46,527       | 207,431                      | 1,389,819        |
| Annualization of Pay Act                         | 25,256       | 38,733           | 2,285        | (51,197)                     | 15,077           |
| Agricultural Engineer - JFO #2886                |              |                  |              | 81,589                       | 81,589           |
| Workers' Comp & Vacancy Savings                  | (7,095)      | 4,945            |              |                              | (2,150)          |
| Contractual Services (IT maintenance contracts)  | 24,310       | (114,161)        |              |                              | (89,851)         |

- From Ag Resource Management – All water quality in 1 appropriation
- Agricultural Engineer – JFO #2886 – thank you NRCS
- Contractual Services (IT maintenance contracts)

# Agency of Agriculture FY'19 Budget

## Crosswalk Overview – Ag Clean Water Initiative – Slide 2

|   | General \$\$     | Special \$\$     | Federal \$\$  | Interdept'l Transfer \$\$ | Total \$\$       |
|---|------------------|------------------|---------------|---------------------------|------------------|
| <b>Operating:</b>                               |                  |                  |               |                           |                  |
| MOVED FROM Ag Resource Management Appropriation | 67,579           | 51,411           |               |                           | 118,990          |
| Change in Internal Service Fund Charges         | (26,622)         | 29,033           |               |                           | 2,411            |
| IT Lifecycle & ADS Service Level Agreement      | (1,786)          | 29,458           |               |                           | 27,672           |
| Redistribution of Funding                       | (39,171)         | 39,171           |               |                           | 0                |
| <b>Grants:</b>                                  |                  |                  |               |                           |                  |
| MOVED FROM Ag Resource Management Appropriation | 412,000          | 35,000           |               |                           | 447,000          |
| Increased State Clean Water Fund Grants         |                  | 445,000          |               |                           | 445,000          |
| Completed Agreement with DEC - RCPP Coordinator |                  | (35,000)         |               |                           | (35,000)         |
| <b>Subtotal of increases/decreases</b>          | <b>1,149,854</b> | <b>959,534</b>   | <b>48,812</b> | <b>237,823</b>            | <b>2,396,023</b> |
| <b>FY 2019 Governor Recommend</b>               | <b>1,149,854</b> | <b>3,145,906</b> | <b>48,812</b> | <b>237,823</b>            | <b>4,582,395</b> |

- From Ag Resource Management to Ag Clean Water Initiative – operating and grants
- Increased State Clean Water Funds Grants
- Completed Agreement with DEC RCPP Coordinator

# Agency of Agriculture FY'19 Budget

## Results Based Accountability – Working Lands Enterprise Initiative

OBJECTIVE: 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'15 Cumulative | FY'16 Cumulative | FY'17 Cumulative | FY'18 Cumulative Estimates | FY'19 Estimates |
|---------------------------------|------------------|------------------|------------------|----------------------------|-----------------|
| Number of Jobs Created          | 82               | 367              | 424              | 474                        | 50              |
| Average % increase in output    | 93%              | 77%              | 33%              | 50%                        | 50%             |
| Total Cumulative Gross Increase | \$8.88 million   | \$11.08 million  | \$19.73 million  | \$23.5 million             | \$27.28 million |

# Agency of Agriculture FY'19 Budget

## RESULTS BASED ACCOUNTABILITY – FOOD SAFETY CONSUMER PROTECTION

OBJECTIVE: 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.

| Performance Measure  | FY'15  | FY'16  | FY'17  | FY'18<br>Estimates | FY'19<br>Targets |
|--|--------|--------|--------|--------------------|------------------|
| Number of Licenses/ registrations /permits overseen by division  | 18,677 | 18,345 | 20,322 | 22,462             | 23,585           |
| Number of inspections completed by division  | 15,136 | 17,981 | 16,725 | 18,071             | 18,975           |
| Number of compliance activities completed by the division that go beyond the level of field staff (action taken by management) | 331    | 183    | 153    | 220                | 231              |

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## RESULTS BASED ACCOUNTABILITY – MOSQUITO (TICK) CONTROL

OBJECTIVE: Per 6 VSA Sections 1082-1085 the Mosquito Control Program exists to conduct statewide surveillance of biting arthropod habitat and provide financial and technical assistance to the Mosquito Control Districts (MCDs) with their nuisance mosquito control efforts.

| Performance Measure   | FY'15  | FY'16   | FY'17  | FY'18   | FY'19 Targets |
|---|--------|---------|--------|---------|---------------|
| Number of mosquito pools collected & tested   | 3,245  | 3,866   | 3,244  | 4,306   | 3,500         |
| Percentage of collected mosquito pools with Eastern Equine Encephalitis or West Nile Virus detected | 0.49%  | 2.52%   | 0.59%  | 2.07%   | 1.00%         |
| Number of mosquitoes collected & identified   | 67,335 | 146,238 | 92,193 | 108,288 | 100,000       |

\*Note: Performance measure data are based on summer field season data rather than fiscal year. Example: FY'15 data represents survey and analytical results for the period May 1 through October 1, 2014.



# Agency of Agriculture FY'19 Budget

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## Results Based Accountability – Joint with ANR on MOU responsibilities on Water Quality

| Measure   | Value   | Limitations  |
|---|---|--|
| <b>The number of complaints received each year</b>  | Provides a general measure of # of citizen complaints each year.  | Represents only what the public knows to file a complaint on. Does not represent violations found via inspection, etc.   |
| <b>The number of complaints closed each year</b>  | Represents investigations of complaints & responsiveness. Represents resolution (mostly, compliance gained but often court orders or enforcement actions to do so) of violations. | Does not represent the actions taken by each agency to address violations identified by other measures, such as inspections, etc.  |
| <b>The number of joint referrals to the Attorney General's Office</b>                                   | Represents the agreement between the two agencies that a violation was identified. Represents agreement on next steps (i.e. prosecution).   | Potential cases are driven by complaints & inspections, not by the agencies themselves; numbers may increase or decrease based on factors outside of the agencies control. |
| <b>The number of staff hours specifically dedicated to process improvement and better communication</b> | Demonstrates the commitment to increased cooperation required for successful implementation of the MOU.   | Difficult to quantify the ancillary "relationship building" and knowledge building that occurs as meeting regularity increases.  |

| Performance Measure (calendar year)  | ANR 2016    | AAFM 2016 | ANR 2017  | AAFM 2017 |
|--|-------------|-----------|---|-----------|
| <b>No. of agricultural water quality complaints received</b>                 | 40          | 107       | 68  | 122       |
| <b>No. of agricultural water quality complaints closed</b>                   | 49          | 134       | 50  | 141       |
| <b>No. of joint referrals to Attorney General's Office</b>                   | Not tracked |           | 4   |           |
| <b>No. of staff hours dedicated to process and communication improvement</b> | No data     |           | Lean event:<br>ANR: 88 AAFM: 48<br>NEEP training:<br>ANR: 140 AAFM: 360 |           |

<sup>[1]</sup> Because a complaint is closed when the investigation is resolved, complaints received during previous years may be closed in the current or a future year.

<sup>[2]</sup> These hours are driven by staffing levels dedicated to each activity and not necessarily a commitment from either agency to participate in the process.

# Agency of Agriculture FY'19 Budget

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Continued Growth in Value Added Agriculture

## Dairy Processing Facilities

- FY 2015 – 100
- FY 16 - 126
- FY17143
- FY18 to date – 146
- Expansions – Maplebrook in Bennington, Ben & Jerry's in St. Albans and Commonwealth in Brattleboro

## Meat Slaughter and Processing Facilities

- Interest - FY18 to date
- Barnard – State inspected poultry
- Essex Center - State inspected Jerky processing
- Newport – Federal inspected Ready to Eat Pizza
- Bridport – Federal inspected pork processing
- Charlotte – State inspected red meat processing
- Pawlet – State inspected red meat slaughter
- Montpelier – State inspected red meat & poultry processing
- Vershire – State inspected Red meat slaughter and processing
- Working with several parties wishing to develop custom processing operations in several different areas of the state.
- Potential to establish a processing operation in the Westminster/So. VT area.
- 2 Retail operations reopening & existing businesses wanting to add meat to products pizza and bakeries.
- Also a request to add meat grading to services provided.

| Meat Handler License Numbers              | 2016 | 2017 | Change |
|---|------|------|--------|
| 4-D Handler                               | 3    | 2    |        |
| Animal Food Manufacturer                  | 7    | 7    |        |
| Broker, Meat or Poultry Products          | 5    | 2    |        |
| Custom Packing Plant                      | 26   | 27   | +1     |
| Custom Poultry Slaughterhouse             | 1    | 1    |        |
| Custom Slaughterhouse                     | 2    | 2    |        |
| Federal Commercial Packing Plant          | 23   | 25   | +2     |
| Federal Commercial Poultry Slaughterhouse | 4    | 5    | +1     |
| Federal Commercial Slaughterhouse         | 9    | 7    |        |
| Public Warehousemen                       | 3    | 7    | +4     |
| Renderer                                  | 4    | 4    |        |
| State Commercial Packing Plant            | 10   | 10   |        |
| State Commercial Poultry Slaughterhouse   | 5    | 3    |        |
| State Commercial Slaughterhouse           | 3    | 2    |        |
| Wholesalers                               | 154  | 127  |        |

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## 20 New Initiatives

- ▶ Food Safety Modernization Act – FDA Grant and Building a State Program
- ▶ Partner with UVM for Produce Farmer Education of the upcoming regulation
- ▶ Hiring and training of Staff at the Agency
- ▶ Develop inspection requirements – frequency, results and enforcement
- ▶ Preparation for on-farm readiness reviews – requirement of FDA
- ▶ Capital Grant – FY18 round underway
- ▶ PIVOT Initiatives
- ▶ On-Line Licensing and Registration w/Credit Card Payment Option – Obtaining scope of work and cost estimate from database vendor to implement on-line licensure
- ▶ Grants Management System – Improved timing of grants from
  - ▶ Average number of days it took to fully execute a grant agreement in 2016 was 101 days.
  - ▶ Average number of days it took to fully execute a grant agreement in 2017 was 77 days.
  - ▶ The baseline score for grant program manager satisfaction was 60.71%
- ▶ LFO Lean Process
  - ▶ Internal Staff mapped out the current LFO permitting business process.
  - ▶ Timelines were assigned to critical steps in the process that could expedite the permitting process

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- ▶ Challenges
  - ▶ Continued growth in dairy processing
  - ▶ Continued growth in meat slaughter and processing
  - ▶ Building a new produce regulatory program
  - ▶ Continued growth in water quality – working with an ever greater number of farmers
    - ▶ Greater inspection and reports
    - ▶ Greater enforcement
    - ▶ Greater need for technical assistance
    - ▶ Pleased to have 7 engineers to assist farmers with implementing practices to protect water quality



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➤ Questions

