

NATURAL RESOURCES AND RECREATION

Agency 495

Department of Agriculture

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2007-09 Expenditure Authority	752.2	28,223	102,958	131,181
Supplemental Changes				
Risk Management			212	212
Online Recruiting Service		12	25	37
Pension Plan 1 COLA Funding		4	12	16
PEBB Rate Reduction		(205)	(983)	(1,188)
Subtotal - Supplemental Changes		(189)	(734)	(923)
Total Proposed Budget	752.2	28,034	102,224	130,258
Difference		(189)	(734)	(923)
Percent Change	0.0%	(0.7)%	(0.7)%	(0.7)%

SUPPLEMENTAL CHANGES

Risk Management

Ongoing funding is provided for two positions (Internal Auditor and Human Resources Consultant) to address critical gaps in the Department’s basic administrative structure. These positions complete the first phase of a multi-year effort to meet essential administrative and operational needs identified by an independent management analysis. An internal auditor will ensure agency compliance with state and federal accounting standards. The human resources consultant will conduct personnel-related investigations and make recommendations for corrective actions, coordinate workplace safety efforts, assess reasonable accommodation needs of people with disabilities, and work on agency-wide succession planning. (Agricultural Local Account-State, Grain Inspection Revolving Account-State, Fruit and Vegetable Inspection Account-State)

Online Recruiting Service

To support the state's online recruitment tool (E-Recruiting), additional funds are provided for a one-time charge from the Department of Personnel. This will improve the ability of agencies to manage their recruitment and hiring processes as required by the Personnel System Reform Act of 2002.

Pension Plan 1 COLA Funding

Funding was provided in the 2007-09 budget for the additional employer contributions to retirement systems required by modifications to the eligibility criteria for the uniform COLA in the Public Employees' Retirement System Plan 1 (PERS 1) and the Teachers' Retirement System Plan 1 (TRS 1) in Senate Bill 5175. This item moves that funding from the State Employee Compensation Adjustments agency into individual agency budgets. (General Fund-State, other funds)

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PEBB Rate Reduction

The state contributes 88 percent of the total weighted average of the employee health care premium and also pays for the cost of dental, life and long-term disability insurance. Total Public Employees Benefit Board (PEBB) expenditures for the 2007-09 Biennium are anticipated to be lower than budgeted because (1) health plan costs for calendar year 2008 are lower than expected, which will benefit both the state and its employees; (2) the Uniform Medical Plan continues to perform better than projected; and (3) funding was removed from the PEBB administrative cost allocation for an information technology system replacement due to the restrictive nature of federal funding. The state employer contribution rate will be reduced from \$732 per month to \$575 per month. This one-time reduction will leave an unrestricted fund balance of \$19.2 million at the end of Fiscal Year 2009. (General Fund-State, various other funds).