EXHIBIT 1
DATE 2/10/07
HB 2

| Revenue estimates as of 1/23-NOT APPROVED | 02010 | 02022 | 02070 | 02107 | 02162 | 02216 | 02289 | 02472 | 02576 |
|---|---|---|---|---|---|---|---|---|---|
| Related Funds | Oil & Gas | Future Fish | HazWas | ECA | EQPF | Wa Sto | GRW | Orphan Share | Operations |
| Beginning FY2009 Fund Balance | $312,433 | $1,113,055 | $429,779 | 639,501 | $2,987,113 | $1,420,433 | $0 | $10,632,358 | $4,192,776 |
| RIT Interest | | $500,000 | $287,820 | 175,000 | $99,630 | $0 | $300,000 | | $719,550 |
| Excess coal tax proceeds from debt service and STIP | 10,000 | | 10,000 | 15,000 | | | | | |
| RIGWA | | | 293,711 | | 293,711 | 150,000 | 366,000 | | |
| Metal Mines Tax | | | | | | | | | 832,123 |
| Oil and Gas Tax | | | | | | | | 3,532,456 | 1,713,064 |
| Other Income | 67,000 | | | | 3,750,000 | | | | |
| FY 2009 Total Revenues & Fund Balance | $389,433 | $1,613,008 | $1,021,310 | $829,501 | $7,130,454 | $1,570,433 | $666,000 | $14,164,814 | $7,457,513 |
| FY 2009 Appropriations | (174,194) | (1,613,008) | (494,755) | 0 | (3,008,135) | (520,628) | (666,000) | (2,747,882) | (5,324,833) |
| FY 2009 Budget Amendment | | | | | | | | | (992,037) |
| Transfers | 25,000 | | | | | | | | |
| Reserved for Capital Appropriations | | | | | | | | | |
| Grant Reversion | | | | | | | | | |
| Projected Fund Balance Ending FY 2009 | $240,239 | $0 | $526,555 | $829,501 | $4,122,319 | $1,049,805 | $0 | $11,416,932 | $1,140,643 |
| Revenues for 2011 Biennium | | | | | | | | | |
| RIT Interest - Direct | 50,000 | 1,000,000 | 436,280 | 350,000 | 151,020 | 500,000 | 600,000 | - | 1,090,700 |
| RIGWA | | | 820,422 | | 820,422 | | 732,000 | | |
| Anticipated reversions | | | | | | | | | 350,000 |
| Short Term Investment Pool - Interest | 20,000 | | 20,000 | | 70,000 | 35,000 | | | |
| Admin Fees | | | | | | 120,000 | | | 6,000 |
| Metal Mines Tax | | | | | | | | | 802,105 |
| Oil and Gas Tax | | | | | | | | 6,201,621 | 3,007,476 |
| Agency Generated Revenues | 100,000 | | | | 7,500,000 | | | | |
| Transfers - From Water Adjudication Account | | | | | | | | | 2,064,139 |
| Fiscal Note - SB 62 | | | | | | | | | 113,000 |
| Projected Fund Balance Beginning FY 2010 | $410,239 | $1,000,000 | $1,803,257 | $1,179,501 | $12,663,761 | $1,704,805 | $1,332,000 | $17,618,553 | $8,574,063 |
| Appropriations for 2011 Biennium | | | | | | | | | |
| RRGL and RDGP Programs | | | | | | | | | |
| UM-Bureau of Mines | | | | | | | (1,332,000) | | (351,772) |
| DNRC - Centralized Services | | | | | | | | | 34 |
| DNRC - Conservation and Resource Devel. | | | | | | | | | (1,337,702) |
| DNRC-Water Resources Division | | | | | | (535,000) | | | (255,899) |
| DNRC-Flathead Basin Commission | | | | | | | | | (195,788) |
| DNRC - Board of Oil & Gas | (200,000) | | | | | | | | |
| DNRC - Forestry/Trust Lands | | | | | | | | | (199,762) |
| DEQ-Central Management | | | | | | | | | (116,526) |
| DEQ-Planning, Prevention & Assistance | | | (181,100) | | | | | | |
| DEQ-Enforcement | | | | | | | | | (10,192) |
| DEQ-Remediation | | | (42,517) | | (9,333,307) | | | (28,566) | |
| DEQ-Permitting & Compliance | | | (864,134) | | | | | | (4,026,723) |
| Future Fisheries | | (1,000,000) | | | | | | | |
| Judiciary-Water Court | | | | | | | | | (2,064,139) |
| Library Commission-State Library | | | | | | | | | 10 |
| Governor's Office - Emergency Authority | | | | (1,179,501) | | | | | |
| HB 13 Pay Plan | | | 0 | | 0 | | | 0 | - |
| Total Appropriations | ($200,000) | ($1,000,000) | ($1,087,751) | ($1,179,501) | ($9,333,307) | ($535,000) | ($1,332,000) | ($28,566) | ($8,558,459) |
| Ending Fund Balance | $210,239 | $0 | $715,506 | $0 | $3,330,454 | $1,169,805 | $0 | $17,589,987 | $15,604 |

Note: This plan requires statutory change to transfer funds from the adjudication account to the operations account. This could be done with a committee bill or in the companion bill to HB 2. OBPP recommends reductions in DEQ to include $25,000 in the Hard Rock contracted services (Environmental Management Bureau) in FY 2011 and a $25,000 reduction in the Coal contracted services (Industrial energy Minerals Bureau) in FY 2011. This plan is also based on funding DNRC - CARDD from the coal tax shared acct. (DNRC DP 2308)

## Current Appropriations

Department of Natural Resources and Conservation
Coal Tax Shared State Special Revenue

| | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
|---|---|---|---|---|
| Beginning Balance | $251,805 | $938,395 | $1,324,241 | $1,387,800 |
| Expenditures | | | | |
| Montana State Library - base | 550,007 | 550,007 | 550,007 | 550,007 |
| Montana State Library - OTO | 0 | 0 | 200,000 | 200,000 |
| Natural Resources & Conservation - base | 866,781 | 866,779 | 874,553 | 875,994 |
| Natural Resources & Conservation OTO | 0 | 0 | 0 | 0 |
| Agriculture - base | 371,742 | 614,368 | 538,476 | 509,494 |
| Agriculture - OTO | 0 | 0 | 300,000 | 300,000 |
| Total Expenditures | 1,788,530 | 2,031,154 | 2,463,036 | 2,435,495 |
| 12/15 Executive Reductions | 0 | 0 | (9,595) | (9,716) |
| Revenues | 2,475,120 | 2,417,000 | 2,517,000 | 2,636,000 |
| Ending Fund Balance | $938,395 | $1,324,241 | $1,387,800 | $1,598,021 |

Note: Subcommittee did not approve $868,383 in FY10 and $934,415 in FY11 for DNRC

9-Feb-09

## OBPP Proposal

Department of Natural Resources and Conservation
Coal Tax Shared State Special Revenue

| | FY 2008 | FY 2009 | FY 2010 | FY 2011 |
|---|---|---|---|---|
| Beginning Balance | $251,805 | $938,395 | $1,324,241 | $701,417 |
| Expenditures | | | | |
| Montana State Library - base | 550,007 | 550,007 | 550,007 | 550,007 |
| Montana State Library - OTO | 0 | 0 | 100,000 | 100,000 |
| Natural Resources & Conservation - base | 866,781 | 866,779 | 1,560,936 | 1,610,409 |
| Natural Resources & Conservation OTO | 0 | 0 | 100,000 | 100,000 |
| Agriculture - base | 371,742 | 614,368 | 538,476 | 509,494 |
| Agriculture - OTO | 0 | 0 | 300,000 | 300,000 |
| Total Expenditures | 1,788,530 | 2,031,154 | 3,149,419 | 3,169,910 |
| 12/15 Executive Reductions | 0 | 0 | (9,595) | (9,716) |
| Revenues | 2,475,120 | 2,417,000 | 2,517,000 | 2,636,000 |
| Ending Fund Balance | $938,395 | $1,324,241 | $701,417 | $177,223 |

Note: To implement requires reduced OTO appropriations in DNRC and Library, and approval of DNRC funding switch from RIT - Operations to coal tax shared account. (DNRC - DP 2307, DP 2308)